

Our File: 188381

July 19, 2021

*Via email, facsimile
or courier*

To whom it may concern:

**Re: Court file No.: 202001G2883
Spratt Private Resource Lending (Collector), LP v. The Kami Mine Limited
Partnership et al.**


With respect to the above-noted matter, we write to enclose the following documents which have been filed with the court:

- 1) Interlocutory Application for an Order, inter alia, approving the Claims Process;
- 2) Affidavit of Robert Taylor dated July 16, 2021;
- 3) Second Report of the Receiver dated July 16, 2021; and
- 4) Draft Claims Process Order

You will note that this Application has been set down for August 13, 2021 at 10:00 am. We will be requesting the Court to grant the Order at that time.

We trust you find this to be in order.

Yours truly,


Geoffrey Spencer
Regional Lead Partner

Encl.
/tly

2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

THIRD RESPONDENT

INTERLOCUTORY APPLICATION
(*Inter Partes*)

SUMMARY OF CURRENT DOCUMENT	
Court File Number(s):	2020 01G 2883
Date of Filing Document:	July 19, 2021
Name of Party Filing or Person:	Deloitte Restructuring Inc., in its capacity as court-appointed receiver (the Receiver) of the First, Second and Third Respondents (the Companies)
Applications to which Document being filed relates:	Interlocutory Application of the Receiver
Statement of Purpose in Filing:	Application by the Receiver for an Order, <i>inter alia</i> , approving the Claims Process
Court Sub-File Number, if any:	N/A

NATURE OF APPLICATION

1. On June 17, 2020 (the "**Date of Receivership**") the Receiver was appointed by Order of this Court (the "**Receivership Order**") as the receiver of all of the assets, undertakings, and property (the "**Property**") of Alderon Iron Ore Corp. ("**Alderon**"), The Kami Mine Limited Partnership ("**Kami LP**"), and Kami General Partner Limited ("**Kami GP**") (collectively the "**Companies**") acquired for, or used in relation to the business carried on by the Companies (the "**Kami Project**").
2. On November 13, 2020, a Sale Approval and Vesting Order was issued by this Court approving the sale of certain assets of the Companies (the "**Assets**") to Quebec Iron Ore Inc. and 12364042 Canada Inc. (collectively, the "**Purchaser**").
3. On April 1, 2021, the sale of the Assets was concluded and the sale proceeds for the Assets (the "**Sale Proceeds**") were paid to the Receiver.
4. The Receiver now seeks an Order:
 - (a) abridging the time for service, validating service, and dispensing with further service of the within Application;
 - (b) Approving the activities, fees, and disbursements of the Receiver as described in the Second Report of the Receiver dated July 16, 2021 (the "**Second Report**") including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees of the Receiver's legal counsel;
 - (c) Approving the Claims Process, as outlined in the Second Report;
 - (d) Approving the Receiver's Statement of Receipts and Disbursements for the period from January 23, 2019 to June 30, 2021 attached to the Second Report as Appendix "B"; and
 - (e) Providing such further or other relief that the Court considers just and warranted in the circumstances.

MATERIAL FACTS

5. Since the date of the First Report of the Receiver, the Receiver has undertaken and performed the following activities:
 - (a) Correspondence with various creditors, stakeholders, and interested parties with respect to the receivership proceedings;
 - (b) Continued to monitor and maintain the Assets until the sale of the Assets to the Purchaser closed;
 - (c) Completed the transition of the Assets to the Purchaser and closed the sale of the Assets effective April 1, 2021;
 - (d) Addressed insurance matters, including policy renewals and terminating certain policies upon the closing of the sale of the Assets;

- (e) Corresponded with Metso Minerals Canada Inc. ("**Metso**"), with respect to the Companies' assets in Metso's possession;
- (f) Correspondence with the Province of Newfoundland and Labrador with respect to the transfer of various mining licenses to the Purchaser;
- (g) Correspondence with the Toronto Stock Exchange Trust (the "**TSX Trust**" or "**Trustee**") with respect to Alderon's share register to assist in the solicitation of shareholder claims;
- (h) Prepared and executed an affidavit to obtain Alderon's share register from TSX Trust pursuant to section 49(2) of the BC Corporations Act;
- (i) Correspondence with CDS Clearing and Depository Services Inc. ("**CDS**") with respect to Alderon's shareholders of record to assist in the solicitation of shareholder claims;
- (j) Responded to queries from the Canada Revenue Agency ("**CRA**") regarding the Companies' Goods and Services Tax ("**GST**");
- (k) Addressed post-receivership GST matters;
- (l) Prepared interim statutory reports and filed same with the Office of the Superintendent of Bankruptcy in accordance with subsection 246(2) of the Bankruptcy and Insolvency Act;
- (m) Corresponded with McInnes Cooper, the Receiver's legal counsel, from time to time on various legal matters relating to the receivership administration, including concluding the sale of the Assets;
- (n) Drafted, reviewed and finalized the Second Report; and
- (o) Addressed additional matters of a general and specific nature as they arose from time to time not referred to above.

Closing of the Sale of the Assets

- 6. The Receiver and the Purchaser entered into an asset purchase agreement dated October 29, 2020 (the "**APA**"), and this Honourable Court granted the Sale and Vesting Order on November 13, 2020.
- 7. The APA set an outside date to conclude the sale (the "**Outside Date**") of December 31, 2020; however, due to a delay in obtaining the consent of the Minister of Industry, Energy and Technology with respect to the transfer of the Mining Rights, the Receiver and Purchaser executed four (4) amendments to extend the Outside Date on December 29, 2020 to January 29, 2021, on January 27, 2021 to February 27, 2021, on February 26, 2021 to March 26, 2021 and on March 26, 2021 to April 16, 2021.
- 8. The delays encountered were with respect to required consultations with certain indigenous groups; the Newfoundland and Labrador provincial election taking place at

- that time; and the various COVID-19 restrictions impacting the ability of the Minister of Industry, Energy and Technology to consent to the transfer of the Mining Rights.
9. On April 1, 2021, all terms and conditions of the APA were completed to the satisfaction of the Receiver.
 10. The transaction contemplated in the APA resulted in the following consideration:
 - (a) The extinguishment of the Companies' indebtedness to Sprott Private Resource Lending (Collector), LP of \$19.4 million;
 - (b) \$15 million in cash; and
 - (c) An undertaking in favour of the Receiver to make a finite production payment on a fixed amount of future iron ore concentrate production from the Kami Project.
 11. As a result of the quantum of the Sale Proceeds, and based on the information currently available to the Receiver in respect of outstanding amounts owed to creditors, there are sufficient Sale Proceeds to fully address Kami LP's creditor claims such that after payment of the creditor claims the remaining Sale Proceeds will be distributed: i) approximately 25% to HBIS International Holding (Canada) Co., Ltd. that owns approximately 25% of Kami LP; ii) approximately 75% to Alderon that owns approximately 75% of Kami LP; and iii) approximately .001% to Kami GP that owns approximately .001% of Kami LP, such that there will be funds available for Alderon's shareholders through the claims process to be established (as outlined in the Second Report).

Claims Process

12. The Receiver is seeking Court approval to commence a claims process to assess claims against the Companies and their relative priority. Such claims processes are required to qualify/quantify stakeholder debt and to allow for a fair and equitable distribution of the Sale Proceeds (collectively the "Claims Process"). The Receiver is seeking approval of the following:
 - (a) A claims procedure to identify all shareholders in respect of Alderon (the "Shares" and "Shareholders") who have a claim as a Shareholder in respect of Alderon (a "Share Claim"), including the determination of such Share Claim (the "Shareholder Claims Procedure"), as more particularly outlined in the Second Report; and
 - (b) A claims procedure to identify all creditors (the "Creditors") with claims in respect of Kami LP, Kami GP and Alderon, including the determination of such creditor claims (the "Creditors Claim Procedure"), as more particularly outlined in the Second Report.
13. The Receiver seeks a Claims Process for the following reasons:
 - (a) substantially all of the assets of the Companies have been sold and it is necessary to establish a process for a fair and equitable distribution of the Sale Proceeds;

- (b) it is anticipated that there are sufficient Sale Proceeds to fully address the Companies' creditor claims such that there will be a partial recovery for the Companies' shareholders;
- (c) the Companies are no longer operating and there is no other use for the Sale Proceeds other than to distribute it to the Companies' creditors and shareholders;
- (d) the Companies cannot distribute the surplus Sale Proceeds to their shareholders in the ordinary course since all of the directors and officers of the Companies have resigned;
- (e) the proposed Claims Process will allow for the most efficient, timely and cost-effective distribution of the Sale Proceeds to the creditors and shareholders of the Companies; and
- (f) no prejudice will result from approving the proposed Claims Process.

Order Validating Service


- 14. The Receiver has provided notice of these proceedings to all parties that received notice of the receivership application. The Receiver has been unable to identify all of the unsecured creditors of the Companies. However, the proposed Claims Process includes the publishing of advertisements seeking the claims of creditors and shareholders.
- 15. Due to the difficulty in identifying and serving all of the unsecured creditors, the Receiver seeks an order abridging the time for service, validating service and dispensing with further service of this Application on any other creditors of the Companies.

RELIEF SOUGHT

- 16. The Receiver repeats the foregoing paragraphs and requests an Order:
 - (a) abridging the time for service, validating service, and dispensing with further service of the within Application;
 - (b) Approving the activities, fees, and disbursements of the Receiver as described in the Second Report, including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees of the Receiver's legal counsel;
 - (c) Approving the Claims Process, as outlined in the Second Report;
 - (d) Approving the Receiver's Statement of Receipts and Disbursements for the period from January 23, 2019 to June 30, 2021 attached to the Second Report as Appendix "B"; and
 - (e) Providing such further or other relief that the Court considers just and warranted in the circumstances.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

DATED AT the City of St. John's, in the Province of Newfoundland and Labrador, this 16th day of July, 2021.




