2022 01G 0709

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

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

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

SUPPLEMENTAL REPORT TO NINTH 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., CANADA FLUORSPAR INC., CFI NEWSPAR HOLDINGS INC. AND NEWSPAR;

June 5, 2023

Grant Thornton

Grant Thornton Limited,
Court Appointed Monitor

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

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APPENDICES

A – Amended and Restated Redacted Share Purchase Agreement dated June 6, 2023 (redacted)

B – Further amended reverse vesting order

C – Notice to unsecured creditors issued by the Monitor for the hearing on June 6, 2023

INTRODUCTION

1. This is a Supplemental Report to the Monitor's 9th Report ("**Supplemental Report**") dated May 29, 2023. The purpose of this Supplemental Report is to provide stakeholder with an update on the proceeding and on matters to be heard on June 6, 2023. Readers are encouraged to read that report, as well as all other reports from the Monitor.

PURPOSE OF THE REPORT

2. The purpose of this Supplemental Report is to advise the Court with respect to the following:

   a) Addition of the present and former directors and officers to the release provided in paragraph 24 of the proposed RVO;

   b) Advise the Court as to changes requested by the Purchaser to the SPA to change

   i. Remove the concept of subscribing to new shares; and

   ii. Changing the mechanism by which the payment of the proceeds is paid into the CCAA proceeding to reflect a financing for the Cash Consideration

   c) Seeking the following Orders:

      i. Approving this Supplemental Report to the Monitor's Ninth Report.

TERMS OF REFERENCE

3. In preparing this Supplemental 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.

4. 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 Supplemental Report is based solely on the information (financial or otherwise) made available to the Monitor by the Company and its Management.

5. This Supplemental 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 Supplemental Report contrary to the provisions of this paragraph.

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

CHANGE TO THE RELEASE – PARAGRAPH 24

7. The Purchaser and Monitor have agreed to expand the release included in paragraph 24 of the RVO to "the present and former directors, officers".

8. There are currently no directors or officers.

9. The Monitor notes that the former directors and officers:

   a) Made extensive efforts and contributions to the restructuring prior to the commencement of the insolvency proceeding by assisting the senior secured creditors, and ultimately the Interim Receiver, transition the operations of CFI into the interim receivership, and assisted that transition by starting to move the operations into warm idle, began the process to terminate employees required by the transition to warm idle, and sought to conserve cash to help support the stakeholders as they planned for, and moved into, the insolvency proceedings;

b) The Monitor is unaware of any outstanding directors claim or liabilities against its directors and officer that would not otherwise be carved out in the proposed release. Workplace NL had commenced a claim against the directors and officers and that claim has been paid;

c) The release has been narrowed as it carves out and preserves claims that are not permitted to be released by s.5.1(2) of the CCA, does not include claims arising from fraud or willful misconduct, and regulatory and environmental obligations are also carved out and preserved (paragraph 25). The release is not known to materially prejudice any stakeholders;

d) Although the inclusion of the present and former directors and officer in the release was not contemplated in the original filing materials, the concept of a release was included in the original materials filed;

e) The release will enhance the certainty and finality of the transaction; and

f) The inclusion of the current and former directors and officers in the release is not opposed by the DIP Lenders or CRA.

CHANGE TO THE SPA

10. On June 4, 2023 the Purchaser advised the Monitor it was requesting changes to the SPA to reflect the Cash Consideration changing from a subscription for shares in Canada Fluorspar Inc. ("**CFI**") to a financing being advanced to Canada Fluorspar (NL) Inc. ("**CFI NL**") The proceeds being paid is not changing. The changes were not agreed until well after business hours on June 5, 2023. A black line version of the proposed changes to the SPA are attached hereto as **Appendix "A"**. Those changes are:

a) Removing the subscription of new shares in Canada Fluorspar Inc.("**CFI**"), and therefore the Subscription Agreement. The Purchaser will only be acquiring the existing shares of CFI;

b) The Cash Consideration payable to the Monitor shall be contributed to CFI NL by way of a financing from a third party and paragraph 2.2 (2) and 3.2 (1) have been adjusted to reflect the change in mechanics of the payment. The previous version contemplated the Cash Consideration would be paid for the subscription of new shares in CFI;

c) The SPA is still not subject to a financing condition as confirmed in section 3.2 (1). The revised SPA still requires the Purchaser to cause the Financing Amount to be paid to the Monitor and the Purchaser acknowledges and confirms that this Agreement is not subject to financing; and

d) The Purchaser no longer contemplates the termination of the remaining employees prior to closing. In the previous agreement that concept was in paragraph 2.2 (8) and in this amended version the concept has been deleted in its entirety.

11. The safeguard for stakeholders remains in place in that the Monitor's Certificate is only issued on closing and once the Cash Consideration is received.

12. The purpose of the change, as advised by the Purchaser, is for tax planning purposes and speed to closing.

13. There are no changes to the schedules, exhibits or the closing date.

14. There is no known impact to the stakeholders of the CCAA proceeding.

15. The DIP Lenders remain supportive of the proposed Transaction.

16. Further revisions to the RVO to effect the above noted changes are attached hereto as **Appendix "B"**.

NOTICE TO UNSECURED CREDITORS

17. The notice to unsecured creditors contemplated in paragraph 68 of the Monitor's Ninth Report is attached hereto as **Appendix "C"**.

RECOMMENDATION

18. The Monitor remains supportive of the proposed Transaction as it remains in the best interest of the stakeholders.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 5th day of June 2023.

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”

Execution Version

AMENDED AND RESTATED

SHARE PURCHASE AGREEMENT

OF

CANADA FLUORSPAR INC.

CANADA FLUORSPAR (NL) INC.

NEWSPAR, a general partnership

CFI NEWSPAR HOLDINGS INC.

BY

[redacted]

DATED ~~May 26~~June 6, 2023

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AMENDED AND RESTATED
SHARE PURCHASE AGREEMENT

This Amended and Restated Agreement dated ~~May 25~~June 5, 2023 is made

BETWEEN

Canada Fluorspar Inc. ("CFI")

Canada Fluorspar (NL) Inc. ("CFNL")

Newspar, a general partnership

CFI Newspar Holdings Inc.

(collectively, the "**Acquired Entities**" and each an "**Acquired Entity**")

- and -

[redacted]

(the "**Purchaser**")

RECITALS

A. On February 21, 2022, Grant Thornton Limited ("**GTL**") was appointed as interim receiver and manager of the current and future assets, undertakings, and properties of CFI and Canada Fluorspar (NL) Inc., (in such capacity, the "**Interim Receiver**") by Order of the Supreme Court of Newfoundland and Labrador (the "**Court**").

B. On March 8, 2022, the Interim Receiver commenced proceedings (the "**CCAA Proceedings**") in respect of CFI and Canada Fluorspar (NL) Inc., pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") and obtained on March 11, 2022 an initial order under the CCAA (the "**Initial Order**") granted by the Court which appointed GTL as Court-appointed Monitor (the "**Monitor**") of CFI, Canada Fluorspar (NL) Inc. and Newspar, a general partnership, who was added to the proceedings by the Monitor, (CFI, Canada Fluorspar (NL) Inc. and Newspar, a general partnership, are collectively referred to as the "**Original Entities**" in the CCAA Proceedings) and provided the Monitor with enhanced powers under the CCAA, including the power to take any and all corporate governance actions for the Original Entities (among other powers).

C. On March 18, 2022, the Monitor on behalf of the Original Entities applied for and obtained an amended and restated Initial Order (the "**ARIO**"), which, among other relief, authorized the Monitor to market and sell the Original Entities, subject to approval of the Court. The ARIO has been further amended on June 10, 2022, August 30, 2022, October 12, 2022 and February 21, 2023, and may be further amended and restated from time to time. At all material times, GTL was confirmed as Court-appointed Monitor of the Original Entities.

D. The Monitor commenced the CCAA Proceedings in order to, *inter alia*, allow the Original Entities to seek creditor protection and for the Monitor to pursue a sale of the Original Entities, their business, assets, or shares, with a view to implementing a transaction which will allow the continuation of the business and operations of the Original Entities, as a going concern.

E. On February 10, 2023, the Monitor and the Purchaser executed a binding letter of intent (the "**LOI**") that, among other things, contemplated the possible acquisition by the Purchaser of 100% of the equity interests of the Original Entities, free and clear of all Encumbrances, conditional upon, among other things, the Court issuing the Approval and Reverse Vesting Order (the "**Transactions**").

F. On May 18, 2023, the Monitor applied for and obtained an order to add CFI Newspar Holdings Inc., as a party to the CCAA proceedings with the Original Entitles (CFI Newspar Holdings Inc., and the Original Entities are hereinafter collectively referred to as the "**Acquired Entities**").

G. ~~The~~On May 25, 2023, the Purchaser and the Monitor, on behalf of the Acquired Entities, ~~has~~entered into the Share Purchase Agreement and agreed that the Transactions will be implemented pursuant to the terms of ~~this~~the Share Purchase Agreement, to be approved pursuant to the Approval and Reverse Vesting Order granted by the Court in the CCAA Proceedings.

H. The Purchaser and the Monitor, on behalf of the Acquired Entities, desire to enter into this Amended and Restated Share Purchase Agreement to reflect a change in the delivery of the Cash Consideration and this Amended and Restated Share Purchase Agreement shall replace in its entirety the initial Share Purchase Agreement dated May 25, 2023 between the Purchaser and the Monitor in respect of these Transactions.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency or which are hereby acknowledged, the Parties (as defined below) agree as follow:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Whenever used in this Agreement the following words and terms shall have the meanings set out below:

"**Acquired Entity**" and "**Acquired Entities**" have the meaning given to them in the preamble of this Agreement.

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement, any written or oral offer, proposal, inquiry or request for discussions or negotiations from any Person or group of Persons "acting jointly or in concert" (other than the Purchaser and its Affiliates) which contemplates, relates to or could reasonably be expected to lead to (in either case in one transaction or a series of transactions):

(a) any direct or indirect acquisition or purchase (or any lease, long-term supply agreement or other arrangement having the same economic effect as a purchase) of: (i) any Retained Assets; or (ii) any voting or equity securities or partnership interests of any of the Acquired Entities (or rights or interests therein or thereto);

(b) any direct or indirect take-over bid, issuer bid, exchange offer, treasury issuance or similar transaction that, if consummated, would result in a Person or joint actors beneficially owning any class of voting or equity securities or any other equity interests (including securities convertible into or exercisable or exchangeable for equity interests) of any of the Acquired Entities;

(c) a plan of arrangement, merger, amalgamation, consolidation, joint venture, partnership, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving any of the Acquired Entities;

(d) any other transaction or series of transactions, the consummation of which would or could reasonably be expected to prevent, impair, or materially interfere with, impede, or delay the transactions contemplated by this Agreement or which would or could reasonably be expected to materially reduce the benefits to the Purchaser under this Agreement; or

(e) any announcement or other disclosure of an intention to do any of the foregoing;

"**Administration Charge**" means the charge granted by the Court in the Order dated March 11, 2022.

"**Affiliate**" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to "**control**" another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term "**controlled**" shall have a similar meaning.

"**Agreement**" means this ~~share purchase agreement~~Amended and Restated Share Purchase Agreement and all the Exhibits and the Schedules attached hereto.

"**Agreement Affecting the Shares/Partnership Interests**" means, other than the rights of the Purchaser under this Agreement, any outstanding or authorized purchase agreements, options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares or partnership interests in the Acquired Entities or obligating the Acquired Entities to issue or sell any shares or interests of, or any other interest in, the Acquired Entities, any voting trusts or agreements, pooling agreements, unanimous shareholder agreements, other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any shares or interests of the Acquired Entities, or any other like agreements that relate to the shares or interests of the Acquired Entities or that are exchangeable or convertible into shares or interests of the Acquired Entities.

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, (i) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law, (ii) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively, the "**Law**") relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of the Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

"**Approval and Reverse Vesting Order**" means an order of the Court in form and substance satisfactory to the Purchaser and Monitor, acting reasonably, in all material respects, substantially in the form of the draft order attached hereto as Schedule 1.1(a) and otherwise acceptable to the Monitor on behalf of the Acquired Entities, and the Purchaser, each acting reasonably, which order shall, among other things, (i) authorize and approve this Agreement and the Transactions, (ii) vest out of the Acquired Entities and into ResidualCo all Excluded Assets, Excluded Contracts, and Excluded Liabilities and discharge all Claims, Liabilities and Encumbrances against the Acquired Entities (other than Permitted Encumbrances), including, without limitation, any and all Agreements Affecting the Shares/Partnership Interests; (iii) vest in and to the Purchaser the Purchased Shares free and clear of all Encumbrances (other than Permitted Encumbrances); (iv) confirm that the transfer of the Existing Interests ~~and the issuance of the Subscription Shares~~ to the Purchaser shall be effective notwithstanding the provisions of any Agreement Affecting the Shares/Partnership Interests, and any and all Agreements Affecting the Shares/Partnership Interests shall be cancelled and of no further force and effect; and (v) confirm that any and all shares, securities, warrants, options, equity interests and partnership interests in the Acquired Entities, if any, other than the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests, shall be cancelled and of no further force and effect, for no consideration, such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests shall represent 100% of the outstanding equity or partnership interests, as applicable, in the Acquired Entities as of the Closing Time.

"**Books and Records**" means the Financial Records and all other books, records, files and papers of the Acquired Entities including (i) drawings, engineering information, manuals and data, sales and advertising materials, sales and purchase correspondence, trade association files, research and development records, lists of present and former customers and suppliers, personnel, employment and other records, (ii) the minute and share certificate books of the Acquired Entities, (iii) all records, data and information stored electronically, digitally or on computer-related media including all emails related to the Business, and (iv) all passwords and other log-in information related to the Business.

"Business" means the business carried on by the Acquired Entities at the time of commencing the CCAA Proceedings of exploration, acquisition, development, and production of the project referred to as the St. Lawrence Fluorspar Project located in St. Lawrence, Newfoundland and Labrador, Canada.

"Business Day" means any day, other than a Saturday or Sunday or any day on which banks are generally not open for business in the City of St. John's, in the Province of Newfoundland and Labrador.

"Cash Consideration" has the meaning set out in Section 3.3.

"CCAA" has the meaning set out in Recital B.

"CCAA Charges" means the Administration Charge, the DIP Lender's Charge and the Interim Receiver's Borrowing Charge as defined in the Interim Receiver Order, the Initial Order and ARIO .

