

2022 01G
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

BETWEEN:

HSBC BANK CANADA

APPLICANT

AND:

CANADA FLUORSPAR (NL) INC.

RESPONDENT

AFFIDAVIT

| SUMMARY OF CURRENT DOCUMENT | |
|--|--|
| Court File Number(s): | 2022 01G |
| Date of Filing Document | March __, 2022 |
| Name of Party Filing or Person | HSBC Bank Canada |
| Applicant to which Document being filed relates: | Application to appoint a receiver pursuant to section 105 in the <i>Judicature Act</i> , RSNL 1990, c J-4 and Rule 25.01 of the <i>Rules of the Supreme Court</i> , 1986 |
| Statement of Purpose in Filing: | To support the application |

I, **BRIAN PETTIT**, of the Town of Aurora, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am an Assistant Vice President, Special Credit of the applicant, HSBC Bank Canada (the “**Bank**”) and as such, I have personal knowledge of the matters to which I hereinafter depose.

Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

2. This affidavit is sworn in support of an application by the Bank for an order appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver over certain financed receivables of Canada Fluorspar (NL) Inc. (“**CFNI**”), as described herein.

DESCRIPTION OF CFNI

3. The principal business of CFNI is the mining of fluorspar in the Province of Newfoundland and Labrador (“**NL**”), where all of its operational assets are located.

4. I understand that CFNI is the only active producer in Canada and the United States and has been developing the St. Lawrence fluorspar mine project in St. Lawrence, NL. Fluorspar is an essential mineral to many industries and applications, including lithium ion batteries, solar panels, refrigeration and air conditioners, high performance polymers for aerospace, automotive and electronics applications, high strength and purity glass for smart phones and electronic devices, pharmaceuticals, anaesthetics and medical devices, fire retardants and welding consumables, and steel and aluminum production. I further understand that since 2018, CFNI shipments of fluorspar product were loaded from a pier in Marystown, NL but in 2021, CFNI started loading shipments from its new blue beach marine terminal, five kilometres from the mine site in St. Lawrence, with shipments and exports going worldwide.

5. CFNI was incorporated under the laws of NL on March 3, 1995. Attached and marked as **Exhibit “A”** is a true copy of CFNI’s corporate profile report dated March 9, 2022 (the “**Profile Report**”).

6. According to the Profile Report:

- (a) CFNI's registered office is located at Clarks Pond Road, St. Lawrence, NL, Canada;
and
- (b) the directors of CFNI are Bill Dobbs, Dan Hecht, Dave Thomas and Casey Welsh.

INDEBTEDNESS OF CFNI TO THE BANK

7. The Bank, as lender, and CFNI, as borrower, executed a Trade Recourse Financing Facility Agreement dated May 25, 2018, as amended by a first amendment dated February 21, 2019, a second amendment dated September 30, 2019, and a third amendment dated February 17, 2020 (collectively, the "**RFA**"), pursuant to which the Bank agreed to provide trade financing to CFNI in connection with certain receivables and financed receivables (collectively, the "**Financed Receivables**") up to a maximum facility amount of USD20,000,000 (the "**Trade Account Facility**"). Attached and marked as **Exhibit "B"** is a true copy of the RFA.

8. As of March 10, 2022, the total indebtedness due and owing to the Bank by CFNI pursuant to the RFA is approximately USD\$11,881,582.05, plus all accruing interest, fees and expenses (collectively, the "**Indebtedness**"), representing an aggregate value of approximately 23 separate outstanding Financed Receivables.

9. Typically (where no event of default has occurred), when Financed Receivables are paid by an Account Debtor (as defined in the RFA), the payment is deposited directly into a restricted collection account held with the Bank (under the sole dominion and control of the Bank). Once the Financed Receivable is deposited into the collection account, the Bank would apply 90 percent of such amount against the balance outstanding under the Trade Account Facility, and forward the residual 10 percent balance to CFNI for working capital purposes.

10. As it relates to the outstanding Financed Receivables, there are varying payment terms for each invoice. For example, some of the outstanding Financed Receivables have 30 day payment terms with others extending to 180 day payment terms. Currently, there are approximately six overdue Financed Receivables representing an aggregate debt value of USD\$6,020,000 which the Bank, through its agent, is currently taking steps to collect upon.

11. In order to preserve the position of the Bank as it relates to the outstanding Financed Receivables, the Bank has delivered correspondence to each party owing a Financed Receivable advising such party that the corresponding receivable has been assigned to the Bank pursuant to the RFA. Attached and marked as **Exhibit "C"** is a true copy of the template assignment notice delivered to the Account Debtors.

SECURITY

12. As security for its Indebtedness and liability to the Bank pursuant to the RFA, CFNI executed and delivered to the Bank, a general security agreement dated May 25, 2018 (the "GSA"). Attached and marked as **Exhibit "D"** is a true copy of the GSA.

13. Attached and marked as **Exhibit "E"** is a true copy of the *Personal Property Security Act* (NL) search certificate dated March 10, 2022 against CFNI, with a file currency date of March 10, 2022 (the "PPSA Search").

14. The PPSA Search confirms that the Bank holds a registered security interest over all personal property of CFNI.

15. The Company has also granted a general security agreement in favour of Bridging Finance Inc., ("BFI") and the Government of Newfoundland and Labrador ("GOV NL"). The priority of

the security interests granted among BFI, the GOV NL and HSBC are governed by an amended and restated inter-creditor agreement dated May 25, 2018, as amended (collectively, the "ICA"). In accordance with the ICA, the Bank holds a first position priority in relation to the Financed Receivables. Attached and marked as Exhibit "F" is a true copy of the ICA.

THE INSOLVENCY OF CFNI

Interim Receivership Proceedings of CFNI (February 21, 2022)

16. On February 21, 2022, upon the application of PricewaterhouseCoopers Inc. ("PwC"), in its capacity as receiver and manager of Bridging Finance Inc. and Bridging Income Funds LP (collectively, "**Bridging**"), Grant Thornton Limited was appointed interim receiver (the "**Interim Receiver**") over the assets, properties and undertakings (save and except for the excluded property) of CFNI and Canada Fluorspar Inc. (collectively, the "**Receivership Companies**") pursuant to an interim receivership order dated February 21, 2022 (the "**Interim Receivership Order**"). Attached and marked as Exhibit "G" is a true copy of the Interim Receivership Order.

17. Based on the Affidavit of Graham Page sworn on February 19, 2022 in support of the Interim Receivership Order (the "**Page Affidavit**"), the appointment of the Interim Receiver was necessary, just and convenient because:

- (a) the operations of the Receivership Companies had ceased and there was an immediate requirement for funding to preserve the property, licenses and operations, and further allow PwC (along with other stakeholders) to develop a restructuring plan in respect of the Receivership Companies; and
- (b) the interim receivership proceedings would:

- (i) stabilize any risks associated with the Receivership Companies assets and allow PwC to assess options as it relates to a sale process for the Receivership Companies and its assets; and
- (ii) allow the Interim Receiver to re-engage necessary employees and other agents to assist in a care and maintenance program for the Receivership Companies assets, since most of the employees were terminated just prior to the Court's issuance of the Interim Receivership Order.

Attached and marked as **Exhibit "H"** is a true of the Page Affidavit (without exhibits).

18. Leading up to the Court application for the appointment of the Interim Receiver, HSBC sought the "carve-out" of the Financed Receivables from the Interim Receivership Order. Given the priority security interest of HSBC over Financed Receivables, HSBC's intention for the "carve-out" was to allow HSBC to administer the collection of the Financed Receivables pursuant to its governing agreements. As a result, the Interim Receivership Order contains the defined term "*Excluded Property*" which means "*any and all Receivables and /or Financed Receivables, as such terms are defined pursuant to a Trade Invoice Recourse Financing Facility Agreement between HSBC and Canada Fluorspar (NL) Inc. dated May 25, 2018, as amended, together with all rights and remedies arising thereunder, insurance policies and proceeds resulting therefrom, and proceeds generally, and (ii) all Export Development Canada insurance policies or support in favour of HSBC*". In short, the "*Excluded Property*" does not form part of the interim receivership estate.

19. I understand that the interim receivership proceedings are ongoing and the Interim Receiver's activities have been limited to the care and maintenance program referenced above.

Since the appointment of the Interim Receiver, I have been having a number of conversations with the Interim Receiver (together with its advisors) relating the collection of the Financed Receivables, as well as three (3) purchase orders / receivables where CFNI has yet to deliver the purchased fluorspar product to the Account Debtor (the “**Purchase Orders**”). The Bank is currently assessing its options as it relates to the Purchase Orders. Of note, the Bank has advanced amounts under the Trade Account Facility in respect of the Purchase Orders as Financed Receivables, which amounts are included in the Indebtedness.

CCAA Application (March 11, 2022)

20. On March 8, 2022, the Interim Receiver filed and served application materials under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) for an initial order (the “**Initial Order**”) in respect of CFNI, Canada Fluorspar Inc. Newspaper (NL) (collectively, the “**CCAA Companies**”). Attached and marked as **Exhibit “I”** is a true copy of the Notice of Application and the Affidavit of Phil Clarke sworn March 8, 2022 in support of the Initial Order (without exhibits).

21. Based on the Affidavit of Phil Clarke, the Initial Order was necessary because:

- (a) the CCAA Companies are insolvent and are suffering from a liquidity crisis;
- (b) the CCAA Companies operations have ceased;
- (c) the CCAA proceedings will allow the CCAA Companies the opportunity to implement a sale and investment solicitation process for the sale of the business enterprise (the “**SISP**”); and

- (d) the CCAA proceeding will allow for DIP financing to improve the liquidity crisis, fund the CCAA proceeding, and provide the necessary funding to implement a SISP.

22. Consistent with the approach in the Interim Receivership Order, the CCAA Companies have agreed to “carve out” the “*Excluded Property*” as referenced in paragraph 18 above from the proposed CCAA proceedings. Again, given that HSBC is the only secured creditor with an interest in the Financed Receivables, this approach is reasonable in the circumstances. Of note, the Initial Order provides for an additional “carve-out” for “*Excluded Inventory*” to capture a portion of the CFNI fluorspar inventory representing a value of USD2,500,000. The expanded “carve-out” was necessary to address the issues resulting from the Purchase Orders.

23. The CCAA Companies application for the Initial Order was heard and granted on March 11, 2022. I understand that the comeback hearing is scheduled for March 18, 2022. Attached and marked as **Exhibit “J”** is a true copy of the Initial Order.

DEMAND

24. On March 14, 2022, Dentons Canada LLP (“**Dentons**”), as legal counsel to the Bank, delivered a demand letter dated March 11, 2022 (the “**Demand Letter**”) upon the Interim Receiver on behalf of CFNI for payment of all amounts outstanding to the Bank pursuant to the RFA. The Demand Letter was accompanied by a Notice of Intention to Enforce Security (the “**NOI**”) pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), also dated March 10, 2022. Attached and marked as **Exhibit “K”** is a copy of the Demand Letter and the NOI.

25. Of note, the stay of proceedings provided for in the Interim Receivership Order does not apply in respect of the Bank and the Financed Receivables.

FINANCED RECEIVABLES | STATUS OF CFNI

26. While the Bank is working diligently to oversee the collection of the Financed Receivables and also assess options regarding the Purchase Orders, the Bank is concerned about access to relevant documentation supporting the Financed Receivables, monitoring and overseeing rolling payment terms, and communications with Account Debtors.

27. In addition, the Account Debtors are domiciled internationally in Germany, Switzerland, Italy, India, the Netherlands and Hong Kong.

28. As outlined above, the CCAA Companies and its advisors are prioritizing and will be focused on the implementation of a SISP with a view of either selling the business enterprise or negotiating a recapitalization plan in order to create the best value for Bridging, the GOV NL, the employees and other stakeholders.

29. I understand that the monitoring and collection of Financed Receivables will not form part of the business activities of the CCAA Companies (through contracted employees or the Monitor) going forward, especially since the “*Excluded Property*” does not form part of the CCAA administration or the Initial Order. Operationally and during the CCAA proceeding, I also understand that the CCAA Companies will not be operating in the usual course or re-engaging the production of “fresh” fluorspar for its customer base, and most certainly not to those Account Debtors with outstanding Financed Receivables. By consequence, the previously existing

customer relationships between CFNI and the Account Debtors have faded away and the benefit of a direct line of a customer / supplier relationship has been removed.

30. As noted above, the Bank has current exposure under the RFA in the amount of USD\$11,881,582.05, with receivables coming due on a rolling basis up until May 2022 (some of which are already past due). There is now a pressing requirement for a process that can support the orderly flow of Financed Receivables collections.

31. As a result of the above, I believe it is just and convenient for the appointment of a Receiver over the Financed Receivables.

JUST AND CONVENIENT TO APPOINT A RECEIVER

32. Given the current circumstances of CFNI, the filing of the CCAA proceedings and the focused efforts on the implementation of a SISP, the “carve-out” of the Financed Receivables as “*Excluded Property*” pursuant to the Interim Receivership Order and Initial Order, a transitional gap in the collection exercise for the Financed Receivables has developed that needs to be addressed through the use of a Court appointed receiver.

33. The appointment of a receiver over the Financed Receivables is necessary, just and convenient in order to protect the interests of the Bank, create a process upon which a receiver can gain access to the necessary books and records associated with each outstanding Financed Receivable to address any issues that may surface in the future while protecting any sensitive information contained therein, designate a Court officer in a transparent proceeding with the necessary authority and powers to prosecute any and all issues with respect to the collection of the Financed Receivables internationally.

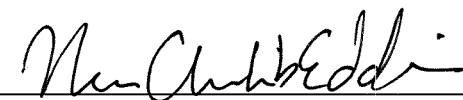
34. The Bank proposes that Deloitte Restructuring Inc. ("**Deloitte**") be appointed receiver of the Financed Receivables.

35. Deloitte is a licensed trustee in bankruptcy and is familiar with the circumstances of CFNI.

36. Deloitte has consented to act as receiver should the Court so appoint it. Attached and marked as **Exhibit "L"** is a copy of Deloitte's consent.

37. This Affidavit is sworn in support of the Bank's application for the relief set out in paragraph 2 above.

SWORN BEFORE ME on this 16th day of March, 2022 in the Town of Aurora in the Province of Ontario.



Commissioner for Taking Affidavits

Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.


BRIAN PETTIT

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

Companies and Deeds Online - CADO

Detailed Company Information

Company Name: CANADA FLUORSPAR (NL) INC.

In Good Standing

| | | | |
|------------------------------------|------------|---------------------------|----------------------------------|
| Company Number: | 34814 | Corporation Type: | Company |
| Status: | Active | Category: | Local |
| Last Annual Return: | 2021-02-28 | Business Type: | With Share Capital |
| Incorporation Jurisdiction: | NL | Filing Type: | Incorporation With Share Capital |
| Incorporation Date: | 1995-03-03 | Min/Max Directors: | 1 / 9 |

Additional Information:

(Latest addresses on file)

Registered Office:
Clarks Pond Road
St. Lawrence
NL Canada

Mailing Address:
Corporate Dept
Cox & Palmer
Suite 1100, Scotia Centre, 235 Water Street
St. John's
NL Canada
A1C 1B6

[Obtain a Certificate of Good Standing.\(Fee \\$10.00\)](#)

[Return](#)

[\[Previous Names\]](#)

[\[Amalgamated Information\]](#)

[\[Current Directors\]](#)

[\[Historical Remarks\]](#)

Previous Names

| Name | Date Changed |
|---------------------|--------------|
| Burin Minerals Ltd. | 2009-04-28 |

Current Directors

Records Found: 4

Viewing Records: 1-4

Director Name

Bill Dobbs
Dan Hecht
Dave Thomas
Casey Walsh

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Mour Chahab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

TRADE INVOICE RECOURSE FINANCING FACILITY AGREEMENT

TRADE INVOICE RECOURSE FINANCING FACILITY AGREEMENT (as it may be amended, modified or supplemented from time to time, this "Agreement") is made as of May 25, 2018 (the "Effective Date"), between Canada Fluorspar (NL) Inc., a corporation governed by the laws of Newfoundland and Labrador, (the "Customer"), and HSBC BANK CANADA (the "Bank").

RECITALS

WHEREAS, the Customer is a supplier of goods or services to each account debtor listed on Schedule 1 hereto (each an "Account Debtor" and, collectively, the "Account Debtors") and is the legal and beneficial owner of Receivables (as hereinafter defined) payable by each such Account Debtor to the Customer; and

WHEREAS, the Customer has requested the Bank to provide financing to the Customer in connection with certain Receivables from time to time, and the Bank may be willing to provide financing to the Customer for such Receivables, in which case the terms set forth herein shall apply to such financing.

THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS.** Certain capitalized terms used in this Agreement shall have the meanings given to those terms in Exhibit A attached hereto and thereby incorporated herein.
2. **FINANCING.**
 - (a) Advance Request. Commencing on the Effective Date and ending on the Termination Date, the Customer may from time to time submit invoices or information in respect of Proposed Receivables to the Bank. Following the submission of such invoices and/or information in respect of Proposed Receivables to the Bank, the Customer may from time to time request that the Bank provide financing to the Customer with respect to such submitted Proposed Receivables by submitting to the Bank an Advance Request, and the Bank, in its sole discretion, may accept such request and make Advances to the Customer subject to the terms of this Agreement. Such Proposed Receivables, once the Bank has accepted the relevant Advance Request and provided the relevant Advance(s) to the Customer hereunder, are referred to, collectively, as the "Financed Receivables".
 - (b) Uncommitted Arrangement. THIS AGREEMENT DOES NOT CONSTITUTE A COMMITMENT, OBLIGATION OR OTHER UNDERTAKING OF THE BANK TO PROVIDE ADVANCES IN CONNECTION WITH ANY RECEIVABLES OR OTHERWISE EXTEND CREDIT OR PROVIDE ANY FINANCIAL ACCOMMODATION TO THE CUSTOMER. For the avoidance of doubt, notwithstanding the inclusion of any Account Debtor in Schedule 1 hereto, the Bank shall be under no obligation to purchase any Proposed Receivable owing from any such scheduled Account Debtor.
 - (c) Term. This Agreement commences on the Effective Date and shall continue in effect until the date which is thirty (30) days following the date which either the Customer or the Bank delivers written notice to the other Party of its intent to terminate this Agreement, provided that the Bank shall have the right to terminate this Agreement at any time an Event of Default is continuing. Any such termination shall not affect the rights and

obligations of the Parties with respect to Advances made hereunder prior to the Termination Date or are otherwise expressed to survive termination hereof.

- (d) Conditions Precedent. Without limiting the Bank's right to decline to make any Advance in respect of any Proposed Receivable in its sole discretion, no Advance shall be made in respect of any Proposed Receivable until satisfaction of the following conditions precedent on or prior to the proposed Advance Date, all to the satisfaction of the Bank:
- (i) the Bank shall have received (A) an Advance Request; (B) all invoice(s) and/or information related to such invoices issued to the Account Debtor that is an obligor on any such Proposed Receivables and related to the Contracts for such Proposed Receivables, which such invoices and/or information related to such invoices shall be true and accurate and not omit any facts; and (C) such additional supporting documentation that the Bank may have reasonably requested;
 - (ii) the Customer shall have made the representations and warranties of the Customer contained in this Agreement as of such Advance Date;
 - (iii) the Customer shall be in compliance in all material respects with each term, covenant and other provision of this Agreement applicable to the Customer;
 - (iv) no Event of Default shall then exist and no event or circumstance has arisen which, but for the passage of time, or the giving of notice, or both, would constitute an Event of Default;
 - (v) the Bank shall have received payment of all fees due under Section 2(h) and other amounts due under this Agreement; and
 - (vi) with respect to the initial Advance Date only, the Customer shall have taken the following actions and the Bank shall have received each of the following documents, each dated such date (where applicable) and in form and substance satisfactory to the Bank:
 - (A) evidence that the Customer shall have established the Collection Account at the Bank and the Bank shall have control over and a security interest in such account as herein provided;
 - (B) evidence that the Customer shall have instructed each Account Debtor that all payments with respect to the Proposed Receivables shall be made directly to the Collection Account.
 - (C) a certificate of the Secretary or Assistant Secretary of the Customer, certifying the names and true signatures of the incumbent officers authorized on behalf of the Customer to execute and deliver this Agreement, each Advance Request and any other documents to be executed or delivered by it hereunder, together with its Organizational Documents and board resolutions, evidencing necessary organizational action and governmental approvals, if any, necessary for the Customer to execute, deliver and perform its obligations under this Agreement.
 - (D) certified inquiry response report under the PPSA (or comparable lien search certificate from relevant jurisdiction of the Customer) demonstrating no registered security interests, liens, hypothecs, or other encumbrances or adverse claims affecting the Collateral other than Permitted Encumbrances.
 - (E) a general security agreement in favour of the Bank, modified as may be mutually agreed between the Bank and the Customer to describe the applicable scope of the secured collateral to include at least the Collateral, duly executed and delivered by the Customer, in form and substance satisfactory to the Bank.

- (F) verification statement (or comparable certificate from relevant jurisdiction) confirming registration of a PPSA financing statement (or comparable filing or registration from relevant jurisdiction) identifying the Customer as “debtor” and the Bank as “secured party” and containing an appropriate description of the Collateral, duly filed on or before the initial Advance Date in the correct filing office under the PPSA (or comparable statute) of the jurisdiction in which the Customer is located for purposes of applicable law.
 - (G) the Intercreditor Agreement, duly executed by each of the parties thereto.
 - (H) a good standing certificate, certificate of status, certificate of compliance or comparable certification for the Customer from its governing jurisdiction.
 - (I) if so requested by the Bank, a lien perfection and power/capacity, due authorization, execution, delivery and enforceability legal opinion of external counsel to the Customer in form and substance satisfactory to the Bank.
 - (J) a complete copy of the EDC accounts receivable insurance policy covering the Proposed Receivables, together with a direction to pay in favour of the Bank in respect of proceeds of such accounts receivable insurance policy relating to the Proposed Receivables accounts receivables, proof of premium payment and other documents and information as the Bank requires.
 - (K) all documents and other evidence that the Bank requires for its know-your-customer and other compliance checks on the Customer and each Account Debtor.
 - (L) Satisfactory review of Buyer contracts prior to funding.
- (e) Advance Amount. Advances from time to time from the Bank to the Customer, in respect of any Financed Receivable on any Advance Date(s) (each, an “Advance Amount”) shall be made in the currency in which the applicable original invoice(s) are denominated and all Advance Amounts in respect of such Financed Receivable shall not, in the aggregate, exceed:

Advance Amount = A x B, where:

A = Net Invoice Amount; and

B = Advance Rate (90%)

- (f) Maximum Facility Amount. Notwithstanding Section 2(e) of this Agreement, in no event shall the Outstanding Account Debtor Financed Amount in respect of all Account Debtors under all Financed Receivables exceed the Facility Amount.
- (g) Interest on Advances. The Advances shall bear interest at the Discount Rate. Interest shall accrue from the date that an Advance is made by the Bank until the date that amounts are received in full by the Bank in respect of the Financed Receivable against which such Advance was made in accordance with Section 5(a)(iv) hereof; provided, however, that if the Bank has not received repayment in full of Advances made in respect of any Financed Receivable by the Invoice Due Date for such Financed Receivable or upon demand by the Bank, whichever is earlier, then the Advances in respect of such Financed Receivable shall bear interest at the Delinquent Rate for all time after the Invoice Due Date or demand, as applicable, until such Advances are repaid in full. Interest shall be calculated on the basis of Applicable Day Count Convention for the interest rate applicable to such Advances. Interest shall be payable monthly in arrears on the last day of each month. Interest that is payable but remains unpaid shall also accrue interest at the same rate as other amounts advanced in respect of such Financed Receivable.

- (h) Fees. The Customer shall pay the Bank: (i) at the time of each advance in respect of an Eligible Receivable, an administrative fee of 0.2% of the face value of the Eligible Receivable financed under this Agreement, plus any and all fees agreed between the Borrower and the Bank from time to time in writing, *provided that* from first availability until the first annual review, such administrative fee shall be a total of USD5,000 per month regardless of the amount of Eligible Receivables financed; (ii) an annual extension fee payable on the yearly anniversary date of this Agreement equal to 0.15% of the Facility Amount; and (iii) wire-transfer fees payable for each wire transfer payment made by the Bank in connection with this Agreement, at the Bank's then prevailing charge for wire transfers, in the relevant currency.
- (i) Not a True Sale; Full Recourse. Nothing in this Agreement shall be construed as a sale or purchase of Proposed Receivables between the Customer and the Bank. The Bank and the Customer have structured the transactions contemplated by this Agreement as a financing, secured by a charge and security interest on the Collateral under applicable law and accounting principles, including, without limitation, in their respective books, records, financial statements, computer files, tax returns (federal, provincial and local), regulatory and governmental filings.

3. **CUSTOMER REPRESENTATIONS AND WARRANTIES.** The Customer represents and warrants to the Bank on the date hereof and on each Advance Date and in respect of all Proposed Receivables for which the Customer has requested an Advance from the Bank hereunder (thereby becoming Financed Receivables) that the representations and warranties set forth below are true and correct in all material respects:

(a) Proposed Receivables.