Geoffrey Spencer
McInnes Cooper
Solicitors for the Receiver
10 Fort William Place
5th Floor, Baine Johnston Centre
PO Box 5939
St. John's, NL A1C 4X4

To: Supreme Court of Newfoundland and Labrador
General Division (In Bankruptcy)
P.O. Box 937
313 Duckworth Street
St. John's, NL A1C 5M3

And To: The Service List attached as Schedule "A"

Issued at St. John's, in the Province of Newfoundland and Labrador, this 20 day of July, 2021.



Court Officer

COURT
OFFICER

2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

THIRD RESPONDENT

NOTICE TO THE RESPONDENTS

You are hereby notified that the foregoing application will be made to the judge presiding in Chambers at the Court House at St. John's, Newfoundland and Labrador on *Friday*, the *13* day of *August*, 2021 at 10:00 am.

To: The Service List attached as Schedule "A"

SCHEDULE "A"

**SERVICE LIST IN THE MATTER OF THE RECEIVERSHIP OF THE KAMI MINE
LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND ALDERON
IRON ORE**

Party	Role
Dentons Canada LLP 1500, 850-2 nd Street SW Calgary, Alberta T2P 0R8 Attention: David Mann / John Regush <u>Email: david.mann@dentons.com,</u> <u>john.regush@dentons.com</u>	<i>Counsel to Sprott Private Resource Lending (Collector) LP, Secured Creditor</i> <i>Counsel to Sprott Resource Lending Corp.</i>
Cox & Palmer Suite 1100 Scotia Centre 235 Water Street St. John's NL A1C 1B6 Attention: Wayne Myles / Darren O'Keefe <u>Email: wmyles@coxandpalmer.com,</u> <u>dokeefe@coxandpalmer.com</u>	<i>Agency Counsel for Dentons Canada LLP</i>
The Kami Mine Limited Partnership 1240 —1140 West Pender Street Vancouver, British Columbia V6E 4G1 Fax: (604) 681-8039 <u>Email: oaasen@alderonironore.com</u>	<i>Debtor</i>
Kami General Partner Limited 1240 —1140 West Pender Street Vancouver, British Columbia V6E 4G1 Fax: (604) 681-8039 <u>Email: oaasen@alderonironore.com</u>	<i>Debtor</i>
Alderon Iron Ore Corp. 1240 — 1140 West Pender Street Vancouver, British Columbia V6E 4G1 Fax: (604) 681-8039 <u>Email: oaasen@alderonironore.com</u>	<i>Debtor</i>

Party	Role
McMillan LLP Royal Centre, 1055 W. Georgia Street, Suite 1500 PO Box 11117 Vancouver, BC V6E 4N7 Attention: Bernhard J Zinkhofer Email: Bernhard.Zinkhofer@mcmillan.ca	<i>Counsel to HBIS International Holdings (Canada) Co., Ltd., limited partner of The Kami Mine Limited Partnership</i> <i>Counsel to Hebei Iron & Steel Group Co. Ltd.</i>
Langlois 1250 Rene Lavesque Boulevard Montreal, Quebec H3B 4W8 Attention: Eugenie Lefebvre Email: Eugenie.lefebvre@langlois.ca	<i>Counsel to Metso Minerals Canada Inc.</i>
Altius Resources Inc. Ben Lewis, CFO Email: blewis@altiusminerals.com	<i>Party to Royalty Agreement</i>
Canada Revenue Agency Quebec Insolvency Intake Centre Fax: 1-866-229-0839	<i>Canada Revenue Agency</i>
Workplace, Newfoundland and Labrador 146-148 Forest Road St. John's, NL A1A 3B8 Attention: Anne Martine	<i>Workplace, Newfoundland and Labrador</i>
Provincial Government Collections, Newfoundland and Labrador Account and Services, Government of NL 3rd Floor, East Block, Confederation Building St. John's, NL Attention: Lisa Warren, Manager of Collection, Tax Email: lisa-warren@gov.nl.ca	<i>Provincial Government Collections, Newfoundland and Labrador</i>

Norton Rose Fulbright Canada 2828 boulevard Laurier, bureau 1500 Quebec, QC G1V 0B9 Att: Christian Roy Email: christian.roy@nortonrosefulbright.com	<i>Counsel to Port Authority of Sept-Isles</i>
McCarthy Tetrault Bureau 2500 1000, rue De La Gauchetiere Ouest Montreal, QC H3B 0A2 Att: Jocelyn T. Perreault Email: jperreault@mccarthy.ca	<i>Counsel to the Purchasers</i>
Houseman Limited Email: houseman.bill@crstv.net	

2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

THIRD RESPONDENT

SUMMARY OF CURRENT DOCUMENT

Court File Number	2020 01G 2883
Date of Filing of Document	July 19, 2021
Name of Filing Party	Deloitte Restructuring Inc., in its capacity as court-appointed receiver (the " Receiver ") of the First, Second and Third Respondents (collectively, the " Companies ").
Application to which Document relates	Application by the Receiver for an Order, <i>inter alia</i> , approving the Claims Process
Purpose for filing:	Affidavit in support of Application

AFFIDAVIT OF ROBERT J. TAYLOR

I, Robert J. Taylor, FCPA, FCA, CIRP, LIT, of the City of Calgary, in the Province of Alberta, make oath and say that:

1. I am a Licensed Insolvency Trustee with Deloitte Restructuring Inc., the court-appointed receiver of the Companies and as such I have personal knowledge of the matters deposed to herein except as otherwise stated to be based upon information and belief.

2. I have reviewed the within Application and the contents of the Application are true to the best of my knowledge, information and belief.

3. I make this Affidavit in support of the within Application realizing that it is an offence to give false information in a sworn Affidavit.

SWORN TO at Calgary, in the
Province of Alberta, this 16 day
of July, 2021, before me:


_____

ROBERT J. TAYLOR

NAOMI MCGREGOR
A Commissioner for Oaths
in and for Alberta
My Commission expires: January 14, 2023



COURT FILE NUMBER 2020 01G 2883

COURT SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE ST. JOHN'S

APPLICANT SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

RESPONDENTS THE KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL
PARTNER LIMITED, AND ALDERON IRON ORE CORP.

DOCUMENT **SECOND REPORT OF THE COURT APPOINTED RECEIVER
OF THE KAMI MINE LIMITED PARTNERSHIP, KAMI
GENERAL PARTNER LIMITED, AND ALDERON IRON ORE
CORP.**

DATED JULY 16, 2021

PREPARED BY DELOITTE RESTRUCTURING INC.

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Counsel

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

Attention: Geoffrey Spencer

Telephone/Facsimile: 709-724-5675 / 709-722-1763
Email: geoffrey.spencer@mcinnescooper.com

File No.: 188381

Receiver

Deloitte Restructuring Inc.
700, 850 – 2nd Street SW
Calgary, AB T2P 0R8

Attention: Robert J. Taylor/Naomi McGregor/Ryan Adlington

Telephone/Facsimile: 403-267-0501 / 403-718-3681
Email: bobtaylor@deloitte.ca/
naomcgregor@deloitte.ca/
radlington@deloitte.ca

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Appendices

Appendix "A"	Sale and Vesting Order dated November 13, 2020
Appendix "B"	Receiver's Statement of Receipts and Disbursements
Appendix "C"	Receiver's Certificate dated April 1, 2021
Appendix "D"	Summary of Receiver's Fees
Appendix "E"	Summary of Receiver's Legal Counsel's Fees

Introduction and background

1. On June 17, 2020 (the "**Date of Receivership**") Deloitte Restructuring Inc. ("**Deloitte**") was appointed by Order of the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (the "**Receivership Order**") as the receiver (the "**Receiver**"), without security, of all assets, undertakings, and property (the "**Property**") of Alderon Iron Ore Corp. ("**Alderon**"), The Kami Mine Limited Partnership ("**Kami LP**"), and Kami General Partner Limited ("**Kami GP**") (collectively the "**Debtors**" or the "**Kami Group of Companies**") acquired for, or used in relation to the business carried on by the Debtors, including any bank accounts/trust accounts in the name of the Debtors or in the name of the Receiver on behalf of the Debtors and including all proceeds of any of the Property. The Receivership Order was filed on June 22, 2020 and provided to the Receiver on June 23, 2020.
2. Alderon is a public company listed on the Toronto Stock Exchange ("**TSX**"), under the symbol "IRON" that was incorporated in the Province of British Columbia on March 21, 1978. Alderon is a development-stage company conducting iron ore evaluation activities related to Canadian properties located in western Labrador in the Province of Newfoundland and Labrador, collectively referred to as the Kamistatusset property (the "**Kami Property**"). All activities associated with the Kami Property are referred to as the Kami Project. Alderon transferred the Kami Property and its related assets into Kami LP in 2013 in connection with a strategic investment from HBIS Group in the amount of \$119.9 million for a 25% interest in the Kami Project.
3. Kami LP is a limited partnership pursuant to the laws of Ontario owned by Alderon (75%) and HBIS International Holdings (Canada) Co., Ltd, a subsidiary of HBIS Group (25%).
4. Kami GP is a private corporation incorporated in the Province of Ontario on August 30, 2018 and is owned by Alderon (75%) and HBIS International Holdings (Canada) Co., Ltd, a subsidiary of HBIS Group (25%).
5. The Alderon, Kami LP, and Kami GP head office is located at Suite 1240-1140 West Pender St. Vancouver, British Columbia. The Kami Group of Companies outsourced the majority, if not all, of their administrative, management, legal and regulatory, finance, corporate development, information technology support and corporate communication functions to King & Bay West Management Corp. ("**King & Bay**").
6. King & Bay is owned and operated by certain former Directors of the Kami Group of Companies and is also located at Suite 1240-1140 West Pender St. Vancouver, British Columbia.
7. The Kami Group of Companies' primary secured lender is Sprott Private Resource Lending (Collector), LP ("**Sprott**") which was owed approximately \$19.4 million from the Debtors (the "**Sprott Indebtedness**") at the Date of Receivership. Sprott holds security over all of the Debtors' present and after acquired personal property (the "**Sprott Security**").
8. On or around October 31, 2018, Alderon began pursuing a financing strategy to provide for the repayment of its outstanding loan facilities at that time and to secure sources of additional working capital to complete the development and construction of the Kami Project. On January 24, 2019, the Kami Group of Companies retained Scotiabank Capital Inc. ("**Scotia Capital**") to assist with its financing strategy and engaged in extensive efforts to market and sell the Kami Project, as further described herein.
9. On February 18, 2020, Alderon announced that it entered into a letter of intent ("**LOI**") with the Tunghsu Group Co., Ltd. (the "**Investor**") with respect to an investment transaction pursuant to which the Investor would acquire a 26% to 38% interest in Kami LP for consideration of between USD\$15 million and USD\$23 million. Funds received would, among other things, repay the Sprott Indebtedness. As a result of the LOI, Sprott extended the maturity date of its loan facility to March 31, 2020.