"CCAA Proceedings" has the meaning set out in Recital B.

"CFI" has the meaning given to it in the preamble of this Agreement.

"CFI Equity Interests" has the meaning set out in Section 7.1(11)(a).

"CFI Newspar Equity Interests" has the meaning set out in Section 7.1(11)(c).

"CFNL Equity Interests" has the meaning set out in Section 7.1(11)(b).

"CFNL" has the meaning given to it in the preamble of this Agreement.

"Claim" means any claim, chose in or cause of action, demand, suit, debt, obligation, Legal Proceeding, Liability, Damages, losses, costs, and expenses (including attorneys' fees) of every kind or nature whatsoever, known or unknown, actual or potential, suspected or unsuspected, fixed or contingent.

"Closing" means the completion of the purchase and sale of the Purchased Shares in accordance with the provisions of this Agreement.

"Closing Date" means the Target Closing Date, which the Parties are expecting to be on June 9, 2023, or such earlier or later date as may be agreed to in writing by the Parties.

"Closing Sequence" has the meaning set out in Section 2.2.

"Closing Time" means the time of Closing on the Closing Date provided for in Section 6.1.

"**Confidential Information**" means, in relation to the Acquired Entities or a Party (the "**Discloser**"):

(a) all information, in whatever form communicated or maintained, whether orally, in writing, electronically, in computer readable form or otherwise, that the Discloser discloses to, or that is gathered by inspection by a Party (the "**Recipient**") or any of the Recipient's Representatives in the course of the Recipient's review of the Transactions contemplated by this Agreement, whether provided before or after the date of this Agreement, including information that contains or otherwise reflects information concerning the Discloser or its businesses, affairs, financial condition, assets, liabilities, operations, prospects or activities, and specifically includes financial information, budgets, business plans, ways of doing business, business results, prospects, customer lists, forecasts, engineering reports, environmental reports, evaluations, legal opinions, names of venture partners and contractual parties, and any information provided to the Discloser by third parties under circumstances in which the Discloser has an obligation to protect the confidentiality of such information;

(b) all plans, proposals, reports, analyses, notes, studies, forecasts, compilations or other information, in any form, that are based on, contain or reflect any Confidential Information regardless of the identity of the Person preparing the same ("**Notes**");

(c) the existence and terms of this Agreement, except as may be required by the Monitor for review by the DIP Lenders and its advisors and senior secured creditors and its advisors or to be included in the motion materials to be filed in the CCAA Proceedings in support of the Approval and Reverse Vesting Order, *provided, however*, that if a copy of the Agreement is to be included in the motion materials it shall be redacted to protect such terms the Purchaser and the Monitor, acting reasonably, deems to be confidential in its sole discretion, acting reasonably;

(d) the fact that information has been disclosed or made available to the Recipient or the Recipient's Representatives; and

(e) the fact that discussions or negotiations are or may be taking place with respect to the Transactions, the proposed terms of the Transactions and the status of any discussions or negotiations under this Agreement;

but does not include any information that:

(f) is at the time of disclosure to the Recipient or thereafter becomes generally available to the public, other than as a result of a disclosure by the Recipient or any of the Recipient's Representatives in breach of this Agreement;

(g) is or was received by the Recipient on a non-confidential basis from a source other than the Discloser or its Representatives if such source is not known to the

Recipient to be prohibited from disclosing the information to the Recipient by a confidentiality agreement with, or a contractual, fiduciary, or other legal confidentiality obligation to, the Discloser; or

(h) was known by the Recipient prior to disclosure in connection with the Transactions contemplated by this Agreement and was not subject to any contractual, fiduciary, or other legal confidentiality obligation on the part of the Recipient.

"**Consent**" means any consent, approval, permit, waiver, ruling, exemption or acknowledgement from any Person (other than the Acquired Entities) which is provided for or required: (i) in respect of or pursuant to the terms of any Contract; or (ii) under any Applicable Law, in either case in connection with the sale of the Purchased Shares to the Purchaser on the terms contemplated in this Agreement, to permit the Acquired Entities to carry on the Business after Closing, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement, but does not include a Regulatory Approval.

"**Contracts**" means all pending and executory contracts, agreements, leases, and arrangements (whether oral or written) to which an Acquired Entity is a party or by which an Acquired Entity or any of its properties or assets or the Business is bound or under which an Acquired Entity has rights, including Premises Leases including, without limitation, those contracts, agreements, leases and agreements listed in Schedule "A".

"**Contribution Agreement**" means the contribution agreement in the form as set out in Exhibit "C".

"**Court**" has the meaning set out in Recital A.

"**Damages**" means any loss, cost, Liability, claim, interest, fine, penalty, assessment, damages available at law or in equity (including incidental, consequential, special, aggravated, exemplary or punitive damages), expense (including reasonable costs, fees, and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation) or diminution in value.

"**Deposit**" has the meaning set out in Section 3.1.

"**DIP Lenders**" means 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 His Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology.

"**DIP Lender's Charge**" means the charge granted by the Court in the Order dated March 11, 2022.

"**Discloser**" has the meaning set out in the definition of Confidential Information.

"**Distribution Order**" means an order of the Court to be sought by the Monitor in the CCAA Proceedings that, among other things, authorizes the Monitor to distribute the net proceeds of the Cash Consideration to the creditors of the Acquired Entities in accordance with their relative priorities.

"**Employee**" means an individual who is employed by an Acquired Entity, whether on a full-time or part-time basis.

"**Encumbrances**" means all Claims, security interests (whether contractual, statutory, or otherwise), hypothecs, charges, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, easement, encroachment, servitude, royalties (including the Royalty Agreement), options, right of first offer or refusal, or similar right, restriction on voting, right of pre-emption, right or entitlement under any Agreement Affecting the Shares/Partnership Interests, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other adverse or legal or equitable claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other Order of the Court, including the CCAA Charges; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act of Newfoundland and Labrador or any other personal property registry system, but which, for greater certainty, excludes the Permitted Encumbrances.

"**Environment**" means:

(a) land, including without limitation, surface land, sub-surface strata, sea bed and river bed under water (as defined in paragraph (b)) and natural and man-made structures;

(b) water, including, without limitation, coastal and inland waters, surface waters, aquatic sediment, ground waters, and water in drains and sewers;

(c) air, including, without limitation, air inside buildings and other natural and man-made structures above or below ground; and

(d) any living systems or organisms supported by the media set out in (a), (b), or (c) above.

"**Environmental Indemnity**" means the Environmental Indemnity dated September 22, 2011 among Her Majesty the Queen in Right of Newfoundland and Labrador, Canada Fluorspar (NL) Inc. and Arkema Spar NL Limited Partnership.

"**Environmental Law**" means all national, state, federal, regional, provincial or local laws, common law, statutes, ordinances, directives, regulations, notices, standards having force of law, relevant clean-up standards, judgements, decrees or orders, codes of practice, the requirements and conditions of all Environmental Permits, both express and implied covenants, agreements, circulars, guidance notes (statutory or otherwise), judicial and administrative interpretations of each of the foregoing concerning (without limitation) the protection of human health or the Environment or the conditions of the work place and process safety, or the generation, transportation, storage, treatment or disposal of any Hazardous Substances, as enacted, amended, replaced or supplemented from time to time.

"**Environmental Permits**" means any permits, consents, licences, certificates, notices, filings, lodgements, agreements, directions, declarations, exemptions, variations, renewals and amendments and other authorisations and approvals required or provided under Environmental Law .

"**Excluded Assets**" has the meaning set out in Section 4.1.

"**Excluded Contracts**" has the meaning set out in Section 4.1.

"**Excluded Liabilities**" has the meaning set out in Section 2.3(1).

"**Existing Interests**" means all of the common, preferred and any other shares or securities, options, rights or equity interests of all classes, including any convertible or exchangeable securities into such shares of CFI that are issued and outstanding immediately prior to the Closing Time, including, without limitation, the CFI Equity Interests.

"**Filing Date**" means March 11, 2022.

"**Financial Assurance**" means any and all rights to the $8,084,965 financial assurance currently held by the Government of Newfoundland and Labrador in relation to the current rehabilitation and closure plan, as contemplated by the *Mining Act* (Newfoundland and Labrador), of CFI in respect of the St. Lawrence Fluorspar Project located in St. Lawrence, Newfoundland and Labrador, Canada.

"**Financial Records**" means all of the Acquired Entities' books of account and other financial data and information, and includes all records, data and information stored electronically, digitally or on computer-related media.

"**Financing Amount**" has the meaning set out in Section 2.2(2).

"**Governmental Authority**" means:

(a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);

(b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;

(c) any court, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative, or similar functions; and

(d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

"**GTL**" has the meaning ascribed to it in Recital A.

"**Improvements**" means all buildings, fixtures, sidings, parking lots, roadways, structures, erections, fixed machinery, fixed equipment and appurtenances situate on, in, under, over or forming part of, any real property.

"**Income Tax Act**" means the *Income Tax Act*, R.S.C. 1985, 5th Supplement, as amended, and the regulations thereunder.

"**Information Technology**" means the computer hard drives, and any other computer and information technology equipment and systems owned, used, licenced or held by an Acquired Entity including all emails, back-ups, software and applications.

"**Initial Order**" has the meaning set out in Recital B.

"**Intellectual Property**" means, as set out in Schedule "B", all rights to and interests in:

(a) all business names, trade names, corporate names, telephone numbers, domain names, domain name registrations, website names and worldwide web addresses and other communications addresses used by an Acquired Entity in the Business;

(b) all inventions, patents, patent rights, patent applications (including all reissues, divisions, continuations, continuations-in-part and extensions of any patent or patent application) used by an Acquired Entity in the Business;

(c) all industrial designs and applications for and registration of industrial designs, design patents and industrial design registrations used by an Acquired Entity in the Business;

(d) all trade-marks (whether used with wares or services and including the goodwill attaching to such trade-marks) and registrations and applications for registration of trade-marks and all trade dress, logos, slogans and brand names used by an Acquired Entity in the Business;

(e) all copyright in all works (including software programs and databases) and database rights and registrations and applications for registrations of copyright used by an Acquired Entity in the Business;

(f) all rights and interests in and to processes, lab journals, notebooks, data, trade secrets, designs, know-how, product formulae and information, manufacturing, engineering and other drawings and manuals, technology, blue prints, research and development reports, agency agreements, technical information, technical assistance, engineering data, design and engineering specifications, and similar materials recording or evidencing expertise or information used by an Acquired Entity in the Business;

(g) all other intellectual property rights throughout the world used by an Acquired Entity in carrying on, or arising from the operation of, the Business;

(h) all licenses granted by an Acquired Entity of the intellectual property listed in items (a) to (g) above;

(i) all future income and proceeds from any of the intellectual property listed in items (a) to (g) above and the licenses listed in item (h) above; and

(j) all rights to damages and profits by reason of the infringement of any of the intellectual property listed in items (a) to (g) above and the licenses listed in item (h) above.

"Interim Period" means the period from the date of execution of this Agreement to the Closing Time.

"Interim Receiver" has the meaning set out in Recital A.

"Knowledge of the Monitor" means where any representation or warranty contained in this Agreement is qualified by knowledge of the Monitor, it will be deemed to refer to the actual knowledge of the Monitor, without making inquiries into matters that are the subject of the representation and warranties.

"Law" has the meaning set out in the definition of "Applicable Law".

"Leased Premises" means all real property that is leased, subleased, licensed, or otherwise occupied or used by a Person, including all Improvements thereon, therein or thereunder

"Legal Proceeding" means any litigation, action, application, suit, investigation, hearing, claim, deemed complaint, grievance, civil, administrative, regulatory, or criminal, arbitration proceeding or other similar proceeding, before or by any court, tribunal or Governmental Authority, and includes any appeal or review thereof and any application for leave for appeal or review.

"Liability" means, with respect to any Person, any debt, liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"**License**" means any license, permit, authorization, approval, or other evidence of authority issued or granted to, conferred upon, or otherwise created for, an Acquired Entity by any Governmental Authority related to the Business.

"**Licenses and Leases**" means any and all Licenses, leases (including all mining, mineral and surface leases), and authorizations issued by the Honourable Minister of Innovation, Energy and Technology and/or His Majesty the King in Right of Newfoundland and Labrador and/or the Lieutenant Governor in Council for the Province of Newfoundland and Labrador and/or The Honourable Minister of Government Services and Lands and/or Department of Fisheries and Oceans, Environment Canada and Climate Change Canada or any other Governmental Authorities and in the name of the Acquired Entities related to the Business as of the date hereof, including, without limitation, those Licenses and Leases listed in Schedule "A".

"**LOI**" has the meaning set out in Recital E.

"**Material Adverse Change**" means, with respect to the Acquired Entities any fact or state of facts, circumstance, change, effect, occurrence or event that individually or in the aggregate is, or would reasonably be expected to be, material and adverse to the condition (financial or otherwise), assets, liabilities (contingent or otherwise) or capitalization of the Acquired Entities, or will, or would reasonably be expected to, prevent, materially delay or materially impair the ability of the Acquired Entities to consummate the Transactions, other than any fact, state of facts, circumstance, change, effect, occurrence or event relating to or resulting from: (a) conditions affecting the mining industry generally in Canada, including, without limitation, changes in commodity prices, royalties, applicable Laws or Taxes; (b) any matter which has been publicly disclosed prior to the date hereof (including in any materials publicly filed by the Acquired Entities, including any materials filed as part of the CCAA Proceedings); or any changes in generally accepted accounting principles from time to time approved by the Chartered Professional Accountants of Canada, or any successor institute.

"**Monitor**" means GTL or any other Person appointed by the Court, solely in its capacity as monitor of the Acquired Entities, and shall include, as the context so requires GTL, in its capacity as monitor or trustee in bankruptcy of ResidualCo if appointed by the Court.

"**Monitor's Certificate**" means a certificate signed by the Monitor to be filed with the Court following Closing substantially in the form attached as Schedule "A" to the Approval and Reverse Vesting Order confirming that (i) the Purchaser has paid, and the Monitor, for and on behalf of the Acquired Entities, has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Shares; and (ii) the Monitor has received written confirmation from CFI and the Purchaser that the conditions to be complied with at or prior to the Closing Time as set out in Sections 7.1 and 7.2, respectively, have been satisfied or waived by CFI or the Purchaser, as applicable, pursuant to Section 7.3.

"**Newspar Partnership Interests**" has the meaning set out in Section 7.1(11)(c).