- (i) The information submitted to the Bank in respect of each Proposed Receivable is a true and correct list of the Account Debtor's name, the purchase order numbers, the invoice numbers, the Net Invoice Amount due in respect thereof and the Invoice Due Date, in each case, for each Proposed Receivable. All information contained in each such submission to the Bank in respect of Proposed Receivables is accurate in all material respects. Each invoice submitted by the Customer is accurate in all material respects as of its date, and does not and will not omit to state a fact necessary in order to make the information contained therein, in light of the circumstances under which they were made, not materially misleading. The Bank has received true and correct copies of all the relevant documentation relating to each of the Proposed Receivables requested by the Bank. None of the Proposed Receivables are currently evidenced by "chattel paper" or "instruments" or "money" (as each such term is defined in Section 1 of the PPSA) or by "bill" or "note" or "cheque" (as each such term is defined in the *Bills of Exchange Act* (Canada)), unless specifically approved by the Bank and all such cheques, notes, bills and other instruments shall be physically delivered by the Customer to the Bank duly endorsed in favour of the Bank. To the Customer's knowledge, each of the Proposed Receivables is in full force and effect and is the valid and binding obligation of the applicable Account Debtor, enforceable in accordance with its terms, and constitutes the applicable Account Debtor's legal, valid and binding obligation to pay to the Customer the amount of the Proposed Receivables, subject, as to enforcement of such Account Debtor's payment obligation, to bankruptcy, insolvency, reorganization, arrangement, moratorium and other laws of general applicability relating to or affecting creditors' rights. Neither the Customer nor, to the Customer's knowledge, any Account Debtor is in default in the performance of any of the provisions of the documentation applicable to its transactions relating to any Proposed Receivables related to it, including any of the Contracts relating to such Proposed Receivables. Each Proposed Receivable and the Contract and sale terms related thereto are not subject to any defense or Dispute, whether arising out of the transactions contemplated by this Agreement or independently thereof. The Customer has delivered to the Account Debtor all goods and other property or performed all services required to be so delivered or performed by the terms of the documentation giving rise to the Proposed Receivables. The payments due with respect to each Proposed Receivable are not contingent upon the Customer's fulfillment of any further obligation;

- (ii) Each Proposed Receivable submitted to the Bank is an Eligible Receivable and a bona fide payment obligation of the applicable Account Debtor identified in the applicable Invoice and due on the Invoice Due Date for such Proposed Receivable. No actual or to the Customer's knowledge pending Dispute or default or event of default with respect to any Proposed Receivable exists. The amount owed under each Proposed Receivable is free of allowances, side agreements and Dilution. All invoices relating to each Proposed Receivable arising out of the sale of goods or the provision of services to the Customer's knowledge have been accepted by the applicable Account Debtor.
 - (iii) Each Eligible Receivable (A) arises under a Contract between the Customer and the applicable Account Debtor; (B) does not require the applicable Account Debtor or any other Person to consent to the transfer, or assignment by way of security of the Customer's rights to payment under such agreement and (C) does not contain a confidentiality provision that purports to restrict the ability of the Bank to exercise its rights under this Agreement, including without limitation, its right to review such Contract.
 - (iv) The Customer is the legal and beneficial owner of each Proposed Receivable and all Collateral free and clear of any lien, hypothec, charge, encumbrance or security interest other than Permitted Encumbrances, and on or before the initial Advance Date, the Bank shall acquire, subject to Permitted Encumbrances, a valid and enforceable first ranking security interest, lien and charge on each of the Financed Receivables, the Collections with respect thereto and the other Collateral ranking prior to the right, title and interests of all other Persons.
 - (v) The Customer is not, and will not be, on each Advance Date, subject to any Insolvency Event, nor insolvent within the meaning of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada), the *Fraudulent Conveyances Act* (Newfoundland) or comparable legislation of any other relevant jurisdiction as the same may be amended, restated or replaced from time to time (collectively, the "Insolvency Statutes") and the Customer will not be rendered insolvent (within the meaning of any Insolvency Statute) by entering into this Agreement and performing its obligations hereunder, and will not be insolvent immediately its receipt of the relevant Advance and the granting of the security interests contemplated in this Agreement to the Bank. The Customer has not entered into this Agreement with the intention of defeating, hindering, delaying or defrauding creditors or others of their claims against the Customer, nor preferring any creditor over any other creditor, nor for any other purpose relating in any way to the claims of creditors or others against the Customer.
 - (vi) A copy of the accounts receivable insurance policy(ies) covering the Proposed Receivables has been delivered to the Bank. Such accounts receivable insurance policy(ies) is/are in good standing and the Customer's rights thereunder are fully assignable to the Bank. The Customer has not exceeded any limits or sublimits in respect of exposure to any Account Debtor, country or industry under the applicable accounts receivable insurance policy.
- (b) Customer: Account Debtor(s).
- (i) The Customer is a corporation duly formed, validly existing and in good standing under the laws of Newfoundland and Labrador, and is duly qualified to do business, and is in good standing, in every jurisdiction where the nature of its business requires it to be so qualified. Except to the extent provided in the Amended and Restated Loan Agreement dated February 1, 2018 among the Customer, Newspar, Canada Fluorspar Inc. and Sprott Bridging Income Fund LP by its agent Bridging Finance Inc. and the Loan Agreement dated as of March 30, 2017 among Her Majesty in Right of Newfoundland and Labrador, the Customer, Newspar and Canada Fluorspar Inc., as amended, the Customer is not a party to any agreement which restricts or prohibits the right of the Customer to grant a security interest in the Collateral to the Bank. The Customer is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

- (ii) (A) To the best of the knowledge of the Customer, an Account Debtor on any Proposed Receivable owing by it is not subject to any Account Debtor Insolvency Event at the time of the Advance Request relating thereto; and (B) each Account Debtor on any Financed Receivable owing by it is not subject to an Account Debtor Insolvency Event on any Advance Date.
- (c) No Conflict, etc. The execution, delivery and performance by the Customer of this Agreement, each Advance Request and each other document to be delivered by the Customer hereunder, (i) are within the Customer's corporate or other organizational powers; (ii) have been duly authorized by all necessary corporate or other organizational action; and (iii) do not contravene (A) the Customer's Organizational Documents; (B) any law, rule or regulation applicable to the Customer; (C) any contractual restriction binding on or affecting the Customer or its property, or (D) any order, writ, judgment, award, injunction or decree binding on or affecting the Customer or its property. The Agreement has been duly executed and delivered by the Customer. The Customer has furnished to the Bank a true, correct and complete copy of its Organizational Documents, including all amendments thereto.
- (d) Authorizations; Filings. No authorization or approval or other action by, and no notice to or filing with, any governmental entity is required for the due execution, delivery and performance by the Customer of this Agreement or any other document to be delivered thereunder except for the filing of any PPSA financing statements (or comparable registration or filing in the relevant jurisdiction) as may be necessary to perfect the security interest, charge and lien on the Collateral in favour of the Bank pursuant to this Agreement. Except to the extent relating to the Amended and Restated Loan Agreement dated February 1, 2018 among the Customer, Newspar, Canada Fluorspar Inc. and Sprott Bridging Income Fund LP by its agent Bridging Finance Inc. and the Loan Agreement dated as of March 30, 2017 among Her Majesty in Right of Newfoundland and Labrador, the Customer, Newspar and Canada Fluorspar Inc., as amended, no PPSA financing statement (or comparable registration or filing in the relevant jurisdiction) or other instrument similar in effect covering any of the Collateral is on file in any filing or recorded in any recording office or system, except those filed in favour of the Bank relating to this Agreement, and no competing notice of assignment or payment instruction or other notice inconsistent with the transactions contemplated in this Agreement is in effect with respect to any Account Debtor, subject in each case to Permitted Encumbrances.
- (e) Enforceability. This Agreement constitutes the legal, valid and binding obligation of the Customer enforceable against the Customer, in accordance with its terms, except as limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws relating to the enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is sought at equity or law).
- (f) Litigation Matters. There is no pending (or, to its knowledge, threatened) action, proceeding, investigation, litigation or injunction, writ or restraining order affecting the Customer or any of its Affiliates before any court, governmental entity or arbitrator which could reasonably be expected to result in a Material Adverse Change, and the Customer is not currently the subject of, and has no present intention of taking any action to commence, an Insolvency Event applicable to the Customer.
- (g) Material Adverse Change. There exists no event which has had, or is reasonably likely to result in, a Material Adverse Change.
- (h) Money Laundering and Anti-Terrorism Laws and Sanctions Laws: Etc.
- (i) All required import or export licences (if any) applicable to goods (if any) of relevance to each Financed Receivable to be obtained by the Customer have been obtained and the Customer is in compliance in all material respects with foreign and domestic laws and regulations pertaining to each jurisdiction in which it operates and to each such Financed Receivable including, if applicable, the shipment and financing of the goods of relevance to such Financed Receivable;

- (ii) Neither the Customer nor any of its subsidiaries, directors, officers or employees is an individual or entity (nor does the Customer nor any such entity or individual operate, possess, own, charter or use a vessel) nor, to the knowledge of the Customer (after having conducted commercially reasonable diligence) any Account Debtor: (A) is, or is owned or controlled by, a Sanctioned Person or a Sanctioned Country; (B) has any business affiliation or commercial dealings with any Sanctioned Person or Sanctioned Country; or (C) is in breach of or is the subject of any action or investigation under any Sanctions Laws; and
 - (iii) Customer and its subsidiaries are, and, to the knowledge of the Customer (after having conducted commercially reasonable diligence), its Account Debtors, are in compliance with Sanction Laws, Anti-Money Laundering Laws and Anti-Corruption Laws and all other applicable laws relating to anti-money laundering, and corruption of public officials, and other federal, state, or provincial laws relating to "know your customer" and anti-money laundering rules and regulations. Customer and its subsidiaries have and, to the knowledge of the Customer, (after having conducted commercially reasonable diligence) the Account Debtors, have taken appropriate steps to implement policies and procedures reasonably designed to provide that there will be no payments to any government official or employee, or politically sensitive person, political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage in violation of any Anti-Corruption Laws.
- (i) Review. The Customer has discussed and reviewed this Agreement with its accountant, independent auditors and legal counsel and the Customer is not relying upon oral or other representations or statements from the Bank inconsistent with the terms and provisions of this Agreement.
4. **CUSTOMER COVENANTS.** Until the later of the Termination Date and the date that all Obligations (other than Obligations under Section 6(b) and (c) which survive the Repayment in full of all Advances) of the Customer pursuant to this Agreement have been paid in full to the Bank, the Customer agrees to perform the covenants set forth below:
- (a) Payment of Amounts Owed. The Customer shall duly and timely pay to the Bank all Obligations when due; and without limiting the generality of the foregoing shall pay to the Bank: (i) the outstanding principal amount of each Advance (whether or not the relevant Account Debtor has actually paid or remitted the amount due to the Customer on that date); (ii) on demand the full amount of all Obligations upon the occurrence and during the continuation of one or more Events of Default; and (iii) on demand the full amount of all Obligations, on any earlier date on which the term of this Agreement is terminated for any other reason; in each case, in the same currency as the relevant Advance plus interest accruing on such outstanding amount calculated monthly not in advance from such due date to the date of full payment to the Bank at the Delinquent Rate.
 - (b) Notice of Disputes, Breaches of Contract, Account Debtor Insolvency Events, Etc. The Customer shall fulfill and perform all obligations stemming from transactions related to Financed Receivables and shall promptly upon learning of the same deliver a reasonably detailed written notice to the Bank of (i) any Dispute asserted or threatened in respect of a Financed Receivable; (ii) any breach by the applicable Account Debtor of the Contract which could reasonably give rise to such Account Debtor failing to pay any invoice amount or give rise to any Dispute; (iii) any Account Debtor Insolvency Event occurring, or (iv) it becoming illegal for an Account Debtor to pay all or any part of the invoice amount because of the imposition of any prohibition or restriction on such payments.
 - (c) Contracts: Financed Receivables. The Customer, at its expense, shall timely and fully perform in all material respects with all terms, covenants and other provisions required to be performed by it under the Contracts related to the Financed Receivables, and the Customer, at its expense, shall compel the applicable Account Debtor to timely and fully perform in all material respects with all terms, covenants and provisions required to be performed by such Account Debtor under the Contracts related to the Financed Receivables. The Customer, at its expense, shall use commercially reasonable efforts to keep each Financed Receivable in full

force and effect as a valid and binding obligation of such Account Debtor, enforceable in accordance with its terms, subject, as to enforcement of such Account Debtor's payment obligation, to bankruptcy, insolvency, reorganization, arrangement, moratorium and other laws of general applicability relating to or affecting creditors' rights.

- (d) Existence. The Customer will (i) comply in all material respects with all applicable laws, rules, regulations and orders and (ii) preserve and maintain its organizational existence, rights, franchises, qualifications, and privileges, except as permitted pursuant to the Credit Facility Letter. The Customer will keep its jurisdiction of organization and the location of its chief executive office as the Province of Newfoundland and Labrador and principal place of business and chief executive office and the office where it keeps its records concerning the Collateral at the address set forth in Section 12 hereof or, in each case, upon ten (10) Business Days' prior written notice to the Bank, at any other locations in jurisdictions where all actions reasonably requested by the Customer or otherwise necessary to protect, perfect and maintain the Bank's interest in the Collateral have been taken and completed.
- (e) Books and Records. The Customer will maintain accurate books and accounts with respect to the Financed Receivables. The Customer shall maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing Financed Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records and other information reasonably necessary or advisable for collecting all Financed Receivables (including, without limitation, records adequate to permit the daily identification of each Financed Receivable and all Collections of and adjustments to each existing Financed Receivable).
- (f) Sales, Liens and Debt. The Customer shall not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any lien, hypothec, charge, encumbrance or security interest upon or with respect to, the Financed Receivables or upon or with respect to any deposit or other account to which any Collections of any Financed Receivable are sent, or assign any right to receive income in respect thereof except the interests in favour of the Bank, subject in each case to Permitted Encumbrances.
- (g) Extension or Amendment of Financed Receivables. The Customer shall not amend or extend the payment terms under any Financed Receivables, unless approved in advance in writing by the Bank, and shall not otherwise waive or permit or agree to any deviation from the terms or conditions of any Financed Receivable without the prior written consent of the Bank.
- (h) Audits and Visits. The Customer shall, at any time and from time to time during regular business hours on any Business Day from time to time as requested by the Bank, permit the Bank, or its agents or representatives, upon reasonable notice, (i) on a confidential basis, to examine and make copies of and abstracts from all books, records and documents (including, without limitation, computer tapes and disks) in its possession or under its control relating to Financed Receivables owed by Account Debtor including, without limitation, the related Contracts; and (ii) to visit its offices and properties for the purpose of examining and auditing such materials described in clause (i) above, and to discuss matters relating to Financed Receivables owed by any Account Debtor or the Customer's performance hereunder or under the related Contracts with any of its officers or employees having knowledge of such matters (hereinafter, an "Audit"), provided that, unless a breach or default of the Customer's obligations hereunder occurs and is continuing, only one such Audit in any calendar year shall be at the Customer's expense.
- (i) Accounting Treatment. The Customer shall make all disclosures required by applicable law or regulation with respect to the obtaining of credit from the Bank, by way of Advances in respect of Financed Receivables hereunder, and account for such secured financing in accordance with Generally Accepted Accounting Principles or IFRS, as applicable, then in effect.
- (j) Reporting Requirements. The Customer will comply with all reporting requirements set forth in that certain Credit Agreement by and between the Bank and the Customer dated October 24, 2017 (as such agreement

may be amended, restated, amended and restated, supplemented or otherwise modified from time to time). In addition, the Customer will notify the Bank as soon as possible and in any event within one (1) Business Days after becoming aware of the occurrence thereof, written notice of (A) any non-payment of amounts due with respect to any Financed Receivable or (B) any matter that could reasonably be expected to result in a Material Adverse Change.

- (k) Further Assurances. The Customer will, at its expense, promptly execute and deliver all further instruments and documents, and take all further action that the Bank may reasonably request, from time to time, in order to perfect, protect or more fully effectuate the enforceability of the Bank's security interests in the Financed Receivables and the other Collateral and to enable the Bank to exercise or enforce its rights and remedies hereunder, as applicable, and to support the filing of a claim under any applicable accounts receivable insurance policy covering the Financed Receivables, including, without limitation, any accounts receivable insurance maintained by the Bank in respect of the Financed Receivables, and to support the filing of a claim under any applicable accounts receivable insurance policy covering the Financed Receivables.
- (l) Taxes. The Customer will pay any and all taxes (excluding the Bank's income, gross receipts, franchise, capital, sales and harmonized sales tax, goods and services tax, doing business or similar taxes) relating to the transactions contemplated by this Agreement; except for those taxes that the Customer is contesting in good faith and for which adequate reserves have been taken. The Customer shall treat each assignment of Financed Receivables to the Bank hereunder as a secured lending transaction for federal and provincial income tax, reporting and accounting purposes. The Customer will comply with all other applicable Canadian tax laws, regulations and rules relating to the transactions contemplated by this Agreement.
- (m) Not Adversely Affect the Bank's Rights. The Customer will refrain from any act or omission outside of the ordinary course of business which might in any way prejudice or limit the Bank's rights to, and security interests in, the Collateral.
- (n) Accounts Receivable Insurance. The Customer or one of its Affiliates shall remain liable to continue to pay the insurance premiums for the EDC accounts receivable insurance policy selected and approved by the Customer and issued to the Customer or one of its Affiliates covering such Financed Receivables, shall maintain such insurance policy in good standing and shall refrain from any act or omission which might in any way prejudice or limit the Bank's rights thereunder or cause the termination of such insurance policy, including, without limitation, exceeding any limits or sublimits in respect of exposure to any Account Debtor, country or industry.
- (o) Claims under Accounts Receivable Insurance. Upon the request of the Bank from time to time, the Customer agrees that it or one of its Affiliates shall take appropriate actions to prepare and file a claim in respect of any Financed Receivable under the applicable accounts receivable insurance policy.
- (p) Money Laundering and Anti-Terrorism Laws, Use of Proceeds. The Customer shall, and shall cause each of its Affiliates to, continue to comply with all applicable Sanctions Laws, Anti-Money Laundering Laws, Anti-Corruption Laws and all other applicable laws relating in any way to the Financed Receivables and to promptly notify the Bank in writing (with explanation) of any actual or alleged violation thereof. The Customer will not, directly or indirectly, use any benefit derived from this Agreement to fund any activities or business of or which any Person, including an Account Debtor, or in any country or territory, that is, or whose government is, the subject of Sanctions; or in any other manner that would result in a violation of Sanctions by any Person. The Customer shall promptly notify the Bank of any circumstance of which it may become aware, in connection with any Financed Receivable that may relate to money laundering, terrorist financing, bribery, corruption, tax evasion or Sanctions.
- (q) Other Credit Agreements. Subject to the terms of the Intercreditor Agreement, the Customer shall comply at all times with its credit agreements, facility letters and other agreements for borrowed money or funded debt with its creditors and notify immediately the Bank upon the occurrence of any event of default resulting in a

loss of the available credit thereunder or of any demand of payment by a creditor in relation to one of these agreements, and advise the Bank of any such new agreement or material modification to such agreement with any of its creditors.

- (r) Field Audit. The Customer shall, at its sole cost and expense and within 12 months of the date of the first Advance made under the Facility, provide the Bank with results of an onsite client survey conducted by a third-party auditor selected by the Bank.
- (s) Sale of Receivables Payable by the Chemours Company. Without limiting the scope of the restriction set forth in Section 4(f) above, the Customer shall not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any lien, hypothec, charge, encumbrance or security interest upon or with respect to any Receivable to or in favour of Citibank, N.A. ("Citibank") where such Receivable is payable by The Chemours Company (whether or not such Receivable is a Financed Receivable) unless and until the Customer shall have been notified in writing by the Bank that an intercreditor agreement in form and substance satisfactory to the Bank in all respects has been executed by the Bank and Citibank addressing their respective priorities in such Receivables.

5. COLLECTION ACTIVITIES; ETC.

(a) Collections.

- (i) Establishment of Account(s). The Customer has established the Collection Account and covenants to maintain such account so long as any Obligations remain unpaid, unless otherwise agreed to in writing by the Bank.
- (ii) Collection Account. The Collection Account established by the Customer shall be held and maintained at a designated bank branch of the Bank, in the name of the Customer but subject to the exclusive dominion and control of the Bank for so long as any Obligations remain outstanding (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances), which account shall be separate and segregated from the Customer's own assets (including other bank accounts), to solely receive Collections and amounts owing under Financed Receivables. The Customer shall maintain such account so long as any Obligations remain unpaid (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances), unless otherwise agreed to in writing by the Bank. The Customer shall (a) take any and all actions necessary (including those requested by the Bank) to ensure that all payments on account of the Financed Receivables shall be wire transferred, deposited or credited directly from the relevant Account Debtor to the Collection Account, without adjustment, set-off or deduction of any kind or nature; (b) not change the payment instructions to any Account Debtor that all amounts owing in respect of the Financed Receivables be deposited directly into the Collection Account; and (c) take any and all other actions, including actions requested by the Bank, to ensure that any amounts not owing in respect of the Financed Receivables will not be deposited to the Collection Account or commingled with the Collections in the Collections Account with any other funds, property or assets of the Customer and to keep separate and segregated all such Collections. All funds remitted to, or deposited in the Collections Account and the credit balances therein from time to time shall remain subject to the security interests in favour of the Bank for as long as the Obligations have not been satisfied in full (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances) and until then, the Customer shall not, directly or indirectly, utilize funds in the Collection Account for its own purposes, and shall not have any right to withdraw funds therefrom (whether pursuant to cheques, other payment orders or otherwise) and no right to pledge such funds to any Person other than the Bank as collateral for any obligations of the Customer or any other Person.
- (iii) Control of Collection Account. Until the Obligations have been satisfied in full (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances), to the Bank, the Customer acknowledges and agrees that: (A) the Collection Account shall at all times be under the sole

control and direction of the Bank and hereby grants to the Bank the sole right without the consent of, or notice to the Customer at any time and from time to time to set-off and debit the Collection Account and withdraw from the Collection Account any or all funds credited or deposited now or at any time hereafter to the Collection Account and to otherwise operate or deal with the Collection Account and any or all funds now or at any time hereafter credited or deposited into the Collection Account, and (B) the Customer shall not have any right to control or direct or otherwise operate or deal with the Collection Account or any funds now or at any time hereafter credited or deposited to the Collection Account, other than to credit or deposit funds, or to direct Account Debtors to credit or deposit funds, to the Collection Account in accordance with this Agreement.

- (iv) Receipt of Funds by the Bank. No amounts shall be deemed received by the Bank and applied against the Obligations of the Customer hereunder for purposes of this Agreement until the Bank has debited immediately available funds from the Collection Account or such funds have otherwise been actually received by the Bank.
- (v) Excess Collections. Upon receipt by the Bank in the Collection Account or otherwise of Collections in respect of any Financed Receivable in an amount equal to or greater than the Advance made in respect of such Financed Receivable plus applicable interest, the Bank shall, within two (2) Business Days of receipt of such Collections, release any such excess Collections from the Collection Account to the Borrower.
- (vi) Funds Held in Trust. Prior to being deposited in the Collection Account, any funds received by the Customer in respect of any Financed Receivables shall be deemed to be subject to a trust in favour of the Bank, and the Customer shall be deemed to be holding such funds in trust for the exclusive use and benefit of the Bank until the Obligations have been satisfied in full to the Bank (other than Obligations under Section 6(a) and (c) which survive the repayment full of Advances).
- (b) Payment Reconciliation. Without diminishing the Customer's liability to pay the Obligations when due, the Customer shall be responsible for identifying, matching and reconciling any payments, including those related to any Dilution of Financed Receivables or Collections therefrom, deposited in the Collection Account. Customer shall provide to the Bank, in a form and substance satisfactory to the Bank, a full reconciliation ("Payment Reconciliation") of all such payments deposited in the Collection Account, together with the DSO values of all Collections deposited in the Collection Account and adjustments (including Dilution amounts, if any), within five (5) days of the deposit of Collections in respect of Financed Receivables in the Collection Account and from time to time upon the request of the Bank. Subject at all times to the security interest granted in favour of the Bank in the Collection Account, if any payment is received in the Collection Account that does not constitute a Collection with respect to any Financed Receivable, following receipt by the Bank of satisfactory evidence of payment details documenting that the payment is for Receivables not constituting Financed Receivables, such funds will be forwarded to the Customer or to such other Person as is entitled thereto.
- (c) Rights of the Bank; Notices to Account Debtors. The Bank shall have the right to exercise any and all of its rights and remedies hereunder, under applicable law (including, the PPSA or comparable statute or applicable law of any other jurisdiction) or at equity to collect any Financed Receivables directly from the applicable Account Debtor. In furtherance of the foregoing, but without limiting the generality thereof, the Bank may, in its sole discretion, upon the occurrence and continuation of any Event of Default, notify or otherwise advise any Account Debtor that the Bank has the right to collect the applicable Financed Receivable, and may direct such Account Debtor to make payments with respect to such Financed Receivable directly to the Collection Account or to the Bank directly as the Bank may direct.
- (d) Account Debtor Payment Default. So long as no Event of Default has occurred and is continuing, upon the occurrence of any payment default by an Account Debtor in payment of any Financed Receivable, the Customer shall notify the Bank about such default and provide a report about the course of action to be

adopted by the Customer, in light thereof without diminishing the Customer's obligations and liabilities to pay the Obligations to the Bank when due hereunder.