10. On March 26, 2020 Alderon announced that the Investor had terminated the investment transaction due to the volatility and uncertainty created by the COVID-19 pandemic. At this time, two Directors of the Kami Group of Companies resigned.
11. On April 24, 2020, Sprott sent a letter to Kami LP and Kami GP to notify the Kami Group of Companies that they were in default of their obligations pursuant to the lending and subsequent forbearance agreements, demanded repayment of the loans and issued a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended. On April 28, 2020, Sprott issued a similar default notice, demands and a notice of intention to enforce security to Alderon (collectively the "**Demand Letters**").
12. On April 28, 2020, the remaining Directors and Officers of the Kami Group of Companies resigned, and the Kami Group of Companies ceased operating.
13. On May 12, 2020 Sprott directly received an offer to purchase the Kami Mine from an interested purchaser and such offer was supported by Sprott prior to the Court granting the Receivership Order.
14. On October 29, 2020, the First Report of the Receiver (the "**First Report**") along with the confidential supplement of the First Report (the "**Confidential Supplement**") was filed in support of the Sale Approval and Vesting Order (the "**Sale and Vesting Order**") which was issued on November 13, 2020, approving the sale of the Kami Property to Quebec Iron Ore Inc. and 12364042 Canada Inc. (collectively the "**Purchaser**"). The Sale and Vesting Order is attached hereto as **Appendix "A"**.
15. The Receivership Order, together with related Court documents, the Notice to Creditors, the First Report, and this second report (the "**Second Report**") have been posted on the Receiver's website (the "**Receiver's Website**") at www.insolvencies.deloitte.ca/en-ca/Kami.
16. Unless otherwise provided, all other capitalized terms not defined in this Second Report are as defined in the Receivership Order and the First Report.

Purpose

17. The purpose of this Second Report is to:

- a) Provide an update on the administration of the receivership since the First Report; and
- b) Respectfully recommend that this Honourable Court make orders:
 - i. Approving the activities, fees, and disbursements of the Receiver as described in this Second Report, including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees of the Receiver's legal counsel;
 - ii. Approving the Claims Process (defined later in this Second Report);
 - iii. Approving the Receiver's Statement of Receipts and Disbursements for the period from January 23, 2019 to June 30, 2021 (the "**SRD**") attached hereto as **Appendix "B"**; and
 - iv. Providing such further or other relief that the Court considers just and warranted in the circumstances.

Terms of reference

18. In preparing this Second Report, the Receiver has relied upon unaudited financial information prepared by the Debtors' management ("**Management**"), the Debtors' books and records, and discussions with Management. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the information. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this Second Report.
19. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Second Report. Any use, which any party makes of this Second Report, or any reliance or decision to be made based on this Second Report, is the sole responsibility of such party.
20. All dollar amounts in this Second Report are in Canadian dollars, unless otherwise indicated.

Receiver's Activities

21. Since the First Report, the Receiver has undertaken and performed the following activities:
 - a) Correspondence with various creditors, stakeholders, and interested parties with respect to the receivership proceedings;
 - b) Continued to monitor and maintain the Property until the sale of the Property to the Purchaser closed;
 - c) Completed the transition of the Property to the Purchaser and closed the sale of the Property effective April 1, 2021;
 - d) Addressed insurance matters, including policy renewals and terminating certain policies upon the closing of the sale of the Property;
 - e) Corresponded with Metso Minerals Canada Inc. ("**Metso**"), with respect to the Kami Group of Companies' assets in Metso's possession;
 - f) Correspondence with the Province of Newfoundland and Labrador with respect to the transfer of various mining licenses issued to the Kami Group of Companies to the Purchaser;
 - g) Correspondence with the Toronto Stock Exchange Trust (the "**TSX Trust**" or "**Trustee**") with respect to Alderon's share register to assist in the solicitation of shareholder claims;
 - h) Prepared and executed an affidavit to obtain Alderon's share register from TSX Trust pursuant to section 49(2) of the BC Corporations Act;
 - i) Correspondence with CDS Clearing and Depository Services Inc. ("**CDS**") with respect to Alderon's shareholders of record to assist in the solicitation of shareholder claims;
 - j) Responded to queries from the Canada Revenue Agency ("**CRA**") regarding the Kami Group of Companies' Goods and Services Tax ("**GST**");
 - k) Addressed post-receivership GST matters;

- l) Prepared interim statutory reports and filed same with the Office of the Superintendent of Bankruptcy in accordance with subsection 246(2) of the *Bankruptcy and Insolvency Act*;
- m) Corresponded with McInnes Cooper, the Receiver's legal counsel, from time to time on various legal matters relating to the receivership administration, including concluding the sale of the Property;
- n) Drafted, reviewed and finalized this Second Report; and
- o) Addressed additional matters of a general and specific nature as they arose from time to time not referred to above.

Closing of the Sales Process

22. The Receiver and the Purchaser entered into an asset purchase agreement dated October 29, 2020 (the "**APA**"), and this Honourable Court granted the Sale and Vesting Order on November 13, 2020.
23. The APA set an outside date to conclude the sale (the "**Outside Date**") of December 31, 2020; however, due to a delay in obtaining the consent of the Minister of Industry, Energy and Technology with respect to the transfer of the Mining Rights, the Receiver and Purchaser executed four (4) amendments to extend the Outside Date on December 29, 2020 to January 29, 2021, on January 27, 2021 to February 27, 2021, on February 26, 2021 to March 26, 2021 and on March 26, 2021 to April 16, 2021.
24. The delays encountered were with respect to required consultations with certain indigenous groups, the Newfoundland and Labrador provincial election taking place at that time, and the various COVID-19 restrictions impacting the ability of the Minister of Industry, Energy and Technology to consent to the transfer of the Mining Rights.
25. On April 1, 2021, all terms and conditions of the purchase agreement made between the Receiver and the Purchaser, as amended (the "**Purchase Agreement**") were completed to the satisfaction of the Receiver. A copy of the Receiver's Certificate is attached hereto as **Appendix "C"**.
26. The transaction contemplated in the Purchase Agreement is as follows:
- a) The extinguishment of the Sprott Indebtedness of \$19.4 million;
 - b) \$15 million in cash; and
 - c) An undertaking in favour of the Receiver to make a finite production payment on a fixed amount of future iron ore concentrate production from the Kami Project.
27. As a result of the quantum of sale proceeds realized (the "**Sales Proceeds**"), and based on the information currently available to the Receiver in respect of outstanding amounts owed to creditors, there are sufficient Sales Proceeds to fully address Kami LP's creditor claims such that after payment of the creditor claims the remaining Sales Proceeds will be distributed: i) approximately 25% to HBIS International Holding (Canada) Co., Ltd. that owns approximately 25% of Kami LP; ii) approximately 75% to Alderon that owns approximately 75% of Kami LP; and iii) approximately .001% to Kami GP that owns approximately .001% of Kami LP such that there will be a partial recovery for Kami LP's shareholders through the Claims Process to be established (as defined later in this Second Report).
28. It should be noted that the Receiver is of the view that there is one claim against Kami LP where the creditor may have to mitigate its claim. That matter is ongoing. Moreover, there are certain assets in storage in Quebec that the Receiver has recently become aware of that may be saleable. Both of these matters may result in additional funds being available for distribution to Kami LP's shareholders.

Claims Process

29. The Receiver is seeking Court approval to commence a claims process to assess claims against the Kami Group of Companies and their relative priority. Such claims processes are required to qualify/quantify stakeholder debt/equity and to allow for a fair and equitable distribution of the Sales Proceeds (collectively the "**Claims Process**"). The proposed stakeholders are as follows:
- a) A claims procedure to identify all shareholders in respect of Alderon (the "**Shares**" and "**Shareholders**") as of June 17, 2020 (the "**Record Date**") who have a claim as a Shareholder in respect of Alderon (a "**Share Claim**"), including the determination of such Share Claim (the "**Shareholder Claims Procedure**"); and
 - b) A claims procedure to identify all creditors (the "**Creditors**") with claims in respect of Kami LP, Kami GP and Alderon, including the determination of such Creditor Claims (as defined herein) (the "**Creditors Claim Procedure**").

Shareholder Claims Procedure

30. The Receiver shall on or before August 31, 2021, or such other date as the Receiver may determine, send notice by regular mail, email, courier services or facsimile to each known Shareholder as of the Record Date which in Alderon's case is the Date of Receivership, based on the share register provided by TX Trust and the Holders of Record provided by CDS, that a liquidation of shares has commenced (the "**Liquidation Notice**").
31. The Receiver understands that certain shares in Alderon may have been publicly traded in the United States subsequent to the Date of Receivership in what is known as Over the Counter trading. As a result of trading post the Date of Receivership, the Receiver shall, on or before September 7, 2021, or such other dates as the Receiver shall determine, publish an advertisement on two different days in a widely read nationally distributed newspaper in the United States seeking the claims of Alderon Shareholders.
32. The Receiver shall also post electronic copies of the Liquidation Notice on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/Kami as soon as practically possible after August 15, 2021.
33. The Liquidation Notice shall include the following, and such other information as deemed necessary by the Receiver:
- a) An assertion of the share claim such Shareholder has in respect of Alderon (the "**Share Claim**"), based on the information recorded in the share register provided by TX Trust and the Holders of Record provided by CDS in respect of such Shareholder;
 - b) A blank proof of claim and related instruction letter, substantially in the form attached hereto as **Schedule A** of the Claims Process Order (the "**Shareholder Proof of Claim**")
 - c) Notice of the date at which the share register shall be closed;
 - d) Notice of the designated time and date on which the Shareholders may surrender the share certificates representing their Shares(s) for cancellation to the Receiver (the "**Deadline**"); and
 - e) Notice that the Receiver may from time to time apply to the Court for direction in respect of the Claims Process and that it may apply to the Court for a final Order for relief identified in paragraph 17(b) herein, and setting forth a method for the Shareholders to advise the Receiver whether they want to be given notice of either:
 - i. All applications made by the Receiver in respect of the share liquidation, if any, including the application of the final Order; or
 - ii. Only the application for the final Order, if any;which notice will be given by the Receiver if so requested, by electronic mail in accordance with instructions received from the Shareholders requesting notice.