"**Non-Capital Losses**" means the aggregate non-capital losses for the purposes of paragraph 111(1)(a) of the Income Tax Act of the Acquired Entities which arose from carrying on the Business prior to the Closing Time;

"**Notes**" has the meaning set out in paragraph (b) of the definition of Confidential Information.

"**Order**" means any order, directive, judgment, decree, injunction, decision, ruling, award, or writ of any Governmental Authority.

"**Outside Date**" means June 9, 2023 or such later date as the Parties may mutually agree in writing.

"**Party**" means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and "**Parties**" means every Party.

"**Participation Agreement**" means the Positive Free Cash Flow Sharing Agreement in the form set out in Exhibit B attached hereto.

"**Permitted Encumbrances**" has the meaning given to it in the Approval and Reverse Vesting Order.

"**Person**" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators, or other legal representatives of an individual in such capacity.

"**Post-Filing**" means the period after and including the Filing Date.

"**Post-Filing Tax Obligations**" has the meaning given to it in Section 8.3.

"**Premises Lease**" means a lease, an agreement to lease, a sublease, a license agreement and an occupancy or other agreement under which an Acquired Entity has the right, or has granted another Person the right, to use or occupy any Leased Premises.

"**Purchased Shares**" means the Existing Interests ~~and the Subscription Shares~~ purchased ~~and subscribed for, respectively,~~ by the Purchaser pursuant to the terms of this Agreement.

"**Purchaser**" has the meaning given to it in the preamble of this Agreement.

"**Purchase Price**" has the meaning set out in Section 3.2.

"**Receiver's Borrowing Charge**" means the charge granted by the Court in the Order dated February 21, 2022.

"**Recipient**" has the meaning set out in the definition of Confidential Information.

"**Regulatory Approval**" means any approval, Consent, ruling, authorization, notice, permit or acknowledgement that may be required from any Person pursuant to Applicable Law or under the terms of any License or the conditions of any Order in connection with the sale of the Purchased Shares to the Purchaser on the terms contemplated in this Agreement, to permit the Acquired Entities to carry on the Business after Closing or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement.

"**Representative**" when used with respect to a Party, including the DIP Lenders, means each director, officer, employee, agent, consultant, adviser, and other representative of that Party who is involved in the Transactions contemplated by this Agreement, including, without limitation, potential financiers of the Purchaser.

"**ResidualCo**" means a corporation to be incorporated by the Monitor in advance of Closing, to which the Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred to as part of the Closing Sequence.

"**Resource-Related Tax Attributes**" means the cumulative Canadian exploration expense for purposes of section 66.1 of the Income Tax Act and the cumulative Canadian development expense for purposes of section 66.2 of the Income Tax Act of the Acquired Entities which arose from carrying on the Business prior to the Closing Time.

"**Retained Assets**" means all assets of the Acquired Entities that are not Excluded Assets or Excluded Contracts, including, without limitation, the following:

(a) the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests;

(b) any Contracts to be retained as set out in Schedule "A"

(c) Books and Records;

(d) the Tradename;

(e) the Environmental Indemnity;

(f) all deposits of the Acquired Entities with any supplier, public utility, or lessor under any lease;

(g) the Information Technology;

(h) all property, plant, machinery, equipment, motor vehicles, furnishings, furniture, displays and signage, parts, dies, molds, tooling, tools, computer hardware, supplies, accessories, office equipment and other tangible personal and moveable property (other than inventory) owned by the Acquired Entities for use in or relating to the Business and, to the extent transferable, all rights of the Acquired Entities under warranties, indemnities, licenses, and all similar rights of the

Acquired Entities with respect to the equipment, fixed assets and tangible assets referenced herein;

(i) any claims, refunds, causes of action, rights of recovery, rights of set-off, subrogation and rights of recoupment of the Acquired Entities as plaintiff related to the Business;

(j) all legal and title opinions relating to the Business including all legal advice and correspondence related to the Business;

(k) all claims, actions or other rights the Acquired Entities may have for insurance coverage under any past or present policies and insurance contracts or agreements insuring the Business;

(l) the Tax Returns;

(m) all Tax attributes of the Acquired Entities including, for greater certainty, the Non-Capital Losses and the Resource-Related Tax Attributes;

(n) the Financial Assurance;

(o) the Licenses and Leases;

(p) title to and all rights, leases, permits, easements, usage and any other rights related to the Blue Beach marine terminal;

(q) the Intellectual Property;

(r) all other assets required in connection with or related to the operation of the Business;

(s) the non-exhaustive list of assets listed in Schedule C;

(t) any and all assets not included as Excluded Assets or Excluded Contracts or rights related to the Excluded Liabilities; and

(u) any other asset designated by the Purchaser and Monitor, acting reasonably, as a Retained Asset prior to the delivery of the Monitor's Certificate.

"**Retained Liabilities**" means (a) any and all Liabilities relating to the Licenses and Leases incurred or arising after the Closing; and (b) any and all Liabilities relating to the Retained Assets incurred or arising after the Closing.

"**Royalty Agreement**" means the Option Agreement dated November 23, 2015, as amended, between Newfoundland Fluorspar Exploration Ltd. and Canada Fluorspar (NL) Inc. and the resulting royalty granted under such agreement.

~~"**Subscription Agreement**" means the form of subscription agreement set out in Exhibit A.~~

~~"**Subscription Amount**" has the meaning set out in Section 2.2(2).~~

~~"**Subscription Shares**" has the meaning set out in Section 2.2(2).~~

"**Target Closing Date**" means the third Business Day following the issuance of the Approval and Reverse Vesting Order.

"**Tax**" or "**Taxes**" means taxes, duties, fees, premiums, assessments, imposts, levies and other similar charges imposed by any Governmental Authority under Law, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, mining, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, and all employment insurance, health insurance and governmental pension plan premiums or contributions.

"**Tax Returns**" means all returns (including information returns), reports, declarations, elections, notices, filings, forms, statements, and other documents in respect of Taxes (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared or filed by an Acquired Entity.

~~"**Terminated Employees**" means those individuals employed by the Acquired Entities whose employment will be terminated by the applicable Acquired Entity prior to Closing.~~

"**Threatened**" when used in relation to a Legal Proceeding or other matter, means that a demand or statement (oral or written) has been made or a notice (oral or written) has been given that a Legal Proceeding or other matter is to be asserted, commenced, taken or otherwise pursued in the future or that an event has occurred or circumstances exist that would lead a reasonable Person to conclude that a Legal Proceeding or other matter is likely to be asserted, commenced, taken or otherwise pursued in the future.

"**Tradename**" means the exclusive right to have and use the name "Canada Fluorspar Inc." and any variations thereof.

"**Transactions**" has the meaning set out in Recital E.

"**Transaction Documents**" means all legally binding agreements, including this ~~Agreement, the Subscription~~ Agreement, the Participation Agreement, and the Contribution Agreement, to be entered into by the Parties and other Persons prior to the Acquired Entities seeking the Approval and Reverse Vesting Order from the Court.

1.2 Certain Rules of Interpretation

In this Agreement:

(a) *Accounting Principles*. Whenever in this Agreement reference is made to generally accepted accounting principles, or to GAAP, such reference shall be deemed to be to generally accepted accounting principles in effect from time to time as set forth in the CPA Canada Handbook – Accounting for an entity that prepares its financial statements in accordance with Accounting Standards for Private Enterprises, at the relevant time, applied on a consistent basis.

(b) *Currency and Payment Obligations*. Except as otherwise expressly provided in this Agreement:

(i) all dollar amounts referred to in this Agreement are stated in Canadian Dollars (CAD);

(ii) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account specified by the payee, by cash, by certified cheque or by any other method that provides immediately available funds; and

(iii) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received by and be available to the payee not later than 2:00 p.m. on the due date at the payee's address for notice under Section 10.5 or such other place as the payee may have specified in writing to the payor in respect of a particular payment and any payment made after that time shall be deemed to have been made and received on the next Business Day.

(c) *Action on Non Business Days*. If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

(d) *Calculation of Time*. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Newfoundland and Labrador time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Newfoundland and Labrador time on the next succeeding Business Day.

(e) *Gender and Number*. Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(f) *Headings and Table of Contents*. The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(g) *Section References*. Unless the context requires otherwise, references in this Agreement to Sections, Schedules or Exhibits are to Sections, Schedules or Exhibits of this Agreement.

(h) *Words of Inclusion*. Wherever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.

(i) *Document References*. All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

(j) *References to this Agreement*. The words "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(k) *No Strict Construction*. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

(l) *Statutory References*. A reference to a statute includes all regulations and rules made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements, or supersedes any such statute or any such regulation.

1.3 Entire Agreement

This Agreement, and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise with respect to the subject matter of this Agreement including the LOI. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral, whether statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement, and any document required to be delivered pursuant to this Agreement. This Agreement constitutes the complete and exclusive statement of its terms and no extrinsic evidence whatsoever may be introduced in any proceedings involving this Agreement.

1.4 Schedules and Exhibits

The following are the Schedules and Exhibits attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

SCHEDULES

Schedule "A"	Licenses and Leases / Contracts
Schedule "B"	Intellectual Property
Schedule "C"	Retained Assets
Schedule "D"	Corporate Chart CFI
Schedule 1.1(a)	Approval and Reverse Vesting Order
Schedule 2.2(1)	Excluded Liabilities
Schedule 4.1	Excluded Assets & Excluded Contracts
Schedule 5.1(5)	Environmental Permits
Exhibit "A"	~~Subscription Agreement~~Removed
Exhibit "B"	Participation Agreement
Exhibit "C"	Contribution Agreement

ARTICLE 2
PURCHASE OF PURCHASED SHARES

2.1 Agreement to Purchase and Sell Purchased Shares

Subject to the terms of this Agreement and the Approval and Reserve Vesting Order, the Parties agree that CFI shall sell, and the Purchaser shall purchase, the Purchased Shares, free and clear of any and all Encumbrances (other than Permitted Encumbrances).

2.2 Closing Sequence

~~At the Closing Time, the Closing shall take place in the following sequence (the "**Closing Sequence**"):~~

(1) Payment of ~~Cash Consideration~~Purchase Price: The Purchaser shall pay the ~~unpaid balance of the Cash Consideration~~Purchase Price to be held in escrow by the Monitor, on behalf of the Acquired Entities, and the ~~aggregate Cash Consideration~~Purchase Price shall be dealt with in accordance with this Closing Sequence.

(2) ~~Contribution of Subscription Amount: The~~Payment of Financing Amount in to Escrow. The Purchaser shall pay or arrange for the payment of the amount of [redacted] (the "~~**Subscription Amount**") shall be contributed to CFI by way of a subscription by the Purchaser of additional common shares of CFI (the "**Subscription Shares**").~~**Financing Amount**") to the Monitor to be held in escrow by the Monitor, on behalf of CFNL, for release only in accordance with this Closing Sequence.

(3) At the Closing Time, the Closing shall take place in the following sequence (the "**Closing Sequence**") and the steps set out below in Section 2.2(3)(a) through (g) inclusive shall occur concurrently, simultaneously and automatically without any further actions or steps taken by any Person

(a) ~~(3)~~ Reverse Vesting: The Acquired Entities shall be deemed to transfer to ResidualCo the ~~Subscription~~Financing Amount, Excluded Assets, Excluded Contracts and Excluded Liabilities, in accordance with the Approval and Reverse Vesting Order.

(b) ~~(4)~~ Acquisition of the Existing Interests: The Purchaser shall acquire the Existing Interests free and clear of all Encumbrances (other than Permitted Encumbrances), which transfer shall be effective notwithstanding the provisions of any Agreement Affecting the Shares/Partnership Interests for consideration equal to the Purchase Price.

~~(5) Issuance of Subscription Shares: CFI shall issue to Purchaser, and Purchaser shall subscribe from CFI the Subscription Shares, free and clear of all Encumbrances (other than Permitted Encumbrances), which issuance shall be effective notwithstanding the provisions of any Agreement Affecting the Shares/Partnership Interests for consideration equal to the Subscription Price.~~

(c) ~~(6)~~ Cancellation of the remaining Equity Interests: Any and all shares, securities, equity interests and partnership interests in the Acquired Entities (for greater certainty, not including the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests) that remain issued and outstanding immediately after Steps ~~3-5~~(a) and (b) (if any) shall be cancelled and of no further force and effect, for no consideration, such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests shall represent 100% of the outstanding equity or partnership interests, as applicable, in the Acquired Entities as of the Closing Time.

(d) ~~(7)~~ Warrants and Options Extinguished. Any and all warrants and options in the Acquired Entities (for greater certainty, not including the Purchased Shares, the

CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests) that remain issued and outstanding immediately after ~~Step 3-5~~Steps (a) and (b) (if any), and any and all Agreements Affecting the Shares/Partnership Interests, shall be deemed cancelled and extinguished without any Liability, payment or other compensation in respect thereof, and any and all Claims with respect to the equity and partnership interests of the Acquired Entities, or any and all Agreements Affecting the Shares/Partnership Interests, shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any Liability, payment or other compensation in respect thereof.

~~(8) Termination of Employees. The Monitor shall terminate all Employees but one (1) prior to closing. The remaining employee shall be:~~ [redacted]

(e) Intentionally Deleted.

(f) ~~(9)~~ Distribution of Cash Consideration. The net proceeds of the Financing Amount and the other Cash Consideration shall be released from escrow, but shall continue to be held by the Monitor on ResidualCo's behalf, the Monitor's Certificate shall have been delivered (within the meaning of the Approval and Reverse Vesting Order) and the Effective Time (within the meaning of the Approval and Vesting Order) shall have occurred. Upon filing of the Monitor's Certificate, the Monitor shall cause the proceeds of the Cash Consideration to be distributed in accordance with the Distribution Order, or further order of the Court.

The Purchaser and the Monitor, acting reasonably, may amend the Closing Sequence provided that such amendment to the Closing Sequence does not materially alter or impact the Transactions or the consideration which the Acquired Entities and/or its applicable stakeholders will benefit from as part of the Transactions.

The Parties agree that the Closing Sequence, payment of the Cash Consideration, and the structure of the Transactions contemplated by this Agreement shall be structured in a tax efficient manner mutually agreed upon by the Parties, each acting reasonably.