6. **EVENTS OF DEFAULT; INDEMNITIES AND SET-OFF.**

(a) **Events of Default.** If any one or more Events of Default occur and continue, the Bank may, in its discretion:

- (i) terminate this Agreement and declare to be immediately due and payable all of the Obligations of the Customer to the Bank;
- (ii) commence such litigation or proceedings, and make such claims as the Bank considers appropriate, in its discretion, against the Customer;
- (iii) realize upon, enforce against and otherwise exercise its rights and remedies against the Financed Receivables, the Collateral and all other security granted to the Bank in connection with this Agreement;
- (iv) to the fullest extent permitted by applicable law set off, appropriate and apply any and all credit balances and deposits (general or special, time or demand, matured or unmatured, provisional or final) at any time and from time to time held by the Bank against the indebtedness and liability of the Customer to the Bank.

(b) **General Indemnification.** The Customer hereby agrees to indemnify the Bank (together with its officers, directors, agents and employees, each, an "Indemnified Party") from and against any and all claims, losses and liabilities (including, without limitation, reasonable legal fees) (all of the foregoing being collectively referred to as "Indemnified Amounts") arising out of or resulting from any of the following: (i) the granting to the Bank of a security interest in any Financed Receivable; (ii) the failure to vest in the Bank a perfected security interest (within the meaning of the PPSA) in each Financed Receivable and the proceeds and Collections in respect thereof free and clear of any liens or encumbrances of any kind or nature whatsoever (other than Permitted Encumbrances and those granted under this Agreement); (iii) any Dispute or any other claim related to such Financed Receivable (or any portion thereof); (iv) any failure by the Customer to perform its duties or obligations hereunder in accordance with this Agreement; (v) any Event of Default; or (vi) any losses or damage arising from any communications sent or received using electronic means. The foregoing indemnification shall not apply in the case of any claims, losses or liabilities to the extent resulting solely from (A) the gross negligence or willful misconduct of an Indemnified Party as determined in a final non-appealable judgment by a court of competent jurisdiction or (B) an Account Debtor Insolvency Event. Amounts due hereunder shall accrue interest at the Delinquent Rate.

(c) **Tax Indemnification.** All payments on the Financed Receivables from the Account Debtors will be made free and clear of any present or future taxes, withholdings or other deductions whatsoever. The Customer will indemnify the Bank for any such taxes, withholdings or deductions as well as any stamp duty or any similar tax or duty on documents or the transfer of title to property arising in the context of this Agreement which has not been paid by the Customer. Further, the Customer shall pay, and indemnify and hold the Bank harmless from and against, any taxes that may at any time be asserted in respect of the Financed Receivables hereunder (including any sales, occupational, excise, gross receipts, personal property, privilege or license taxes, or withholdings, goods and services tax, sales tax and other taxes, but not including taxes imposed upon the Bank with respect to its overall net income) and costs, expenses and reasonable counsel fees in defending against the same, whether arising by reason of the acts to be performed by the Customer hereunder or otherwise. Amounts due hereunder shall accrue interest at the Delinquent Rate.

(d) **PPSA.** The rights granted to the Bank hereunder are in addition to all other rights and remedies afforded to the Bank as a secured creditor under the PPSA or other applicable law, any other comparable statute of any other jurisdiction, any other law or in equity.

7. **CUSTOMER OBLIGATIONS.** Notwithstanding the granting of a security interest in the Financed Receivables and other Collateral to the Bank hereunder, the Bank shall have no responsibility for, or have any liability with respect to, the performance of any Contract, and neither shall the Bank have any obligation to intervene in any commercial dispute arising out of the performance of any Contract. All obligations of the Customer under each Contract, including all performance obligations, representations and warranty obligations, all servicing obligations, all maintenance obligations, and all delivery, transport and insurance obligations, shall be retained by the Customer.
8. **HSBC GROUP – SANCTIONS LAWS.** The Customer acknowledges and agrees that:
- (a) the Bank, together with HSBC Holdings plc, its Affiliates and subsidiaries (together “HSBC Group”), and HSBC Group’s service providers are required to act in accordance with, and it is the policy of the Bank and other members of the HSBC Group to comply with, the laws and regulations of various jurisdictions, including those which relate to Sanctions Laws and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion;
 - (b) the Bank may take, and may instruct other members of the HSBC Group to take, to the extent it or such member is legally permitted to do so under the laws of its jurisdiction, any action (a “Compliance Action”) which it or such member, in its sole discretion, considers appropriate to act in accordance and compliance with Sanctions Laws and other applicable domestic and foreign laws, regulations and regulator requirements. Such Compliance Action may include but is not limited to the interception and investigation of any payment, communication or instruction or other information; sharing information within HSBC Group, the making of further enquiries as to whether a Person is subject to any Sanctions Laws; and the refusal to process any transaction or instruction that does not conform with Sanctions Laws;
 - (c) neither the Bank nor any other member of HSBC Group will be liable to the Customer for any direct, indirect or consequential, losses, costs, fees, charges, disbursements, damages, expenses, legal expenses and fees, claims, actions, suits, demands and liabilities whatsoever suffered, incurred, commenced or made (collectively, “Loss”) suffered by any party arising out of or relating to any Compliance Action taken by or on behalf of the Bank, any delay or failure by the Bank in performing any of its duties under this Agreement or by the Bank, any other member of the HSBC Group caused in whole or in part by any steps which the Bank or such other member, in its sole and absolute discretion, considers appropriate under applicable laws and regulations including (without limitation) Sanctions Laws. The Bank will use reasonable commercial efforts to notify the Customer of the existence of such circumstances as soon as is reasonably practicable; and
 - (d) the Customer acknowledges that the Bank may, in its sole discretion, refuse to provide financing for the Proposed Receivables in connection with or relating to any countries, governments, entities or other Persons that are subject to Sanctions Laws or limitations imposed by domestic or foreign laws, or by the Bank or any member of the HSBC Group, and that the Bank has the right, without prior notice to the Customer, to reject, refuse to pay, or not process any transaction or instruction that does not conform with any such Sanctions Laws or limitations.
9. **COSTS AND EXPENSES; DELINQUENT RATE.**
- (a) All amounts payable to the Bank on account of the Obligations which are not paid to the Bank by the Customer when due hereunder shall bear interest at the Delinquent Rate calculated monthly, not in advance, whether before or after demand and judgment and shall be payable by the Customer on demand by the Bank, accruing each day from such due date to the date such amount is received by the Bank.

- (b) The Customer shall reimburse the Bank for all reasonable costs (including out of pocket legal fees and expenses) in CAD, or the CAD Equivalent thereof, that the Bank incurs in connection with the preparation and negotiation of this Agreement, any amendments hereto and the administration, preservation of rights and enforcement hereof.
- (c) Any fees, expenses, indemnity, or all other amounts payable by the Customer to the Bank in connection with this Agreement shall bear interest each day from the date due until indefeasible payment in full at the Delinquent Rate, whether before or after demand, default and judgment. Such interest shall be payable on demand. Fees are deemed payable on the date or dates set forth herein; expenses, indemnity, or other amounts payable by the Customer to the Bank are due thirty (30) days after receipt by the Customer of written demand thereof.

- 10. **GENERAL PAYMENTS.** All amounts payable by the Customer to the Bank under this Agreement shall be paid in full, free and clear of all deductions, set-off or withholdings whatsoever except only as may be required by law, and shall be paid on the date such amount is due by not later than 11:00 am (Eastern Time) to the account of the Bank notified to the Customer from time to time. If any deduction or withholding is required by law, the Customer shall pay to the Bank such additional amount as necessary to ensure that the net amount actually received by the Bank equals to the full amount the Bank should have received had no such deduction or withholding been required. Except as may be otherwise expressly provided in this Agreement, all payments to be made hereunder, including in respect of a Financed Receivable with respect to the Advance Amount, interest thereon and indemnities in connection therewith shall be paid in the currency stipulated in the relevant original invoices. Any amounts that would fall due for payment on a day other than a Business Day shall be payable on the succeeding Business Day.
- 11. **LIMITATION OF LIABILITY.** NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIALINCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT (INCLUDING LOST PROFITS OR LOSS OF BUSINESS) EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 12. **NOTICES.** Unless otherwise provided herein, any notice, request or other communication which the Bank, the Customer may be required or may desire to give to the other party under any provision of this Agreement shall be in writing and sent by electronic facsimile transmission, hand delivery or first class mail, registered and postage prepaid, and shall be deemed to have been given or made and received when transmitted with receipt confirmed in the case of electronic facsimile transmission, when received if sent by hand delivery or five (5) days after deposit in the mail if mailed, and in each case addressed to the Bank, or the Customer as set forth below. Any party hereto may change the address to which all notices, requests and other communications are to be sent to it by giving written notice of such address change to the other parties in conformity with this paragraph, but such change shall not be effective until notice of such change has been received by the other parties.

If to the Customer:

Canada Fluorspar (NL) Inc.

1 Clarke's Pond Road

St. Lawrence, Newfoundland A0E 2V0

Fax:

Email:

If to the Bank:

HSBC Bank Canada

70 York Street

Toronto, ON M5J 1S9

Attention: Country Head, Global Trade and Receivables Finance

with a copy to (which copy shall not constitute notice hereunder):

HSBC Bank Canada
70 York Street
Toronto, ON M5J 1S9
Attention: Legal, Global Trade and Receivables Finance

The Customer agrees that the Bank may presume the authenticity, genuineness, accuracy, completeness and due execution of any electronic facsimile transmission bearing a facsimile or scanned signature resembling a signature of an authorized Person of the Customer without further verification or inquiry by the Bank. Notwithstanding the foregoing, the Bank in its sole discretion may elect not to act or rely upon such a communication and shall be entitled (but not obligated) to make inquiries or require further action by the Customer to authenticate any such communication.

13. **SURVIVAL.** Notwithstanding the occurrence of the Termination Date, (a) all covenants, representations and warranties made herein shall survive the execution, delivery and performance of the Agreement so long as any Financed Receivables remain outstanding; and (b) the Customer's obligations to indemnify the Bank with respect to the expenses, damages, losses, costs, liabilities and other obligations shall survive until the later of (i) all applicable statute of limitations periods with respect to actions that may be brought against the Bank or any other indemnified party have run and (ii) 365 days following the entry of a final non-appealable order of a court of competent jurisdiction with respect to actions brought against the Bank or any other Indemnified Party that were initiated prior to the end of the applicable statute of limitations for such actions.
14. **GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL; ETC.**
- (a) This Agreement shall be governed by the laws of the Province of Newfoundland and Labrador, without giving effect to conflict of laws principles that would require the application of the law of any other jurisdiction.
- (b) Each Party irrevocably and unconditionally (i) submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Newfoundland and Labrador, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment and (ii) agrees that all claims in respect of any such action or proceeding may be heard and determined in any such Newfoundland and Labrador court or, to the extent permitted by law, in such appellate court. A final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, (x) any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court located in the Province of Newfoundland and Labrador and (y) the defense of inconvenient forum to the maintenance of such action or proceeding in any such court.
- (c) EACH PARTY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT SUCH PARTY MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

15. **GENERAL PROVISIONS.**

- (a) This Agreement represents the final agreement of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements with respect to such subject matter. No provision of this Agreement may be amended or waived except by a writing signed by the Parties hereto.

- (b) This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the Parties; provided, however, that the Customer may not assign any of its rights hereunder without the Bank's prior written consent. The Bank shall have the right without the consent of or notice to the Customer to sell, transfer, negotiate or grant participations in all or any part of, or any interest in, the Bank's obligations, rights and benefits hereunder.
- (c) Each provision of this Agreement shall be severable from every other provision hereof for the purpose of determining the legal enforceability of any specific provision. This Agreement may be executed and delivered in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same agreement.
- (d) Customer acknowledges that from time to time financial advisory, investment banking and other services may be offered or provided to the Customer or one or more of its affiliates (in connection with this Agreement or otherwise) by the Bank or its subsidiaries. The Customer hereby authorizes the Bank to share within the Bank to any director, officer or employee of the Bank on a need to know basis any information delivered to the Bank by the Customer and its subsidiaries pursuant to this Agreement, or in connection with the decision of the Bank to enter into this Agreement, to any other business unit of the Customer and/or to any subsidiary of the Customer. Such authorization shall terminate on the termination of this Agreement. Without limiting the foregoing, the Bank agrees to maintain the confidentiality of any Confidential Information (as defined below) of the Customer and shall not disclose such Confidential Information to any third party except as set forth in the Agreement. "Confidential Information" shall mean information of the Customer provided to the Bank. "Confidential Information" shall not include any information that (i) is part of the public domain without any breach of this Agreement by the receiving Party; (ii) is or becomes generally known to the general public or organizations engaged in the same or similar businesses as the receiving Party on a non-confidential basis, through no wrongful act of such Party; (iii) is known by the receiving Party prior to disclosure to it hereunder without any obligation to keep it confidential; (iv) is disclosed to it by a third party which, to the best of the receiving Party's knowledge, is not required to maintain the information as proprietary or confidential; (v) is independently developed by the receiving Party without reference to Confidential Information of the other Party; or (vi) is the subject of a written agreement whereby the other Party consents to the disclosure of such Confidential Information on a non-confidential basis. The Bank may disclose Confidential Information, without the consent of the Customer, if such Party is requested or becomes legally compelled (by applicable law, rule, regulation, oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information. The Customer further acknowledges and agrees that, notwithstanding any of the foregoing, the Bank may store, disclose, process and transfer Confidential Information to members of the HSBC Group and other third party partners of the Bank, on a worldwide basis, to perform and/or in connection with the performance of this Agreement including, without limitation, in connection with any audit or similar review conducted pursuant to Section 4(h) of this Agreement. The obligations under this paragraph(d) shall terminate on the date which is seven (7) years from the Termination Date (the "Confidentiality Termination Date"). Following the Confidentiality Termination Date, the Bank shall, in its sole determination, either return Confidential Information of the Customer to the Customer, unless otherwise required by applicable law to maintain, or confirm to the Customer that it has destroyed any Confidential Information in accordance with its document retention policy, unless otherwise required by applicable law to maintain.
- (e) For the purposes of complying with the *Interest Act* (Canada) where interest is calculated pursuant hereto at a rate based on a 360 or 365 day period, the yearly rate or percentage of interest to which such rate is equivalent is such rate multiplied by the actual number of days in the year (365 or 366, as the case may be) divided by respectively 360 or 365.
- (f) With respect to any monies payable by the Customer hereunder, or any portion or portions thereof, which are payable in a currency other than Canadian currency (the "Foreign Currency Obligation"), the following provisions shall apply:

- (i) payment of the Foreign Currency Obligation made hereunder shall be made in immediately available funds in lawful money of the jurisdiction in the currency of which the Foreign Currency Obligation is payable (the "Foreign Currency") in such form as shall be customary at the time of payment for settlement of international payments in Toronto, Ontario without set-off or counterclaim;
- (ii) the Customer shall hold the Bank harmless from any loss incurred by the Bank arising from any change in the value of Canadian currency in relation to the Foreign Currency between the date the Foreign Currency Obligation becomes due and the date of full, final and indefeasible payment thereof to the Bank; and
- (iii) if, for the purpose of obtaining judgment under this indemnity in any court, it is necessary to convert a sum due hereunder in the Foreign Currency into Canadian currency, the rate of exchange used shall be that quoted by the Bank at its Toronto, Ontario branch for the purchase of the Foreign Currency with Canadian currency on the Business Day preceding that on which final judgment is given.

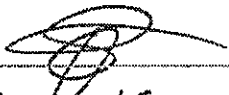
The obligation of the Customer in respect of any such sum due from it to the Bank hereunder shall, notwithstanding any judgment in Canadian dollars, be discharged only to the extent that on the Business Day following receipt by the Bank of any sum adjudged to be so due in Canadian dollars the Bank may in accordance with its normal banking procedures purchase the Foreign Currency with the Canadian dollars; if the amount of the Foreign Currency so purchased is less than the sum actually due to the Bank in the Foreign Currency the Customer agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Bank against such loss and if the Foreign Currency purchased exceeds the sum actually due to the Bank in the Foreign Currency, the Bank agrees to remit such excess to the Customer as the Customer may be entitled thereto.

- (g) It is the intention of the parties hereto that each member of the HSBC Group shall have the rights and benefits provided for in this Agreement, as fully and effectually as if each such member was a signatory hereto.
- (h) Where this Agreement is signed by more than one person, the expression "Customer" shall be construed as referring to each such person individually and to any one or more of such persons collectively, and the agreements, undertakings, obligations and liabilities of the Customer herein contained are joint and several and shall be construed accordingly, and no Customer shall be entitled to any rights or remedies, legal or equitable, of a surety as regards the indebtedness, obligations or liabilities of any other Customer.
- (i) The rights and powers conferred by this Agreement are in addition to and without prejudice to any other rights which the Bank may now have or hereafter acquire from the Customer through agreement, by operation of law, or otherwise.
- (j) The Bank shall not be deemed to have waived any of its rights hereunder, unless it has signed such waiver in writing.
- (k) Time shall be of the essence of this Agreement.
- (l) Any provision of this Agreement which is determined or adjudged to be illegal, invalid, prohibited or unenforceable under applicable law in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such illegality, invalidity, prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the legality, validity or enforceability in any other jurisdiction.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

CANADA FLUORSPAR (NL) INC.

By: 
Name: Paul Cosmbs
:
Title: Officer

HSBC BANK CANADA

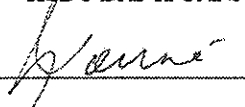
By: _____
Name _____
:
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

CANADA FLUORSPAR (NL) INC.

By: _____
Name _____
:
Title: _____

HSBC BANK CANADA

By: 
Name _____
:
Title: **JAMES BOWNE**
Assistant Vice President
Corporate Banking



Karen Shaw
Account Manager, Corporate Banking

Schedule 1

Account Debtors

| Name of Account Debtor | Sublimit for Account Debtor | Maximum Term for Account Debtor |
|---|------------------------------------|--|
| Fluorchemie Stulln GmbH | 2,000,000.00 | up to 90 days |
| LANXESS Aktiengesellschaft | 9,000,000.00 | up to 90 days |
| Rio Tinto Alcan Inc. | 11,000,000.00 | up to 90 days |
| SOLVAY SPECIALTY POLYMERS ITALY SPA | 10,000,000.00 | up to 90 days |
| Honeywell International Inc. | 8,000,000.00 | up to 90 days |
| Honeywell Specialty Chemicals SEELZE GMBH | 4,000,000.00 | up to 90 days |
| Lincoln Electric Company, The | 4,000,000.00 | up to 90 days |
| Hastie Mining and Trucking | 1,000,000.00 | up to 90 days |
| Seaforth Mineral and Ore Company Inc. | 1,000,000.00 | up to 90 days |
| MINMETALS DEVELOPMENT CO., LTD. | 8,000,000.00 | up to 90 days |
| INDUSTRIES CHIMIQUES DU FLUOR SA | 4,000,000.00 | up to 90 days |
| ARKEMA | 8,000,000.00 | up to 90 days |
| Solvay Specialty Polymers Germany GmbH | 8,000,000.00 | up to 90 days |
| GULF FLUOR OWNED BY HAMAD SUHAIL OWAIDA ALKHYELI ONE MAN COMPANY L.L.C- SOLE | 1,500,000.00 | up to 90 days |
| GLENCORE AG | 7,500,000.00 | up to 90 days |
| The Chemours Company | 9,000,000 | up to 120 days |
| | | |

Exhibit A

Definitions

"Account Debtor": The meaning set forth in the recitals of the Agreement.

"Account Debtor Insolvency Event": With respect to any Account Debtor, such Account Debtor generally does not pay its debts as such debts become due, or admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors; or any proceeding is instituted by or against such Account Debtor seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, plan of compromise or arrangement, or composition of it or its debts or making a proposal under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for it or for any substantial part of its property, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for, it or for any substantial part of its property) shall occur; or such Account Debtor shall take any action to authorize any of the actions set forth above in this definition.

"Advance": The provision of credit to the Customer in respect of a Financed Receivable.

"Advance Amount": The meaning set forth in Section 2(c) of the Agreement.

"Advance Date": Each date on which the Bank makes in advance in respect of an Advance Request accepted by the Bank.

"Advance Rate": With respect to any Financed Receivable, 90%.

"Advance Request": The meaning set forth in Section 2(a) of the Agreement, to be substantially in the form of Exhibit B to the Agreement, or in any other form or by way of any electronic communication that is acceptable to the Bank.

"Affiliate": With respect to any Person, each officer and director of such Person and any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person. For purpose of this definition, "**control**" means the possession of either (a) the direct or indirect power to vote, or the direct or indirect beneficial ownership of more than 50% of the equity interests having ordinary voting power for the election of directors of such Person or (b) the power to direct or cause the direction of the management and policies of such Person directly or indirectly, alone or in concert with a related group with whom such Person does not deal at arm's length, whether by contract or otherwise.

"Agreement": The meaning set forth in the first paragraph of the agreement to which this Exhibit is attached.

"Anti-Corruption Laws": *The U.S. Foreign Corrupt Practices Act of 1977, Corruption of Foreign Public Officials Act (Canada), the Criminal Code (Canada) and all other legislation and related regulations and guidelines (whether federal, provincial or foreign) dealing with or relating to the corruption of public officials or bribery.*

"Anti-Money Laundering Laws": *The Proceeds of Crime (Money Laundering) and Terrorist Act, the Regulations thereunder and all Guidelines published by the Financial Transactions and Reports Analysis Centre of Canada or under such Act, as any or all may be amended or replaced from time to time.*

"Applicable Day Count Convention": The applicable of: (i) in respect of the Bank's Canadian Prime Rate, the BA Rate and the Bank's Cost of Funds, 365 days or 366 days, as the case may be, and (ii) in respect of LIBOR and the US Base Rate, 360 days.

"Audit": The meaning set forth in Section 4(h) of the Agreement.

"BA Rate": The rate per annum advised by the Bank to the Customer as the rate at which the bank would in accordance with normal practices on such date be prepared to purchase bankers' acceptances having a face amount and term comparable to the face amount and term of the relevant Proposed Receivable; provided, however, that should the "BA Rate" be determined to be less than zero, then the "BA Rate" shall be deemed to be zero for the purposes of the Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the "BA Rate" from time to time.

"Bank": The meaning set forth in the preamble to the Agreement.

"Bank's Canadian Prime Rate": The floating annual rate of interest established and announced by the Bank from time to time as a reference rate for determining the rate of interest it will charge on commercial loans denominated in Canadian Dollars in Canada; provided, however, that should the "Bank's Canadian Prime Rate" be determined to be less than zero, then the "Bank's Canadian Prime Rate" shall be deemed to be zero for the purposes of the Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the "Bank's Canadian Prime Rate" from time to time.

"Bank's Cost of Funds": The cost of funding of the Bank, as determined by the Bank from time to time and communicated to the Customer; provided, however, that should the "Bank's Cost of Funds" be determined to be less than zero, then the "Bank's Cost of Funds" shall be deemed to be zero for the purposes of the Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the "Bank's Cost of Funds" from time to time.

"Business Day": Any day that is not a Saturday, Sunday, statutory or civic holiday (federal or provincial in the Province of Ontario or the Province of Newfoundland and Labrador) or other day on which banks in Toronto, Ontario or St. John's, Newfoundland are required or permitted to close.

"CAD" or "Canadian Dollars": The lawful currency of Canada.

"CAD Equivalent": At any time, the amount of CAD which could be purchased from the Bank by the payment of a specified amount of USD using the Bank's spot rate for the purchase of CAD quoted by the Bank's treasury department at such time.

"Collateral": All the Customer's present and future right, title and interest in and to all accounts and bank debts and generally all debts, dues, claims, choses in action and demands of any nature and kind, including, without limitation, the Financed Receivables, the Collections, the Collection Account and all proceeds therefrom.

"Collections": With respect to each Financed Receivable, all proceeds thereof.

"Collection Account": The account maintained in the name of the Customer at HSBC Bank Canada with account 043-117953-002 for Canadian Dollars and 043-117953-071 for US Dollars, which accounts shall at all times shall be under the sole dominion and control of the Bank.

"Compliance Action": The meaning set forth in Section 8(b) of the Agreement.

"Confidential Information": The meaning set forth in Section 15(d) of the Agreement.

"Confidentiality Termination Date": The meaning set forth in Section 15(d) of the Agreement.

"Contracts": The contracts or other agreements between the Customer and each applicable Account Debtor (whether for the sale of goods, provision of services, or otherwise) pertaining to Financed Receivables.

"Credit Facility Letter": credit facility letter agreement dated the 24th of October 2017 and accepted on the 25th of October 2017 among the Customer, Newspar, Canada Fluorspar Inc. and the Bank, as may be amended, modified or replaced from time to time.

"Customer": The meaning set forth in the preamble of the Agreement.

"Delinquent Rate": A rate of interest equal to the Discount Rate plus 2.00% per annum.

"Dilution": All actual and potential offsets to or reduction in the amount of Financed Receivables or Collections therefrom, including, without limitation, the Customer payment and/or volume discounts, write-offs, reductions, rebates, credit memoranda, returns and allowances, and billing errors.

"Discount Rate": In respect of Financed Receivables denominated in USD, LIBOR plus 2.70% per annum and in respect of Financed Receivables denominated in CAD, the BA Rate + 2.70% per annum.