34. Any shares not surrendered for cancellation by the Deadline shall be deemed to be cancelled without prejudice to the rights of the holders of such Shares to receive their pro-rata share of any distribution from the Sale Proceeds.

35. All Shareholders that:

- a) Do not submit a Shareholder Proof of Claim; or
- b) Agree with the Share Claim set forth in the Liquidation Notice;

shall have that Share Claim deemed accepted on November 30, 2021 at 5:00 p.m. (Mountain Time) (the "**Shareholder Claims Bar Date**"). For greater certainty, those Shareholders that agree with the Share Claim set forth in the Liquidation Notice shall not be required to file any forms with the Receiver (other than the surrendering of the shares representing their shares for cancellation).

36. All Shareholders that dispute the Share Claim set forth in the Liquidation Notice shall be required to file a Shareholder Proof of Claim with the Receiver on or before the Shareholder Claims Bar Date. The Receiver will review each Shareholder Proof of Claim submitted on or before the Shareholder Claims Bar Date. The Receiver will either:

- a) Accept the Shareholder Proof of Claim in its entirety;
- b) Revise the amount; or
- c) Disallow the Shareholder Proof of Claim.

37. If the Receiver disputes the amount set out in a Shareholder Proof of Claim, the Receiver may:

- a) Attempt to consensually resolve such Share Claim; or
- b) Send a notice of revision or disallowance, substantially in the form attached hereto as **Schedule B** of the Claims Process Order (the "**Shareholder Notice of Revision or Disallowance**"), by courier, facsimile, or electronic mail, as soon as is reasonably practicable in these proceedings. Such Shareholder Notice of Revision or Disallowance will be deemed to have been received on the following business day.

38. If the Shareholder intends to dispute the Shareholder Notice of Revision or Disallowance, the Shareholder must deliver a dispute notice, substantially in the form attached hereto as **Schedule C** of the Claims Process Order (the "**Shareholder Dispute Notice**"), by courier, facsimile or electronic mail, to the Receiver no later than 14 days from the date the Shareholder Notice of Revision or Disallowance was received or such later date as the Receiver may agree in writing or as ordered by this Court.

39. If the Shareholder does not deliver a Shareholder Dispute Notice in accordance with the preceding paragraph, then the Share Claim shall be deemed accepted at the amount set forth in the Shareholder Notice of Revision or Disallowance and the Shareholder:

- a) will not be entitled to receive a distribution where the entire Share Claim is disallowed; or
- b) will only be entitled to receive a distribution in the amount proportional to the revised amount of the Share Claim.

40. The Receiver may attempt to consensually resolve any Shareholder Dispute Notice with the Shareholder. If same cannot be resolved, the Shareholder shall file with this Court an application in the within proceedings within 15 days of delivery of the Shareholder Dispute Notice, for the determination of the value of the Share Claim.

41. The Receiver anticipates there may be a total of three distributions to Shareholders based on the terms of the APA, as a portion of the Sales Proceeds will be paid to the Receiver over time, following the completion of the Creditor Claims Procedure as defined later in this Second Report. Pursuant to Directive 18 – Unclaimed Dividends and Undistributed Funds issued by the Office of the Superintendent of Bankruptcy Canada, a Licensed Insolvency Trustee is not expected to distribute immaterial amounts available for distribution to a large number of creditors if the cost of the distribution would appreciably exceed the amounts to be distributed. As a guideline to what constitutes materiality, Directive 18 notes such materiality at paragraph 6 (c) “if there are more than five (5) creditors, the funds are to be paid to the creditors where the average dividend to ordinary creditors in the estate will exceed \$10”. As the information available to the Receiver at the time of this Report indicates there are approximately 136 shareholders holding a total of 412 shares (with many shareholders holding only one (1) share) where the Receiver estimates any distribution will be under \$10 per shareholder (or estimated to be less than \$0.10 cents in respect of those shareholders holding only one (1) share), the Receiver proposes to adopt the materiality guideline set out in Directive 18 with respect to those 136 shareholders and not make any distribution of less than \$10. The Receiver will seek further direction from the Court with respect to any distributions of estate funds to the Shareholders.

Creditor Claims Procedure

42. The Receiver shall administer the following Creditor Claims Procedure:

- a) On or before August 31, 2021, or such other date as the Receiver may determine, a claims package and proof of claim (the “**Creditor Proof of Claim**”), substantially in the form attached hereto as **Schedule D** of the Claims Process Order, will be sent by regular mail to each known creditor of Kami LP, Kami GP and Alderon (the “**Creditor Claims Package**”);
- b) The Receiver shall also post electronic copies of the Creditor Claims Package on the Receiver’s website at www.insolvencies.deloitte.ca/en-ca/Kami as soon as practically possible after August 15, 2021.
- c) The Creditor Claims Package shall include notice that the Receiver may from time to time apply to the Court for direction in respect of the Claims Process and that it may apply to the Court for a final Order for the relief identified in paragraph 17(b) herein, and setting forth a method for the Creditors to advise the Receiver whether they want to be given notice of either:
 - i. all applications made by the Receiver in respect of these receivership proceedings, if any, including the application for the final Order; or
 - ii. only the application for the final Order, if any;

which notice will be given by the Receiver if so requested, by electronic mail in accordance with instructions received from the Creditors requesting notice.
- d) On or before September 7, 2021, or such other dates as the Receiver shall determine, an advertisement shall be published on two different days in newspapers in the jurisdictions in which Kami LP, Kami GP and Alderon operated, seeking the claims of Creditors that have any right or claim in respect of Kami LP, Kami GP and Alderon, whether or not asserted, in connection with any indebtedness, liability, or obligation of any kind whatsoever (a “**Creditor Claim**”);
- e) Any person who may have a Creditor Claim shall prepare and submit the Creditor Proof of Claim, and serve it on the Receiver by either courier, facsimile or electronic mail, on or before 5:00 p.m. (Mountain Time) November 30, 2021 (the “**Creditor Claims Bar Date**”);
- f) The Receiver shall have until December 14, 2021 to review the Creditor Proof(s) of Claim and the Receiver may allow or disallow all or any portion of a Creditor Claim, and communicate any

disallowance of a Creditor Claim to the claimant, by delivering a notice of revision or disallowance, substantially in the form attached hereto as **Schedule E** of the Claims Process Order (the "**Creditor Notice of Revision or Disallowance**"). The Creditor Notice of Revision or Disallowance will be deemed to have been received on the following business day;

- g) Any claimant will have 14 business days from the day of receipt of a Creditor Notice of Revision or Disallowance to deliver a notice of dispute, substantially in the form attached hereto as **Schedule F** of the Claims Process Order (the "**Creditor Notice of Dispute**"), to the Receiver;
- h) The Receiver may attempt to consensually resolve any Creditor Notice of Dispute. If same cannot be resolved, the claimant shall file with this Court an application in the within proceedings within 15 days following delivery of the Creditor Notice of Dispute, for the determination of the value of the Creditor Claim; and
- i) Where a Creditor Claim has been allowed by the Receiver in accordance with this Order, such Creditor Claim shall constitute such claimant's proven Creditor Claim for the purposes of these proceedings.

Fees and disbursements of the Receiver

- 43. The Receiver's professional fees are calculated based on hours spent at rates established by each professional based on their qualifications and experience.
- 44. The Receiver's fees and disbursements in relation to the administration of the Receivership up to and including June 30, 2021 total approximately \$238,400 (excluding GST). This total comprises three (3) interim invoices totalling approximately \$225,900 (excluding GST) and work-in-progress of approximately \$12,500 (excluding GST).
- 45. In the Receiver's opinion, the services rendered in respect of these fees and disbursements have been duly rendered in response to required and necessary duties of the Receiver hereunder and are reasonable in the circumstances. A summary of the invoices is attached hereto as **Appendix "D"**.

Fees and disbursements of legal counsel

- 46. The Receiver's legal counsel's cumulative fees and disbursements on this matter total approximately \$156,600 (excluding GST) to June 30, 2021. The accounts of the Receiver's legal counsel are calculated based on hours spent at rates established by each professional based on their qualifications and experience. The Receiver is of the opinion that legal counsel's fees are reasonable and appropriate in the circumstances. A summary of the invoices is attached hereto as **Appendix "E"**.

Interim Statement of Receipts and Disbursements

- 47. The interim Statement of Receipts and Disbursements reflecting the administration of the receivership for the period from June 17, 2020 to June 30, 2021, attached hereto as **Appendix "B"**, is summarized below.

**IN THE MATTER OF THE RECEIVERSHIP OF KAMI LIMITED PARTNERSHIP,
KAMI GENERAL PARTNER LIMITED, AND ALDERON IRON ORE CORP.
COMBINED INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JUNE 17, 2020 TO JUNE 30, 2021**

	Kami Limited Partnership	Kami General Partner Limited	Alderon Iron Ore Corp.	Total
Receipts	145	145	15,007,710	15,008,000
Disbursements	(145)	(145)	(477,920)	(478,211)
Estate balance as at June 28, 2021	(0)	(0)	14,529,790	14,529,789

48. Pursuant to the Receivership Order, the Receiver may borrow up to \$50,000 in aggregate without further Court approval. As at the date of this Second Report, the Receiver's repaid borrowings total \$25,000 that were previously advanced to fund the receivership proceedings.