2.3 Treatment of Retained Assets and Retained Liabilities; and Excluded Liabilities, Excluded Assets and Excluded Contracts

(1) Pursuant to the Approval and Reverse Vesting Order on the Closing Date:

(a) the Purchased Shares shall be transferred and issued to the Purchaser free and clear of all Encumbrances (other than Permitted Encumbrances);

(b) the Acquired Entities shall: (i) retain all of the Retained Assets, and (ii) retain all of the Retained Liabilities and remain liable in respect of the Retained Liabilities following the Closing Time;

(c) all debts, obligations, Encumbrances (except for Permitted Encumbrances) of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against the Acquired Entities or relating to any Retained Assets as at the Closing Time, including, *inter alia*, the non-exhaustive list of Liabilities set forth in Schedule 2.2(1) and all Liabilities relating to or under the Excluded Assets and Excluded Contracts, any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions hereunder and to which the Acquired Entities may be bound as at Closing, and any and all liabilities for Employees whose employment with CFI or its Affiliates is terminated on or before Closing~~,~~ ~~including the Terminated Employees~~ (collectively, the "**Excluded Liabilities**") shall be excluded and will no longer be binding on the Acquired Entities or the Retained Assets following the Closing Time;

(d) the Excluded Liabilities shall be transferred and assigned to and assumed in full by ResidualCo in accordance with and as further described in Article 4, and the Acquired Entities and its assets, undertakings, Business and properties shall be discharged of such Excluded Liabilities; and

(e) all Claims attaching to the Excluded Liabilities, if any, shall continue to exist against ResidualCo and the Cash Consideration and the Excluded Assets and Excluded Contracts, if any, shall be available to satisfy such Claims and there shall be no recourse in any manner against the Purchaser and the Acquired Entities in respect of such Claims.

(2) Pursuant to and in accordance with the Approval and Reverse Vesting Order and for the avoidance of doubt, at the Closing Time and after completion of the Closing Sequence, the Purchaser will be the sole registered and beneficial owner of the Purchased Shares, with good and valid title thereto, free and clear of all Encumbrances (other than Permitted Encumbrances), and Canada Fluorspar (NL) Inc., Newspar, a general partnership, and CFI Newspar Holdings Inc. shall be wholly owned, directly or indirectly, by the Purchaser, free and clear of all Encumbrances (other than Permitted Encumbrances).

2.4 Right to Modify Designations with Consent of the Monitor

(1) At any time on or prior to the day that is two (2) day prior to the Closing Date, or if otherwise directed by the Court, the Purchaser may, with the consent of Monitor, such consent not to be unreasonably withheld or delayed, elect to:

(a) exclude any assets, properties, or undertakings of the Acquired Entities from the Retained Assets, and add such assets, properties or undertakings to the Excluded Assets or Excluded Contracts, and vice versa; and/or

(b) exclude any Liability from the Excluded Liabilities and add such Liability to the Retained Liabilities, and vice versa, provided that no changes to the Retained Assets, Retained Liabilities, Excluded Liabilities, Excluded Assets and Excluded Contracts pursuant to this Section shall modify the Purchase Price.

ARTICLE 3
PURCHASE PRICE AND ~~SUBSCRIPTION~~FINANCING AMOUNT

3.1 Deposit

The Purchaser has, prior to the execution of this Agreement, paid or caused to be paid by way of wire transfer to the Monitor, the sum of [redacted] as a good faith non refundable deposit to be applied against the Cash Consideration required at Closing (the "**Deposit**") and the Monitor acknowledges receipt and payment of such Deposit.

3.2 Purchase Price and ~~Subscription~~Financing Amount

(1) ~~The Subscription Amount is the amount~~Purchaser will cause the Financing Amount to be payable ~~by the Purchaser~~ to the Monitor, on behalf of ~~CFI, for the subscription of the Subscription Shares~~CFNL. Purchaser acknowledges and confirms that this Agreement is not subject to financing.

(2) The aggregate consideration payable by the Purchaser to the Monitor, on behalf of CFI, for the Existing Interests is an amount equal to [redacted] (the "**Purchase Price**").

3.3 Payment of the ~~Subscription~~Financing Amount and the Purchase Price

The ~~Subscription~~Financing Amount and the Purchase Price shall be satisfied at the Closing Time by (i) the Deposit; (ii) the payment in cash by ~~the Purchaser by~~ wire transfer, certified cheque, bank draft or other means of immediately available funds in the amount of [redacted], and (iii) the delivery of [redacted] to the Monitor, on behalf of CFI, in cash (together with (i) and (ii), the "**Cash Consideration**"), all which shall be held by the Monitor on behalf of the Acquired Entities.

In addition to the Purchase Price, the Participation Agreement will be entered into for the benefit of Bridging Finance Inc.

ARTICLE 4
TRANSFER OF EXCLUDED ASSETS, CONTRACTS AND LIABILITIES

4.1 Transfer of Excluded Assets and Excluded Contracts to ResidualCo

On the Closing Date, the Acquired Entities shall retain all of the Retained Assets, with the exception of the excluded assets (the "**Excluded Assets**") and excluded contracts (the "**Excluded Contracts**") each as set out and defined in Schedule 4.1 which shall be transferred and assigned to and assumed by ResidualCo or shall be vested in ResidualCo on or before the

Closing Time, in accordance with the Closing Sequence and pursuant to the Approval and Reverse Vesting Order.

4.2 Transfer of Excluded Liabilities to ResidualCo

At or before the Closing Time, the Excluded Liabilities shall have been transferred and assigned to and assumed by ResidualCo, in accordance with the Closing Sequence and pursuant to the Approval and Reserve Vesting Order. Notwithstanding any other provision of this Agreement, neither the Purchaser nor the Acquired Entities shall assume or have any Liability for any of the Excluded Liabilities, Excluded Assets or Excluded Contracts, and all Excluded Liabilities shall be discharged from the Acquired Entities and its assets, undertakings, Business and properties from and after the Closing Time.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Acquired Entities

Subject to the issuance of the Approval and Reverse Vesting Order and the Knowledge of the Monitor, the Acquired Entities and the Monitor hereby represent and warrant to and in favour of the Purchaser as set out below, and acknowledge that, as of the Closing Time, the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Acquired Entities set out in this Section 5.1:

(1) *Authority; Incorporation and Power.* The Monitor is authorized pursuant to the Initial Order, the ARIO (including any amendments thereto) and subject to the granting of the terms of the Approval and Reverse Vesting Order to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its other obligations hereunder and under all such other agreements and instruments.

(2) *Existence and Good Standing.* Within three Business Days prior to Closing, the Monitor shall cause the Acquired Entities to be validly existing and in good standing under the laws of the jurisdictions of their incorporation or organization.

(3) *Enforceability.* Subject to the Approval and Vesting Order having been issued, this Agreement constitutes a legal, valid, and binding obligation of the Acquired Entities and the Monitor enforceable against each Acquired Entity and the Monitor in accordance with its terms.

(4) *Legal Proceedings.* There is no Legal Proceeding in progress, pending, or, to the Knowledge of the Monitor, Threatened against or affecting the Acquired Entities, and there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Acquired Entities which, in any such case, affects adversely or might affect adversely the ability of the Monitor and the Acquired Entities to enter into this Agreement or to perform its obligations hereunder.

(5) *Absence of Conflict.* The execution, delivery and performance of this Agreement by the Monitor and the Acquired Entities and the completion of the Transactions contemplated by this Agreement do not and will not result in or constitute any of the following:

(a) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach, or violation of any of the terms, conditions or provisions of the articles or by-laws of the Acquired Entities; or

(b) the violation of any Applicable Law.

(6) *Consents, Regulatory Approvals.* No Consent or Regulatory Approval or filing with, notice to, or waiver from any Governmental Authority is required to be obtained or made by the Monitor or Acquired Entities in connection with the execution and delivery of, and performance by the Monitor and Acquired Entities of their obligations under, this Agreement or the consummation of the Transactions contemplated hereby.

(7) *Value of Combined Assets.* [redacted]

(8) *Authorized and Issued Capital and Title to Existing Interests.* Immediately prior to the Closing Time, all the issued and outstanding equity shares and interests in the capital of the Acquired Entities shall be as set out in Section 7.1(11) and, after the Closing Time, the Purchaser will be the sole registered and beneficial owner of the Purchased Shares, with good and valid title thereto, free and clear of all Encumbrances (other than Permitted Encumbrances), pursuant to and in accordance with the Approval and Reverse Vesting Order, and Canada Fluorspar (NL) Inc., Newspar, a general partnership, and CFI Newspar Holdings Inc. shall be wholly owned, directly or indirectly, by the Purchaser.

(9) *Corporate Chart.* Attached as Schedule "D" is a corporate chart setting out all of CFI's direct and indirect wholly-owned subsidiaries on Closing.

(10) ~~*Employees.* As per the Closing Sequence the Monitor shall terminate all Employees but one (1) prior to closing. The remaining employee shall be Darrin Kitchen.~~*Intentionally Deleted.*

(11) *Environmental Permits.* The Monitor has set out all Environmental Permits issued to the Acquired Entities in Schedule 5.1(5).

5.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Acquired Entities and acknowledges that the Acquired Entities are relying upon the representations and warranties in connection with the Transaction as follows:

(1) *Incorporation and Corporate Power.* The Purchaser is a corporation incorporated, organized, and subsisting under the laws of the jurisdiction of its incorporation. The Purchaser has the corporate power, authority, and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Purchaser.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the Transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.

(3) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms.

(4) *Legal Proceedings.* There is no Legal Proceeding in progress, pending, or, to the knowledge of the Purchaser, Threatened against or affecting the Purchaser, and there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Purchaser which, in any such case, affects adversely or might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder.

(5) *Absence of Conflict.* The execution, delivery and performance of this Agreement by the Purchaser and the completion of the Transactions contemplated by this Agreement do not and will not result in or constitute any of the following:

(a) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach, or violation of any of the terms, conditions or provisions of the articles or by-laws of the Purchaser; or

(b) the violation of any Applicable Law.

(6) *Consents, Regulatory Approvals.* No Consent or Regulatory Approval or filing with, notice to, or waiver from any Governmental Authority is required to be obtained or made by the Purchaser in connection with the execution and delivery of, and performance by the Purchaser of its obligations under, this Agreement or the consummation of the Transactions contemplated hereby.

(7) *Value of Purchaser Assets.* The Purchaser does not have assets or annual gross revenues from sales in Canada as determined in accordance with the *Competition Act* (Canada) and the regulations thereunder.

(8) *Investment Canada Act.* The Purchaser is a "non-Canadian" within the meaning of the ICA.

5.3 Commissions

Each Party represents and warrants to the other Party that such other Party will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, that Party.

5.4 As is, Where is

The representations and warranties of the Acquired Entities and the Monitor shall survive the Closing Time on the Closing Date, provided, however, that the Purchaser's recourse for any breach or inaccuracy for such representation and warranties shall be against ResidualCo. The Purchaser acknowledges, agrees and confirms that, at the Closing Time, the Purchased Shares shall be sold and delivered to the Purchaser on an "as is, where is" basis, subject only to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever. The Purchaser has conducted to its satisfaction and has relied on such independent searches, investigations, reviews and inspections of the Acquired Entities, the Purchased Shares, the Retained Assets and the Retained Liabilities as it deemed appropriate, and based thereon, has determined to proceed with the Transactions. The obligations of the Purchaser under this Agreement are not conditional upon any additional due diligence. The provisions of this section 5.4 shall survive and not merge on Closing.

ARTICLE 6
CLOSING ARRANGEMENTS

6.1 Pre-Closing

The Purchaser and the Monitor on behalf of the Acquired Entities shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Closing. The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Outside Date.

6.2 Closing

The Closing shall take place virtually whereby required executed closing deliverables are circulated by electronic mail in pdf format on the Closing Date, in accordance with the Closing Sequence, and released at such time and pursuant to such protocols and confirmations as the Parties may agree.

6.3 Acquired Entities' Closing Deliveries

At the Closing, the Acquired Entities shall deliver or cause to be delivered to the Purchaser the following documents:

(a) a true copy of the Approval and Reverse Vesting Order, as issued and entered by the Court;

(b) an executed copy of the Monitor's Certificate, to be held in escrow by the Purchaser pending confirmation from the Monitor that the Closing Time has occurred;

(c) one or more share certificates duly executed by the Monitor on behalf of Acquired Entities, or other satisfactory evidence such as a notice of uncertified securities, representing, in aggregate, the Purchased Shares registered in the name of the Purchaser and/or its nominee(s) as directed by the Purchaser;

(d) the Books and Records and corporate seal of the Acquired Entities, to the extent applicable, which shall include (i) share certificate representing the CFNL Equity Interests, and (ii) share certificate in respect of the CFI Newspar Equity Interests;

(e) a bring-down certificate executed by each of the Acquired Entities dated as of the Closing Date, in form and substance satisfactory to the Purchaser, acting reasonably, certifying that (i) all of the representations and warranties of each of the Acquired Entities and the Monitor hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by each of the Acquired Entities at or prior to Closing have been complied with or performed by the Acquired Entities in all material respects;

~~(f) duly executed Subscription Agreement;~~

(f) ~~(g)~~ confirmation that the Monitor shall apply $400,000.00 from the Cash Consideration in order to pay out and terminate the Royalty Agreement within 5 Business Days after Closing; and

(g) ~~(h)~~ all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions.

6.4 Purchaser's Closing Deliveries

At the Closing, the Purchaser shall deliver or cause to be delivered to the Acquired Entities the following documents and payments:

(a) the payment referred to in Section 3.3, which shall be made to the Monitor;

(b) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by the appropriate Governmental Authority of its jurisdiction of incorporation;

(c) a bring-down certificate executed by a senior officer of the Purchaser dated as of the Closing Date, in form and substance satisfactory to the Acquired Entities, acting reasonably, certifying that (i) all of the representations and warranties of the Purchaser hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Purchaser at or prior to Closing have been complied with or performed by the Purchaser in all material respects;

(d) duly executed Participation Agreement~~, Subscription Agreement~~ and Contribution Agreement; and

(e) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Acquired Entities to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Acquired Entities, acting reasonably.

ARTICLE 7
CONDITIONS OF CLOSING

7.1 Purchaser's Conditions

The Purchaser shall not be obligated to complete the Transactions pursuant to this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 7.1 has been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser and may be waived by the Purchaser in whole or in part. The Monitor on behalf of Acquired Entities shall take all such actions, steps and proceedings as are reasonably within their control as may be necessary to ensure that the conditions listed below in this Section 7.1 are fulfilled at or before the Closing Time.