"Dispute": Any dispute, discount, deduction, claim, offset, defense or counterclaim of any kind relating to one or more Financed Receivables (other than a discount or adjustment granted with the Bank's prior written consent), regardless of whether the same (i) is in an amount greater than, equal to or less than the applicable Financed Receivable; (ii) is bona fide or not, or (iii) arises by reason of an act of God, civil strife, war, currency restrictions, foreign political restrictions or regulations, or any other circumstance beyond the control of the Customer or the applicable Account Debtor.

"DSO": Days sales outstanding ratio calculated in accordance with standards established or approved by the Bank from time to time.

"Effective Date": The meaning set forth in the preamble to the Agreement.

"Eligible Receivable": A Receivable that satisfies each of the following conditions to the satisfaction of the Bank:

- (a) it is generated by the Customer in the ordinary course of its business from sale of goods or the provision of services to an Account Debtor under a duly authorized Contract that is in full force and effect and that is a legal, valid and binding obligation of the Customer and the related Account Debtor, enforceable against such Person in accordance with its terms,
- (b) the goods or services for which the Receivable has been created have been fully delivered or performed by the Customer and, in the case of services, the Account Debtor has confirmed in writing that the services were rendered in accordance with the terms of the contract of sale,
- (c) by its terms has an Invoice Due Date that is no more than 90 days from the original invoice date and such Invoice Due Date has not occurred,
- (d) it is owned by the Customer, free and clear of all liens, encumbrances and security interests of any Person, other than Permitted Encumbrances.
- (e) it is freely assignable without the consent of any Person, including the applicable Account Debtor,

- (f) no default or event of default (howsoever defined) exists under the applicable Contract between the Customer and the applicable Account Debtor,
- (g) it is not subject to any Dispute or Dilution,
- (h) together with all other Financed Receivables due from such Account Debtor, it does not cause the aggregate amount of such Financed Receivables arising from sales to such Account Debtor to exceed the credit sub-limit set by the Bank from time to time in its sole discretion,
- (i) no covenant, representation or warranty contained in this Agreement pertaining to such Receivable has been breached or is not true, and
- (j) it constitutes an account or a payment intangible as defined in the PPSA and is not, unless specifically approved by the Bank, evidenced by instruments, a note, bill, cheque or chattel paper.

"Event of Default": The occurrence of any one or more of the following events:

- (k) the Customer fails to pay when due any of the present and future debts and liabilities of the Customer to the Bank or other Obligations under this Agreement, the Credit Facility Letter or of any other Loan Document;
- (l) the Customer fails to perform any material provisions of this Agreement, the Credit Facility Letter or of any other Loan Documents (as defined in the Credit Facility Letter);
- (m) any representation or warranty by the Customer to the Bank in this Agreement, the Credit Facility Letter or of any other Loan Documents shall be false or inaccurate in any material respect on and as of the date that it was made or was deemed to have been made;
- (n) the Customer ceases or threatens to cease to carry on business, commits or threatens to commit an act of bankruptcy, becomes insolvent, files a notice of intention to file a proposal, makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets, or if a bankruptcy petition is filed against the Customer;
- (o) if the Customer takes any action in respect of a winding-up or liquidation of the Customer or if the Customer institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, or files an application, petition or consent seeking re-organization or takes or commences any other steps or proceedings under any one or more of the *Winding-up and Restructuring Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) (including without limitation the serving of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*) or any other bankruptcy, insolvency or analogous law or consents to the filing of a petition against it under any law which involves any compromise of any creditor's rights against the Customer;
- (p) if, in any material respect, any execution or any other process of any court becomes enforceable against the Customer or if any distress or analogous process is levied upon any part of the property or assets of the Customer;
- (q) a receiver, or receiver-manager is appointed with respect to all or substantially all of the assets of the Customer;

- (r) the occurrence of any one or more of the events described in subparagraphs (a) to (g) above with respect to any Person which has guaranteed any debts or liabilities of the Customer to the Bank; or

“Facility Amount”: Up to USD\$10,000,000 (and for Proposed Receivables which the Bank, in its discretion, decides to finance as Financed Receivables in respect of which the relevant original invoices are denominated in CAD, means the CAD Equivalent of USD\$10,000,000).

“Financed Receivables”: The meaning set forth in Section 2(a) of the Agreement.

“Foreign Currency”: The meaning set forth in Section 15(f) of the Agreement.

“Foreign Currency Obligation”: The meaning set forth in Section 15(f) of the Agreement.

“HSBC Group”: The meaning set forth in Section 8(a) of the Agreement.

“IFRS”: The International Financial Reporting Standards issued by the International Accounting Standards Board as adopted and implemented by the Accounting Standards Board of The Chartered Professional Accountants of Canada, as amended, updated and supplemented from time to time.

“Indemnified Amounts”: The meaning set forth in Section 6(b) of the Agreement.

“Indemnified Party”: The meaning set forth in Section 6(b) of the Agreement.

“Insolvency Event”: With respect to any Person, such Person shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against such Person seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, plan of compromise or arrangement, or composition of it or its debts or making a proposal under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for, it or for any substantial part of its property) shall occur; or such Person shall take any action to authorize any of the actions set forth above in this definition; provided, that in the case of the inability of a Person to pay its debts as such debts become due arising by reason only of currency restrictions or foreign political restrictions or regulations beyond the control of the Customer or such Person, such event shall not be deemed an “Insolvency Event” hereunder.

“Insolvency Statutes”: The meaning set forth in Section 3(a)(v) of the Agreement.

“Intercreditor Agreement”: An intercreditor agreement, in form and substance satisfactory to the Bank, by and among Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Bank, the Customer, Newspaper, by its partners, the Customer and CPI Newspaper Holdings Inc., and the Customer.

“Invoice Due Date”: With respect to a Financed Receivable, the last date identified for timely payment in the applicable original invoice.

"LIBOR": The rate established by Bank equal to the offered rate appearing on the LIBOR01 Page as of 1:00 p.m. (London, England time) on the Business Day immediately preceding the date of a proposed Advance Date for a period commensurate with the tenor of the applicable Proposed Receivable. In the event that such rate does not appear on the LIBOR01 Page at such time, or if for any reason such rate is not available, "LIBOR" shall be determined by reference to such other comparable publicly available service for displaying the offered rate for deposits in U.S. Dollars in the London, England interbank market as may be selected by the Bank and, in the absence of availability, such other method to determine such offered rate as may be selected by the Bank in its sole discretion; provided, however, that if "LIBOR" shall be determined to be less than zero, then "LIBOR" shall be deemed to be zero for the purposes of this Agreement.

"LIBOR01 Page": The display designated as "LIBOR01 Page" on the Reuters Service (or such other page as may replace the LIBOR01 Page on that service or such other service as may be nominated by the ICE Benchmark Administration Limited as the information vendor for the purpose of displaying ICE Benchmark Administration Limited rates for U.S. Dollar deposits).

"Loss": The meaning set forth in Section 8(c) of the Agreement.

"Material Adverse Change": An event that results or could reasonably be expected to result in (a) a material adverse change in (i) the business condition (financial or otherwise), operations, performance or properties of the Customer, or (ii) the ability of the Customer to fulfill its obligations hereunder or (b) the impairment of the validity or enforceability of, or the rights, remedies or benefits available to, the Bank under this Agreement.

"Net Invoice Amount": The amount shown on the original invoice for the applicable Financed Receivable as the total amount payable by the applicable Account Debtor, which amount shall be net of any discounts, credits, Dilutions or other allowances identified with specificity on such original invoice.

"Obligations": At any time, the sum of (a) the aggregate principal amount of all outstanding unpaid Advances and all accrued and unpaid interest thereon outstanding at such time; (b) all then outstanding accrued and unpaid fees payable hereunder; and (c) all other then outstanding liabilities, obligations and indebtedness (absolute or contingent, direct or indirect, several or joint and several or otherwise) of the Customer to the Bank under this Agreement;

"OFAC": The meaning set forth in the definition of "Sanctioned Country".

"Organizational Documents": The certificate or articles of incorporation, continuation or amalgamation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-corporate entity); and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation with the applicable governmental authority in the jurisdiction of its formation and, if applicable, any certificate or articles of formation or any equivalent thereof.

"Outstanding Account Debtor Financed Amount": As of the date of determination, an amount equal to (i) the aggregate amount of all Advances by the Bank to the Customer in respect of Financed Receivables of a particular Account Debtor expressed in CAD (and with respect to Financed Receivables denominated in USD, the CAD Equivalent thereof), minus (ii) the aggregate amount of: (A) all Collections with respect to such Financed Receivables actually indefeasibly paid to the Bank in repayment of such Advance (whether from the Collection Account or otherwise), expressed in CAD (and with respect to amounts denominated in USD, the CAD Equivalent of such amounts); and (B) all payments by the Customer to the Bank in reduction of Advances outstanding.

"Outstanding Aggregate Financed Amount": As of the date of determination, an amount equal to the Outstanding Account Debtor Financed Amount for all Account Debtors expressed in CAD, or if denominated in USD, the CAD Equivalent thereof.

"Parties": Collectively, the Customer and the Bank and, individually, the Customer or the Bank, as applicable in the context.

"Payment Reconciliation": The meaning set forth in Section 5(b) of the Agreement.

"Permitted Encumbrances": The meaning set forth in the Credit Facility Letter.

"Person": An individual, partnership, corporation (including a business trust), limited liability company, limited partnership, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof or any governmental authority.

"PPSA": The *Personal Property Security Act* (Newfoundland and Labrador) as amended or replaced from time to time.

"Proposed Receivables": The Eligible Receivables for which invoices and/or other information are submitted to the Bank from time to time, against which an Advance may be requested by the Customer from the Bank in accordance with Section 2(a) of this Agreement.

"Receivables": Any indebtedness or other payment obligation owing to the Customer by any Account Debtor (whether constituting an account or payment intangible), including any right to payment of interest or finance charges and other obligations of such Account Debtor with respect thereto, arising out of the Customer's sale and delivery of goods or the Customer's sale and provision of services.

"Sanctioned Country": A country or territory that is, or whose government is, the subject of country-wide or territory wide economic or trade sanctions administered by but not limited to the Office of Foreign Assets Control of the U.S. Treasury Department of the Treasury ("OFAC"), the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Hong Kong Monetary Authority, Global Affairs Canada, Canada Border Services Agency, or Justice Canada.

"Sanctioned Person": Any of the following currently or in the future: (i) an entity, vessel, or Person named on the list of Specially Designated Nationals or Blocked Persons maintained by OFAC available at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx> or on the consolidated list of persons, groups, and entities subject to the European Union financial sanctions currently available at http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm or otherwise subject to Sanctions Laws; (ii) any Person located in or organized under, incorporated under the laws of any, or resident in any Sanctioned Country to the extent that the entity or individual is subject to sanctions under Sanctions Laws; (iii) any Person otherwise a subject of sanctions under Sanctions Laws; and (iv) any entity or individual engaged in sanctionable activities under the Sanctions Laws.

"Sanctions Laws": The sanctions or related laws, regulations, and rules promulgated or administered by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Hong Kong Monetary Authority, Global Affairs Canada, Canada Border Services Agency, or Justice Canada (including, without limitation, the *Trading with the Enemy Act* and each of the foreign assets control regulations of the United States Treasury Department, and the *Patriot Act*), the sanctions and other restrictive measures applied by the European Union in pursuit of the Common Foreign and Security Policy objectives set out in the Treaty on European Union, and any enabling legislation or executive order related thereto, as amended from time to time and

any similar sanctions laws as may be enacted from time to time in the future by the United States, Canada, the United Kingdom, the European Union (and any of its member states), the United Nations Security Council, or any other legislative body of the United Nations or any other relevant government or country; and any corresponding laws of jurisdictions in which the Customer operates or in which the proceeds of the Advance will be used or from which repayments of such obligations be derived.

"Termination Date": The date on which this Agreement terminates pursuant to Section 2(c) of the Agreement.

"U.S. Base Rate": On any day, the floating annual rate of interest publicly announced or established from time to time by the Bank and in effect on such day as the reference rate for determining rates of interest for U.S. Dollar commercial loans to borrowers in Canada; provided, however, that should the "U.S. Base Rate" be determined to be less than zero, then the "U.S. Base Rate" shall be deemed to be zero for the purposes of this Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the U.S. Base Rate from time to time.

"USD" or "U.S. Dollars": The lawful currency of the United States of America.

"USD Equivalent" or "U.S. Dollars": At any time, the amount of USD which could be purchased from the Bank by the payment of a specified amount of CAD using the Bank's spot rate for the purchase of USD quoted by the Bank's treasury department at such time.

Exhibit B

Form of Advance Request

To be provided to the Customer upon request.



February 21, 2019

PRIVATE AND CONFIDENTIAL

Canada Fluorspar (NL) Inc.
400 605-140 Water Street, St-John's, NL,
A1C 6H6

Attn: Mr. Casey Walsh

Dear Sir,

Subject: First Amendment (this "First Amendment") to that certain Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 by and between Canada Fluorspar (NL) Inc. ("CFI"), a corporation governed by the laws of the Province of Newfoundland and Labrador, being individually referred to as a "Borrower", as borrower, and HSBC Bank Canada (the "Bank"), as lender (as such agreement may have been amended, supplemented or otherwise modified from time to time, the "Receivables Financing Agreement")

We refer to the above-captioned Receivables Financing Agreement. Capitalized terms not otherwise defined in this First Amendment have the same meanings as specified in the Receivables Financing Agreement.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Bank and the Borrower have agreed that the Receivables Financing Agreement is hereby amended as follows:

1. Replacement of Schedule I. Schedule I of the Receivables Financing Agreement is deleted in its entirety and replaced with the revised schedule appearing as a Schedule to this First Amendment.

The Receivables Financing Agreement as specifically amended by this First Amendment shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The execution, delivery and effectiveness of this First Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Bank under the Receivables Financing Agreement, nor constitute a waiver of any provision of any of the Receivables Financing Agreement or any of the security documents executed in connection with the Receivables Financing Agreement.

This First Amendment shall be governed by the laws of the Province of Newfoundland and Labrador.



This First Amendment may be executed in any number of counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an original executed counterpart of a signature page to this First Amendment by facsimile or other electronic medium shall be effective as delivery of an original executed counterpart of this First Amendment.


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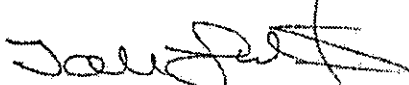


Please confirm your agreement with the foregoing terms by signing in the spaces provided below.

Yours Very Truly,

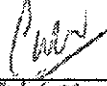
HSBC BANK CANADA, as Bank

By: 
Name: James Bowne
Title: Assistant Vice President
Corporate Banking

By: 
Name: Todd Lambton
Title: Regional Head - GTRF Sales -
Eastern Canada

We agree to the foregoing:

Canada Fluorspar (NL) Inc. as Borrower

By: 
Name: CASEY WALSH
Title: CFO

By: _____
Name:
Title:



SCHEDULE TO FIRST AMENDMENT

Schedule 1

Account Debtors

Various Account Debtors of the Customers as agreed from time to time in writing between the Bank and Customers.

September 30th, 2019

PRIVATE AND CONFIDENTIAL

Canada Fluorspar (NL) Inc.
605-140 Water Street, St-John's, NL,
A1C 6H6

Attn: Mr. Casey Walsh

Dear Sir,

Subject: Second Amendment (this "**Second Amendment**") to that certain Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 by and between Canada Fluorspar (NL) Inc. ("**CFP**"), a corporation governed by the laws of the Province of Newfoundland and Labrador, being individually referred to as a "**Borrower**", as borrower, and HSBC Bank Canada (the "**Bank**"), as lender (as such agreement may have been amended, supplemented or otherwise modified from time to time, the "**Receivables Financing Agreement**")

We refer to the above-captioned Receivables Financing Agreement. Capitalized terms not otherwise defined in this Second Amendment have the same meanings as specified in the Receivables Financing Agreement.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Bank and the Borrower have agreed that the Receivables Financing Agreement is hereby amended as follows:

1. Addition of Definition of "CDOR": The following new definitions are added to Exhibit A to the Receivables Financing Agreement:

"CDOR": The rate determined by the Bank and reset by the Bank on a daily basis that is equal to the average settlement rate for Canadian Dollar bankers' acceptances having a tenor of 30 days, which rate appears on the Reuters Screen CDOR Page as of 10:00 am (Toronto time) on the relevant calculation day (or, if such calculation day is not a Business Day, then on the immediately preceding Business Day); provided, however, that in the event that (i) it is not possible to determine CDOR from the Reuters Screen CDOR Page or (ii) the Bank reasonably determines that its cost of funding exceeds CDOR as displayed on the Reuters Screen CDOR Page, then CDOR shall be deemed for the purposes of this Agreement to be the rate reasonably determined by the Bank to reflect the actual cost of funds to the Bank; and provided further that if "CDOR" shall be

determined to be less than zero, then "CDOR" shall be deemed to be zero for the purposes of this Agreement.

"Reuters Screen CDOR Page": The display designated as "Reuters Screen CDOR Page" by Thomson Reuters, in its capacity as administrator for CDOR, or such other service as may be named as a replacement page for rates for Canadian Dollar bankers' acceptances.

2. Amendment of Definition of "Discount Rate". The definition of "Discount Rate" appearing in Exhibit A to the Receivables Financing Agreement is deleted in its entirety and replaced with the following:

"Discount Rate": A rate equal to: (i) in respect of Financed Receivables denominated in CAD, CDOR plus 2.70% per annum and (ii) in respect of Financed Receivables denominated in USD, LIBOR plus 2.70% per annum.

The Receivables Financing Agreement as specifically amended by this Second Amendment shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The execution, delivery and effectiveness of this Second Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Bank under the Receivables Financing Agreement, nor constitute a waiver of any provision of any of the Receivables Financing Agreement or any of the security documents executed in connection with the Receivables Financing Agreement.

This Second Amendment shall be governed by the laws of the Province of Newfoundland and Labrador.


This Second Amendment may be executed in any number of counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an original executed counterpart of a signature page to this Second Amendment by facsimile or other electronic medium shall be effective as delivery of an original executed counterpart of this Second Amendment.

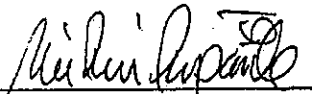
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Please confirm your agreement with the foregoing terms by signing in the spaces provided below.

Yours Very Truly,

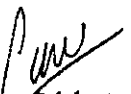
HSBC BANK CANADA, as Bank

By: 
Name: James Bowne
Title: Assistant Vice President
Corporate Banking

By: 
Name: Melanie Lapointe
Title: Assistant Vice President, Global
Trade and Receivable Finance

We agree to the foregoing:

Canada Fluorspar (NL) Inc. as Borrower

By: 
Name: CASEY WALSH
Title: CFO

By: _____
Name:
Title:

February 17, 2020

PRIVATE AND CONFIDENTIAL

Canada Fluorspar (NL) Inc.
605-140 Water Street, St-John's, NL,
A1C 6H6

Attn: Mr. Casey Walsh

Dear Sir,

Subject: Third Amendment (this "Third Amendment") to that certain Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 by and between Canada Fluorspar (NL) Inc., a corporation governed by the laws of the Province of Newfoundland and Labrador (the "Borrower"), as borrower, and HSBC Bank Canada (the "Bank"), as lender (as such agreement may have been amended, supplemented or otherwise modified from time to time, the "Receivables Financing Agreement")

We refer to the above-captioned Receivables Financing Agreement. Capitalized terms not otherwise defined in this Third Amendment have the same meanings as specified in the Receivables Financing Agreement.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Bank and the Borrower have agreed that the Receivables Financing Agreement is hereby amended as follows:

1. **Definition of Facility Amount:** The definition of "Facility Amount" in Exhibit A to the Receivables Financing Agreement is deleted in its entirety and replaced with the following:

"Facility Amount": Up to USD 20,000,000 (and for Proposed Receivables which the Bank, in its discretion, decides to finance as Financed Receivables in respect of which the relevant original invoices are denominated in CAD, means the CAD Equivalent of USD 20,000,000);

The Receivables Financing Agreement as specifically amended by this Third Amendment shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The execution, delivery and effectiveness of this Third Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Bank under the Receivables Financing Agreement, nor constitute a waiver of any provision of any of the Receivables Financing Agreement or any of the security documents executed in connection with the Receivables Financing Agreement.

This Third Amendment shall be governed by the laws of the Province of Newfoundland and Labrador.

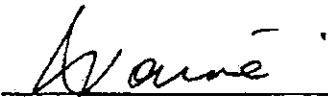
This Third Amendment may be executed in any number of counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an original executed counterpart of a signature page to this Third Amendment by facsimile or other electronic medium shall be effective as delivery of an original executed counterpart of this Third Amendment.

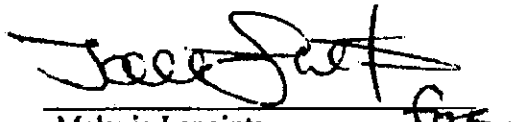
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Please confirm your agreement with the foregoing terms by signing in the spaces provided below.

Yours Very Truly,


HSBC BANK CANADA, as Bank

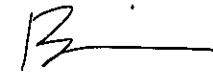
By: 
Name: James Bowne
Title: Assistant Vice President
Corporate Banking

By: 
Name: Melanie Lapointe
Title: Assistant Vice President, Global
Trade and Receivable Finance

We agree to the foregoing:

Canada Fluorspar (NL) Inc. as Borrower

By: 
Name: CASIM WALSH
Title: DIRECTOR

By: 
Name: Bill Dobbs
Title: Director

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.



March 7, 2022

[Redacted]

Attention : [Redacted]

Dear Sirs,

Re: Canada Fluorspar (NL) Inc. – Outstanding Statements of Account

HSBC Bank Canada is a secured creditor of Canada Fluorspar (NL) Inc. (the “**Company**”), has security over the trade accounts owing to the Company by its customers, and is the legal assignee of such trade account receivables.

We attach a copy of the following invoice owing by [Redacted] to the Company:

1. [Redacted]

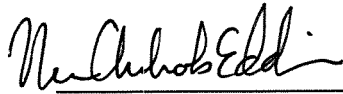
As the foregoing invoice is currently past due, we ask that you remit payment of the above-noted amount as soon as possible to the undersigned by way of the HSBC Bank Canada account indicated in the attached invoice.

Please be advised that payments made relating to the above noted invoices to any party other than HSBC Bank Canada will not be considered as a release of your existing obligation. If you have any questions regarding the foregoing, please contact the undersigned at your earliest convenience.


Nikolay Atanassov (Mar 7, 2022 12:06 EST)

Nikolay Atanassov
Senior RF Client Manager | Transactional Risk Management
Global Trade and Receivables Finance
HSBC Bank Canada
Suite 300, 2001 McGill College Avenue, Montreal, QC, H3A 1G1
Phone +1 514-265-0287
Email nikolay.x.atanassov@hsbc.ca

THIS IS EXHIBIT "D" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine, Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law,
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.



HSBC Bank Canada

GENERAL SECURITY AGREEMENT

(British Columbia, Alberta, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island)

This General Security Agreement made as of the 25 day of, May, 2018

Between:

CANADA FLUORSPAR (NL) INC.
PO Box 337
St. Lawrence, NL
A0E 2V0

(the "Debtor")

And:

HSBC Bank Canada, a chartered bank of Canada, having a head office in the City of Vancouver, in the Province of British Columbia, and having a branch at

205 Water Sreet, St. John's, NL A1C 1B4

(the "Bank")

I Security

- 1.1 For value received, the Debtor grants and creates the security constituted by this General Security Agreement and agrees to the terms, covenants, agreements, conditions, provisos and other matters set out in this General Security Agreement.
- 1.2 As general and continuing security for the Obligations (as defined in clause 2.1 hereof), the Debtor:
 - 1.2.1 hereby grants to the Bank, by way of mortgage, charge, assignment and transfer, a security interest in all presently owned and hereafter acquired personal property of the Debtor of whatsoever nature and kind and wheresoever situate and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor, (all of which are herein collectively called the "Personal Property Collateral"), including, without limiting the generality of the foregoing, all the presently owned or held and hereafter acquired right, title and interest of the Debtor in and to all Goods (including all accessories, attachments, additions and Accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles (subject to Clause 1.2.2 hereof), Licences, Money, Securities, Investment Property and all:
 - (a) Inventory of whatsoever nature and kind and wheresoever situate;

- (b) Equipment (other than Inventory) of whatsoever nature and kind and wheresoever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature and kind;
 - (c) book accounts and book debts and generally all Accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit, letters of guarantee and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (all of which are herein collectively called the "Debts");
 - (d) deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
 - (e) contractual rights and insurance claims and all goodwill;
 - (f) monies other than trust monies lawfully belonging to others; and
 - (g) personal property described in any schedule now or hereafter annexed hereto; and
- 1.2.2 hereby grants to the Bank, by way of mortgage and charge a security interest in all presently owned and hereafter acquired patents, trade-marks, copyrights, industrial designs and other intellectual property and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor (all of which is deemed to be included in the definition of "Personal Property Collateral" referred to in Clauses 1.2.1 and 1.3.2 hereof); and
- 1.2.3 hereby charges as and by way of a floating charge in favour of the Bank all the presently owned or held and hereafter acquired property, assets, effects and undertakings of the Debtor of whatsoever nature and kind and wheresoever situate, other than such of the property, assets, effects and undertakings of the Debtor as are validly and effectively subjected to the security interest granted to the Bank pursuant to clause 1.2.1, (all of which property, assets, effects and undertakings so charged by this clause 1.2.3 are herein collectively called the "Other Collateral") including, without limiting the generality of the foregoing, all presently owned or held and hereafter acquired right, title and interest of the Debtor in and to real and immovable and leasehold property and rights whether in fee or of a less estate and all interest in and rights relating to lands and all easements, rights of way, privilege, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held and all structures, buildings, plant, machinery, fixtures, apparatus and fixed assets and the charge created by this clause 1.2.3 shall be a floating charge such that the Debtor shall not have power without the prior written consent of the Bank to:
- (a) create or permit to exist any Encumbrance against any of the Other Collateral which ranks or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement, save for:
 - (1) those Encumbrances shown in the Encumbrance Schedule; and
 - (2) Encumbrances approved in writing by the Bank prior to creation or assumption; or
 - (b) grant, sell, exchange, transfer, assign, lease or otherwise dispose of the Other Collateral.