Conclusions and Recommendations

49. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant the relief detailed in Section 17 (b) of this Second Report and such further and other relief as this Honourable Court deems appropriate in the circumstances.

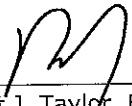
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All of which is respectfully submitted at Calgary, Alberta this 16th day of July 2021.

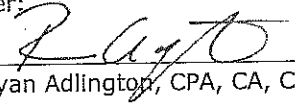
DELOITTE RESTRUCTURING INC.,

solely in its capacity as Court-appointed Receiver
of Alderon, Kami LP, and Kami GP (as defined herein)
and not in its personal or corporate capacity

Per:


Robert J. Taylor, FCPA, FCA, CIRP, LIT

Per:


Ryan Adlington, CPA, CA, CIRP, LIT

Appendix "A"

2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

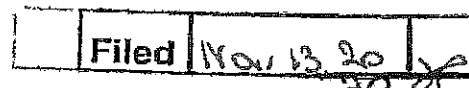
THIRD RESPONDENT

SALE APPROVAL AND VESTING ORDER

UPON READING the Application of Deloitte Restructuring Inc. (the "Receiver"), in its capacity as the court-appointed receiver of all of the assets, undertakings and property of the Respondents (the "Debtors") for an Order:

- (i) Approving the activities, fees and disbursements of the Receiver as set out in the First Report of the Receiver (the "Receiver's Report");
- (ii) Approving the sale transaction of certain property contemplated by an Asset Purchase Agreement dated the 29th day of October, 2020 (the "Purchase Agreement") between, the Receiver and Quebec Iron Ore Inc. and 12364042 Canada Inc. (collectively, the "Purchasers"), and transferring to the Purchasers all of the Debtors' and the Receiver's right, title and interest in the Debtors' property described within the Purchase Agreement (the "Purchased Assets");
- (iii) Vesting and transferring all of the Debtors' and the Receiver's right, title and interest in the Purchased Assets in and to the Purchasers free and clear of all Claims (as defined below); and
- (iv) Directing that the Confidential Supplement to the Receiver's Report be sealed with the Court unless otherwise ordered by the Court, until such time as the sale has been completed by the Receiver.

AND UPON READING the Receiver's Report, and the material filed by counsel;





AND UPON HEARING Geoffrey Spencer on behalf of the Receiver;

IT IS THIS DAY ORDERED THAT:

Validation of Service

1. The time for service of the Application is hereby abridged, service of the Application is validated and further service of the Application is dispensed with.

Approval of Sale

2. The activities, fees and disbursements of the Receiver as described in the Receiver's Report be and are hereby approved;
3. The Receiver be and is hereby authorized to complete the transaction between the Receiver and the Purchasers contemplated by the Purchase Agreement in relation to the Purchased Assets.
4. The Purchase Agreement be and is hereby approved.
5. The Receiver is authorized and empowered to do all things and execute and deliver all such documents as it deems necessary in order to complete the transactions contemplated by the Purchase Agreement.

Vesting of Assets

6. Effective immediately upon the filing with this Court of a Receiver's Certificate substantially in the form attached hereto as Schedule "A" (the "Receiver's Certificate") signed by the Receiver confirming that all terms and conditions under the Purchase Agreement have been either satisfied or waived and that the transactions contemplated by the Purchase Agreement have been completed to the satisfaction of the Receiver, all right, title and interest of the Debtors and the Receiver in the Purchased Assets shall vest and are hereby vested in and to the Purchasers, absolutely and forever, without limitation, free and clear of and from any and all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise) liens, 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, including but not limited to any claims arising from the Receiver's termination of the Iron Ore Off Take Agreement between The Karmi Mine Limited Partnership and Habei Iron & Steel Group Co., Ltd. dated August 31, 2012 (collectively, the "Claims") provided however that from or after the filing of the Receiver's Certificate with this Court, any and all Claims of or by any persons in or to the Purchased Assets shall attach to the proceeds derived from the completion of the transactions contemplated by the Purchase Agreement with the same priority as they had with respect to the Purchased Assets immediately prior to the completion of the transactions contemplated by the Purchase Agreement.
7. The purchase price set out in the Purchase Agreement is fair and commercially reasonable and was arrived at in a commercially reasonable manner.

8. Notwithstanding:

- (i) the pendency of these proceedings;
- (ii) any applications for a bankruptcy order now or in the future issued pursuant to the BIA in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (iii) any assignment in bankruptcy made in respect of the Debtors

the vesting of the Purchased Assets in and to the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute or be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at under value or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 9. Any and all third parties holding Purchased Assets are hereby directed to release such Purchased Assets forthwith upon receiving instructions to that effect from the Receiver, or, after the closing of the transactions contemplated by the Purchase Agreement, from the Receiver, the Purchasers or both.
- 10. 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 in connection with the authority granted hereunder to proceed with and conclude the transactions contemplated by the Purchase Agreement.

Sealing Order

- 11. The Confidential Supplement to the Receiver's Report shall be sealed with the Court unless otherwise ordered by the Court, until such time as the sale of the Purchased Assets has been completed by the Receiver.

Dated at St. John's, in the Province of Newfoundland and Labrador, this 13th day of November, 2020

Court Officer

Schedule "A"



2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

THIRD RESPONDENT

RECEIVER'S CERTIFICATE

Deloitte Restructuring Inc. (the "Receiver"), in its capacity as court-appointed receiver of all of the assets, undertaking and property of Alderon Iron Ore Corp., The Kami Mine Limited Partnership, and Kami General Partner Limited, hereby confirms that all terms and conditions under the Asset Purchase Agreement dated October 29, 2020 (the "Purchase Agreement") made between the Receiver and Quebec Iron Ore Inc. and 12364042 Canada Inc. (and/or assignees) have been either satisfied or waived, and that the transactions contemplated by the Purchase Agreement have been completed to the satisfaction of the Receiver.

Dated this _____ day of _____, 2020 at _____.

Deloitte Restructuring Inc., in its capacity as court-appointed receiver of all of the assets, undertaking and property of Alderon Iron Ore Corp., The Kami Mine Limited Partnership, and Kami General Partner Limited

Witness

Per: _____
Name: _____
Title: _____

Appendix "B"

**IN THE MATTER OF THE RECEIVERSHIP OF KAMI LIMITED PARTNERSHIP,
KAMI GENERAL PARTNER LIMITED, AND ALDERON IRON ORE CORP.
COMBINED INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JUNE 17, 2020 TO JUNE 30, 2021**

	Kami Limited Partnership	Kami General Partner Limited	Alderon Iron Ore Corp.	Total
Receipts				
Sale of assets			15,000,000	15,000,000
Rental income			6,957	6,957
GST/HST collected			1,043	1,043
Transfer of funds from related Estates	145	145	(290)	-
Total receipts	145	145	15,007,710	15,008,000
Disbursements				
Receiver's fees and costs			225,892	225,892
Legal fees/disbursements			156,612	156,612
Storage			50,493	50,493
GST Paid	7	7	25,219	25,233
Insurance			11,603	11,603
Operating expenses			6,329	6,329
HST/GST remitted			1,043	1,043
Lease payments			302	302
Licence Fee			200	200
Mail Redirection	139	139	139	416
Filing fees paid to Official Receiver			70	70
Bank Charges			18	18
Total disbursements	145	145	477,920	478,211
Excess of receipts over disbursements	(0)	(0)	14,529,790	14,529,789

Appendix "C"

2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

THIRD RESPONDENT

RECEIVER'S CERTIFICATE

Deloitte Restructuring Inc. (the "**Receiver**"), in its capacity as court-appointed receiver of all of the assets, undertaking and property of Alderon Iron Ore Corp., The Kami Mine Limited Partnership, and Kami General Partner Limited, hereby confirms that all terms and conditions under the Asset Purchase Agreement dated October 29, 2020, as amended (the "**Purchase Agreement**") made between the Receiver and Quebec Iron Ore Inc. and 12364042 Canada Inc. (and/or assignees) have been either satisfied or waived, and that the transactions contemplated by the Purchase Agreement have been completed to the satisfaction of the Receiver.

Dated this 15th day of April, 2021 at Calgary, AB.

Deloitte Restructuring Inc., in its capacity as court-appointed receiver of all of the assets, undertaking and property of Alderon Iron Ore Corp., The Kami Mine Limited Partnership, and Kami General Partner Limited

Per: [Signature]

Name: Robert J. Taylor
Title: Senior Vice President

[Signature]
Witness

Appendix "D"

**IN THE MATTER OF THE RECEIVERSHIP OF KAMI LIMITED PARTNERSHIP,
KAMI GENERAL PARTNER LIMITED, AND ALDERON IRON ORE CORP.
SUMMARY OF RECEIVER'S FEES**

AS AT JUNE 30, 2021

\$CAD

Invoice	Period	Fees	Disbursements	Subtotal	GST	Total
8001420092	June 15, 2020 to July 24, 2020	36,460	203	36,663	1,833	38,496
8001420095	July 25, 2020 to October 16, 2020	80,683	390	81,072	4,054	85,126
8001845416	October 17, 2020 to May 21, 2021	108,158	-	108,158	5,408	113,565
		225,300	592	225,892	11,295	237,187
Work-in-progress	May 22, 2021 to June 30, 2021	12,500	-	12,500	5,408	17,908
		237,800	592	238,392	16,702	255,095

Appendix "E"

**IN THE MATTER OF THE RECEIVERSHIP OF KAMI LIMITED PARTNERSHIP,
KAMI GENERAL PARTNER LIMITED, AND ALDERON IRON ORE CORP.
SUMMARY OF LEGAL FEES
AS AT JUNE 30, 2021
\$CAD**

Invoice	Period	Fees	Disbursements	Subtotal	GST	Total
2020016861	June 8, 2020 to July 28, 2020	8,309	10	8,319	415	8,735
2020020608	July 29, 2020 to August 30, 2020	11,540	170	11,710	577	12,287
2020022915	August 31, 2020 to September 30, 2020	13,452		13,452	673	14,124
2020026352	October 1, 2020 to October 30, 2020	39,125	73	39,198	1,956	41,154
1262621	October 5, 2020 to October 29, 2020	1,549		1,549	77	1,626
2020029375	November 1, 2020 to November 30, 2020	39,656	30	39,686	1,983	41,669
2020031366	December 1, 2020 to December 23, 2020	3,459		3,459	173	3,632
2021002227	December 23, 2020 to January 31, 2021	12,067		12,067	603	12,670
2021004450	February 8, 2021 to February 28, 2021	6,224		6,224	311	6,535
2021006657	March 2, 2021 to March 31, 2021	4,978		4,978	249	5,227
2021010429	March 31, 2020 to April 30, 2021	5,681		5,681	284	5,965
2021013156	May 1, 2021 to May 31, 2021	3,789		3,789	189	3,979
2021016015	June 1, 2021 to June 30, 2021	6,500		6,500	325	6,825
		156,329	283	156,612	7,816	164,428

2020 01G 2883

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

IN BANKRUPTCY AND INSOLVENCY

BETWEEN

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP

APPLICANT

AND:

THE KAMI MINE LIMITED PARTNERSHIP

FIRST RESPONDENT

AND:

KAMI GENERAL PARTNER LIMITED

SECOND RESPONDENT

AND:

ALDERON IRON ORE CORP.