(1) *Court Approval.* The Approval and Reverse Vesting Order shall have been issued and entered by the Court, shall not have been appealed, set aside, varied or stayed within the applicable appeal period, or if the Approval and Reserve Vesting Order has been appealed within the applicable appeal period or if any motion has been commenced to set aside, vary or stay the Approval and Reserve Vesting Order, all such appeals and motions shall have been finally dismissed.

(2) *Deliverables.* The Monitor on behalf of the Acquired Entities shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 6.3.

(3) *Representations and Warranties.* Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, the representations and warranties of the Acquired Entities and the Monitor in Section 5.1 shall be true and correct in all material respects: (i) as at the Closing as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.

(4) *Closing Sequence.* The Acquired Entities shall have completed the Closing Sequence that is required to be completed prior to Closing, in form and substance reasonably acceptable to Purchaser, acting reasonably.

(5) *No Agreements Affecting Shares/Partnership Interests.* There shall be no outstanding or authorized Agreement Affecting the Shares/Partnership Interests.

(6) *No Royalty Agreements:* There shall be no outstanding royalty or option agreements related to the Business, and the Purchaser shall have received evidence in writing from the Monitor that the Royalty Agreement has been terminated.

(7) *Compliance.* The Acquired Entities shall have performed and complied with all of the terms and conditions in this Agreement on their part to be performed or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 6.3 and elsewhere in this Agreement.

(8) *Litigation.* No legal or regulatory action or proceeding shall be pending or Threatened by any Governmental Authority to enjoin, restrict or prohibit the Transactions.

(9) *Injunctions.* There shall not be in effect, pending or Threatened any injunction against closing the Transactions.

(10) *Monitor's Certificate.* The Monitor shall have provided an executed copy of the Monitor's Certificate confirming that all other conditions to Closing have either been satisfied or waived by both the Purchaser and the Acquired Entities.

(11) *Authorized Capital.* The authorized capital of the Acquired Entities immediately prior to the Closing Time shall consist of:

(a) Unlimited number of common shares of CFI, of ~~which302,521,179common~~which 302,521,179 common shares have been validly issued and are outstanding as fully paid and non-assessable, as follows: (i) CF Investments S. a.r.l is the registered holder of 301,646,179 common shares (ii) Stifel Nicolaus & Co., Inc. as custodian of IRA #75368057 FBO Lindsay Gorrill is the registered holder of 475,000 common shares; (iii) Bill Dobbs is the registered holder of 100,000 common shares, (iv) Casey Walsh is the registered holder of 100,000 common shares, (v) George Furey is the registered holder of 25,000 common shares, (vi) Leo Power is the registered holder of 100,000 common shares and (vii) Dr. Andrew Furey Professional Medical Corporation is the registered holder of 75,000 common shares (the "**CFI Equity Interests**");

(b) Unlimited number of common shares of Canada Fluorspar (NL) Inc., of which 57,555,751 common shares have been validly issued and are outstanding as fully paid and non-assessable, as follows: (i) CFI, is the registered holder of 57,555,751 common shares (the "**CFNL Equity Interests**");

(c) Unlimited number of common shares of CFI Newspar Holdings Inc., of which one (1) common share has been validly issued and outstanding as fully paid and non- assessable, as follows; (i) Canada Fluorspar (NL) Inc., is the registered holder of one (1) common share (the "**CFI Newspar Equity Interests**"); and

(d) 100% partnership interest in Newspar, a general partnership, of which 100% has been validly issued and are outstanding, as follows (i) Canada Fluorspar (NL) Inc., the registered holder of 99.999% interest in the partnership and (ii) CFI Newspar Holdings Inc., the registered holder of 0.001% partnership interest in the partnership (the "**Newspar Partnership Interests**").

(12) *Executed Agreements.* The Purchaser shall have received a duly executed and binding Contribution Agreement and Participation Agreement from the respective counter-parties.

(13) *No Material Adverse Change.* Between the date hereof and the Closing Time, there shall not have occurred and be continuing any Material Adverse Change with respect to the Acquired Entities or the Business.

(14) *Terminated Employees.* ~~The Acquired Entities shall have terminated the employment of the Terminated Employees, and all~~All liabilities owing to any ~~such Terminated Employees in respect of such terminations~~employees terminated by the Acquired Entities prior to Closing, including all amounts owing on account of statutory notice, termination payments, severance, vacation pay, benefits, bonuses or other compensation or entitlements, shall be Excluded Liabilities which, pursuant to the Approval and Vesting Order and the Closing Sequence, shall be discharged as against the Purchaser and transferred to ResidualCo.

7.2 Acquired Entities' Conditions.

The Monitor on behalf of each Acquired Entity shall not be obligated to complete the Transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 7.2 has been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Acquired Entities and may be waived by the Acquired Entities in whole or in part. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 7.2 are fulfilled at or before the Closing Time.

(1) *Court Approval.* The Approval and Reverse Vesting Order shall have been issued and entered by the Court, shall not have been appealed, set aside, varied or stayed within the applicable appeal period, or if the Approval and Vesting Order has been appealed within the applicable appeal period or if any motion has been commenced to set aside, vary or stay the Approval and Reverse Vesting Order, all such appeals and motions shall have been finally dismissed.

(2) *Purchaser's Deliverables.* The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Monitor on behalf of the Acquired Entities at the Closing all the documents contemplated in Section 6.4.

(3) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 5.2 shall be true and correct at the Closing.

(4) *Purchaser's Compliance.* The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Acquired Entities at the Closing all the documents contemplated in Section 6.4 and elsewhere in this Agreement.

7.3 Outside Date

The Closing Date shall occur on or before June 9, 2023 (the "**Outside Date**"), provided that prior to such date the Purchaser may elect to extend the Outside Date by providing notice to the Acquired Entities and the Monitor if any of the conditions to closing set out in Section 7.1 are not satisfied or waived by the Purchaser and the Parties are working in good faith to satisfy such conditions. The Outside Date may also be extended by mutual written agreement of the Parties. The Parties acknowledge that an extension of the Outside Date may result in an increase to the Deposit.

7.4 Non-Satisfaction of Conditions

Subject to Section 7.3, if any condition set out in Section 7.1 and 7.2 is not satisfied or performed prior to the Outside Date, the Party for whose benefit the condition is inserted may:

(1) in writing, waive compliance with the condition in whole or in part in its sole discretion by notice to the other Parties and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or

(2) elect to terminate this Agreement, in which case none of the Parties shall be under any further obligation to the others to complete the Transactions, except that if this Agreement is terminated by a Party because of a breach of this Agreement by another Party or because a condition for the benefit of the terminating Party has not been satisfied because another Party has failed to perform any of its obligations or covenants under this Agreement, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired and except with respect to provisions remaining in effect pursuant to Section 9.2.

7.5 Monitor's Certificate.

The Parties acknowledge and agree that the Monitor shall be entitled to deliver to the Purchaser, and file with the Court, an executed Monitor's Certificate without independent investigation, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Monitor shall have no Liability to the Parties in connection therewith. The Parties further acknowledge and agree that upon written confirmation from each Party that all conditions of Closing in favour of such Party have been satisfied or waived, the Monitor may deliver the executed Monitor's Certificate to the Purchaser's counsel in escrow, with the sole condition of its release from escrow being the Monitor's written confirmation that all such funds have been received. Upon such confirmation being given, the Monitor's Certificate will be released from escrow to the Purchaser, and the Closing shall be deemed to have occurred.

ARTICLE 8
COVENANTS

8.1 Covenants Regarding Non-Solicitation

(1) Subject to the Orders and the discretion of the Court, the Monitor on behalf of the Acquired Entities shall immediately cease and cause to be terminated all existing solicitations, discussions and negotiations (including, without limitation, through any of its Representatives), if any, with any third parties other than the Purchaser, initiated on or before the date of this Agreement with respect to any actual or potential Acquisition Proposal. The Monitor shall immediately discontinue, and shall cause its Representatives to discontinue, access to any of their Confidential Information and not allow or establish access to any of their Confidential Information, or any data room, virtual or otherwise, other than with respect to Excluded Assets, Excluded Contracts, and Excluded Liabilities.

(2) The Monitor on behalf of the Acquired Entities shall not, directly or indirectly, do or authorize or permit any of its Representatives to do any of the following:

(a) solicit, initiate, encourage or facilitate any inquiries, proposals or offers, whether publicly or otherwise, regarding an actual or potential Acquisition Proposal;

(b) encourage or participate in any negotiations or discussions with any other person regarding an actual or potential Acquisition Proposal, or furnish information or provide access to any other person any information with respect to the Acquired Entities' securities, business, properties, operations or condition (financial or otherwise) in connection with, or in furtherance of, an actual or potential Acquisition Proposal; or

(c) accept, recommend, approve, agree to endorse or propose to accept, recommend, approve, agree to endorse or enter into an agreement to implement any Acquisition Proposal or otherwise take any action that could reasonably be expected to lead to an Acquisition Proposal.

(3) Subject to the Orders and the discretion of the Court, the Acquired Entities shall ensure that its Representatives and the Monitor are aware of the provisions of this Section, and any violation of or the taking of any action which is inconsistent with any of the restrictions set forth in this Section by any Representative or the Monitor shall be deemed to constitute a breach of this Section by its Representatives or the Monitor, as applicable.

8.2 Motion for Approval and Reverse Vesting Order

(1) The Monitor shall bring a motion for the Approval and Reverse Vesting Order as soon as practicable after the execution of this Agreement. The Monitor shall diligently use its commercially reasonable efforts to seek the issuance and entry of the Approval and Reverse Vesting Order and the Purchaser shall cooperate with the Monitor in its efforts to obtain the issuance and entry of the Approval and Reverse Vesting Order.

(2) The Monitor shall provide the Purchaser and its counsel with a copy of the form of Approval and Reverse Vesting Order, and all non-confidential court materials to be filed in the CCAA Proceedings in connection with this Agreement and the Transaction contemplated hereunder, ,

(3) The Monitor shall inform and provide the Purchaser with copies of responses or objections received by it relating to this Agreement or the Transactions contemplated hereunder as soon as reasonably practicable in the event the Monitor or its counsel have reason to believe the Purchaser has not already received copies of the same.

(4) Without limiting the provisions of Article 8 hereof, if the Approval and Reverse Vesting Order, or any other Orders of the Court relating to this Agreement or the Transactions contemplated hereunder shall be appealed, or a motion seeking to set aside or vary such Orders or seeking a stay or injunction preventing the consummation of the Transactions contemplated hereunder shall be filed, the Monitor agrees to take all action as may be commercially reasonable and appropriate to defend against such appeal, petition or motion and the Purchaser agrees to use its commercially reasonable efforts to cooperate in such efforts.

8.3 Tax Matters

(1) The Acquired Entities shall be responsible for all Taxes owed or owing or accrued due by the Acquired Entities in respect of the period commencing on the Filing Date and ending on the Closing Date (the "**Post-Filing Tax Obligations**"), if any.

(2) All Taxes owed or owing or accrued due by the Acquired Entities prior to the Filing Date, and which remain unpaid as of the Closing Time, shall be transferred to, assumed by, and vested in ResidualCo as Excluded Liabilities.

(3) Prior to Closing, the Acquired Entities shall provide evidence to the Purchaser that all such Post-Filing Tax Obligations have been paid in full to the relevant Governmental Authority or that sufficient cash reserves will be held by the Acquired Entities at Closing to pay all such Post-Filing Tax Obligations in full post-Closing. To the extent that any Post-Filing Tax Obligations remain outstanding and the Acquired Entities will have insufficient cash reserves to cover such obligations at Closing, the Acquired Entities shall provide an irrevocable direction to the Purchaser (the "**Tax Direction**") authorizing and directing the Purchaser to pay a portion of the Cash Consideration to the relevant Governmental Authorities to satisfy any such amounts. For certainty, the Post-Filing Tax Obligations include, but are not limited to, any and all income taxes, withholding taxes,

property taxes, and excise taxes. For greater certainty, any audits or reassessments by the Canada Revenue Agency or other Governmental Authority that occur after the Filing Date but relate to a time period occurring, or facts arising, prior to the Filing Date are not, and shall not be considered to be, Post-Filing Tax Obligations but shall be transferred to and assumed by ResidualCo as Excluded Liabilities[1].

(4) The Parties acknowledge and agree that the Monitor may retain a copy of the Books and Records, The Purchaser shall provide the Monitor with reasonable access during normal operating hours so as to not interfere with the operation of the Business to information in respect of the Acquired Entities as reasonably requested by the Monitor, as may be required by the Monitor to comply with applicable Law or in connection with the completion of the CCAA Proceedings.

(5) Within 30 days after Closing, the Monitor shall use its best efforts and take such actions as required by the Purchaser to rectify the following tax issues in respect of prior tax filings by the Acquired Entities including, without limitation, by amending prior tax returns of the Acquired Entities, at the sole cost and expense of the Monitor:

(a) Canada Fluorspar (NL) Inc., Amendment of the FY2020 and FY2021 T2 tax returns.

8.4 Investigations

During the Interim Period, the Acquired Entities shall give, or cause to be given, to the Purchaser and its Representatives reasonable access during normal business hours to the Business and the property and assets of the Acquired Entities, including the Books and Records, the Contracts and the property to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Acquired Entities as the Purchaser deems necessary or desirable to familiarize itself with such properties, assets and other matters. Without limiting the generality of the foregoing, the Purchaser shall be permitted complete access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement. Such investigations, inspections, surveys and tests shall be carried out during normal business hours and without undue interference with the operations of the Acquired Entities and the Business and the Acquired Entities shall co-operate fully in facilitating such investigations, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser. The Acquired Entities shall execute and deliver any authorizations required to permit such investigations, inspections, surveys and tests.

8.5 Confidentiality

(1) *Information To Be Confidential.* Each Party shall treat confidentially and not disclose, and shall cause each of its Representatives to treat confidentially and not disclose, other than as expressly contemplated by this Agreement, any Confidential Information of the other Parties.

[1] Monitor to confirm.

(2) *Use Of Confidential Information.* Each Party may disclose Confidential Information only to those of its Representatives who need to know such Confidential Information for the purpose of implementing the Transactions contemplated by this Agreement. No Party shall use, or permit its Representatives to use, Confidential Information for any other purpose nor in any way that is, directly or indirectly, detrimental to the other Parties.