1.3 In this General Security Agreement:

- 1.3.1 any reference to "Premises" shall mean all property owned or leased by the Debtor;
- 1.3.2 the Personal Property Collateral and the Other Collateral are herein together called the "Collateral";

- 1.3.3 any reference to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof";
 - 1.3.4 any reference to "Debtor" and the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more corporations and, if more than one Debtor executes this General Security Agreement, this General Security Agreement shall apply and be binding upon each of them jointly and severally and all obligations hereunder shall be joint and several;
 - 1.3.5 any reference to "Environmental Laws" shall mean any laws, regulations, orders, by-laws, permits or lawful requirements of any governmental authority with respect to environmental protection or regulating hazardous materials;
 - 1.3.6 any reference to "General Security Agreement" shall, unless the context otherwise requires, be deemed a reference to this General Security Agreement as amended from time to time by written agreement together with the schedules hereto and any schedules added hereto pursuant to the provisions hereof;
 - 1.3.7 any reference to "Hazardous Materials" shall mean any asbestos material, urea formaldehyde, explosives, radioactive materials, pollutants, contaminants, hazardous substances, corrosive substances, toxic substances, special waste or waste of any kind including, without limitation, compounds known as chlorobiphenyls and any substance the storage, manufacture, disposal, treatment, generation, use, transport, remediation or release of which into the environment is prohibited, controlled or licensed under Environmental Laws;
 - 1.3.8 any reference to "PPSA" shall mean the Personal Property Security Act of the Province as amended from time to time, including any amendments thereto and any Act substituted therefor and amendments thereto;
 - 1.3.9 any reference to the "Province" shall mean the Province of Newfoundland and Lab. ; and
 - 1.3.10 the terms "Goods", "Chattel Paper", "Documents of Title", "Equipment", "Accounts" "Consumer Goods", "Instruments", "Intangibles", "Licences" (Alberta and British Columbia only), "Money", "Securities", "Investment Property", "Proceeds", "Inventory" and "Accessions" and other words and expressions which have been defined in the PPSA shall be interpreted in accordance with their respective meanings given in the PPSA (either in the singular or plural thereof), as the context requires unless otherwise defined herein or unless the context otherwise requires.
- 1.4 The Bank and the Debtor have not agreed to postpone the time for attachment of the security interests granted hereby.
 - 1.5 The security interest in Consumer Goods hereby granted shall not become effective until, but shall become effective immediately when, the Bank notifies the Debtor in writing that it is effective.
 - 1.6 The last day of the term of any lease held by the Debtor with respect to any of the Collateral is excluded from the security constituted by this General Security Agreement.

II Obligations Secured

- 2.1 The security constituted by this General Security Agreement is general and continuing security for payment, performance and satisfaction of each and every obligation, indebtedness and liability of the Debtor to the Bank (including interest thereon), present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and

howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety, (all of which obligations, indebtedness and liabilities are herein collectively called the "Obligations").

- 2.2 This General Security Agreement and the security constituted hereby are in addition to and not in substitution for any other security or securities which the Bank may now or from time to time hold or take from the Debtor or from any other person whomsoever.

III Representations and Warranties of the Debtor

- 3.1 The Debtor represents and warrants that, and, so long as this General Security Agreement remains in effect, shall be deemed to continuously represent and warrant that:

- 3.1.1 this General Security Agreement has been authorized, executed and delivered in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor and all other matters and things have been done and performed so as to authorize and make the execution and delivery of this General Security Agreement, the creation of the security constituted hereby and the performance of the Debtor's obligations hereunder, legal, valid and binding;
- 3.1.2 the Collateral is genuine and is owned by the Debtor free of all security interests, mortgages, liens, claims, charges and other encumbrances (herein collectively called "Encumbrances"), save for the security constituted by this General Security Agreement, those Encumbrances shown on the Encumbrance Schedule and those Encumbrances approved in writing by the Bank;
- 3.1.3 the Debtor has good and lawful authority to create the security in the Collateral constituted by this General Security Agreement;
- 3.1.4 each Debt, Chattel Paper and Instrument included in Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by the Debtor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defense, set off, claim or counterclaim against the Debtor which can be asserted against the Bank, whether in any proceeding to enforce the Collateral or otherwise;
- 3.1.5 with respect to Goods (including Inventory) comprised in the Collateral, the locations specified in the Location Schedule are accurate and complete (save for Goods in transit to such locations and Inventory on lease or consignment) and all fixtures or Goods about to become fixtures which form part of the Collateral will be situated at one of the locations specified in the Location Schedule;
- 3.1.6 none of the Premises are insulated with urea formaldehyde nor contain any asbestos material or underground tanks;
- 3.1.7 the Premises are free of any Hazardous Materials;
- 3.1.8 the Premises are not currently used in a manner, and, to the Debtor's knowledge, after having made due inquiry, no prior use has occurred, which is contrary to any laws, regulations, orders, bylaws, permits or lawful requirements of any Environmental Laws; and
- 3.1.9 there are no existing or threatened claims, actions, orders or investigations under any Environmental Laws against the Debtor or against the Premises;

- 3.1.10 the Debtor is the owner of any intellectual property applications and registrations and there are no outstanding claims of ownership by third parties in respect of these registrations and applications;
- 3.1.11 all intellectual property applications and registrations are valid and in good standing;
- 3.1.12 all trade-mark and industrial designs have been in continuous use and that the use has been proper in relation to the wares and/or services of Debtor;
- 3.1.13 only the Debtor has used the trade-marks, or if there are any third party users of the Debtor's trade-marks, such third party users are properly licensed to use such trademarks;
- 3.1.14 all assignments and other documents affecting intellectual property rights have been disclosed and provided to the Bank;
- 3.1.15 there are no outstanding or threatened claims or proceedings with respect to the intellectual property; and,
- 3.1.16 all necessary assignments and license agreements have been properly executed by the Debtor for use of third party intellectual property.

IV Covenants of the Debtor

- 4.1 The Debtor covenants and agrees that at all times while this General Security Agreement remains in effect the Debtor will:
 - 4.1.1 defend the Collateral for the benefit of the Bank against the claims and demands of all other persons;
 - 4.1.2 not, without the prior written consent of the Bank:
 - (a) create or permit to exist any Encumbrance against any of the Personal Property Collateral which ranks or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement, save for:
 - (i) those Encumbrances shown in the Encumbrance Schedule; and
 - (ii) Encumbrances approved in writing by the Bank prior to creation or assumption; or
 - (b) grant, sell, exchange, transfer, assign, lease or otherwise dispose of the Collateral; provided always, that, until default, the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to clause 5.2 hereof, use monies available to the Debtor;
 - 4.1.3 fully and effectively maintain and keep maintained valid and effective the security constituted by this General Security Agreement;
 - 4.1.4 notify the Bank promptly of:
 - (a) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's name, the Debtor's business or the Collateral;
 - (b) the details of any significant acquisition of Collateral;
 - (c) the details of any claims or litigation affecting the Debtor or the Collateral;
 - (d) any loss or damage to the Collateral;
 - (e) any default by any Account Debtor in payment or other performance of obligations of the Account Debtor comprised in the Collateral; and
 - (f) the return to, or repossession by, the Debtor of Collateral;
 - 4.1.5 keep the Collateral in good order, condition and repair (in the locations specified in the Location Schedule or such other locations as the Bank may approve in writing) and not

- use the Collateral in violation of the provisions of this General Security Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- 4.1.6 carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral and, at the Bank's request, mark any and all such records and the Collateral so as to indicate the security constituted by this General Security Agreement;
- 4.1.7 forthwith pay:
- (a) all obligations to its employees and all obligations to others which relate to its employees when due, including, without limitation, all taxes, duties, levies, government fees, claims and dues related to its employees;
 - (b) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Bank may require; and
 - (c) all Encumbrances which rank or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement, other than the Encumbrances, if any, shown in the Encumbrance Schedule hereto and those approved in writing by the Bank;
- 4.1.8 prevent the Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an Accession to other property not covered by this General Security Agreement;
- 4.1.9 insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Bank shall reasonably direct (but in any event in accordance with prudent business practice and for not less than the full replacement cost thereof) with loss payable to the Bank and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums for such insurance;
- 4.1.10 deliver to the Bank from time to time promptly upon request:
- (a) any Documents of Title, Instruments, Securities and Chattel Paper comprised in or relating to the Collateral;
 - (b) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (c) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (d) all policies and certificates of insurance relating to the Collateral; and
 - (e) such information concerning the Collateral, the Debtor and Debtor's business and affairs as the Bank may reasonably require;
- 4.1.11 forthwith pay all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) which may be incurred by the Bank in:
- (a) inspecting the Collateral;
 - (b) negotiating, preparing, perfecting and registering this General Security Agreement and other documents, whether or not relating to this General Security Agreement;
 - (c) investigating title to the Collateral;
 - (d) taking, recovering, keeping possession of and insuring the Collateral;
 - (e) connection with any disclosure requirements under the PPSA; and

- (f) all other actions and proceedings taken in connection with the preservation of the Collateral and the confirmation, perfection and enforcement of this General Security Agreement and of any other security held by the Bank as security for the Obligations;
- 4.1.12 at the Bank's request at any time and from time to time create in favour of the Bank, as security for the Obligations, a fixed charge or charges upon any of the Other Collateral;
- 4.1.13 at the Bank's request at any time and from time to time execute and deliver such further and other documents and instruments and do all other acts and things as the Bank reasonably requires in order to give effect to this General Security Agreement or to confirm and perfect, and maintain perfection of, the security constituted by this General Security Agreement in favour of the Bank;
- 4.1.14 permit the Bank and its representatives, at all reasonable times, access to all the Debtor's property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;
- 4.1.15 comply with the covenants, if any, set out in the Additional Covenants Schedule;
- 4.1.16 develop and use the Premises only in compliance with all Environmental Laws;
- 4.1.17 permit the Bank to investigate the Premises, any goods on the Premises and the Debtor's records at any time and from time to time to verify such compliance with Environmental Laws and this General Security Agreement;
- 4.1.18 upon the request of the Bank, obtain from time to time at the Debtor's cost a report from an independent consultant designated or approved by the Bank verifying compliance with Environmental Laws and this General Security Agreement or the extent of any non-compliance therewith;
- 4.1.19 not store, manufacture, dispose, treat, generate, use, transport, remediate or release Hazardous Materials on or from any of the Premises without notifying the Bank in writing;
- 4.1.20 promptly remove any Hazardous Materials from the Premises in a manner which conforms to Environmental Laws governing their removal; and,
- 4.1.21 notify the Bank in writing of:
 - (a) any enforcement, clean-up, removal, litigation or other governmental, regulatory, judicial or administrative action instituted, contemplated or threatened against the Debtor or the Premises pursuant to any Environmental Laws;
 - (b) all claims, actions, orders or investigations, made or threatened by any third party against the Debtor or any of the Premises relating to damage, contribution, cost recovery, compensation, loss or injuries resulting from any Hazardous Materials or any breach of the Environmental Laws; and
 - (c) the discovery of any Hazardous Materials or any occurrence or condition on any of the Premises or any real property adjoining or in the vicinity of any of the Premises which could subject the Debtor or any of the Premises to any fines, penalties, orders or proceedings under any Environmental Laws;
- 4.1.22 apply to file applications and complete registrations on any present intellectual property which is not currently protected by an application or registration where commercially reasonable, including any and all improvements to intellectual property and apply to file registrations on unregistered trade-marks in Canada and the United States;

- 4.1.23 apply to file applications and complete registrations of all after acquired intellectual property in all jurisdictions where commercially reasonable;
- 4.1.24 keep up-to-date witnessed records regarding intellectual property;
- 4.1.25 enter into confidentiality agreements with employees and other third parties who may invent, create, discover, author and/or reduce to practice intellectual property for the Debtor and who may have access to confidential information of the Debtor;
- 4.1.26 ensure that all after acquired intellectual property obtained from third parties is properly acquired by way of a written license agreement or assignment;
- 4.1.27 provide, upon written request by the Bank, a list of all registered and unregistered trade-marks, patent applications, issued patents, copyright, industrial designs and other intellectual property; and,
- 4.1.28 mark all products and advertising appropriately to maintain the validity of all intellectual property rights.

V Payments and Proceeds

- 5.1 Before or after default under this General Security Agreement, the Bank may notify all or any Account Debtors of the security constituted by this General Security Agreement and may also direct such Account Debtors to make all payments on the Collateral to the Bank.
- 5.2 The Debtor acknowledges that any payments on or other proceeds of the Collateral received by the Debtor from Account Debtors, whether before or after notification of the security constituted by this General Security Agreement to Account Debtors and whether before or after default under this General Security Agreement, shall be received and held by the Debtor in trust for the Bank and shall be turned over to the Bank forthwith upon request.

VI Bank Actions

- 6.1 The Debtor hereby authorizes the Bank to:
 - (a) file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying the Collateral or any permitted Encumbrances affecting collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as the Bank may deem appropriate to perfect and continue the security constituted hereby, to protect and preserve the Collateral and to realize upon the security constituted hereby and the Debtor hereby irrevocably constitutes and appoints the Bank the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient by the Bank; and
 - (b) make enquiries from time to time of any governmental authority with respect to the Debtor's compliance with Environmental Laws and the Debtor agrees that the Debtor will from time to time provide to the Bank with such written authorization as the Bank may reasonably require in order to facilitate the obtaining of such information.
- 6.2 The Bank may charge for its reasonable costs incurred in connection with any disclosure requirements under the PPSA.
- 6.3 If the Debtor fails to perform any of its Obligations hereunder, the Bank may, but shall not be obliged to, perform any or all of such Obligations without prejudice to any other rights and remedies of the Bank hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred in connection therewith shall be payable by the Debtor to the Bank forthwith with interest until paid at the

highest rate borne by any of the Obligations and such amounts shall form part of the Obligations and constitute a charge upon the Collateral in favour of the Bank prior to all claims subsequent to this General Security Agreement.

- 6.4 The Debtor covenants and agrees that the Bank may, but shall be under no obligation to, at any time or times as the Bank deems necessary and without the concurrence of the Debtor or any other person make such arrangements for the repairing, finishing and putting in order of the Premises, including, without limitation, such repairs, replacements and improvements as are necessary so that the Debtor and the Premises comply with Environmental Laws, and all reasonable costs, charges and expenses including an allowance for the time and services of the Bank, the Bank's servants or agents or any other person or persons appointed for the above purposes including, without limitation, the full amount of all legal fees, disbursements, costs, charges and expenses incurred by the Bank and any amount due hereunder shall be payable forthwith to the Bank, shall be deemed an advance to the Debtor by the Bank, shall be deemed to be Obligations, and shall bear interest at the highest rate per annum from time to time charged by the Bank on any of the other Obligations until paid.

VII Default

- 7.1 The Debtor shall be in default under this General Security Agreement, unless otherwise agreed in writing by the Bank, upon the occurrence of any of the following events:
- 7.1.1 the Debtor makes default in payment when due of any of the Obligations which are indebtedness or liabilities or the Debtor fails to perform or satisfy any other of the Obligations; or
 - 7.1.2 the Debtor is in breach of any term, condition, proviso, agreement or covenant to the Bank, or any representation or warranty given by the Debtor to the Bank is untrue, whether or not any such term, condition, proviso, agreement or covenant, representation or warranty is contained in this General Security Agreement; or
 - 7.1.3 the Debtor makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of provisions for relief under the Bankruptcy and Insolvency Act (Canada), the Companies Creditors' Arrangement Act (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
 - 7.1.4 there is instituted by or against the Debtor any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding-up of affairs of, the Debtor; or
 - 7.1.5 the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets or commits or threatens to commit an act of bankruptcy; or
 - 7.1.6 a receiver, receiver and manager or receiver-manager of all or any part of the Collateral or of any other property, assets or undertakings of the Debtor is appointed; or
 - 7.1.7 any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or a distress or analogous process is levied upon the Collateral or any part thereof; or
 - 7.1.8 an order is made or an effective resolution is passed for winding-up the Debtor; or
 - 7.1.9 without the prior written consent of the Bank, the Debtor creates or permits to exist any Encumbrance against any of the Collateral which ranks or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement; or

- 7.1.10 the holder of any Encumbrance against any of the Collateral does anything to enforce or realize on such Encumbrance; or
 - 7.1.11 the Debtor enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement with any other person; or
 - 7.1.12 the Bank in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy; or
 - 7.1.13 any certificate, statement, representation, warranty or audit report herewith, heretofore or hereafter furnished by or on behalf of the Debtor to the Bank, whether in connection with this General Security Agreement or otherwise, and whether furnished as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Debtor or not:
 - (a) proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified; or
 - (b) proves to have omitted any substantial contingent or unliquidated liability or claim against the Debtor;or, upon the date of execution of this General Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or audit report, which change was not disclosed to the Bank at or prior to the time of such execution.
- 7.2 For the purposes of Section 203 of the Land Title Act of British Columbia, the floating charge created by this General Security Agreement over land shall become a fixed charge thereon upon the earliest of:
- 7.2.1 the occurrence of an event described in any of clauses 7.1.3, 7.1.4, 7.1.5, 7.1.6, 7.1.7, or 7.1.8; or
 - 7.2.2 the Bank taking any action to enforce and realize on the security constituted by this General Security Agreement.

VIII Enforcement

- 8.1 The Bank may make demand for payment at any time of any or all of the Obligations which are payable upon demand (whether or not there is any default under this General Security Agreement) and, upon any default under this General Security Agreement, the Bank may declare any or all of the Obligations which are not payable on demand to become immediately due and payable.
- 8.2 Upon default under this General Security Agreement, the security hereby constituted will immediately become enforceable.
- 8.3 To enforce and realize on the security constituted by this General Security Agreement, the Bank may take any action permitted by law or in equity, as it may deem expedient, and in particular, without limiting the generality of the foregoing, the Bank may do any one or more of the following:
 - 8.3.1 appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is herein called the "Receiver") of the Collateral, with or without bond as the Bank may determine, and from time to time in its sole discretion remove such Receiver and appoint another in its stead;
 - 8.3.2 enter upon any of the Premises and take possession of the Collateral with power to exclude the Debtor, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;

- 8.3.3 preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Bank may deem advisable;
 - 8.3.4 sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Bank may seem reasonable, provided that the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received; and
 - 8.3.5 exercise all of the rights and remedies of a secured party under the PPSA.
- 8.4 A Receiver appointed pursuant to this General Security Agreement shall be the agent of the Debtor and not of the Bank and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Bank hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose from time to time to borrow money either secured or unsecured, and if secured by a security on any of the Collateral, any such security may rank in priority to or pari passu with or behind the security constituted by this General Security Agreement, and if it does not so specify such security shall rank in priority to the security constituted by this General Security Agreement.
- 8.5 Subject to applicable law and the claims, if any, of the creditors of the Debtor ranking in priority to the security constituted by this General Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this General Security Agreement will be applied as the Bank, in its sole discretion, may direct as follows:
- Firstly:** in or toward payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Bank in connection with or incidental to:
 - (a) the exercise by the Bank of all or any of the powers granted to it pursuant to this General Security Agreement; and
 - (b) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to the Receiver pursuant to this General Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
 - Secondly:** in or toward payment to the Bank of all principal and other monies (except interest) due in respect of the Obligations;
 - Thirdly:** in or toward payment to the Bank of all interest remaining unpaid in respect of the Obligations; and
 - Fourthly:** any surplus will be paid to the Debtor.

IX Deficiency

- 9.1 If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full to the Bank, the Debtor will immediately pay to the Bank the amount of such deficiency.

X Rights Cumulative

- 10.1 All rights and remedies of the Bank set out in this General Security Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or in any existing or future general security

agreement or now or hereafter existing at law or in equity or pursuant to any other agreement between the Debtor and the Bank that may be in effect from time to time.

XI Appointment of Attorney

- 11.1 The Debtor hereby irrevocably appoints the Bank or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Bank or the Receiver, as the case may be, pursuant to this General Security Agreement.

XII Liability of Bank

- 12.1 The Bank shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Bank shall manage the Collateral upon entry of the business of the Debtor, as herein provided, nor shall the Bank be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss or realization or for any default or omission for which a mortgagee in possession may be liable.
- 12.2 The Bank shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Bank, in the case of Securities, Instruments or Chattel Paper, be obliged to reserve rights against other persons, nor shall the Bank be obliged to keep any of the Collateral identifiable.
- 12.3 The Bank shall not be obliged to inquire into the right of any person purporting to be entitled under the PPSA to information and materials from the Bank by making a demand upon the Bank for such information and materials and the Bank shall be entitled to comply with such demand and shall not be liable for having complied with such demand notwithstanding that such person may in fact not be entitled to make such demand.
- 12.4 The Debtor will indemnify the Bank and hold the Bank harmless from and against any and all claims, costs, losses, demands, actions, causes of action, lawsuits, damages, penalties, judgments and liabilities of whatsoever nature and kind in connection with or arising out of any representation or warranty given by the Debtor, being untrue, the breach of any term, condition, proviso, agreement or covenant to the Bank, or the exercise of any of the rights and or remedies of the Bank, or any transaction contemplated in this General Security Agreement.
- 12.5 The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Bank than provided in this General Security Agreement.
- 12.6 The Debtor shall indemnify, reimburse and save harmless the Bank, any receiver, its directors, officers, employees, agents, and successors and assigns, from any and all liabilities, actions, damages, claims, losses, costs and expenses whatsoever (including without limitation, the full amount of all legal fees, costs, charges and expenses and the cost of removal, treatment, storage and disposal of any Hazardous Materials and remediation of the Premises) which may be paid, incurred or asserted against the Bank for, with respect to or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises or into or upon any other land, the atmosphere or any watercourse, body of water or wetland of any Hazardous Materials.
- 12.7 Any amount owing by the Debtor hereunder shall, from the date of disbursement until the date the Bank receives reimbursement, be deemed advanced to the Debtor by the Bank, shall be

deemed to be Obligations and shall bear interest at the highest rate per annum from time to time charged by the Bank on any of the other Obligations until paid.

- 12.8 The Debtor agrees that the indemnity obligations hereunder shall survive the release of the security of this General Security Agreement and the payment and satisfaction of the indebtedness and liabilities hereby secured.

XIII Appropriation of Payments and Offset

- 13.1 Subject to any applicable provisions of the PPSA, any and all payments made in respect of the Obligations from time to time and monies realized from any security held therefor (including monies collected in accordance with or realized on any enforcement of this General Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank may at all times and from time to time change any appropriation as the Bank may see fit or, at the option of the Bank, such payments and monies may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or to the rights of the Bank hereunder.
- 13.2 Without limiting any other right of the Bank, whenever any of the Obligations is immediately due and payable or the Bank has the right to declare any of the Obligations to be immediately due and payable (whether or not it has so declared), the Bank may, in its sole discretion, set off against any of the Obligations any and all monies then owed to the Debtor by the Bank in any capacity, whether or not due and to do so even though any charge therefor is made or entered on the Bank's records subsequent thereto, and the Bank shall be deemed to have exercised such right to set off immediately at the time of making its decision.

XIV Liability to Advance, Etc.

- 14.1 Except to the extent that the Bank:
- 14.1.1 by accepting bills of exchange drawn on it by the Debtor; or
 - 14.1.2 by issuing letters of credit or letters of guarantee on the application of the Debtor; is required to advance monies on the maturity of such bills or pursuant to such letters of credit or letters of guarantee, as the case may be, none of the preparation, execution, perfection and registration of this General Security Agreement or the advance of any monies shall bind the Bank to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Bank or extend any term for performance or satisfaction of any obligation of the Debtor to the Bank.
- 14.2 Nothing herein contained shall in any way oblige the Bank to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Obligations or any of them.

XV Waiver

- 15.1 No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any of the Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy.
- 15.2 The Bank may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this General Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be.

XVI Extensions

- 16.1 The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security, and otherwise deal with the Debtor, Account Debtors of the Debtor, sureties and others and with the Collateral and other security as the Bank may see fit without prejudice to the liability of the Debtor or the Bank's right to hold and realize on the security constituted by this General Security Agreement.