THIRD RESPONDENT

CLAIMS PROCESS ORDER

UPON READING the Application of Deloitte Restructuring Inc. (the "**Receiver**"), in its capacity as the court-appointed receiver of all of the assets, undertakings and property of the Respondents (collectively, the "**Debtors**") for an Order:

- (a) Approving the activities, fees, and disbursements of the Receiver as described in the Second Report of the Receiver dated July 16, 2021 (the "**Second Report**") including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees of the Receiver's legal counsel;
- (b) Approving the Claims Process, as outlined in the Second Report; and
- (c) Approving the Receiver's Statement of Receipts and Disbursements for the period from January 23, 2019 to June 30, 2021 attached to the Second Report as Appendix "B".

AND UPON READING the Second Report, and the material filed by counsel;

AND UPON HEARING Geoffrey Spencer on behalf of the Receiver;

IT IS THIS DAY ORDERED THAT:

Validation of Service

1. The time for service of the Application is hereby abridged, service of the Application is validated and further service of the Application is dispensed with.

Claims Process

2. The following claims processes are hereby approved:
 - (a) A claims procedure to identify all shareholders (the "**Shares**" and "**Shareholders**") in respect of Alderon Iron Ore Corp ("**Alderon**") as of June 17, 2020 (the "**Record Date**") who have a claim as a Shareholder in respect of Alderon (a "**Share Claim**"), including the determination of such Share Claim (the "**Shareholder Claims Procedure**"); and
 - (b) A claims procedure to identify all creditors (the "**Creditors**") with claims in respect of the Debtors, including the determination of such creditor claims (the "**Creditors Claim Procedure**").
3. The claims processes shall be conducted in the following manner:

Shareholder Claims Procedure

4. The Receiver shall on or before August 31, 2021, or such other date as the Receiver may determine, send notice by regular mail, email, courier services or facsimile to each known Shareholder as of the Record Date, which in Alderon's case is the Date of Receivership, based on the share register provided by the Toronto Stock Exchange Trust ("**TSX Trust**") and the Holders of Record provided by CDS Clearing and Depository Services Inc. ("**CDS**"), that a liquidation of shares has commenced (the "**Liquidation Notice**").
5. The Receiver shall, on or before September 7, 2021, or such other dates as the Receiver shall determine, publish an advertisement on two different days in a widely read nationally distributed newspaper in the United States seeking the claims of Alderon Shareholders.
6. The Receiver shall also post electronic copies of the Liquidation Notice on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/Kami as soon as practically possible after August 15, 2021.
7. The Liquidation Notice shall include the following, and such other information as deemed necessary by the Receiver:
 - (a) An assertion of the share claim such Shareholder has in respect of Alderon (the "**Share Claim**"), based on the information recorded in the share register provided by TSX Trust and the Holders of Record provided by CDS in respect of such Shareholder;
 - (b) A blank proof of claim and related instruction letter, substantially in the form attached hereto as **Schedule A** (the "**Shareholder Proof of Claim**");

- (c) Notice of the date at which the share register shall be closed;
 - (d) Notice of the designated time and date on which the Shareholders may surrender the share certificates representing their Shares(s) for cancellation to the Receiver (the "**Deadline**"); and
 - (e) Notice that the Receiver may from time to time apply to the Court for direction in respect of the Claims Process and that it may apply to the Court for a final Order for relief, and setting forth a method for the Shareholders to advise the Receiver whether they want to be given notice of either:
 - (i) All applications made by the Receiver in respect of the share liquidation, if any, including the application for the final Order; or
 - (ii) Only the application for the final Order, if any;which notice will be given by the Receiver if so requested, by electronic mail in accordance with instructions received from the Shareholders requesting notice.
8. Any shares not surrendered for cancellation by the Deadline shall be deemed to be cancelled without prejudice to the rights of the holders of such Shares to receive their pro-rata share of any distribution from the sale proceeds of the assets of the Debtors (the "**Sale Proceeds**").
9. All Shareholders that:
- a) Do not submit a Shareholder Proof of Claim; or
 - b) Agree with the Share Claim set forth in the Liquidation Notice;
- shall have that Share Claim deemed accepted on November 30, 2021 at 5:00 p.m. (Mountain Time) (the "**Shareholder Claims Bar Date**"). For greater certainty, those Shareholders that agree with the Share Claim set forth in the Liquidation Notice shall not be required to file any forms with the Receiver (other than the surrendering of the shares representing their shares for cancellation).
10. All Shareholders that dispute the Share Claim set forth in the Liquidation Notice shall be required to file a Shareholder Proof of Claim with the Receiver on or before the Shareholder Claims Bar Date. The Receiver will review each Shareholder Proof of Claim submitted on or before the Shareholder Claims Bar Date. The Receiver will either:
- a) Accept the Shareholder Proof of Claim in its entirety;
 - b) Revise the amount; or
 - c) Disallow the Shareholder Proof of Claim.
11. If the Receiver disputes the amount set out in a Shareholder Proof of Claim, the Receiver may:
- a) Attempt to consensually resolve such Share Claim; or

- b) Send a notice of revision or disallowance, substantially in the form attached hereto as **Schedule B** (the "**Shareholder Notice of Revision or Disallowance**"), by courier, facsimile, or electronic mail, as soon as is reasonably practicable in these proceedings. Such Shareholder Notice of Revision or Disallowance will be deemed to have been received on the following business day.
- 12. If the Shareholder intends to dispute the Shareholder Notice of Revision or Disallowance, the Shareholder must deliver a dispute notice, substantially in the form attached hereto as **Schedule C** (the "**Shareholder Dispute Notice**"), by courier, facsimile or electronic mail, to the Receiver no later than 14 days from the date the Shareholder Notice of Revision or Disallowance was received or such later date as the Receiver may agree in writing or as ordered by this Court.
- 13. If the Shareholder does not deliver a Shareholder Dispute Notice in accordance with the preceding paragraph, then the Share Claim shall be deemed accepted at the amount set forth in the Shareholder Notice of Revision or Disallowance and the Shareholder:
 - a) will not be entitled to receive a distribution where the entire Share Claim is disallowed; or
 - b) will only be entitled to receive a distribution in the amount proportional to the revised amount of the Share Claim.
- 14. The Receiver may attempt to consensually resolve any Shareholder Dispute Notice with the Shareholder. If same cannot be resolved, the Shareholder shall file with this Court an application in the within proceedings within 15 days of delivery of the Shareholder Dispute Notice, for the determination of the value of the Share Claim.

Creditor Claims Procedure

- 15. The Receiver shall on or before August 31, 2021, or such other date as the Receiver may determine, send by regular mail a claims package and proof of claim (the "**Creditor Proof of Claim**"), substantially in the form attached hereto as **Schedule D**, to each known creditor of the Debtors (the "**Creditor Claims Package**");
- 16. The Receiver shall also post electronic copies of the Creditor Claims Package on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/Kami as soon as practically possible after August 15, 2021.
- 17. The Creditor Claims Package shall include notice that the Receiver may from time to time apply to the Court for direction in respect of the Claims Process and that it may apply to the Court for a final Order, and setting forth a method for the Creditors to advise the Receiver whether they want to be given notice of either:
 - (i) all applications made by the Receiver in respect of these receivership proceedings, if any, including the application for the final Order; or
 - (ii) only the application for the final Order, if any;

which notice will be given by the Receiver if so requested, by electronic mail in accordance with instructions received from the Creditors requesting notice.

18. On or before September 7, 2021, or such other dates as the Receiver shall determine, an advertisement shall be published on two different days in newspapers in the jurisdictions in which the Debtors operated, seeking the claims of Creditors that have any right or claim in respect of the Debtors, whether or not asserted, in connection with any indebtedness, liability, or obligation of any kind whatsoever (a **"Creditor Claim"**);
19. Any person who may have a Creditor Claim shall prepare and submit the Creditor Proof of Claim, and serve it on the Receiver by either courier, facsimile or electronic mail, on or before 5:00 p.m. (Mountain Time) on November 30, 2021 (the **"Creditor Claims Bar Date"**);
20. The Receiver shall have until December 14, 2021 to review the Creditor Proof(s) of Claim and the Receiver may allow or disallow all or any portion of a Creditor Claim, and communicate any disallowance of a Creditor Claim to the claimant, by delivering a notice of revision or disallowance, substantially in the form attached hereto as **Schedule E** (the **"Creditor Notice of Revision or Disallowance"**). The Creditor Notice of Revision or Disallowance will be deemed to have been received on the following business day;
21. Any claimant will have 14 business days from the day of receipt of a Creditor Notice of Revision or Disallowance to deliver a notice of dispute, substantially in the form attached hereto as **Schedule F** (the **"Creditor Notice of Dispute"**), to the Receiver;
22. The Receiver may attempt to consensually resolve any Creditor Notice of Dispute. If same cannot be resolved, the claimant shall file with this Court an application in the within proceedings within 15 days following delivery of the Creditor Notice of Dispute, for the determination of the value of the Creditor Claim; and
23. Where a Creditor Claim has been allowed by the Receiver in accordance with this Order, such Creditor Claim shall constitute such claimant's proven Creditor Claim for the purposes of these proceedings.