(3) *Required Disclosure.* If any Party or any of its Representatives receives a request or is legally required to disclose all or any part of the Confidential Information, such Party shall (a) immediately notify the other Parties of the request or requirement, (b) consult with the other Parties on the advisability of taking legally available steps to resist or narrow the request or lawfully avoid the requirement, and (c) if requested by the other Parties, take all necessary steps to seek a protective order or other appropriate remedy. If a protective order or other remedy is not available, or if the other Parties waive compliance with the provisions of this Section 8.5(3), (i) the Party receiving the request for disclosure or its Representatives, as the case may be, may disclose to the Person requiring disclosure only that portion of the Confidential Information which such Party is advised by written opinion of counsel is legally required to be disclosed, and (ii) such Party shall not be liable for such disclosure unless such disclosure was caused by or resulted from a previous disclosure by such Party or its Representatives not permitted by this Agreement.

(4) *Return or Destruction.* Following the termination of this Agreement in accordance with the provisions of this Agreement, each Party shall (and shall cause each of its Representatives to) (a) return promptly to the other Parties all physical copies of the Confidential Information, excluding Notes, then in such Party's possession or in the possession of its Representatives, (b) destroy all (i) electronic copies of the Confidential Information, and (ii) Notes (including electronic copies thereof) prepared by such Party or any of its Representatives, including electronic back-ups of the foregoing in a manner that ensures the same may not be retrieved or undeleted by such Party or any of its Representatives, and (c) deliver to the other Parties a certificate executed by one of its duly authorized senior officers indicating that the requirements of this sentence have been satisfied in full.

8.6 Risk of Loss

If before the Closing all or any substantial portion of the property or assets of the Acquired Entities are lost, damaged or destroyed or are expropriated or seized by any Governmental Authority or any other Person in accordance with Applicable Law or if notice of any such expropriation or seizure shall have been given in accordance with Applicable Law, the Purchaser, in its sole discretion, shall have the option, exercisable by notice to the Acquired Entities given prior to the Closing Time:

(a) to terminate this Agreement by notice to the Acquired Entities, as provided in Section 9.1(3); or

(b) to complete the Transactions contemplated by this Agreement and require the Acquired Entities to reduce the Purchase Price by the amount of the cost of repair of the property and assets which were damaged or destroyed or, if lost or damaged beyond repair or seized or expropriated, by the replacement cost of the property and assets so lost, damaged, expropriated or seized, such reduction in price to be net of all proceeds of insurance or compensation for expropriation or seizure actually received by the Acquired Entities.

8.7 Action During Interim Period

(1) *Operate in Ordinary Course.* Except: (i) as contemplated or permitted by this Agreement (ii) as necessary in connection with the CCAA Proceedings; (iii) as otherwise provided in any other court Orders, prior to the Closing Time; or (iv) as consented to by the Purchaser and the Acquired Entities, such consent not to be unreasonably withheld, conditioned or delayed, during the Interim Period, the Acquired Entities and the Monitor shall maintain the Business in its current condition as of the date of this Agreement, which the Purchaser acknowledges is "Cold Idle" mode.

(2) *Negative Covenants.* Except: (i) as contemplated or permitted by this Agreement (ii) as necessary in connection with the CCAA Proceedings; (iii) as otherwise provided in any other court Orders, prior to the Closing Time; or (iv) as consented to by the Purchaser and the Acquired Entities, such consent not to be unreasonably withheld, conditioned or delayed, during the Interim Period, save and except as otherwise specified herein, each Acquired Entity and the Monitor shall ensure that it does not:

(a) amend any articles, by-laws or other constating document adopted or filed in connection with the creation, formation or organization;

(b) dispose of any of the Retained Assets of the Acquired Entities;

(c) enter into any contract or any other transaction;

(d) terminate, cancel, modify or amend in any material respect which would entitle any party to terminate, cancel, modify or amend any Contract or any Licence and Lease;

(e) purchase or otherwise acquire any asset;

(f) enter any contract, agreement or commitment to hire any Employee; or

(g) agree, commit or enter into any understanding to take any actions enumerated in paragraphs (a) to (g) of this Section 8.7.

ARTICLE 9
TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated on or prior to the Closing Date:

(1) subject to Section 7.3, by either Party upon written notice to the other Party if: (i) the Approval and Reverse Vesting Order has not been obtained by the Outside Date, or (ii) the Court declines at any time to grant the Approval and Reverse Vesting Order; in each case for reasons other than a breach of this Agreement by the Party proposing to terminate the Agreement;

(2) by the mutual written agreement of the Monitor on behalf of the Acquired Entities and the Purchaser;

(3) by written notice from the Purchaser to the Monitor on behalf of the Acquired Entities in accordance with Section 8.6 (Risk of Loss);

(4) by written notice from the Purchaser to the Monitor on behalf of the Acquired Entities if there has been a material breach by the Acquired Entities of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and such breach is not curable and has rendered the satisfaction of any condition in Section 7.1 impossible by the Outside Date, provided that at the time of providing such notice of termination, the Purchaser is not in breach of any of its obligations under this Agreement;

(5) by written notice from the Monitor on behalf of the Acquired Entities to the Purchaser if there has been a material breach by the Purchaser of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Monitor on behalf of the Acquired Entities and such breach is not curable and has rendered the satisfaction of any condition in Section 7.2 impossible by the Outside Date, provided that at the time of providing such notice of termination, the Monitor on behalf of Acquired Entities is not in breach of any of their obligations under this Agreement; and

(6) by the Purchaser, on the one hand, or by the Monitor on behalf of the Acquired Entities, on the other hand, upon written notice to the other Party if the Closing has not occurred by the Outside Date, provided, however, that the right to terminate this Agreement pursuant to this Section 9.1(6) shall not be available to any Party whose breach hereof has been the principal cause of, or has directly resulted in the Closing not occurring by the Outside Date.

9.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 9.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability hereunder, except as contemplated in Section 1.3 (Entire Agreement), Sections 9.2 (Effect of Termination), 10.5

(Notices), 10.9 (Amendment), 10.11 (Severability), 10.13 (Attornment), 10.14 (Governing Law), 10.16(Successors and Assigns) and 10.17 (Assignment), which shall survive such termination.

ARTICLE 10
GENERAL

10.1 Payment of Taxes

Except as otherwise provided in this Agreement, the Purchaser shall pay all Taxes applicable to, or resulting from the Transactions contemplated by, this Agreement (other than Taxes payable by the Acquired Entities under Applicable Law, including Post-Filing Tax Obligations) and any filing, recording or transfer fees payable in connection with the instruments of transfer provided for in this Agreement.

10.2 Preparation of Tax Returns

After Closing, the Purchaser shall cause to be prepared and filed on a timely basis all Tax Returns for the Acquired Entities for (a) any period which ends on or before the Closing Date and for which Tax Returns have not been filed as of such date and (b) for any period that begins prior to the Closing Date and ends after the Closing Date for which Tax Returns are required to be prepared and filed.

10.3 Monitor's Capacity

The Purchaser acknowledges and agrees that the Monitor, acting in its capacity as the Monitor in the CCAA Proceedings, will have no liability except for gross negligence and willful misconduct in connection with this Agreement or the Transactions, and that the Monitor will have no liability whatsoever, in its personal capacity or otherwise, and that the representations, covenants, obligations and agreements of the Acquired Entities pursuant to this Agreement and any related or ancillary document shall be those of the Acquired Entities exclusively and shall not constitute, or be deemed to constitute, representations, covenants, obligations or agreements of the Monitor. Nothing herein shall alter or derogate from the protections in favour of the Monitor pursuant to the Initial Order, any other Order or the CCAA.

10.4 Public Announcements

Except to the extent otherwise required by Applicable Law or with the prior consent of the other Party, neither Party shall make any public announcement regarding this Agreement or the Transactions contemplated by this Agreement.

10.5 Notices

(1) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

(a) if to the Acquired Entities or to ResidualCo, to:
Grant Thornton Ltd.
As Court Appointed Monitor of the Company
Nova Centre North, Suite 1000
1675 Grafton Street,
Halifax, NS, B3J 0E9
Attention: Phil Clarke
E-mail: phil.clarke@ca.gt.com

(b) if to the Purchaser, to:

[redacted]

with a copy to:

[redacted]

and

Fasken Martineau DuMoulin LLP
P.O. Box 20, Suite 2400
Bay Adelaide Centre
333 Bay Street
Toronto, Ontario M5H 2T6

Attention: Grant McGlaughlin and Dylan Chochla
Email: gmcglaughlin@fasken.com
dchochla@fasken.com

(c) and in either case, with a copy to the Monitor, to:

Grant Thornton Limited
As Court Appointed Monitor of the Acquired Entities
Nova Centre North, Suite 1000, 1675 Grafton Street,
Halifax, NS, B3J 0E9

Attention: Phil Clarke
Email: phil.clarke@ca.gt.com

with a copy to:

McInnes Cooper
10 Fort William Place
St. John's, NL A1C 5X4

Attention: Meghan M. King and Geoffrey Spencer
Email: meghan.king@mcinnescooper.com
geoffrey.spencer@mcinnescooper.com

(2) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered or sent before 4:30 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

(3) *Change of Address.* Any Party may from time to time change its address under this Section 10.5 by notice to the other Party given in the manner provided by this Section 10.5.

10.6 Expenses

Each of the Parties shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred by them in connection with this Agreement and the Transactions, including in connection with the review, negotiation, preparation, execution and performance of this Agreement.

10.7 Time of Essence

Time shall be of the essence of this Agreement in all respects.

10.8 Further Assurances

Each Party shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

10.9 Amendment

No amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

10.10 Waiver

A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

10.11 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

10.12 Remedies Cumulative

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

10.13 Attornment

Each Party agrees (i) that any Legal Proceeding relating to this Agreement must be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (ii) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Province of Newfoundland and Labrador on any jurisdictional basis, including *forum non conveniens*; and (iii) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 10.13. Each Party agrees that service of process on such Party as provided in Section 10.5 shall be deemed effective service of process on such Party.

10.14 Specific Performance

Each Party acknowledges and agrees that each other Party would be damaged irreparably in the event a Party does not perform its respective obligations under this Agreement in accordance with its specific terms or otherwise breach this Agreement, so that, in addition to any other remedy that a Party may have under law or equity, each Party shall be entitled, without the requirement of posting a bond or other security or proving damages, to injunctive relief to prevent any breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof.

10.15 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Newfoundland and Labrador and the laws of Canada applicable in such Province and this Agreement shall be treated, in all respects, as a Newfoundland and Labrador contract.

10.16 Successors and Assigns

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. Neither Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party.

10.17 Assignment

Prior to the issuance of the Approval and Reverse Vesting Order, the Purchaser may assign all of its rights and obligations under this Agreement to an Affiliate, provided that (i) the Purchaser shall remain liable to perform all of its obligations hereunder, and (ii) the Purchaser and its assignee execute and deliver to the Monitor on behalf of the Acquired Entities an assignment and assumption agreement, in form and substance satisfactory to the Monitor, evidencing such assignment. Other than in accordance with the preceding sentence, the Purchaser may not assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement.

10.18 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

ACQUIRED ENTITIES:

CANADA FLUORSPAR INC., by the Monitor

By: ______________________________

Name:

Title:

CANADA FLUORSPAR (NL) INC., by the Monitor

By: ______________________________

Name:

Title:

CFI NEWSPAR HOLDINGS INC., by the Monitor

By: ______________________________

Name:

Title:

NEWSPAR, A GENERAL PARTNERSHIP by the Monitor

By: ______________________________

Name:

Title:

PURCHASER:

[redacted]

By: ______________________________

Name:

Title:

APPENDIX “B”

2022 01G 0709

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

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

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

APPROVAL AND REVERSE VESTING ORDER

THIS APPLICATION, made by Grant Thornton Limited ("**GTL**" or the "**Monitor**"), in its capacity as Court-Appointed Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. ("**CFI**"), Newspar and CFI Newspar Holdings Inc., (collectively referred to herein as the "**Acquired Entities**", and individually as an "**Acquired Entity**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, *inter alia*: (a) approving the share purchase agreement entered into between the Acquired Entities, as vendors, and the new successful bidder, as purchaser (the "**Purchaser**"), made as of the 26th day of May, 2023 (the "**Share Purchase Agreement**"), a copy of which is attached as Exhibit "A" to the Monitor's Third Confidential Report (as defined below), as amended and restated on the 5th day of June, 2023 as well as the Transactions contemplated therein; (b) adding 92834 Newfoundland and Labrador Inc., a company recently incorporated by the Monitor ("**ResidualCo**") as an applicant to these proceedings (the "**CCAA Proceedings**"); (c) vesting out of the Acquired Entities and into ResidualCo all Excluded Assets, Excluded Contracts and Excluded Liabilities and discharging all Claims, Liabilities and Encumbrances against the Acquired Entities (other than Permitted Encumbrances), including, without limitation, any and all Agreements Affecting the Shares/Partnership Interests; (d) vesting into and to the Purchaser the Purchased Shares free and clear from all Encumbrances (other than Permitted Encumbrances), including all encumbrances and registrations outlined in Schedule "B"; (e) confirming that the transfer of the Existing Interests to the Purchaser shall be effective notwithstanding the provisions of any Agreement Affecting the Shares/Partnership Interests, and any and all Agreements Affecting the Shares/Partnership Interests shall be cancelled and of no further force and effect; (e) confirming that any and all shares, securities, warrants, options, equity interests and partnership interests in the Acquired Entities, if any, other than the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests, shall be cancelled and of no further force and effect, for no consideration such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests shall represent 100% of the outstanding equity or partnership interests, as applicable, in the Acquired Entities as of the Closing Time; and (g) amending the 5th Amended ARIO to extend the stay of proceedings until October 31 2023;

ON READING the application of the Monitor, including the affidavit of Phil Clarke sworn the 29th day of May, 2023 (the "**Clarke Affidavit**") and the Exhibits thereto, the Monitor's Third Confidential Report dated the 29th day of May, 2023 (the "**Confidential Report**"), the Ninth Report of the Monitor dated the 29th day of May, 2023 (the "**Ninth Report**"), and on being advised that the DIP Lenders and the senior secured creditors who are likely to be affected by this Order herein, as well as the existing shareholders of CFI, were each given notice of this Application;

UPON HEARING the submissions of counsel for the Monitor, counsel to the Purchaser, and such other counsel as they may appear;

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that, unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meanings given to them in the Share Purchase Agreement, the Initial Order and the ARIO (as amended).

STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period, as defined in the Initial Order granted by this Court on 11th day of March 2022 (the "**Initial Order**") as amended and restated on the 18th day of March 2022 (the "**ARIO**"), the Amended ARIO-Amendment #1 dated the 10th day of June, 2022 (the "**Amended ARIO**"), the Amended ARIO-Amendment #2 dated the 30th day of August 2022 ("**2nd Amended ARIO**"), the Amended ARIO-Amendment #3 dated the 12th day of October, 2022

("**3rd Amended ARIO**") and the Amended ARIO-Amendment #4 dated February 21, 2023 ("**4th Amended ARIO**") and the Amended ARIO-Amendment #5 dated May 18, 2023 ("**5th Amended ARIO** ") is hereby extended until October 31, 2023.

APPROVAL AND VESTING

4. **THIS COURT ORDERS AND DECLARES** that the Share Purchase Agreement and the Transactions contemplated therein are hereby approved and the execution of the Share Purchase Agreement by the Monitor, on behalf of the Acquired Entities, is hereby authorized and approved, with such minor amendments as the Monitor, on behalf of the Acquired Entities, and the Purchaser may deem necessary or otherwise agree to. The Monitor, on behalf of the Acquired Entities, is hereby authorized and directed to perform the Acquired Entities' obligations under the Share Purchase Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions.

5. **THIS COURT ORDERS AND DECLARES** that notwithstanding any provision hereof, the closing of the Transactions shall be deemed to occur in the manner, order and sequence set out in the Share Purchase Agreement, with such alterations, changes or amendments as may be agreed to by the Monitor, on behalf of the Acquired Entities, and the Purchaser, provided that such alterations, changes or amendments do not materially alter or impact the Transactions or the consideration which the Acquired Entities and/or their applicable stakeholders will benefit from as part of the Transactions.

6. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Monitor, and the Monitor on behalf of the Acquired Entities, to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

7. **THIS COURT ORDERS AND DECLARES** that, at the time of the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Acquired Entities and the Purchaser (the "**Effective Time**"), substantially in the form attached as Schedule "A" hereto, the following shall occur and shall be deemed to have occurred at the Effective Time, all in accordance with the Share Purchase Agreement and the steps contemplated thereunder:

(a) the Monitor, on behalf of the Acquired Entities, shall be deemed to have transferred to ResidualCo the Cash Consideration , Excluded Assets, Excluded Contracts, and

Excluded Liabilities, which, for greater certainty, shall include any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions hereunder and to which the Acquired Entities may be bound as at Closing, and any and all liabilities for Employees, if any, whose employment with CFI or its Affiliates is terminated on or before Closing;

(b) the Acquired Entities shall be released from all Excluded Liabilities, Claims and Encumbrances (except for Permitted Encumbrances), including for greater certainty, and without limitation, all amounts and obligations owing by the Acquired Entities under: (i) the Bridging Loans, including the principal amount of indebtedness outstanding thereunder and interest accrued thereon as of the Closing Date, plus any other fees owing by the Borrower under the Bridging Loans or any other ancillary agreement or document related thereto; (ii) the PNL Loan, including the principal amount of indebtedness outstanding thereunder and interest accrued thereon as of the Closing Date, plus any other fees owing by the Acquired Entities under the PNL Loan or any other ancillary agreement or document thereto, and (iii) the DIP Financing Agreement including the principal amount of indebtedness outstanding thereunder and interest accrued thereon as of the Closing Date, plus any other fees owing by the Acquired Entities under the DIP Financing Agreement;

(c) all of the right, title and interest in and to the Existing Interests shall be transferred to and vest absolutely in the Purchaser, and the Retained Assets will be retained by the Acquired Entities, in each case, as applicable, free and clear of and from any and all right or entitlement under any outstanding or authorized purchase agreements, partnership interests, options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares or partnership interests in the Acquired Entities or obligating the Acquired Entities to issue or sell any shares or interests of, or any other interest in, the Acquired Entities, any voting trusts or agreements, pooling agreements, unanimous shareholder agreements, other shareholder agreements, partnership agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any shares or interests of the Acquired Entities, or any other like agreements that relate to the shares or interests of the Acquired Entities or that are exchangeable or convertible into shares or interests of the Acquired Entities (collectively referred to herein as "**Agreements Affecting the Shares/Partnership Interests**"), or any other security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens (maritime or otherwise), executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other Order of the Court in these CCAA Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Newfoundland and Labrador), or any other personal property registry system, or pursuant to the *Registration of Deeds Act,* 2009 (Newfoundland and Labrador) the *Mechanics' Lien Act* (Newfoundland and Labrador) or the *Mineral Act* (Newfoundland and Labrador) or any other real property or real property related registry or recording system (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances listed on Schedule "C" hereto ("**Permitted Encumbrances**"), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Acquired Entities, the Existing Interests and the Retained Assets, *including, for greater certainty*, any outstanding Agreements Affecting the Shares/Partnership Interests, are hereby cancelled, expunged and discharged as against the Acquired Entities, the Existing Interests and the Retained Assets and shall be of no further force and effect;

(d) any and all shares, securities, equity interests and partnership interests in the Acquired Entities (for greater certainty, not including the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests) that remain issued and outstanding immediately after Steps (a)-(c) above (if any) shall be cancelled and of no further force and effect, for no consideration, such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests shall represent 100% of the outstanding equity or partnership interests, as applicable, in the Acquired Entities as of the Closing Time;

(e) any and all warrants and options in the Acquired Entities (for greater certainty, not including the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests) that remain issued and outstanding immediately after Step (a)-(c) above (if any), and any and all Agreements Affecting the Shares/Partnership Interests, shall be deemed cancelled and extinguished without any Liability, payment or other compensation in respect thereof, and any and all Claims, Liabilities and Encumbrances with respect to the equity and partnership interests of the Acquired Entities, or any and all Agreements Affecting the Shares/Partnership Interests, shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any Liability, payment or other compensation in respect thereof; and

(f) the Acquired Entities shall be deemed to cease being Applicants in these CCAA proceedings, and the Acquired Entities shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA proceedings, save and except for this Order, the provisions of which (as they relate to the Acquired Entities) shall continue to apply in all respects.

8. **THIS COURT ORDERS AND DIRECTS** for greater certainty, and without limiting the generality of the foregoing that nothing contained herein shall be deemed to be a release of any obligation of the Acquired Entities in relation to:

(i) the Licenses and Leases and obligations arising (i) under any applicable legislation, including without limitation, the *Mineral Act* (Newfoundland and Labrador) or the *Mining Act* (Newfoundland and Labrador); or (ii) pursuant to the terms and conditions contained therein, in each case arising after the Closing Date;

(ii) the Acquired Entities rights to the $8,084,965, financial assurance currently held by the Government of Newfoundland and Labrador in relation to any rehabilitation and closure plan as contemplated by the *Mining Act* (Newfoundland and Labrador) of CFI in respect of the St. Lawrence Fluorspar Project located in St. Lawrence, Newfoundland and Labrador, Canada; or

(iii) any environmental liabilities arising after the Closing Date.

9. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

10. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Acquired Entities and the Purchaser regarding the satisfaction of the Cash Consideration and satisfaction or waiver of conditions to Closing under the Share Purchase Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

11. **THIS COURT ORDERS** that upon delivery of the Monitor's Certificate, and upon filing of a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Acquired Entities, the Purchased Shares, the Retained Assets, or the Excluded Assets and Excluded Contracts (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register, as applicable, such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to give effect to the terms of this Order and the Share Purchase Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register, as applicable, transfers of title or interest and cancel and discharge registrations against any of the Acquired Entities, the Purchased Shares or Retained Assets of any Claims or Encumbrances, and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations against any of the Acquired Entities, the Purchased Shares or Retained Assets, as applicable.

12. **THIS COURT ORDERS** that no authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Acquired Entities, Purchased Shares or the Retained Assets is required for the due execution, delivery and performance by the Acquired Entities of the Share Purchase Agreement.

13. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Existing Interests and the Financing Amount (including, for greater certainty, the Deposit and the Cash Consideration) (the "**Proceeds**") shall stand in the place and stead of the Acquired Entities, the Purchased Shares and the Retained

Assets, and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the Proceeds, Excluded Contracts and Excluded Assets, with the same priority as they had with respect to the Acquired Entities, the Purchased Shares and the Retained Assets, as applicable, immediately prior to the sale.

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), as amended, the Acquired Entities or the Monitor, as the case may be, is authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Acquired Entities records pertaining to past and current employees of the Acquired Entities. The Purchaser shall maintain and cause the Acquired Entities, from and after the Closing Date, to maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Acquired Entities prior to the Closing Date.

15. **THIS COURT ORDERS AND DECLARES** that, at the Effective Time and without limiting the provisions of paragraph 7 hereof, the Acquired Entities, the Monitor and the Purchaser shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon), as well as penalties for failure to file returns pursuant to section 162 of the *Income Tax Act* (Canada) (the "Act"), or that relate to, the Acquired Entities, including without limiting the generality of the foregoing all taxes, penalties and interest that could be assessed against the Acquired Entities or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 of the Act, as amended, or any provincial equivalent, in connection with the Acquired Entities (provided, as it relates to the Acquired Entities, such release shall not apply to (a) transaction taxes, or (b) taxes in respect of the business and operations conducted by the Acquired Entities after the Effective Time). For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to taxes or obligations in respect thereof that are transferred to ResidualCo.

16. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Share Purchase Agreement, all Contracts (with the exception of any Agreements Affecting the Shares/ Partnership Interests) to which the Acquired Entities are a party upon delivery of the Monitor's Certificate will be and remain in full force and effect upon and following delivery of the Monitor's

Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

(a) any event that occurred on or prior to the delivery of the Monitor’s Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Acquired Entities);

(b) any monetary defaults in relation to the Contracts incurred on or prior to the delivery of the Monitor’s Certificate;

(c) the insolvency of the Acquired Entities or the fact that the Acquired Entities sought or obtained relief under the CCAA;

(d) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Share Purchase Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or

(e) any transfer, assignment or change of control of the Acquired Entities arising from the implementation of the Share Purchase Agreement, the Transactions or the provisions of this Order.

17. **THIS COURT ORDERS**, for greater certainty, that: (a) nothing in paragraph 16 hereof shall waive, compromise or discharge any obligations of the Acquired Entities in respect of any Retained Liabilities, and (b) the designation of any Claim as a Retained Liability is without prejudice to the Acquired Entities’ right to dispute the existence, validity or quantum of any such Retained Liability, and (c) nothing in this Order or the Share Purchase Agreement shall affect or waive the Acquired Entities’ rights and defences, both legal and equitable, with respect to any Retained Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Retained Liability.

18. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Acquired Entities then existing or previously committed by the Acquired Entities, or caused by the Acquired Entities, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any Contract, existing between such Person and the Acquired Entities (including, for certainty, those Contracts constituting Retained Assets or Retained Liabilities) arising directly or indirectly from the filing by the Acquired Entities under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 16 hereof, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Acquired Entities from performing their obligations under the Share Purchase Agreement or be a waiver of defaults by the Acquired Entities under the Share Purchase Agreement and the related documents.

19. **THIS COURT ORDERS** that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Acquired Entities, the Purchased Shares, the Retained Assets, or the Purchaser, relating in any way to or in respect of any Excluded Assets, Excluded Contracts or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order, including, for greater certainty, the Claims and Encumbrances being discharged pursuant to this Order.

20. **THIS COURT ORDERS** that, from and after the Effective Time:

(a) the nature of the Retained Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;

(b) the nature of the Excluded Contracts and Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to ResidualCo;

(c) any Person that prior to the Effective Time had a valid right or claim against the Acquired Entities, the Purchased Shares or the Retained Assets, under or in respect of any Excluded Contract or Excluded Liability (each an "**Excluded Liability Claim**") shall no longer have such right or claim against the Acquired Entities, the Purchased Shares or the Retained Assets, but will have an equivalent Excluded Liability Claim against ResidualCo in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against ResidualCo; and

(d) the Excluded Liability Claim of any Person against ResidualCo following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Acquired Entities, the Purchased Shares or the Retained Assets, prior to the Effective Time.

21. **THIS COURT ORDERS AND DECLARES** that:

(a) as of the Effective Time, the Acquired Entities shall cease to be an applicant in these CCAA Proceedings and the Acquired Entities shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to the Acquired Entities) shall continue to apply in all respects;

(b) as of the date of this Order, ResidualCo shall be a company to which the CCAA applies, and ResidualCo shall be added as an applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) an "*Applicant*" shall refer to and include ResidualCo, *mutatis mutandis*, (ii) *"Property*", as defined in the Initial Order, shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of ResidualCo (including the Cash Consideration) (collectively, the "**ResidualCo Property**"), and, for greater certainty, each of the Charges (as defined in the Initial Order) shall constitute a charge on the ResidualCo Property.

22. **THIS COURT ORDERS** that for greater certainty, nothing in this Order, including the release of the Acquired Entities from the purview of these CCAA Proceedings pursuant to paragraph 21(a) hereof and the addition of ResidualCo as applicant in these CCAA Proceedings shall affect, vary, derogate from, limit or amend, and GTL shall continue to have the benefit of, any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, this Order, any other Orders in these CCAA Proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of GTL in its capacity as Monitor, all of which are expressly continued and confirmed.

23. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these CCAA Proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), as amended (the "**BIA**") in respect of the Acquired Entities or ResidualCo and any bankruptcy order issued pursuant to any such applications;

(c) any assignment in bankruptcy made in respect of the Acquired Entities or ResidualCo;

(d) the provisions of any federal or provincial statutes pertaining to fraudulent preferences, assignments, fraudulent conveyances, transfers at undervalue, other reviewable transactions, or oppressive or unfairly prejudicial conduct;

(e) any negative covenants, prohibitions or other similar provisions with respect to the Purchased Shares contained in any Agreements Affecting the Shares/Partnership Interests or other agreement which binds any of the Acquired Entities, and notwithstanding any provision to the contrary in any such agreement;

the Share Purchase Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets and Excluded Liabilities in and to ResidualCo, and transfer of the Existing Interests and Retained Assets, to the Purchaser free and clear of all Claims and Encumbrances) and any payments by or to the Purchaser, the Acquired Entities, ResidualCo, or the Monitor authorized herein or pursuant to the Share Purchase Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Acquired Entities or ResidualCo, and shall not be void or voidable by creditors of the Acquired

Entities or ResidualCo, as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

RELEASES

24. **THIS COURT ORDERS** that effective upon the delivery of the Monitor's Certificate to the Acquired Entities and the Purchaser, (a) the present and former directors, officers, employees, legal counsel and advisors of the Acquired Entities or ResidualCo, (b) the Monitor and its legal counsel and advisors, and their respective present and former directors, officers, partners, employees and advisors, (c) the Purchaser, its directors, officers, employees, legal counsel and advisors, (d) the DIP Lenders, its counsel, and their respective present and former directors, officers, partners, employees and advisors (the Persons listed in (a), (b), (c) and (d) being collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, offer, investment proposal, dealing, or other fact, matter, occurrence or thing existing or taking place prior to the delivery of the Monitor's Certificate or completed pursuant to the terms of this Order and/or in connection with the Transactions in respect of the Acquired Entities or its assets, business or affairs, prior dealings with the Acquired Entities (wherever or however conducted or governed), or the administration and/or management of the Acquired Entities or these proceedings (collectively, the "**Released Claims**"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to ResidualCo or to any other entity and are extinguished, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any claim for fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA.