XVII Assignment

- 17.1 The Bank may, without further notice to the Debtor, at any time mortgage, charge, assign, transfer or grant a security interest in this General Security Agreement and the security constituted hereby.
- 17.2 The Debtor expressly agrees that the assignee, transferee or secured party of the Bank, as the case may be, shall have all of the Bank's rights and remedies under this General Security Agreement and the Debtor will not assert any defence, counterclaim, right of set-off or otherwise any claim which it now has or hereafter acquires against the Bank in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

XVIII Satisfaction and Discharge

- 18.1 Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Bank, shall be deemed not to be redemption or discharge of the security constituted by this General Security Agreement.
- 18.2 The Debtor shall be entitled to a release and discharge of the security constituted by this General Security Agreement upon full payment, performance and satisfaction of all Obligations, or the securing of the Obligations to the satisfaction of the Bank, and upon written request by the Debtor and payment to the Bank of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Bank in connection with the Obligations and such release and discharge.

XIX No Merger

- 19.1 This General Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security in any form held or which may hereafter be held by the Bank from the Debtor or from any other person whomsoever.
- 19.2 The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the terms, conditions, covenants, agreements or provisos contained in this General Security Agreement.
- 19.3 The release and discharge of the security constituted by this General Security Agreement by the Bank shall not operate as a release or discharge of any right of the Bank to be indemnified and held harmless by the Debtor pursuant to clause 12.4 hereof or of any other right of the Bank against the Debtor arising under this General Security Agreement prior to such release and discharge.

XX Interpretation

20.1 In this General Security Agreement:

- 20.1.1 the invalidity or unenforceability of the whole or any part of any clause shall not affect the validity or enforceability of any other clause or the remainder of such clause;
- 20.1.2 the headings have been inserted for reference only and shall not define, limit, alter or enlarge the meaning of any provision of this General Security Agreement; and
- 20.1.3 when the context so requires, the singular shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

XXI Notice

- 21.1 Whenever either the Bank or the Debtor is required or entitled to notify or direct the other or to make a demand upon or request of the other relating to the Collateral, this General Security Agreement or the PPSA, such notice, direction, demand or request shall be sufficiently given if given in writing and delivered to the party for whom it is intended at the address of such party herein or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for whom it is intended at the address of such party herein set forth or as changed pursuant hereto.
- 21.2 Either the Bank or the Debtor may notify the other in accordance herewith of any change in its principal address to be used for the purposes hereof.

XXII Variation

- 22.1 Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this General Security Agreement shall be made except by written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

XXIII Enurement

- 23.1 This General Security Agreement shall enure to the benefit of the Bank and its successors and assigns and shall be binding upon the respective heirs, executors, personal representatives, successors and permitted assigns of the Debtor.

XXIV Copy of Agreement and Financing Statement

- 24.1 The Debtor hereby:
 - 24.1.1 acknowledges receiving a copy of this General Security Agreement; and
 - 24.1.2 waives all rights to receive from the Bank a copy of any financing statement, financing change statement or verification statement filed at any time or from time to time in respect of this General Security Agreement.

XXV Governing Law

- 25.1 This General Security Agreement shall be governed by and construed in accordance with the laws of the Province.

25.2 For the purpose of legal proceedings this General Security Agreement shall be deemed to have been made in the Province and to be performed there and the courts of the Province shall have jurisdiction over all disputes which may arise under this General Security Agreement and the Debtor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the Debtor in the courts of any other Province, country or jurisdiction.

In Witness Whereof the Debtor has executed this General Security Agreement as of the day and year first above written.

FOR BRITISH COLUMBIA

Officer Signature(s)

Execution Date

Debtor(s) Signature(s)

(For Corporation)

(Corporation Name) by its authorized signatories

Officer Signature

Signature

Name

Name

Address

Title

Signature

Name

Title

(For Individual)

Officer Signature

Debtor Signature

Name

Name

Address

| Execution Date | | |
|----------------|---|---|
| Y | M | D |
| | | |

Officer Certification: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

FOR ALBERTA, NEW BRUNSWICK, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR
(For Corporation)

CANADA FLUORSPAR (NL) INC.
Name of Corporation

Per:


Signature
Paul Cosmbs
Name

Officer
Title

Per:

Signature
Name
Title



C/S

FOR INDIVIDUAL

DEBTOR'S SIGNATURE

Per:

Signature of Witness
Name
Address
Occupation

Signature of Debtor
Name

Encumbrance Schedule

Prior Encumbrances:

See attached Appendix 1

Location Schedule

Address(es) for Location of the Collateral

Additional Covenants Schedule

Additional Covenants of the Debtor further to Clause 4.1.15

NIL

APPENDIX 1

(to a General Security Agreement dated as of the 25 day of May, 2018 by Canada Fluorspar (NL) Inc. in favour of HSBC Bank Canada)

SCHEDULE C

Permitted Encumbrances

- (a) Encumbrances for taxes, rates, assessments or governmental charges or levies not at the time due nor delinquent or, if due, the validity of which is being contested diligently at the time by the applicable Credit Party in good faith by appropriate proceedings; provided that the applicable Credit Party has set aside on its books adequate reserves with respect thereto;
- (a) undetermined or inchoate Encumbrances arising or potentially arising under statutory provisions which have not at the time been filed or registered in accordance with applicable laws or of which written notice has not been duly given in accordance with applicable laws or which, although filed or registered, relate to obligations not due or delinquent;
- (b) restrictions, easements, rights-of-way, restrictive covenants, licenses, servitudes, watercourse, right of access or user or other similar rights in land (including, without restriction, rights of way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved by other Persons and rights reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, license, franchise, grant or permit to terminate or to require annual payments as a condition to the continuance thereof, which do not, either individually or in the aggregate, materially impair the use, development, management, ownership or operation of the property subject thereto;
- (c) the rights reserved to or vested in municipalities or governmental or other public authorities or agencies by statutory provisions or by the terms of leases, licenses, franchises, grants or permits, to terminate the leases, licenses, franchises, grants or permits or to require annual or other periodic payments as a condition of the continuance thereof, but only to the extent that same does not in the aggregate materially impair the use, development, management, ownership or operation of the property subject thereto;
- (d) reservations in any original grants from the Crown of any land or interest therein, statutory exceptions to title, and reservations of mineral rights in any grants from the Crown or from any other predecessors in title;
- (e) securities given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the development, management, ownership and operation of property;
- (f) Encumbrances arising out of judgments or awards with respect to which there are no execution proceedings and with respect to which the applicable Credit Party will in good faith be prosecuting an appeal and will have set aside on its books adequate reserves with respect thereto;
- (g) Encumbrances or deposits to secure workers' compensation, unemployment insurance or other similar statutory assessments, or to secure costs of litigation when required by law, and surety or appeal bonds or deposits;
- (h) zoning, use and building by laws and ordinances, federal, provincial or municipal by-laws and regulations and other governmental restrictions as to the use of property;
- (i) subdivision agreements, site plan control agreements, servicing agreements and other similar agreements with municipalities affecting the development or use of the immovable property which do not, either individually or in the aggregate, materially impair the use, development, management, ownership or operation of the property subject thereto;
- (j) title defects or irregularities which are of a minor nature and in the aggregate will not materially impair the use or marketability of the Property for the purposes for which it is held;
- (k) Purchase Money Encumbrances;
- (l) Encumbrances that are contractual rights of set-off or compensation relating to derivatives agreements, the establishment of depository relations with banks not given in connection with the issuance of indebtedness and any commercial agreements, including the Material Agreements, to which an Credit Party is a party;

- (m) Encumbrances in favor of customs and revenue authorities arising as a matter of Law to secure payment of customs duties in connection with the importation or exportation of goods;
- (n) Encumbrances (other than Purchase Money Encumbrances) securing ranking subordinate to the Encumbrances created under the Loan Documents;
- (o) the Encumbrances created pursuant to the Loan Documents;
- (p) pledges or deposits in connection with workers' compensation, employment insurance and other social security legislation and other obligations of a like nature incurred in the ordinary course of business;
- (q) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;
- (r) any Encumbrances for unpaid royalties or duties not yet due pursuant to mining leases, claims or other mining rights running in favour of any Governmental Authority;
- (s) Encumbrances that (i) exist at the time such Person is, or the assets subject to such Encumbrances are, acquired by an Credit Party and (ii) extend only to the assets acquired or the assets of the Person acquired, as applicable;
- (t) royalty agreements or other rights or claims to royalties on or affecting any Property owned on the date hereof by an Credit Party or acquired by the Credit Party, whether or not in existence at the time of such acquisition;
- (u) pledges or deposits of cash or cash equivalent instruments made at a time when no default has occurred and is continuing for purposes of securing obligations to (i) financial institutions issuing letters of credit to secure obligations under pension plans, retirement plans or for government reclamation costs, or (ii) issuers of letters of credit, letters of guarantee, surety bonds, performance bonds or guarantees and similar types of instruments issued in the ordinary course of business or in connection with an Credit Party's business, including with respect to any reclamation obligations; but excluding any of the foregoing incurred to secure or support indebtedness for borrowed money (including, without limitation, by way of overdraft and drafts or orders accepted representing extensions of credit in respect of borrowed money);
- (v) Capital Leases entered into in the ordinary course of business, not to exceed CAD10,000,000 in total;
- (w) Encumbrances in favour of Arkema France or its successors or permitted assigns in connection with the Supply Agreement dated as of April 18, 2016 provided that Arkema France has entered into an inter-creditor agreement or subordination agreement with the Bank which is in form and substance satisfactory to the Bank;
- (x) Encumbrances, including those specified at paragraphs (bb)(xv) and (bb)(xvi) of this Schedule C, registered in favour of the Bridging Finance Inc., as agent for Sprott Bridging Income Fund LP or its successors or permitted assigns in the amount of up to CAD47,000,000 and provided that Bridging Finance Inc., as agent for Sprott Bridging Income Fund LP has entered into an inter-creditor agreement or subordination agreement with the Bank which is in form and substance satisfactory to the Bank;
- (y) Encumbrances, including those specified at paragraph (bb)(xviii) of this Schedule C, registered in favour of the Government of Newfoundland and Labrador or its successors or permitted assigns in the amount of up to CAD17,000,000 and provided that the Government of Newfoundland and Labrador has entered into an inter-creditor agreement or subordination agreement with the Bank which is in form and substance satisfactory to the Bank;
- (z) Encumbrances, including those specified at paragraph (bb)(xix) of this Schedule C registered in favour of Citibank, N.A., its branches, subsidiaries and affiliates in relation to accounts receivables from Chemours Company and its subsidiaries and affiliates provided that the Citibank, N.A. has entered into an inter-creditor agreement or subordination agreement with the Bank which is in form and substance satisfactory to the Bank;
- (aa) any other Encumbrances consented to in writing by the Bank; and
- (bb) Encumbrances evidenced by the following financing statements registered against the Borrower in the Personal Property Security Registry for the Province of Newfoundland and Labrador (the "PPR"):

RESTRICTED

- (i) Financing Statement registered in favour of GM Financial Canada Leasing Ltd. at Registration No. 12688420 of the PPR;
- (ii) Financing Statement registered in favour of Ford Credit Canada Limited at Registration No. 13246541 of the PPR;
- (iii) Financing Statement registered in favour of Ford Credit Canada Leasing, a Division of Canadian Road Leasing Company at Registration No. 13549977 of the PPR;
- (iv) Financing Statement registered in favour of VW Credit Canada Inc. at Registration No. 13905807 of the PPR;
- (v) Financing Statement registered in favour of Bank of Montreal/Banque de Montreal at Registration No. 14560924 of the PPR (which, for greater certainty, relates to a pledge of cash as security for an irrevocable letter of credit issued to the Department of Fisheries and Oceans in the amount of \$441,794.93 for certain reclamation obligations of the Borrower);
- (vi) Financing Statement registered in favour of Atlas Coco Canada Inc. at Registration No. 14635064 of the PPR;
- (vii) Financing Statement registered in favour of Atlas Coco Canada Inc. at Registration No. 14635296 of the PPR;
- (viii) Financing Statement registered in favour of Equipement SMS Inc. at Registration No. 14575401 of the PPR;
- (ix) Financing Statement registered in favour of Equipement SMS Inc. at Registration No. 14593941 of the PPR;
- (x) Financing Statement registered in favour of Equipement SMS Inc. at Registration No. 14606503 of the PPR;
- (xi) Financing Statement registered in favour of Komatsu International (Canada) Inc. at Registration No. 14634182 of the PPR, as amended at Registration No. 14844542 of the PPR;
- (xii) Financing Statement registered in favour of Equipement SMS Inc. at Registration No. 14583066 of the PPR;
- (xiii) Financing Statement registered in favour of Equipement SMS Inc. at Registration No. 14653943 of the PPR;
- (xiv) Financing Statement registered in favour of BMW Canada Inc. at Registration No. 14633879 of the PPR;
- (xv) Financing Statement registered in favour of Bridging Finance Inc., as Agent and Sprott Bridging Income Fund LP at Registration No. 14667497 of the PPR, as amended at Registration Nos. 14712368 and 15199193 of the PPR;
- (xvi) Financing Statement registered in favour of Bridging Finance Inc., as Agent and Sprott Bridging Income Fund LP at Registration No. 14667521 of the PPR, as amended at Registration Nos. 14712517 and 15199169 of the PPR;
- (xvii) Financing Statement registered in favour of Komatsu International (Canada) Inc. at Registration No. 14690457 of the PPR;
- (xviii) Financing Statement registered in favour of the Government of Newfoundland and Labrador Department of Tourism, Culture, Industry and Innovation at Registration No. 14986145;
- (xix) Financing Statement registered in favour of Citibank, N.A., its branches, subsidiaries and affiliates at Registration No. 14716633 of the PPR;
- (xx) Financing Statement registered in favour of Komatsu International (Canada) Inc. at Registration No. 14716542 of the PPR;
- (xxi) Financing Statement registered in favour of Komatsu International (Canada) Inc. at Registration No. 14781884 of the PPR; and
- (xxii) Financing Statement registered in favour of Canadian Dealer Lease Services Inc. and Bank of Nova Scotia – DLAC at Registration No. 15220288 of the PPR.

THIS IS EXHIBIT "E" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

This report lists registrations in the Personal Property Registry that match the following search criteria:

| | |
|--|-----------------------------|
| Province or Territory Searched: | Newfoundland and Labrador |
| Type of Search: | Debtors (Enterprise) |
| Search Criteria: | Canada Fluorspar (NL) Inc. |
| Date and Time of Search (YYYY-MM-DD hh:mm): | 2022-03-10 13:57 (Atlantic) |
| Transaction Number: | 22862644 |
| Searched By: | S185207 |

The following table lists records that match the Debtors (Enterprise) you specified.

| Exact | Included | Original Registration Number | Enterprise Name | Place |
|-------|----------|------------------------------|----------------------------|----------------|
| * | * | 14560924 | Canada Fluorspar (NL) Inc. | St Lawrence |
| * | * | 14986145 | Canada Fluorspar (NL) Inc. | St. John's |
| * | * | 15980345 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 15980584 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 15980600 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 15980618 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 15980626 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 16028888 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 16483109 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 14667497 | Canada Fluorspar (NL) Inc. | St. John's |
| * | * | 14667521 | Canada Fluorspar (NL) Inc. | St. John's |
| * | * | 17133950 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 17203423 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 17542499 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 17691296 | Canada Fluorspar (NL) Inc. | St. Lawrence |
| * | * | 17821000 | CANADA FLUORSPAR (NL) INC. | ST LAWRENCE |
| * | * | 17840695 | CANADA FLUORSPAR (NL) INC. | ST. JOHN'S |
| * | * | 18204024 | CANADA FLUORSPAR (NL) INC. | ST. JOHN'S |
| * | * | 18585851 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 18591297 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 19074905 | CANADA FLUORSPAR (NL) INC. | SAINT LAWRENCE |
| * | * | 19129444 | CANADA FLUORSPAR (NL) INC. | ST LAWRENCE |
| * | * | 19219492 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 19424100 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 19432152 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 19433895 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 19434125 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| * | * | 19522572 | CANADA FLUORSPAR (NL) INC. | ST LAWRENCE |
| * | * | 19522598 | CANADA FLUORSPAR (NL) INC. | ST LAWRENCE |
| * | * | 19594647 | CANADA FLUORSPAR (NL) INC. | ST LAWRENCE |
| * | * | 19605021 | CANADA FLUORSPAR (NL) INC. | St. Lawrence |
| | * | 17988551 | CANADA FLUORSPAR (NL) INC | ST JOHNS |
| | * | 14986145 | Canada Fluorspar Inc. | St. John's |
| | * | 15980576 | Canada Fluorspar Inc. | St. John's |
| | * | 15980618 | Canada Fluorspar Inc. | St. John's |
| | * | 17728072 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 17728072 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 17788076 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 17788076 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 17938135 | CANADA FLUORSPAR INC. | SAINT LAWRENCE |
| | * | 19074921 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 19074921 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 19074947 | CANADA FLUORSPAR INC. | St. Lawrence |
| | * | 19074947 | CANADA FLUORSPAR INC. | St. Lawrence |

| Exact | Included | Original Registration Number | Enterprise Name | Place |
|-------|----------|------------------------------|-----------------------|-------------|
| | * | 19358084 | CANADA FLUORSPAR INC. | ST LAWRENCE |

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 31 registration(s) contained information that **exactly** matched the search criteria you specified.

- 14 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 14560924

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|--|-----------------------------|-------------|
| Original | 14560924 | 2016-12-13 13:25 | 2023-12-13 | 942437-BM44 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
Canada Fluorspar (NL) Inc.
1 Clarkes Pond Rd, St Lawrence
St Lawrence NL A0E 2V0
Canada

Secured Parties

Type: Enterprise
Bank of Montreal/Banque de Montreal
100 KING ST. WEST, 11TH FLOOR
TORONTO ON M5X 1A1
Canada

General Collateral

Pledge of cash collateral

Registration Details for Registration Number: 14986145

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 14986145 | 2017-05-31 15:10 | 2023-05-31 | 30021449-19 |
| Amendment | 15667900 | 2018-02-02 15:11 | 2023-05-31 | 30021449-19 |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Canada Fluorspar (NL) Inc.
 Suite 605
 140 Water Street
 St. John's NL A1C 6J4
 Canada

Type: Enterprise
 Newspar
 Suite 605
 140 Water Street
 St. John's NL A1C 6J4
 Canada

Type: Enterprise
 CFI Newspar Holdings Inc.
 Suite 605
 140 Water Street
 St. John's NL A1C 6J4
 Canada

Type: Enterprise
 Canada Fluorspar Inc.
 Suite 605
 140 Water Street
 St. John's NL A1C 6J4
 Canada

Secured Parties

Type: Enterprise
 Government of Newfoundland and Labrador
 Department of Tourism, Culture, Industry and Innovation
 P.O. Box 8700, 2nd Floor
 Confederation Building (West Block)
 St. John's NL A1B 4J6
 Canada

General Collateral

All of the debtors' present and after-acquired personal property situated at, located on or about or in transit to or from the Town of St. Lawrence, Province of Newfoundland and Labrador.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|--|----------|------------|
| A3L938724 | Motor Vehicle | 2010 BobCat S185 Skidsteer Loader w/ Cab | 14986145 | |
| 3FRML55Z57V632753 | Motor Vehicle | 2007 Ford LCF S/A Boom Truck | 14986145 | |
| 1HTGLA2T8PH481732 | Motor Vehicle | 1993 12T Boom Truck | 14986145 | |
| 1BAKGCPH69F256469 | Motor Vehicle | 2009 Blue Bird Vision 30 FT Bus | 14986145 | |
| 76203 | Motor Vehicle | 1992 RT760 Crane | 14986145 | |
| 1FTNW21P34EC66519 | Motor Vehicle | 2004 Welding Truck - Ford Truck | 14986145 | |
| 1FDSF35P35B72298 | Motor Vehicle | 2005 Mechanic's Utility Truck - Ford 350 | 14986145 | |
| 1FTPW14V48FB80357 | Motor Vehicle | 2008 Ford F150 Crew - RED | 14986145 | |
| 1FTRX14W28FA11694 | Motor Vehicle | 2008 Ford F150 | 14986145 | |
| 1FTRX14809FB42920 | Motor Vehicle | 2009 Ford F150 | 14986145 | |
| 1FTZR45E49PA26050 | Motor Vehicle | 2009 Ford Ranger | 14986145 | |
| 1FTEX1EM9BFB07115 | Motor Vehicle | 2011 Ford F150 | 14986145 | |
| 1FTEX1EM2BFB07117 | Motor Vehicle | 2011 Ford F150 | 14986145 | |
| 1GTR2UEA8BZ394839 | Motor Vehicle | 2011 GMC Sierra 1500 EXT Cab | 14986145 | |
| 1FTKR4EE6BPA3603 | Motor Vehicle | 2011 Ford Ranger | 14986145 | |
| 3GCUKREC9EG500616 | Motor Vehicle | 2014 Chevy Silverado | 14986145 | |
| 1FTFW1EF3FFC00291 | Motor Vehicle | 2015 Ford F150 4x4 | 14986145 | |
| 3GCUKREC3FG111472 | Motor Vehicle | 2015 Chevy Silverado 1500 4WD Crew LT | 14986145 | |

Additional Information

Added by registration number 15667900

The above additional information is hereby deleted in its entirety and replaced with the following:

The secured obligations of the debtor(s) as evidenced by the above financing statement have been modified pursuant to an Intercreditor Agreement dated as of February 1, 2018 between Bridging Finance\ Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, Canada Fluorspar (NL) Inc., Newspar, and Canada Fluorspar Inc. whereby the parties have confirmed and agreed that the BF Security (as defined therein) shall rank in priority to the TCII Security (as defined therein) for Credit Facility 01 and Credit Facility 03 (as defined therein) and shall be subordinate to the TCII Security (as defined therein) for Credit Facility 02 (as defined therein).

Registration Details for Registration Number: 15980345

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 15980345 | 2018-05-30 12:16 | 2023-05-30 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
Canada Fluorspar (NL) Inc.
Coombs, Paul
CFO
1 Clarks Pond Road
St. Lawrence NL A0E 2V0
Canada

Secured Parties

Type: Enterprise
HSBC Bank Canada
Bowne, James C.
Assistant Vice President, Corporate Banking
205 Water Street
St. John's NL A1C 1B4
CANADA
Phone #: 709-737-0001
Fax #: 709-722-4026

General Collateral

A security interest in all presently owned and hereafter acquired personal property of the Debtor of whatsoever nature and kind and wheresoever situate and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor, granted pursuant to the provisions of a General Security Agreement executed by the Debtor, as amended.

Additional Information

The secured obligations of the Debtor as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspaper, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspaper Holdings Inc., whereby the said parties to the ARIA have confirmed

and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 15980584

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 15980584 | 2018-05-30 12:24 | 2023-05-30 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
Canada Fluorspar (NL) Inc.
Coombs, Paul
CFO
1 Clarks Pond Road
St. Lawrence NL A0E 2V0
Canada

Type: Enterprise
CFI Newspaper Holdings Inc.
Coombs, Paul
CFO
Suite 605
140 Water Street
St. John's NL A1B 6J4
Canada

Type: Enterprise
Newspar
Coombs, Paul
CFO
Suite 605
140 Water Street
St. John's NL A1B 6J4
Canada

Secured Parties

Type: Enterprise
HSBC Bank Canada
Bowne, James C.
Assistant Vice President, Corporate Banking
205 Water Street

St. John's NL A1C 1B4
 CANADA
 Phone #: 709-737-0001
 Fax #: 709-722-4026

General Collateral

A security interest in all presently owned and hereafter acquired personal property of the Debtors Canada Fluorspar (NL) Inc. and CFI Newspaper Holdings Inc., carrying on business in partnership as Newspaper, of whatsoever nature and kind and wheresoever situate and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor, granted pursuant to the provisions of a General Security Agreement executed by the Debtors, as amended.

Additional Information

The secured obligations of the Debtors as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspaper, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspaper Holdings Inc., whereby the said parties to the ARIA have confirmed and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 15980600

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|------------------------------|----------------------------|--|-------------------------------------|--------------------|
| Original | 15980600 | 2018-05-30 12:26 | 2023-05-30 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Canada Fluorspar (NL) Inc.
 Coombs, Paul
 CFO
 1 Clarks Pond Road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 HSBC Bank Canada
 Country Head, Global Trade & Receivables Finance
 70 York Street
 Toronto ON M5J 1S9
 CANADA

General Collateral

ALL ACCOUNTS, PAYMENT INTANGIBLES AND OTHER RIGHTS TO PAYMENT, CHOSES IN ACTION, RIGHTS TO RECEIVE PAYMENT IN RESPECT OF RECEIVABLES INSURANCE POLICIES COVERING SUCH ACCOUNTS, AND PROCEEDS OF THE FOREGOING.

ALL CASH, CREDIT BALANCES, DEPOSITS AND OTHER PROCEEDS IN OR ARISING FROM ACCOUNT NUMBER 043-117953-002 MAINTAINED WITH HSBC BANK CANADA AND PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, ANY SUCCESSOR OR REPLACEMENT DEPOSIT ACCOUNTS.

ALL CASH, CREDIT BALANCES, DEPOSITS AND OTHER PROCEEDS IN OR ARISING FROM ACCOUNT NUMBER 043-117953-071 MAINTAINED WITH HSBC BANK CANADA AND PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, ANY SUCCESSOR OR REPLACEMENT DEPOSIT ACCOUNTS.