Administration of the Claims Process

24. In carrying out the Shareholder Claims Procedure, the Receiver is not required to comply, or otherwise effect compliance, with any requirement under the *British Columbia Corporations Act*, the *Ontario Business Corporations Act* or any regulation thereunder, or any other statutory or regulatory requirement, relating to the authorization or payment of a return of stated capital or a dividend. In particular, but without limiting the generality of the foregoing, the Receiver is not required to comply with any statutory or regulatory requirement for calling or holding a shareholders' meeting, any required ordinary or special resolution of the shareholders or directors of the Debtors, or any procedural or administrative formality related to the foregoing. All necessary approvals, resolutions, filings and procedural formalities necessary to make any distributions to shareholders are hereby deemed to have been obtained or complied with.
25. The Receiver and/or its advisors or representatives are hereby authorized to maintain and update the Debtors' share registers and lists of shareholders in connection with the Shareholder Claims Procedure.

26. The Receiver is hereby authorized to engage agents, counsel and such other persons, if any, from time to time and on whatever basis, including on a temporary basis, to assist in carrying out the Claims Process.
27. The Receiver is hereby authorized to take all steps and actions, and to do all things, necessary or appropriate to implement the Claims Process as described herein and to enter into, execute, deliver, implement and consummate all of the steps, transactions, filings, notices and agreements contemplated or required in connection with the Claims Process.
28. The Receiver is hereby authorized to withhold a portion of the Sale Proceeds that the Receiver determines to be reasonable, after payment in full of the Creditors in accordance with the Creditor Claims Procedure, in order to fund all fees, costs and contingencies necessary to complete the administration of the within receivership proceedings.
29. The Receiver is not required to make any distribution to Shareholders or Creditors that is less than \$10.00.

Limitation of Liability

30. In carrying out the terms of this Order, the Receiver and its agents and representatives: (i) shall incur no liability or obligation and shall be released and discharged from any and all demands, losses, claims, damages or liabilities, of any nature or kind, to any person, save and except for any fraudulent act, gross negligence or wilful misconduct on its part, as so found by a court of competent jurisdiction; (ii) shall be entitled to rely on the books and records and information of the Debtors, including the share registers of the Debtors, the share register provided by TSX Trust and the Holders of Record provided by CDS, all without independent investigation; and (iii) shall not be liable for any demands, losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or resulting from any errors or omissions in such books, records or information, save and except for any fraudulent act, gross negligence or wilful misconduct on its part as so found by a court of competent jurisdiction. For greater certainty, but without limiting the generality of the foregoing, the Receiver shall not be liable to any government or regulatory agency or authority for failing to withhold or remit any amount owed by the Debtors in taxes in respect of the distributions to shareholders, all of which taxes shall be for the account of such shareholders.

Approval of Fees and Disbursements

31. The activities, fees and disbursements of the Receiver as described in the Second Report are hereby approved.
32. The Receiver's Statement of Receipts and Disbursements for the period from January 23, 2019 to June 30, 2021, attached to the Second Report as Appendix "B", is hereby approved.

General

33. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

34. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its respective agents and representatives in carrying out the terms of this Order. All such courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver as may be necessary or desirable to give effect to this Order or to assist the Receiver and its respective agents and representatives in carrying out the terms of this Order.

DATED at St. John's, in the Province of Newfoundland and Labrador, this ____ day of _____, 2021.

Court Officer

SCHEDULE "A"

**IN THE MATTER OF THE RECEIVERSHIP OF
KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND
ALDERON IRON ORE CORP.
of Vancouver, in the Province of British Columbia**

SHAREHOLDER PROOF OF CLAIM

PROOF OF CLAIM

For Share Claims Arising Pursuant to the Shareholder Claims Procedure

Defined terms not defined in this Shareholder Proof of Claim shall have the meaning ascribed in the Claims Process Order, dated August [], 2021.

Regarding the claim of _____ (referred to in this form as the "**Shareholder**").
(Name of Shareholder)

All notices or correspondence regarding this claim to be forwarded to the Shareholder at the following address:

Tel: _____ Email: _____

Fax: _____

I, _____ residing in the _____ of
(name of person signing claim) (city, town, etc.)

_____ in the province of _____
(name of city, town, etc.) (province or state)

Do hereby certify that:

I am the Shareholder or I am _____ of the Shareholder.
(If an officer or employee of the company, state position or title)

I have knowledge of all the circumstances connected with the Share Claim referred to in this form.

The Shareholder was, as at the Record Date, and still is holding _____ Shares,
as shown by the documentary evidence attached hereto and marked "**Schedule "A"**" in support of the Share Claim.

Please provide full particulars of the Share Claim and supporting documentation, including share certificates, number of shares held, description of transaction(s) or agreements(s), records, etc. giving rise to the Share Claim.

THIS SHAREHOLDER PROOF OF CLAIM MUST BE RETURNED AND RECEIVED BY THE RECEIVER BY 5:00 P.M. (MOUNTAIN TIME) ON THE SHAREHOLDER CLAIMS BAR DATE AT THE FOLLOWING ADDRESS:

Deloitte Restructuring Inc.
Attn: Georgia Young
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-956-0365
Email: geyoung@deloitte.ca

DATED at _____, this _____ day of _____, 2021.

Witness

(Signature of individual completing the form)

Must be signed and witnessed

SCHEDULE "B"

**IN THE MATTER OF THE RECEIVERSHIP OF
KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND
ALDERON IRON ORE CORP.
of Vancouver,
in the Province of British Columbia**

SHAREHOLDER NOTICE OF REVISION OR DISALLOWANCE

Share Claim Reference No.: _____

To: _____
(Name of Shareholder)

Defined terms not defined in this Shareholder Notice of Revision or Disallowance shall have the meaning ascribed in the Claims Process Order, dated August [], 2021.

Pursuant to the Claims Process Order, Deloitte Restructuring Inc., in its capacity as Receiver, hereby gives you notice that it has reviewed your Shareholder Proof of Claim and has revised or disallowed your Share Claim. Subject to further dispute by you in accordance with the Claims Process Order, your Share Claim will be allowed as follows:

Shareholder Proof of Claim	Share Claim Allowed
----------------------------	---------------------

Shares _____
(number of units)

REASON(S) OF DISALLOWANCE:

If you intend to dispute the Shareholder Notice of Revision or Disallowance, you must within 14 days of the date of receipt of the Shareholder Notice of Revision or Disallowance deliver to the Receiver this Shareholder Dispute Notice either by courier, facsimile or electronic mail to the address noted below. Shareholder Dispute Notices shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day, or, if delivered outside of normal business hours, on the next Business Day.

Deloitte Restructuring Inc.
Attn: Georgia Young
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-956-0365
Email: geyoung@deloitte.ca

IF YOU FAIL TO FILE YOUR SHARE DISPUTE NOTICE WITHIN 14 DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THIS SHAREHOLDER NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR SHARE CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS SHAREHOLDER NOTICE OF REVISION OR DISALLOWANCE.

DATED at _____, this _____ day of _____, 2021.

**IN THE MATTER OF THE RECEIVERSHIP OF
KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND
ALDERON IRON ORE CORP.
of Vancouver,
in the Province of British Columbia**

Share Claim Reference No.: _____

Particulars of Shareholder:

Full legal name of Shareholder: _____

Full mailing address of Shareholder:

Tel: _____

Email: _____

Fax: _____

Attention: _____

Dispute of Shareholder Notice of Revision or Disallowance:

Share Claim Amount Allowed by Receiver	Share Claim Claimed By Shareholder
---	---------------------------------------

Share Claim (\$) _____

(You must include a list of reasons as to why you are disputing your Share Claim as set out in the Shareholder Notice of Revision or Disallowance.)

[illegible]

SERVICE OF SHAREHOLDER DISPUTE NOTICE:

If you intend to dispute the Shareholder Notice of Revision or Disallowance, you must **within 14 days of the date of receipt of the Shareholder Notice of Revision or Disallowance** deliver to the Receiver this Shareholder Dispute Notice either by courier, facsimile or electronic mail to the address noted below. Shareholder Dispute Notices shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day, or, if delivered outside of normal business hours, on the next Business Day.

Deloitte Restructuring Inc.
Attn: Georgia Young
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-956-0365
Email: geyoung@deloitte.ca

IF YOU FAIL TO FILE YOUR SHARE DISPUTE NOTICE WITHIN 14 DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THE SHAREHOLDER NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR SHARE CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THE SHAREHOLDER NOTICE OF REVISION OR DISALLOWANCE.

DATED at _____, this _____ day of _____, 2021.

Witness

(Name of Shareholder)

Per: _____

Name:

Title:

Must be signed and witnessed

SCHEDULE "D"

**IN THE MATTER OF THE RECEIVERSHIP OF
KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND
ALDERON IRON ORE CORP.
of Vancouver,
in the Province of British Columbia**

NOTICE TO CREDITORS

On June 17, 2020, Deloitte Restructuring Inc. ("**Deloitte**") was appointed by Order of the Supreme Court of Newfoundland and Labrador (the "**Receivership Order**") as the receiver (the "**Receiver**"), without security, of all the personal property of Kami Mine Limited Partnership ("Kami LP"), Kami Mine General Partner Limited ("**Kami GP**"), and Alderon Iron Ore Corp. ("**Alderon**") (collectively the "**Kami Group of Companies**"). On August [], 2021, the Court granted an Order (the "**Claims Process Order**") directing the Receiver to solicit claims from all creditors in respect of the Kami Group of Companies (a "**Creditor**") for the purposes of identifying those creditors with valid claims in respect of the Kami Group of Companies (a "**Creditor Claim**"), and determination of such Creditor Claims.