25. **THIS COURT ORDERS** that nothing in this Order waives, discharges or in any way releases any person, including the Released Parties, from any responsibility or obligation, including any Encumbrance, that was, is or may be owed to or enforceable by the Province of Newfoundland and Labrador or any Ministry or agency thereof (collectively, "**Newfoundland and Labrador Governmental Authorities**"), that is not a "claim" as defined in section 2(1) of the CCAA, including from any environmental Liability that was, is or may be owed to or enforceable by any Newfoundland and Labrador Governmental Authority that is not a "claim" as defined in section 2(1) of the CCAA, and nothing in this order in any way bars, estops, stays or enjoins any and all steps or proceedings by any Newfoundland and Labrador Governmental Authorities or any servant, agent or employee thereof in respect thereof; it being understood that nothing in this paragraph 25 shall impact the protections in favour of the Monitor pursuant to paragraph 30 hereof.

26. **THIS COURT ORDERS** that, upon the Monitor paying Four Hundred Thousand Dollars ($400,000.00) to Newfoundland Fluorspar Exploration Ltd., pursuant to a royalty agreement dated November 23, 2015 (the "**Royalty Agreement**"), the Royalty Agreement shall be terminated and removed from the Confidential Registry at the Registry Mines for the Province of Newfoundland and Labrador, and the Monitor and the Purchaser shall be authorized to discharge any registrations against any of the Acquired Entities, the Purchased Shares or Retained Assets, as applicable, in accordance with paragraph 11 above.

THE MONITOR

27. **THIS COURT ORDERS** that the Ninth Report, the Confidential Report and the activities of the Monitor set out in the Ninth Report and Confidential Report, are hereby approved, provided however, that only the Monitor, in its personal capacity and only with respect to its own liability, shall be entitled to rely upon or utilize in any way such approval.

28. **THIS COURT ORDERS** that the Monitor, its employees and representatives shall not be deemed directors of ResidualCo, de facto or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of the Monitor.

29. **THIS COURT ORDERS** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Monitor and its legal counsel. The

entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under the present paragraph.

30. **THIS COURT ORDERS** that the Monitor shall not, as a result of this Order or any matter contemplated hereby, (a) be deemed to have taken part in the management or supervision of the management of the Acquired Entities or ResidualCo, or to have taken or maintained possession or control of the business or property of any of the Acquired Entities or ResidualCo, or any part thereof, or (b) be deemed to be in Possession (as defined in the Initial Order) of any property of the Acquired Entities or ResidualCo within the meaning of any applicable Environmental Legislation (as defined in the Initial Order) or otherwise.

SEALING ORDER

31. **THIS COURT ORDERS** that the Third Confidential Report and the Share Purchase Agreement shall be sealed with the Court until such time as the Transactions are closed pursuant to the Closing as outlined in the Share Purchase Agreement.

GENERAL

32. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Acquired Entities, Purchased Shares and the Retained Assets.

33. **THIS COURT ORDERS** that, following the Effective Time, the title of these proceedings is hereby changed to:

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF RESIDUALCO

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

35. **THIS COURT DECLARES** that the Monitor and the Acquired Entities shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court

or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Acquired Entities and the Monitor as may be deemed necessary or appropriate for that purpose.

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

37. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Newfoundland and Labrador Time on the date hereof, provided that the Transaction steps set out in paragraph 7 hereof shall be deemed to have occurred sequentially, one after the other, in the order set out in therein.

SCHEDULE A

Form of Certificate of Monitor

(see attached)

2022 01G 0709

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

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

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

MONITOR'S CERTIFICATE

RECITAL

A. Pursuant to an Initial Order of the Newfoundland and Labrador Supreme Court, in Bankruptcy and Insolvency dated the 11th day of March 2022 (the "**Initial Order**"), which was amended and restated on the 18th day of March, 2022 (the "**ARIO**"), Amendment #1 of ARIO dated June 10th, 2022 (the "**Amended ARIO**"), Amendment #2 to the ARIO dated August 30th, 2022 ("**2nd Amended ARIO**"), Amendment #3 to the ARIO dated October 12th 2022 ("**3rd Amended ARIO**") Amendment #4 to the ARIO dated February 21, 2023 ("**4th Amended ARIO**") and Amendment #5 to the ARIO dated May 18th 2023 ("**5th Amended ARIO**"), Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., Newspar and CFI Newspar Holdings Inc., (collectively referred to herein as the "**Acquired Entities**", and individually as an "**Acquired Entity**") were granted creditor-protection pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") and Grant Thornton Limited was appointed as court-appointed monitor of the Acquired Entities ("**GTL**" or the "**Monitor**").

B. Pursuant to an Order of this Honourable Court dated the __ day of _________, 2023 (the "**Approval and Reverse Vesting Order**"), the Court approved the Share Purchase Agreement made as of the 26th day of May, 2023, as amended and restated on the 5th day of June, 2023 (the "**Share Purchase Agreement**") entered into by and between the Acquired Entities, as vendor, and the new successful bidder, as purchaser (the "**Purchaser**"), as well as the Transactions as defined in the Share Purchase Agreement.

C. Unless otherwise indicated or defined herein, capitalized terms used herein shall have the meanings given to them in the Approval and Reverse Vesting Order.

THE MONITOR CERTIFIES as follows:

1. The Monitor has received written confirmation from the Acquired Entities and the Purchaser, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Share Purchase Agreement, including, without limitation, the payment of the Cash Consideration (as defined in the Share Purchase Agreement) by the Purchaser; and

2. This Certificate was delivered by the Monitor at__________**[TIME]** on________**[DATE].**

Grant Thornton Limited, in its capacity as Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar, and not in its personal capacity

Per: ____

Name:

Title:

Schedule "B"

(Non-Exhaustive List of Specific Encumbrances to be Deleted)

Registration in the name of the Acquired Entities registered at the Personal Property Security Registry for the Province of Newfoundland and Labrador, including but not limited to;

1. Registration Number 14986145 as amended by Amendment Number 15667900 in favor of Government of Newfoundland and Labrador, Department of Tourism, Culture, Industry and Innovation;

2. Registration Number 15980576 registered in favor of HSBC Bank of Canada;

3. Registration Number 15980618 registered in favor of HSBC Bank of Canada;

4. Registration Number 17728072 registered in favor of Caterpillar Financial Services Limited;

5. Registration Number 17788076 registered in favor of Caterpillar Financial Services Limited;

6. Registration Number 17938135 as amended by Amendment Number 17943606 in favor of Meridian Onecap Credit Corp.;

8. Registration Number 19074921 as amended by Amendment Numbers 19194646,19268622 and 19274877 in favor of Caterpillar Financial Services Limited;

9. Registration Number 19074947 in favor of Caterpillar Financial Services Limited;

12. Registration Number 14560924 in favor of Bank of Montreal;

13. Registration Number 15980345 in favor of HSBC Bank Canada;

14. Registration Number 15980584 in favor of HSBC Bank Canada;

15. Registration Number 15980600 in favor of HSBC Bank Canada;

16. Registration Number 15980626 in favor of HSBC Bank Canada;

17. Registration Number 16028888 in favor of HSBC Bank Canada;

18. Registration Number 16483109 and amended by Renewal Number 19729250 in favor of Komatsu International (Canada) Inc.;

19. Registration Number 14667497 as amended by Amendment Numbers 14712368, 15199193, 15667934, 16737959, and Renewal Numbers 16737991, 17931833 and 19391762 in favor of Bridging Finance Inc., as Agent;

20. Registration Number 14667521 as amended by Amendment Numbers 14712517, 15199169, 15667884, 16737986, and Renewal Numbers 16738007, 17931825 and 19391770 in favor of Bridging Finance Inc., as Agent and Sprott Bridging Income Fund LP;

21. Registration Number 17133950 in favor of Komatsu International (Canada) Inc.;

22. Registration Number 17203423 as amended by Amendment Number 17265760 in favor of Komatsu International (Canada) Inc.;

23. Registration Number 17542499 as amended by Amendment Number 17578709 in favor of Hickman Leasing Limited;

24. Registration Number 17691296 in favor of Komatsu International (Canada) Inc.;

25. Registration Number 17821000 in favor of Bank of Montreal;

26. Registration Number 17840695 in favor of Ford Credit Canada Leasing, Division of Canadian Road Leasing Company;

27. Registration Number 18204024 in favor of Ford Credit Canada Leasing, Division of Canadian Road Leasing Company;

28. Registration Number 18585851 as amended by Amendment Number 19552025 in favor of Komatsu International (Canada) Inc.;

29. Registration Number 18591297 in favor of Komatsu International (Canada) Inc.;

30. Registration Number 19074905 as amended by Amendment Numbers 19194653, 19268614 and 19274869 in favor of Caterpillar Financial Services Limited;

31. Registration Number 19129444 in favor of De Lage Landen Financial Services Canada Inc.;

32. Registration Number 19219492 as amended by Amendment Number 19223015 in favor of Komatsu International (Canada) Inc.;

33. Registration Number 19424100 in favor of Komatsu International (Canada) Inc.;

34. Registration Number 19432152 in favor of Komatsu International (Canada) Inc.;

35. Registration Number 19433895 in favor of Komatsu International (Canada) Inc.;

36. Registration Number 19434125 in favor of Komatsu International (Canada) Inc.;

40. Registration Number 19605021 in favor of Komatsu International (Canada) Inc.;

Litigation including but not limited to;

(a) Mikan Scientific Incorporated vs. Canada Fluorspar (NL) Inc., Small Claims Division 0122C00055;

(b) Arkema France vs. Canada Fluorspar (NL) Inc., et al Case Number CV21006632470000;

(c) Canada Fluorspar Inc., Case Number CV140001054100CL, Business Corporations Act NN;

(d) Inaminka Marine Services vs. Canada Fluorspar (NL) Inc., et al, Federal Court File No. T-279-22

(e) Brandon Burke vs. Canada Fluorspar Inc., Human Rights Compliant 13862

(f) Labour Relations Board File Number 5761

Schedule “C”

(Permitted Encumbrances)

1. The obligations set out in paragraph 8 of the Approval and Reverse Vesting Order.

2. Reservations, limitations, provisions and conditions, if any, expressed in any original grant from the Crown.

3. Title defects or irregularities which are of minor nature, encroachments, easements, rights-of-way, rights to use, servitudes or similar interests provided that same does not materially adversely affect value, use or exploitation.

4. Servitudes, easements, rights of way or similar rights in land granted to or reserved by other persons including minor title defects effecting real property such as reservations and limitations expressed in any original grant from the Crown or as a result of statutory reservations and exceptions to title.

5. Encumbrances securing Retained Liabilities to the extent that such Retained Liabilities are secured by Encumbrances as of the Closing Time.

6. Encumbrances permitted in writing by the Purchaser.

APPENDIX “C”

May 29, 2023 Court No. 2022 01G 0709

NOTICE TO CREDITORS

In the Matter of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C. c-36, as amended and in the Matter of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., Newspar and CFI Holdings Inc. (collectively, "CFI" or the "Companies")

TAKE NOTICE that on the 6th day of June, 2023, CFI will make an application pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the **"CCAA"**) for an order, inter alia: (a) approving the share purchase agreement entered into between the Acquired Entities, as vendors, and the new successful bidder, as purchaser (the "Purchaser"), made as of the 26th day of May, 2023 (the **"Share Purchase Agreement"**), as well as the Transactions contemplated therein; (b) adding a company to be incorporated by the Monitor **("ResidualCo"**) as an applicant to these proceedings (the **"CCAA Proceedings"**); (c) vesting out of the Acquired Entities and into ResidualCo all Excluded Assets, Excluded Contracts, Excluding Liabilities and discharge all Claims Liabilities and Encumbrances of the Acquired Entities, including without limitation any and all Agreements Effecting the Shares/Partnership Interests; (d) vest into and to the Purchaser the Purchased Shares free and clear from all encumbrances including all encumbrances and registrations; (e) confirming that the transfer of the Existing Interests and issuance of the subscription shares to the Purchaser shall be effective notwithstanding; the provisions of any Agreement Affecting the Shares/Partnership Interests, and any and all Agreements Affecting the Shares/Partnership Interests shall be cancelled and of no further force and effect; (e) confirming that any and all shares, securities, warrants, options, equity interests and partnership interests in the Companies, if any, other than the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests, shall be cancelled and of no further force and effect, for no consideration such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspar Equity Interests, and the Newspar Partnership Interests shall represent 100% of the outstanding equity or partnership interests, as applicable, in the Companies as of the Closing Time; and (g) amending the 6th Amended ARIO to extend the stay of proceedings until October 31, 2023.

This application is set to be heard at 10am NL time, June 6, 2023 at the Supreme Court in St. John's, NL Canada.

Copies of the materials filed in relation to this application will be posted to the Monitor's website at www.grantthornton.ca/cfi. **We recommend that creditors read these materials as this application will impact the creditors.**

If you have any questions or with to speak to a representative of Grant Thornton Limited, please contact us at:

Corey Hines
Grant Thornton Limited
CanadaFluorspar@ca.gt.com
T: + 1 902 491 7704
www.GrantThornton.ca/CFI

Sincerely,

GRANT THORNTON LIMITED
In its Capacity as Monitor of
Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., Newspar and CFI Newspar Holdings Inc.

Phil Clarke, KStJ, CPA, CA, CIRP, LIT
Senior Vice President