Additional Information

The secured obligations of the Debtor as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspar Holdings Inc., whereby the said parties to the ARIA have confirmed and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 15980618

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|------------------------------|----------------------------|---|------------------------------------|--------------------|
| Original | 15980618 | 2018-05-30 12:29 | 2023-05-30 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise

Canada Fluorspar (NL) Inc.
Coombs, Paul
CFO
1 Clarks Road
St. Lawrence NL A0E 2V0
Canada

Type: Enterprise
Canada Fluorspar Inc.
Coombs, Paul
CFO
Suite 605
140 Water Street
St. John's NL A1B 6J4
Canada

Secured Parties

Type: Enterprise
HSBC Bank Canada
Bowne, James C.
Assistant Vice President, Corporate Banking
205 Water Street
St. John's NL A1C 1B4
CANADA
Phone #: 709-737-0001
Fax #: 709-722-4026

General Collateral

The Debtor Canada Fluorspar Inc. assigns and transfers all present and future indebtedness and liability, direct or indirect, absolute or contingent, matured or unmatured, extended or renewed of Canada Fluorspar (NL) Inc. to the Debtor Canada Fluorspar Inc. (collectively "the Claims") unto the Secured Party by way of general and continuing security for any and all indebtedness and liability, present and future, direct and indirect, absolute and contingent, of Canada Fluorspar (NL) Inc. and the Debtor Canada Fluorspar Inc., or either of them, to the Secured Party, which assignment and transfer is granted pursuant to the provisions of an Assignment and Postponement agreement dated May 25, 2018, as amended.

Additional Information

The secured obligations of the Debtor as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspar Holdings Inc., whereby the said parties to the ARIA have confirmed and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 15980626

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement**Registration History**

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 15980626 | 2018-05-30 12:31 | 2023-05-30 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
Canada Fluorspar (NL) Inc.
Coombs, Paul
CFO
1 Clarks Road
St. Lawrence NL A0E 2V0
Canada

Type: Enterprise
Newspar
Coombs, Paul
CFO
Suite 605
140 Water Street
St. John's NL A1B 6J4
Canada

Type: Enterprise
CFI Newspaper Holdings Inc.
Coombs, Paul
CFO
Suite 605
140 Water Street
St. John's NL A1B 6J4
Canada

Secured Parties

Type: Enterprise
HSBC Bank Canada
Bowne, James C.
Assistant Vice President, Corporate Banking
205 Water Street
St. John's NL A1C 1B4
CANADA
Phone #: 709-737-0001
Fax #: 709-722-4026

General Collateral

Canada Fluorspar (NL) Inc. and CFI Newspaper Holdings Inc., carrying on business in partnership as Newspar

("Newspar"), assigns and transfers all present and future indebtedness and liability, direct or indirect, absolute or contingent, matured or unmatured, extended or renewed of Canada Fluorspar (NL) Inc. to Newspar (collectively "the Claims") unto the Secured Party by way of general and continuing security for any and all indebtedness and liability, present and future, direct and indirect, absolute and contingent, of Canada Fluorspar (NL) Inc. and Newspar, or either of them, to the Secured Party, which assignment and transfer is granted pursuant to the provisions of an Assignment and Postponement agreement dated May 25, 2018, as amended.

Additional Information

The secured obligations of the Debtor as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspar Holdings Inc., whereby the said parties to the ARIA have confirmed and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 16028888

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|------------------------------|----------------------------|--|-------------------------------------|--------------------|
| Original | 16028888 | 2018-06-11 09:38 | 2023-06-11 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Canada Fluorspar (NL) Inc.
 1 Clarks Road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 HSBC Bank Canada
 Bowne, James C.
 Assistant Vice President, Corporate Banking
 205 Water Street
 St. John's NL A1C 1B4
 CANADA
 Phone #: 709-737-0001

Fax #: 709-722-4026

General Collateral

A security interest in all of the Debtor's right, title, interest and benefit under the below listed policies of insurance and any and all policies issued in replacement of or in substitution of those policies or as renewals of those policies (each a "Policy" and collectively, the "Policies") including all proceeds and monies which may at any time be or become payable under or in connection with, or otherwise derived from, the Policies, and any interest on those proceeds or monies, together with all monies otherwise held in connection with or for the purpose of the Policies, including, without limitation, all premiums paid in advance and any interest on the Policies and all rights under the Policies, as general and continuing collateral security for the payment and fulfillment of all indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, of the Debtor to the Secured Party pursuant to the Credit Facility Letter (as defined in an Assignment of Insurance dated May 25, 2018 and granted by the Debtor to the Secured Party) and the Loan Documents (as defined in the Credit Facility Letter).

1.INSURERS: Lloyds of London (via Price Forbes), Royal & Sun Alliance Insurance Company of Canada

Policy No. P11HC01510

2.INSURERS: Lloyds of London (via Price Forbes)

Policy No. B0507N11QA08590

3.INSURERS: Ironshore Canada Ltd.

Policy No. C445512316

4.INSURERS: Certain Underwriters at Lloyds of London as arranged through Price Forbes & Partners Limited

Policy No. B0507N17QA23270

5.INSURERS: RSA Insurance Company of Canada

Policy No. COM800502134

6.INSURERS: Lloyds of London (via Price Forbes)

Policy No. B0507P16CP03890

Additional Information

The secured obligations of the Debtor as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspar Holdings Inc., whereby the said parties to the ARIA have confirmed

and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 16483109

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 16483109 | 2018-11-13 10:56 | 2022-11-13 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

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

Secured Parties

Type: Enterprise
Komatsu International (Canada) Inc.
3755 blvd Matte suite E
Brossard QC J4Y 2P4
Canada
Phone #: 450-619-2148
Fax #: 450-444-2057

General Collateral

2018 Komatsu
Model: WA470-8 / Wheel Loader
serial # A49394

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| A49394 | Motor Vehicle | 2018 Komatsu WA470-8 | 16483109 | |

Additional Information

Amount: 390,000\$

Registration Details for Registration Number: 14667497

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|----------------|
| Original | 14667497 | 2017-02-02 15:27 | 2020-02-02 | 21449-27 |
| Amendment | 14712368 | 2017-02-24 14:00 | 2020-02-02 | 30021449-00027 |
| Amendment | 15199193 | 2017-08-04 11:09 | 2020-02-02 | 30021449-00027 |
| Amendment | 15667934 | 2018-02-02 15:14 | 2020-02-02 | 30021449-00027 |
| Amendment | 16737959 | 2019-03-13 10:07 | 2020-02-02 | SM036684.8 |
| Renewal | 16737991 | 2019-03-13 10:16 | 2021-02-02 | |
| Renewal | 17931833 | 2020-06-17 11:30 | 2022-02-02 | |
| Renewal | 19391762 | 2021-11-05 15:55 | 2024-02-02 | |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

The Debtor below was deleted by registration number 16737959

Type: Enterprise
Canada Fluorspar (NL) Inc.
Suite 605, 140 Water Street
St. John's NL A1C 6J4
Canada

The Debtor below was added by registration number 16737959

Type: Enterprise
Canada Fluorspar (NL) Inc.
Suite 700, 140 Water Street
St. John's NL A1C 6J4
Canada

Secured Parties

Type: Enterprise
Bridging Finance Inc., as Agent
77 King Street West, Suite 2925
P.O. Box 322
Toronto ON M5K 1K7
Canada

Type: Enterprise
Sprott Bridging Income Fund LP
77 King Street West, Suite 2925
P.O. Box 322

Toronto ON M5K 1K7
Canada

General Collateral

A security interest is taken in all of the debtor's present and after-acquired personal property.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|----------------------|------------------------|--|-----------------|-------------------|
| A3L938724 | Motor Vehicle | 2010 BobCat S185 Skidsteer Loader w/ Cab | 14712368 | |
| 3FRML55Z57V632753 | Motor Vehicle | 2007 Ford LCF S/A Boom Truck | 14712368 | |
| 1HTGLA2T8PH481732 | Motor Vehicle | 1993 12T Boom Truck | 14712368 | |
| 1BAKGCPH69F256469 | Motor Vehicle | 2009 Blue Bird Vision 30 FT Bus | 14712368 | |
| 76203 | Motor Vehicle | 1992 RT760 Crane | 14712368 | |
| 1FTNW21P34EC66519 | Motor Vehicle | 2004 Welding Truck - Ford Truck | 14712368 | |
| 1FDSF35P35B72298 | Motor Vehicle | 2005 Mechanic's Utility Truck - Ford 350 | 14712368 | |
| 1FTPW14V48FB80357 | Motor Vehicle | 2008 Ford F150 Crew - RED | 14712368 | |
| 1FTRX14W28FA11694 | Motor Vehicle | 2008 Ford F150 | 14712368 | |
| 1FTRX14809FB42920 | Motor Vehicle | 2009 Ford F150 | 14712368 | |
| 1FTZR45E49PA26050 | Motor Vehicle | 2009 Ford Ranger | 14712368 | |
| 1FTEX1EM9BFB07115 | Motor Vehicle | 2011 Ford F150 | 14712368 | |
| 1FTEX1EM2BFB07117 | Motor Vehicle | 2011 Ford F150 | 14712368 | |
| 1GTR2UEA8BZ394839 | Motor Vehicle | 2011 GMC Sierra 1500 EXT Cab | 14712368 | |
| 1FTKR4EE6BPA3603 | Motor Vehicle | 2011 Ford Ranger | 14712368 | |
| 3GCUKREC9EG500616 | Motor Vehicle | 2014 Chevy Silverado | 14712368 | |
| 1FTFW1EF3FFC00291 | Motor Vehicle | 2015 Ford F150 4x4 | 14712368 | |
| 3GCUKREC3FG111472 | Motor Vehicle | 2015 Chevy Silverado 1500 4WD Crew LT | 14712368 | |

Additional Information

Added by registration number 15199193

The secured obligations of the Debtor as evidenced by the above financing statement have been modified pursuant to an Amended and Restated Loan Agreement dated as of August 1, 2017 whereby the parties have confirmed and agreed that the Encumbrances (as defined therein) created by the Security Documents (as defined therein) shall rank in priority to the TCII Encumbrances (as defined therein) for Credit Facility 01 (as Defined therein) and shall be subordinate to the TCII Encumbrances (as defined therein) for Credit Facility 02 (as defined therein).

Added by registration number 15667934

The above additional information is hereby deleted in its entirety and replaced with the following:

The secured obligations of the debtor(s) as evidenced by the above financing statement have been modified pursuant to an Intercreditor Agreement dated as of February 1, 2018 between Bridging Finance\ Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, Canada Fluorspar (NL) Inc., Newpar, and Canada Fluorspar Inc. whereby the parties have confirmed and agreed that the BF Security (as defined therein) shall rank in priority to the TCII Security (as defined therein) for Credit Facility 01 and Credit Facility 03 (as defined therein) and shall be subordinate to the TCII Security (as defined therein) for Credit Facility 02 (as defined therein).

Registration Details for Registration Number: 14667521

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|----------------|
| Original | 14667521 | 2017-02-02 15:29 | 2020-02-02 | 21449-27 |
| Amendment | 14712517 | 2017-02-24 14:11 | 2020-02-02 | 30021449-00027 |
| Amendment | 15199169 | 2017-08-04 11:07 | 2020-02-02 | 30021449-00027 |
| Amendment | 15667884 | 2018-02-02 15:10 | 2020-02-02 | 30021449-00027 |
| Amendment | 16737983 | 2019-03-13 10:15 | 2020-02-02 | SM036684.8 |
| Renewal | 16738007 | 2019-03-13 10:18 | 2021-02-02 | |
| Renewal | 17931825 | 2020-06-17 11:29 | 2022-02-02 | |
| Renewal | 19391770 | 2021-11-05 15:56 | 2024-02-02 | |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

The Debtor below was deleted by registration number 16737983
 Type: Enterprise
 Canada Fluorspar (NL) Inc.
 Suite 605, 140 Water Street
 St. John's NL A1C 6J4
 Canada

The Debtor below was deleted by registration number 16737983
 Type: Enterprise
 Newspar
 Suite 605, 140 Water Street
 St. John's NL A1C 6J4
 Canada

The Debtor below was deleted by registration number 16737983
 Type: Enterprise
 GFI Newspar Holdings Inc.
 Suite 605, 140 Water Street
 St. John's NL A1C 6J4
 Canada

The Debtor below was added by registration number 16737983
 Type: Enterprise
 Canada Fluorspar (NL) Inc.
 Suite 700, 140 Water Street
 St. John's NL A1C 6J4
 Canada

The Debtor below was added by registration number 16737983
 Type: Enterprise
 Newspaper
 Suite 700, 140 Water Street
 St. John's NL A1C 6J4
 Canada

The Debtor below was added by registration number 16737983
 Type: Enterprise
 CFI Newspaper Holdings Inc.
 Suite 700, 140 Water Street
 St. John's NL A1C 6J4
 Canada

Secured Parties

Type: Enterprise
 Bridging Finance Inc., as Agent
 77 King Street West, Suite 2925
 P.O. Box 322
 Toronto ON M5K 1K7
 Canada

Type: Enterprise
 Sprott Bridging Income Fund LP
 77 King Street West, Suite 2925
 P.O. Box 322
 Toronto ON M5K 1K7
 Canada

General Collateral

A security interest is taken in all of the debtors' present and after-acquired personal property.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|----------------------|------------------------|--|-----------------|-------------------|
| A3L938724 | Motor Vehicle | 2010 BobCat S185 Skidsteer Loader w/ Cab | 14712517 | |
| 3FRML55Z57V632753 | Motor Vehicle | 2007 Ford LCF S/A Boom Truck | 14712517 | |
| 1HTGLA2T8PH481732 | Motor Vehicle | 1993 12T Boom Truck | 14712517 | |
| 1BAKGCPH69F256469 | Motor Vehicle | 2009 Blue Bird Vision 30 FT Bus | 14712517 | |
| 76203 | Motor Vehicle | 1992 RT760 Crane | 14712517 | |
| 1FTNW21P34EC66519 | Motor Vehicle | 2004 Welding Truck - Ford Truck | 14712517 | |
| 1FDSF35P35B72298 | Motor Vehicle | 2005 Mechanic's Utility Truck - Ford 350 | 14712517 | |
| 1FTPW14V48FB80357 | Motor Vehicle | 2008 Ford F150 Crew - RED | 14712517 | |
| 1FTRX14W28FA11694 | Motor Vehicle | 2008 Ford F150 | 14712517 | |
| 1FTRX14809FB42920 | Motor Vehicle | 2009 Ford F150 | 14712517 | |
| 1FTZR45E49PA26050 | Motor Vehicle | 2009 Ford Ranger | 14712517 | |
| 1FTEX1EM9BFB07115 | Motor Vehicle | 2011 Ford F150 | 14712517 | |
| 1FTEX1EM2BFB07117 | Motor Vehicle | 2011 Ford F150 | 14712517 | |
| 1GTR2UEA8BZ394839 | Motor Vehicle | 2011 GMC Sierra 1500 EXT Cab | 14712517 | |
| 1FTKR4EE6BPA3603 | Motor Vehicle | 2011 Ford Ranger | 14712517 | |

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|---------------------------------------|----------|------------|
| 3GCUKREC9EG500616 | Motor Vehicle | 2014 Chevy Silverado | 14712517 | |
| 1FTFW1EF3FFC00291 | Motor Vehicle | 2015 Ford F150 4x4 | 14712517 | |
| 3GCUKREC3FG111472 | Motor Vehicle | 2015 Chevy Silverado 1500 4WD Crew LT | 14712517 | |

Additional Information

Added by registration number 15199169

The secured obligations of the Debtors as evidenced by the above financing statement have been modified pursuant to an Amended and Restated Loan Agreement dated as of August 1, 2017 whereby the parties have confirmed and agreed that the Encumbrances (as defined therein) created by the Security Documents (as defined therein) shall rank in priority to the TCII Encumbrances (as defined therein) for Credit Facility 01 (as Defined therein) and shall be subordinate to the TCII Encumbrances (as defined therein) for Credit Facility 02 (as defined therein).

Added by registration number 15667884

The above additional information is hereby deleted in its entirety and replaced with the following:

The secured obligations of the debtor(s) as evidenced by the above financing statement have been modified pursuant to an Intercreditor Agreement dated as of February 1, 2018 between Bridging Finance\ Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, Canada Fluorspar (NL) Inc., Newspar, and Canada Fluorspar Inc. whereby the parties have confirmed and agreed that the BF Security (as defined therein) shall rank in priority to the TCII Security (as defined therein) for Credit Facility 01 and Credit Facility 03 (as defined therein) and shall be subordinate to the TCII Security (as defined therein) for Credit Facility 02 (as defined therein).

Registration Details for Registration Number: 17133950

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17133950 | 2019-07-23 12:26 | 2024-07-23 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

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

Secured Parties

Type: Enterprise
 Komatsu International (Canada) Inc.
 3755 boul. Matte suite E
 Brossard QC H4Y 2P4
 Canada
 Phone #: 450-619-2106
 Fax #: 450-619-4310

General Collateral

2019 Komatsu
 Model: HD465-8 Rigid Truck
 serial number: 30201

2019 Komatsu
 Model: HD465-8 Rigid Truck
 Serial number: 30209

2019 Komatsu
 Model: HD465-8 Rigid Truck
 Serial number 30172

2019 Komatsu
 Model: HD465-8 Rigid Truck
 Serial number: 30187

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 30201 | Motor Vehicle | 2019 Komatsu HD465-8 | 17133950 | |
| 30209 | Motor Vehicle | 2019 Komatsu HD465-8 | 17133950 | |
| 30172 | Motor Vehicle | 2019 Komatsu HD465-8 | 17133950 | |
| 30187 | Motor Vehicle | 2019 Komatsu HD465-8 | 17133950 | |

Additional Information

Value: 4,546,404\$

Registration Details for Registration Number: 17203423

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17203423 | 2019-08-15 15:01 | 2024-08-15 | |

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Amendment | 17265760 | 2019-09-06 11:44 | 2024-08-15 | |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

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

Secured Parties

The Secured Party below was deleted by registration number 17265760

Type: Enterprise
Equipment SMS Inc.
1800 Montgolfier
Laval QC H7T 0L9
Canada
Phone #: 450-781-9600
Fax #: 450-681-0451

The Secured Party below was added by registration number 17265760

Type: Enterprise
Komatsu International (Canada) Inc.
3755 boul. Matte suite E
Brossard QC J4Y 2P4
Canada
Phone #: 450-619-2106
Fax #: 450-444-4310

General Collateral

2019 Komatsu
Model: PC800LC-8EO
Serial number: 65412

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|--------------------------|----------|------------|
| 65412 | Motor Vehicle | 2019 Komatsu PC800LC-8EO | 17203423 | |

Additional Information

Amount: 1,305,375\$

Registration Details for Registration Number: 17542499

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17542499 | 2019-12-19 09:01 | 2023-12-19 | 25901 |
| Amendment | 17578709 | 2020-01-09 11:00 | 2023-12-19 | 25901 |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

The Debtor below was deleted by registration number 17578709
 Type: Enterprise
 Canada Fluorspar (NL) Inc.
 1 Clarke's Pond Road
 St. Lawrence NL A0E 2B0
 Canada

The Debtor below was added by registration number 17578709
 Type: Enterprise
 Canada Fluorspar (NL) Inc.
 1 Clarke's Pond Road
 St. Lawrence NL A0E 2B0
 Canada

Secured Parties

Type: Enterprise
 Hickman Leasing Limited
 Newell, Fred
 Credit Manager
 85 Kenmount RD
 St. John's NL A1B 3P8
 Canada
 Phone #: 709-726-6990
 Fax #: 709-726-0706

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|-------------------------------|----------|------------|
| 1GC4KZEY1JF280556 | Motor Vehicle | 2018 Chevrolet Silverado 3500 | 17542499 | |

Registration Details for Registration Number: 17691296

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17691296 | 2020-03-03 11:37 | 2024-03-03 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Canada Fluorspar (NL) Inc.
 1 Clarke's Pond road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 Komatsu International (Canada) Inc.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada
 Phone #: 450-619-2106
 Fax #: 450-444-4310

General Collateral

2019 Komatsu
 Model: PC200LC-8 excavator
 Serial number: C78336

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|------------------------|----------|------------|
| C78336 | Motor Vehicle | 2019 Komatsu PC200LC-8 | 17691296 | |

Additional Information

Value: 227,850\$

Registration Details for Registration Number: 17821000

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17821000 | 2020-05-11 17:54 | 2027-05-11 | 304014 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 clarke pond road
 ST LAWRENCE NL A0E2V0
 Canada

Secured Parties

Type: Enterprise
 Bank Of Montreal
 5750 Explorer Drive
 Mississauga ON L4W 0A9
 Canada

General Collateral

The goods described herein, wherever situated, and all present and after-acquired intellectual property, intangibles, attachments, accessories and accessions thereto and spare parts, replacements, substitutions, exchanges and trade-ins therefor, and all rights, receivables and chattel paper derived from or evidencing the lease or rental thereof by the Debtor to third parties, and all proceeds relating thereto. Proceeds: all of the Debtor's present and after-acquired personal property which is derived directly or indirectly from any dealing with or disposition of the above-described collateral, including, without limiting the generality of the foregoing, all insurance and other payments payable as indemnity or compensation for loss or damage thereto and all chattel paper, documents of title, goods, instruments, intangibles, money and investment properties.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|--|----------|------------|
| 3HAECTATXLL081490 | Motor Vehicle | 2020 International Truck HV 607 SBA 4x2 | 17821000 | |
| 21434 | Motor Vehicle | 2020 TREMCAR 1000LT TANK TC406 | 17821000 | |

Registration Details for Registration Number: 17840695

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17840695 | 2020-05-19 14:45 | 2023-05-19 | 16909395 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 SUITE 1100, 235 WATER STREET
 ST. JOHN'S NL A1C1B6
 Canada

Secured Parties

Type: Enterprise
 Ford Credit Canada Leasing, Division of Canadian Road Leasing Company
 PO Box 2400
 Edmonton AB T5J 5C7
 Canada

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|----------------|----------|------------|
| 1FT7W2B65LEC95159 | Motor Vehicle | 2020 FORD F250 | 17840695 | |

Registration Details for Registration Number: 18204024

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 18204024 | 2020-09-04 15:05 | 2023-09-04 | 18332531 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 235 WATER STREET, SUITE 100
 ST. JOHN'S NL A1C1B6

Canada

Secured Parties

Type: Enterprise
 Ford Credit Canada Leasing, Division of Canadian Road Leasing Company
 PO Box 2400
 Edmonton AB T5J 5C7
 Canada

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|----------------|----------|------------|
| 1FTFW1E58LKE83314 | Motor Vehicle | 2020 FORD F150 | 18204024 | |

Registration Details for Registration Number: 18585851

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 18585851 | 2021-02-02 17:39 | 2022-02-02 | |
| Renewal | 19552025 | 2022-01-13 12:47 | 2024-02-02 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 Clarke's Pond Road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada

General Collateral

2018 Komatsu
 Model: HM400-5 / Haul Truck

Serial number: 10975
including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 10975 | Motor Vehicle | 2018 KOMATSU HM400-5 | 18585851 | |

Additional Information

Value: 325,000\$

Registration Details for Registration Number: 18591297

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 18591297 | 2021-02-04 12:03 | 2025-02-04 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR (NL) INC.
1 Clarke's Pond road
St. Lawrence NL A0E 2V0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 boul. Matte suite E
Brossard QC J4Y 2P4
Canada

General Collateral

2016 Komatsu
Model: HM400-5 / Articulated Haul Truck
Serial number: 10323
including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 10323 | Motor Vehicle | 2016 Komatsu HM400-5 | 18591297 | |

Additional Information

Value: 245,000\$

Registration Details for Registration Number: 19074905

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19074905 | 2021-07-15 10:23 | 2026-07-15 | AVS16698871 |
| Amendment | 19194653 | 2021-08-25 13:07 | 2026-07-15 | AVS16698871 |
| Amendment | 19268614 | 2021-09-21 18:00 | 2026-07-15 | AVS16698871 |
| Amendment | 19274869 | 2021-09-23 15:42 | 2026-07-15 | AVS16698871 |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 CLARKE'S POND RD.
 SAINT LAWRENCE NL A0E2V0
 Canada

Secured Parties

Type: Enterprise
 CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 SUPERIOR COURT UNIT 2
 OAKVILLE ON L6L0C4
 Canada

General Collateral

ONE (1) CATERPILLAR 980M MEDIUM WHEEL LOADER C/W GENERAL PURPOSE BUCKET

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH

COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Added by registration number 19194653

The general collateral has been replaced with a new description:

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|-----------------------|----------|------------|
| GAT0980MJKRS00898 | Motor Vehicle | 2015-CATERPILLAR 980M | 19074905 | 19268614 |
| GAT0972MAA8P00396 | Motor Vehicle | 2015-CATERPILLAR 972 | 19194653 | 19274869 |
| CAT0972MEA8P00936 | Motor Vehicle | 2015 CATERPILLAR 972M | 19274869 | |

Additional Information

Added by registration number 19194653

The general collateral has been replaced with a new description:

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration Details for Registration Number: 19129444

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19129444 | 2021-08-03 18:36 | 2025-08-03 | 1073279-DL1 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 CLARKES POND ROADPO BOX 337
 ST LAWRENCE NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
 3450 Superior Court, Unit 1
 Oakville ON L6L 0C4
 Canada