Any Creditor having a Creditor Claim in respect of the Kami Group of Companies arising on or before June 17, 2020, of any nature whatsoever, including an unsecured, secured, contingent or unliquidated claim is required to file, in the manner set out in this Notice to Creditors, a Creditor Proof of Claim in the prescribed form (which has been provided to you with this Notice to Creditors) with the Receiver in order to participate in any distribution associated with these proceedings.

Additional copies of the prescribed Creditor Proof of Claim can be obtained by contacting the Receiver via telephone at 403-956-0365 or via email at geyoung@deloitte.ca, or it can be downloaded from the Receiver's website at:

www.insolvencies.deloitte.ca/en-ca/Kami

Any Creditor who chooses to file a Creditor Proof of Claim is required to provide whatever documentation they may have to support their Creditor Claim in respect of the Kami Group of Companies, such as contracts, invoices, bills of lading, and shipping receipts, in relation to the goods and/or services provided to the Kami Group of Companies in the appropriate currency under which their Creditor Claim arose.

All Creditor Proof of Claim forms, together with the required supporting documentation, must be sent by mail, personally delivered, or sent by courier, facsimile or electronic mail to the following contact information on or before 5:00 p.m. (Mountain Time) on November 30, 2021 (the "Creditor Claims Bar Date").

Deloitte Restructuring Inc.
Attn: Georgia Young
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-956-0365
Email: geyoung@deloitte.ca

All creditors must account for the following:

1. All Creditor Claims must be adjusted for any equipment and/or other assets released by the Kami Group of Companies to the Creditor whether by court order or otherwise; and
2. Where a Creditor is claiming an offset against all or a portion of amounts owing to the Kami Group of Companies, full particulars of the offset must be included.

All Creditor Claims received by the Receiver after the Creditor Claims Bar Date will, unless otherwise ordered by the Court, be forever extinguished and barred.

The Receiver will accumulate the Creditor Proof of Claim forms and, in due course, provide to the Creditor a notice in writing by registered mail, courier, facsimile or electronic mail as to whether their Creditor Claim is accepted, or disputed in whole or in part, and indicating the reason for the dispute pursuant to a Creditor Notice of Revision or Disallowance.

Where a Creditor objects to a Creditor Notice of Revision or Disallowance, the Creditor shall notify the Receiver of its objection in writing (the "**Creditor Dispute Notice**") within 14 days from the date the Creditor Notice of Revision or Disallowance was received.

The Receiver will attempt to consensually resolve disputes with respect to any Creditor Claim. If the dispute cannot be resolved, the Creditor will be required to bring an application before the Court for the determination of the Creditor Claim.

A creditor that does not provide to the Receiver a Creditor Dispute Notice to a Creditor Notice of Revision or Disallowance issued by the Receiver shall, unless otherwise ordered by the Court, be conclusively deemed to have accepted the assessment of its Creditor Claim as set out in such Creditor Notice of Revision or Disallowance.

DATED at _____, this _____ day of _____, 2021.

DELOITTE RESTRUCTURING INC.,

solely in its capacity as Court-appointed Receiver
of Alderon, Kami LP, and Kami GP
(as defined herein)

and not in its personal or corporate capacity

Per:

Robert J. Taylor, FCPA, FCA, CIRP, LIT

Per:

Ryan Adlington, CPA, CA, CIRP, LIT

BANKRUPTCY AND INSOLVENCY ACT
PROOF OF CLAIM FORM

Sections 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) and 128(1), and paragraphs 51(1)(e) and 66.14(b) of the Act

All notices or correspondence regarding this claim are to be forwarded to the following address:

In the matter of the receivership of (*check appropriate receivership debtor that your claim is against*):

☐

Kami Mine Limited Partnership

☐

Kami General Partner Limited

☐

Alderon Iron Ore Corp.

of the City of Vancouver, in the Province of British Columbia, and the claim of _____:

I, _____ residing in the City/Town of _____ in the Province of _____, do hereby certify that:

1. I am a creditor of the above-selected debtor.
2. I have knowledge of all circumstances connected with the claim referred to below.
3. The debtor was, at the date of the receivership, namely the **17th day of June, 2020**, and still is indebted to the above-named creditor in the sum of \$_____ as specified in the statement of account (or affidavit) attached and marked **Schedule "A"** after deducting any counterclaims to which the debtor is entitled. (*The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.*)
4. Complete appropriate category:
 - A. UNSECURED CLAIM of \$_____
That in respect of this debt, I do not hold any assets of the debtor as security and:
 - Regarding the amount of \$_____ I do not claim a right to a priority.
 - Regarding the amount of \$_____, I claim a right to a priority under Section 136 of the Act.
 - B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$_____
That I hereby make a claim under Subsection 65.2(4) of the Act, particulars of which are as follows: (*Attach full particulars of the claim, including calculations upon which the claim is based.*)
 - C. SECURED CLAIM of \$_____
That in respect of this debt, I hold assets of the debtor valued at \$_____ as security, particulars of which are as follows: (*Attach full particulars of the security, including the date on which the security was given and the value at which you assess the security and attach a copy of the security document.*)
 - D. CLAIM BY FARMER, FISHERMAN or AQUACULTURIST of \$_____
That I hereby make a claim under Subsection 81.2(1) of the Act for the unpaid amount of \$_____
(*Attach a copy of the sales agreement and delivery receipts.*)
 - E. CLAIM BY WAGE EARNER OF \$_____
 - That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$_____
 - That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$_____(*Give full particulars of the claim, including the calculations upon which the claim is based.*)
 - F. ~~CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN of \$_____~~
 - ~~• That I hereby make a claim under subsection 81.5 of the Act in the amount of \$_____~~
 - ~~• That I hereby make a claim under subsection 81.6 of the Act in the amount of \$_____~~
 - G. CLAIM AGAINST DIRECTOR of \$_____
(*To be filed when a proposal provides for the compromise of claims against directors.*)

~~That I hereby make a claim under Subsection 50(13), particulars of which are as follows: (Attach full particulars of the claim, including the calculations upon which the claim is based.)~~

~~H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____~~

~~That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)~~

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.
6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2(1) of the Act: *(Provide details of payment, credits and transfers at undervalue.)*

Dated at _____, this _____ day of _____, 2021.
(CITY & PROVINCE)

(SIGNATURE OF INDIVIDUAL COMPLETING THIS FORM)

(SIGNATURE OF WITNESS)

(CREDITOR'S PHONE NUMBER)

(CREDITOR'S FACSIMILE NUMBER)

(CREDITOR'S E-MAIL ADDRESS)

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits or solemn declarations.

WARNINGS: A Trustee may, pursuant to Subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed in a proof of security by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

Must be signed and witnessed

SCHEDULE "E"

**IN THE MATTER OF THE RECEIVERSHIP OF
KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND
ALDERON IRON ORE CORP.
of Vancouver,
in the Province of British Columbia**

CREDITOR NOTICE OF REVISION OR DISALLOWANCE

Creditor Claim Reference No.: _____

To: _____
(Name of Creditor)

Defined terms not defined in this Creditor Notice of Revision or Disallowance shall have the meaning ascribed in the Claims Process Order, dated August [], 2021.

Pursuant to the Claims Process Order, Deloitte Restructuring Inc., in its capacity as Receiver, hereby gives you notice that it has reviewed your Creditor Proof of Claim and has revised or disallowed your Creditor Claim. Subject to further dispute by you in accordance with the Claims Process Order, your Creditor Claim will be allowed as follows:

Creditor Proof of Claim	Creditor Claim Allowed
-------------------------	------------------------

Claim Amount (\$) _____

REASON(S) OF DISALLOWANCE:

If you intend to dispute the Creditor Notice of Revision or Disallowance, you must within 14 days of the date of receipt of the Creditor Notice of Revision or Disallowance deliver to the Receiver this Creditor Dispute Notice either by courier, facsimile or electronic mail to the address noted below. Creditor Dispute Notices shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day, or, if delivered outside of normal business hours, on the next Business Day.

Deloitte Restructuring Inc.
Attn: Georgia Young
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-956-0365
Email: geyoung@deloitte.ca

IF YOU FAIL TO FILE YOUR CREDITOR DISPUTE NOTICE WITHIN 14 DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THIS CREDITOR NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CREDITOR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS CREDITOR NOTICE OF REVISION OR DISALLOWANCE.

DATED at _____, this _____ day of _____, 2021.

**IN THE MATTER OF THE RECEIVERSHIP OF
KAMI MINE LIMITED PARTNERSHIP, KAMI GENERAL PARTNER LIMITED, AND
ALDERON IRON ORE CORP.
of Vancouver,
in the Province of British Columbia**

Creditor Claim Reference No.: _____

Particulars of Creditor:

Full legal name of Creditor: _____

Full mailing address of Creditor:

Tel: _____

Email: _____

Fax: _____

Attention: _____

Dispute of Creditor Notice of Revision or Disallowance:

Creditor Claim Amount Allowed by Receiver	Creditor Claim Claimed by Creditor
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Creditor Claim (\$) _____

(You must include a list of reasons as to why you are disputing your Creditor Claim as set out in the Creditor Notice of Revision or disallowance.)

[illegible]

SERVICE OF CREDITOR DISPUTE NOTICE:

If you intend to dispute the Creditor Notice of Revision or Disallowance, you must **within 14 days of the date of receipt of the Creditor Notice of Revision or Disallowance** deliver to the Receiver this Creditor Dispute Notice either by courier, facsimile or electronic mail to the address noted below. Creditor Dispute Notices shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day, or, if delivered outside of normal business hours, on the next Business Day.

Deloitte Restructuring Inc.
Attn: Georgia Young
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-956-0365
Email: geyoung@deloitte.ca

IF YOU FAIL TO FILE YOUR CREDITOR DISPUTE NOTICE WITHIN 14 DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THE CREDITOR NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CREDITOR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THE CREDITOR NOTICE OF REVISION OR DISALLOWANCE.

DATED at _____, this _____ day of _____, 2021.

Witness

(Name of Creditor)

Per: _____

Name:

Title:

Must be signed and witnessed