General Collateral

All personal property of the debtor described herein by vehicle identification number or serial number, as applicable, wherever situated, together with all parts and accessories relating thereto, all attachments, accessories and accessions thereto or thereon, all replacements, substitutions, additions and improvements of all or any part of the foregoing and all proceeds in any form derived therefrom. Proceeds: all of the debtor's present and after acquired identifiable or traceable personal property that is derived, directly or indirectly, from any dealing with or disposition of the above-described collateral or proceeds of the above described collateral and in which the debtor acquires an interest, including without limitation, all insurance and other payments that represent indemnity or compensation for loss or damage to the above described collateral or proceeds of the above described collateral, or a right to such payments, accounts, rents or other payments arising from the lease or rental of the above described collateral or proceeds of the above described collateral, a payment made in total or partial discharge or redemption of chattel paper, investment property, an instrument or an intangible, rights arising out of, or property collected on, or distributed on account of, collateral that is investment property, and goods, documents of title, chattel paper, investment property, instruments, money or intangibles.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|-------------------------|----------|------------|
| 408001563 | Motor Vehicle | 2021 TAKEUCHI / TL8CRWH | 19129444 | |
| 408000069 | Motor Vehicle | 2021 TAKEUCHI / TL8CRWH | 19129444 | |

Registration Details for Registration Number: 19219492

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19219492 | 2021-09-02 10:09 | 2025-09-02 | |
| Amendment | 19223015 | 2021-09-03 10:40 | 2025-09-02 | |

As listed in the Registration History section above, this registration has been the subject of an Amendment or

Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR (NL) INC.
1 Clarke's Pond Road
St. Lawrence NL A0E 2V0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 boul. Matte suite E
Brossard QC J4Y 2P4
Canada

General Collateral

2012 Komatsu
Model: PC800LC
Serial number: A02747
including all attachments and accessories

Added by registration number 19223015

changing the serial number of the komatsu 2012, disregard the equipment listed above, the collateral is the following:

2012 Komatsu
Model: PC800LC
serial number: 65077
including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| A02747 | Motor Vehicle | 2012 Komatsu PC800LC | 19219492 | 19223015 |
| 65077 | Motor Vehicle | 2012 Komatsu PC800LC | 19223015 | |

Additional Information

Value: 520,708\$

Registration Details for Registration Number: 19424100

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19424100 | 2021-11-18 18:25 | 2025-11-18 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 Clarke's Pond Road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada
 Phone #: 450-619-2106
 Fax #: 450-444-4310

General Collateral

2018 Komatsu
 model HD465-8
 serial number: 30004
 including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 30004 | Motor Vehicle | 2018 Komatsu HD465-8 | 19424100 | |

Additional Information

value: 850,000\$

Registration Details for Registration Number: 19432152

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19432152 | 2021-11-22 18:19 | 2023-11-22 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR (NL) INC.
1 clarke's Pond road
St. Lawrence NL A0E 2V0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755, Boul. Matte, suite E
Brossard QC J4Y 2P4
Canada

General Collateral

2009 Komatsu
Model WD600-6 / Wheel Dozer
Serial number: 55003
including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 55003 | Motor Vehicle | 2009 Komatsu WD600-6 | 19432152 | |

Registration Details for Registration Number: 19433895

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19433895 | 2021-11-23 11:07 | 2022-11-23 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 Clarke's Pond road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755, boul. Matte, Suite E
 Brossard QC J4Y 2P4
 Canada

General Collateral

2022 Komatsu
 Model: HD605-8 / Rigid Haul Truck
 Serial number: 30573
 including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 30573 | Motor Vehicle | 2022 Komatsu HD605-8 | 19433895 | |

Registration Details for Registration Number: 19434125

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19434125 | 2021-11-23 11:24 | 2025-11-23 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 1 Clarke's Pond road
 St. Lawrence NL A0E 2V0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 boul. Matte Suite E
 Brossard QC J4Y 2P4
 Canada

General Collateral

2022 Komatsu
 Model: HD605-8 / rigid Haul truck
 serial number 30573
 including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 30573 | Motor Vehicle | 2022 Komatsu HD605-8 | 19434125 | |

Additional Information

Value: 1,040,000\$

Registration Details for Registration Number: 19522572

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19522572 | 2021-12-30 14:46 | 2022-12-30 | 44214094 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC.
 P.O. BOX 337
 ST LAWRENCE NL A0E2V0
 Canada

Secured Parties

Type: Enterprise
 Ford Credit Canada Leasing, Division of Canadian Road Leasing Company
 PO Box 2400

Edmonton AB T5J 5C7
Canada

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|----------------|----------|------------|
| 1FT7W2BT9KEC85187 | Motor Vehicle | 2019 FORD F250 | 19522572 | |

Registration Details for Registration Number: 19522598

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19522598 | 2021-12-30 14:49 | 2022-12-30 | 44214156 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR (NL) INC.
P.O. BOX 337
ST LAWRENCE NL A0E2V0
Canada

Secured Parties

Type: Enterprise
Ford Credit Canada Leasing, Division of Canadian Road Leasing Company
PO Box 2400
Edmonton AB T5J 5C7
Canada

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|----------------|----------|------------|
| 1FT7W2BT0KEC85188 | Motor Vehicle | 2019 FORD F250 | 19522598 | |

Registration Details for Registration Number: 19594647

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19594647 | 2022-02-01 13:14 | 2023-02-01 | 44460966 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR (NL) INC.
P.O. BOX 337
ST LAWRENCE NL A0E2V0
Canada

Secured Parties

Type: Enterprise
Ford Credit Canada Leasing, Division of Canadian Road Leasing Company
PO Box 2400
Edmonton AB T5J 5C7
Canada

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|----------------|----------|------------|
| 1FT7W2BT9KED44853 | Motor Vehicle | 2019 FORD F250 | 19594647 | |

Registration Details for Registration Number: 19605021

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19605021 | 2022-02-04 18:00 | 2026-02-04 | |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR (NL) INC.
1 Clarke's Pond Road
St. Lawrence NL A0E 2V0

Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada

General Collateral

2022 Komatsu
 Model HD605-8 / Rigid haul Truck
 Serial number 30588

2022 Komatsu
 Model: HD605-8 / Rigid Haul Truck
 Serial number: 30583

2018 Komatsu
 Model: HD465-8 / Rigid Haul Truck
 Serial number: 30151
 including all attachments and accessories

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|----------------------|----------|------------|
| 30588 | Motor Vehicle | 2022 Komatsu HD605-8 | 19605021 | |
| 30583 | Motor Vehicle | 2022 Komatsu HD605-8 | 19605021 | |
| 30151 | Motor Vehicle | 2018 Komatsu HD465-8 | 19605021 | |

Additional Information

Value: 2,930,000\$

Registration Details for Registration Number: 17988551

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17988551 | 2020-07-03 10:31 | 2026-07-03 | AVS13779528 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR (NL) INC
 Suite 1100, Scotia Centre, 235 Water Street
 ST JOHNS NL A1C1B6
 Canada

Secured Parties

Type: Enterprise
 MERIDIAN ONECAP CREDIT CORP.
 Suite 1500, 4710 Kingsway
 Burnaby BC V5H4M2
 Canada

General Collateral

FORKLIFT(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|------------------|----------|------------|
| 0160065042 | Trailer | 2014 JLG G10-55A | 17988551 | |

Registration Details for Registration Number: 15980576

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 15980576 | 2018-05-30 12:21 | 2023-05-30 | 20170463 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Canada Fluorspar Inc.
 Coombs, Paul
 CFO
 Suite 605
 140 Water Street
 St. John's NL A1B 6J4

Canada

Secured Parties

Type: Enterprise
 HSBC Bank Canada
 Bowne, James C.
 Assistant Vice President, Corporate Banking
 205 Water Street
 St. John's NL A1C 1B4
 CANADA
 Phone #: 709-737-0001
 Fax #: 709-722-4026

General Collateral

A security interest in all presently owned and hereafter acquired personal property of the Debtor of whatsoever nature and kind and wheresoever situate and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor, granted pursuant to the provisions of a General Security Agreement executed by the Debtor, as amended.

Additional Information

The secured obligations of the Debtor as evidenced by the within Financing Statement have been modified pursuant to an Amended and Restated Intercreditor Agreement ("ARIA") dated as of May 25, 2018 between Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Secured Party, Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar, a partnership by its partners Canada Fluorspar (NL) Inc. and CFI Newspar Holdings Inc., whereby the said parties to the ARIA have confirmed and agreed, inter alia, the respective priorities and subordinations applicable to the BF Security, the Government Security and the HSBC Security (as those terms are defined in the ARIA).

Registration Details for Registration Number: 17728072

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17728072 | 2020-03-18 16:18 | 2024-03-18 | AVS13154381 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR INC.

P.O. Box 337
St. Lawrence NL A0E2V0
Canada

Type: Enterprise
CANADA FLUORSPAR INC.
1 Prospect Road
St. Lawrence NL A0E2V0
Canada

Secured Parties

Type: Enterprise
CATERPILLAR FINANCIAL SERVICES LIMITED
3457 SUPERIOR COURT UNIT 2
OAKVILLE ON L6L0C4
Canada

General Collateral

ONE (1) CATERPILLAR 950M MEDIUM WHEEL LOADER
ONE (1) CATERPILLAR 349FL LARGE HYDRAULIC EXCAVATOR
ONE (1) CATERPILLAR 349FL LARGE HYDRAULIC EXCAVATOR
ONE (1) CATERPILLAR 323-07 HYDRAULIC EXCAVATOR

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|----------------------|------------------------|-------------------------|-----------------|-------------------|
| CAT0950MPJ1S01994 | Motor Vehicle | 2019 CATERPILLAR 950M | 17728072 | |
| CAT0349FLHPD20437 | Motor Vehicle | 2019 CATERPILLAR 349FL | 17728072 | |
| CAT0349FCHPD20619 | Motor Vehicle | 2019 CATERPILLAR 349FL | 17728072 | |
| CAT00323CRAZ10565 | Motor Vehicle | 2019 CATERPILLAR 323-07 | 17728072 | |

Registration Details for Registration Number: 17788076

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17788076 | 2020-04-25 16:20 | 2024-04-25 | AVS13328825 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR INC.
P.O. Box 337
St. Lawrence NL A0E2V0
Canada

Type: Enterprise
CANADA FLUORSPAR INC.
1 Prospect Road
St. Lawrence NL A0E2V0
Canada

Secured Parties

Type: Enterprise
CATERPILLAR FINANCIAL SERVICES LIMITED
3457 SUPERIOR COURT UNIT 2
OAKVILLE ON L6L0C4
Canada

General Collateral

ONE (1) CATERPILLAR CS66B VIBRATORY SINGLE DRUM SOIL COMPACTOR

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|------------------------|----------|------------|
| CATCS66BC48700145 | Motor Vehicle | 2016 CATERPILLAR CS66B | 17788076 | |

Registration Details for Registration Number: 17938135

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 17938135 | 2020-06-18 14:16 | 2025-06-18 | AVS13678558 |
| Amendment | 17943606 | 2020-06-19 15:40 | 2025-06-18 | AVS13678558 |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR INC.
1 clake's point rd
SAINT LAWRENCE NL A0E2V0
Canada

Secured Parties

Type: Enterprise
MERIDIAN ONECAP CREDIT CORP.
Suite 1500, 4710 Kingsway
Burnaby BC V5H4M2
Canada

General Collateral

2019 (1) TAKEUCHI TB235-2CR MINI EXCAVATOR, S/N 123601111 TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Added by registration number 17943606

General Collateral replaced with new description:

EXCAVATOR (S)

TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|---------------|-----------------|-------------------------|----------|------------|
| 123601111 | Motor Vehicle | 2019 TAKEUCHI TB235-2CR | 17943606 | |

Additional Information

Added by registration number 17943606

General Collateral replaced with new description:

EXCAVATOR (S)

TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Registration Details for Registration Number: 19074921

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19074921 | 2021-07-15 10:23 | 2026-07-15 | AVS16698873 |
| Amendment | 19194646 | 2021-08-25 13:05 | 2026-07-15 | AVS16698873 |
| Amendment | 19268622 | 2021-09-21 18:02 | 2026-07-15 | AVS16698873 |
| Amendment | 19274877 | 2021-09-23 15:43 | 2026-07-15 | AVS16698873 |

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
CANADA FLUORSPAR INC.
P.O. Box 337
St. Lawrence NL A0E2V0
Canada

Type: Enterprise
CANADA FLUORSPAR INC.
1 Prospect Road
St. Lawrence NL A0E2V0
Canada

Secured Parties

Type: Enterprise

CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 SUPERIOR COURT UNIT 2
 OAKVILLE ON L6L0C4
 Canada

General Collateral

ONE (1) CATERPILLAR 980M MEDIUM WHEEL LOADER C/W GENERAL PURPOSE BUCKET

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, GOODS (INCLUDING INVENTORY, EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANT, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF WHATSOEVER NATURE AND KIND) BUT EXCLUDING CONSUMER GOODS) MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, INTANGIBLES AND SECURITIES.

Added by registration number 19194646

The general collateral has been replaced with a new description:

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|-----------------------|----------|------------|
| GAT0980MJKRS00898 | Motor Vehicle | 2015 CATERPILLAR 980M | 19074921 | 19268622 |
| GAT0972MAA8P00396 | Motor Vehicle | 2015 CATERPILLAR 972 | 19194646 | 19274877 |
| CAT0972MEA8P00936 | Motor Vehicle | 2015 CATERPILLAR 972M | 19274877 | |

Additional Information

Added by registration number 19194646

The general collateral has been replaced with a new description:

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration Details for Registration Number: 19074947

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19074947 | 2021-07-15 10:27 | 2031-07-15 | AVS16698926 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR INC.
 P.O. Box 337
 St. Lawrence NL A0E2V0
 Canada

Type: Enterprise
 CANADA FLUORSPAR INC.
 1 Prospect Road
 St. Lawrence NL A0E2V0
 Canada

Secured Parties

Type: Enterprise
 CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 SUPERIOR COURT UNIT 2
 OAKVILLE ON L6L0C4
 Canada

General Collateral

ALL GOODS HERETOFORE OR HEREAFTER ACQUIRED BY CANADA FLUORSPAR INC. FROM CATERPILLAR FINANCIAL SERVICES LIMITED OR WITH FINANCING PROVIDED BY CATERPILLAR FINANCIAL SERVICES LIMITED, INCLUDING WITHOUT LIMITATION, TRACTORS, LOADERS, BACKHOES, EXCAVATORS, SCRAPERS, GRADERS, DUMP TRUCKS AND OTHER EQUIPMENT OF A SIMILAR NATURE, INVENTORY, AND ALL ACCOUNTS OF CANADA FLUORSPAR INC. CONTAINING, OR THAT MAY CONTAIN, PROCEEDS THEREOF.

Registration Details for Registration Number: 19358084

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

| Registration Activity | Registration Number | Date/Time (Atlantic) (YYYY-MM-DD hh:mm) | Expiry Date (YYYY-MM-DD) | File Number |
|-----------------------|---------------------|---|-----------------------------|-------------|
| Original | 19358084 | 2021-10-25 17:22 | 2026-10-25 | 27767 |

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 CANADA FLUORSPAR INC.
 1 CLARKE'S POND ROAD ST. PO BOX 337
 ST LAWRENCE NL A0E2V0
 Canada

Secured Parties

Type: Enterprise
 MITSUBISHI HC CAPITAL CANADA LEASING, INC.
 301-3390 SOUTH SERVICE RD.
 BURLINGTON ON L7N3J5
 Canada

General Collateral

THE PERSONAL PROPERTY DESCRIBED HEREIN, TOGETHER WITH ALL ACCESSORIES, OPTIONAL EQUIPMENT, COMPONENTS, PARTS, INSTRUMENTS, APPURTENANCES, FURNISHINGS AND OTHER EQUIPMENT OF WHATEVER NATURE OR KIND FURNISHED IN CONNECTION WITH ANY OF THE FOREGOING EQUIPMENT AND ANY REPLACEMENTS AND SUBSTITUTIONS THEREFOR (COLLECTIVELY, THE "EQUIPMENT"), AS WELL AS ALL OF THE DEBTOR'S PRESENT AND FUTURE RIGHTS, TITLE AND INTEREST IN THE FOLLOWING (THE "EQUIPMENT-RELATED COLLATERAL")

(I) INTELLECTUAL PROPERTY AND OTHER INTANGIBLES RELATING TO THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL

(II) ANY CONTRACT FOR THE SALE, LEASE, RENTAL OR OTHER DISPOSITION OF THE EQUIPMENT

(III) ALL INSURANCE CLAIMS AND PROCEEDS RESULTING FROM ANY LOSS OR DAMAGE TO THE EQUIPMENT OR THE EQUIPMENT-RELATED COLLATERAL AND

(IV) ANY PROCEEDS OF THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL, IN WHATEVER FORM IT MAY BE, INCLUDING WITHOUT LIMITATION, CHATTEL PAPER, TITLE DOCUMENTS, GOODS, INSTRUMENTS, OR MONEY.

Serial Numbered Collateral

| Serial Number | Collateral Type | Description | Added By | Deleted By |
|-------------------|-----------------|-----------------------|----------|------------|
| KMT0D118C02090125 | Motor Vehicle | 2013 KOMATSU D115AX-7 | 19358084 | |

END OF REPORT

THIS IS EXHIBIT "F" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.

Mour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.



A Commissioner for Taking Affidavits, etc.

BRIDGING FINANCE INC. on its own behalf and as agent for
SPROTT BRIDGING INCOME FUND LP

- and -

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR,
as represented by the Minister of Tourism, Culture, Industry and Innovation

- and -

HSBC BANK CANADA

- and -

CANADA FLUORSPAR (NL) INC.

- and -

NEWSPAR, by its partners **CANADA FLUORSPAR (NL) INC.** and **CFI NEWSPAR HOLDINGS INC.**

- and -

CANADA FLUORSPAR INC.

**AMENDED AND RESTATED INTERCREDITOR
AGREEMENT**

Dated as of 25 day of May, 2018

AMENDED AND RESTATED INTERCREDITOR AGREEMENT

THIS AGREEMENT is dated as of the 25 day of May, 2018.

AMONG: **BRIDGING FINANCE INC.**, a company incorporated and existing under the laws of Canada, on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP**

(collectively, the “**BF Lenders**”)

AND: **HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR**, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

(the “**Government**”)

AND: **HSBC BANK CANADA**, a bank named in Schedule II to the *Bank Act*, SC 1991, c 46

(“**HSBC**”)

AND: **CANADA FLUORSPAR (NL) INC.**, a company incorporated and existing under the laws of the Province of Newfoundland and Labrador

(the “**Borrower**”)

AND: **NEWSPAR**, a general partnership formed under the laws of the Province of Newfoundland and Labrador, by its partners **CANADA FLUORSPAR (NL) INC.** and **CFI NEWSPAR HOLDINGS INC.**

(“**Newspar**”)

AND: **CANADA FLUORSPAR INC.**, a body corporate, existing pursuant to the laws of the Province of Ontario

(“**CFI**” and together with the Borrower and Newspar, the “**Credit Parties**” and each a “**Credit Party**”)

WHEREAS:

- A. The Borrower is obligated to the BF Lenders pursuant to an Second Amended and Restated Loan Agreement dated as of February 1, 2018, as amended, modified, restated, supplemented or replaced from time to time in accordance with Section 3.3 herein (the “**BF Loan Agreement**”) in accordance with which Bridging Finance Inc., on behalf of the BF Lenders, has been granted certain security by the Borrower as evidenced by the documents and instruments listed in Schedule A hereto (all security held by Bridging Finance Inc. in connection with the BF Loan Agreement now or hereafter is collectively referred to as the “**BF Security**”), which security has been or will be registered at the

Registry of Deeds for Province of Newfoundland and Labrador (the “**Province**”), the Confidential Agreements Register, Mineral Claims Recorders Office for the Province of Newfoundland and Labrador and/or the Personal Property Security Registry for the Province;

- B. The Credit Parties are obligated to the Government pursuant to a Loan Agreement dated as of March 30, 2017, as amended on May 31, 2017 and on March 28, 2018, and as may be further amended, modified, restated, supplemented or replaced from time to time in accordance with Section 3.3 herein (the “**Government Loan Agreement**”) in accordance with which the Government has been granted certain security by the Credit Parties as evidenced by the documents and instruments listed in Schedule B hereto (all security held by Government in connection with the Government Loan Agreement now or hereafter is collectively referred to as the “**Government Security**”), which security has been registered at the Registry of Deeds for the Province, the Confidential Agreements Register, Mineral Claims Recorders Office for the Province and the Personal Property Security Registry for the Province;
- C. The Borrower is obligated to HSBC pursuant to a Facility Letter dated as of October 24, 2017, as amended, modified, restated, supplemented or replaced from time to time in accordance with Section 3.3 herein (the “**HSBC Facility Letter**”) in accordance with which HSBC has been granted certain security by the Borrower as evidenced by the documents and instruments listed in Schedule C hereto (all security held by HSBC in connection with the HSBC Facility Letter now is collectively referred to as the “**HSBC Security**”), which security has been or will be registered at the Confidential Agreements Register, Mineral Claims Recorders Office for the Province and/or the Personal Property Security Registry for the Province;
- D. The Credit Parties, the BF Lenders and the Government are parties to an existing intercreditor agreement dated as of February 1, 2018 (the “**Existing Intercreditor Agreement**”) which agreement is hereby amended and restated to address, *inter alia*, the entering into by the Credit Parties of the HSBC Facility Letter and the HSBC Security; and
- E. The parties hereto wish to enter into this Agreement to set out, *inter alia*, the respective priorities with respect to the BF Security, the Government Security and the HSBC Security;

NOW THEREFORE, in consideration of the promises contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

1. INTERPRETATION

1.1 Interpretation. In this Agreement, unless otherwise provided:

- (a) “**Accounts**” shall mean, as to any Credit Party, all present and future rights of such party to payment of a monetary obligation, whether or not earned by performance, which is not evidenced by chattel paper (as such term is defined in the NL PPSA) or an instrument (as such term is defined in the NL PPSA):

- (i) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of; or
 - (ii) for services rendered or to be rendered.
- (b) **“BF Obligations”** means all obligations, liabilities and indebtedness of every nature of the Borrower or any of the Credit Parties from time to time owed to the BF Lenders under the BF Documents, including, without limitation, the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, heretofore, now and from time to time hereafter owing, due or payable, whether before or after the filing of a Proceeding under any bankruptcy or insolvency law together with (a) any amendments, modifications, renewals or extensions and (b) any interest accruing thereon after the commencement of a Proceeding, without regard to whether or not such interest is an allowed claim. BF Obligations shall be considered to be outstanding whenever any loan commitment under the BF Documents is outstanding;
- (c) **“BF Documents”** means the BF Loan Agreement, the BF Security and all other agreements, documents and instruments executed in connection therewith, all as listed in Schedule A, as amended, modified, restated, supplemented or replaced from time to time in accordance with Section 3.3 herein;
- (d) **“CAD Equivalent”** means, at any time, the amount of Canadian Dollars which could be purchased from HSBC by the payment of a specified amount of US Dollars using HSBC’s spot rate for the purchase of Canadian Dollars quoted by HSBC’s treasury department at such time;
- (e) **“Collection Account”** means those certain deposit accounts, whether for Canadian Dollars or US Dollars, maintained by the Borrower from time to time with HSBC for the purpose of receiving and holding proceeds of Accounts of the Borrower;
- (f) **“Credit Facility 01”** has the meaning given to it in the BF Loan Agreement;
- (g) **“Credit Facility 02”** has the meaning given to it in the BF Loan Agreement;
- (h) **“Credit Facility 03”** has the meaning given to it in the BF Loan Agreement;
- (i) **“Creditors”** means collectively BF Lenders, the Government and HSBC, each of them a **“Creditor”**;
- (j) **“Distribution”** means, with respect to any indebtedness, obligation or security, (a) any payment or distribution by any person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness, obligation or security, (b) any redemption, purchase or other acquisition of such indebtedness, obligation or security by any person, or (c) the granting of any lien or security interest to or for the benefit of the holders of such indebtedness, obligation or security in or upon any property of any person;

- (k) “**Encumbrances**” means any and all liens, charges, mortgages, encumbrances, pledges, security interests, royalties, taxes, proxies and third party rights or any other encumbrances of any nature whatsoever, whether registered or unregistered;
- (l) “**Event of Default**” means the occurrence of any of the events of default specified in the BF Documents, the Government Documents, or the HSBC Documents, as applicable;
- (m) “**Government Obligations**” means all obligations, liabilities and indebtedness of every nature of the Borrower or any or all of the Credit Parties from time to time owed to the Government under the Government Documents, including, without limitation, the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, heretofore, now and from time to time hereafter owing, due or payable, whether before or after the filing of a Proceeding under any bankruptcy or insolvency law together with (a) any amendments, modifications, renewals or extensions and (b) any interest accruing thereon after the commencement of a Proceeding, without regard to whether or not such interest is an allowed claim. Government Obligations shall be considered to be outstanding whenever any loan commitment under the Government Documents is outstanding;
- (n) “**Government Documents**” means the Government Loan Agreement, the Government Security and all other agreements, documents and instruments executed in connection therewith, all as listed in Schedule B, as amended, modified, restated, supplemented or replaced from time to time in accordance with Section 3.3 herein;
- (o) “**HSBC Documents**” means the HSBC Facility Letter, the HSBC Security and all other agreements, documents and instruments executed in connection therewith, all as listed in Schedule C, as amended, modified, restated, supplemented or replaced from time to time in accordance with Section 3.3 herein;
- (p) “**HSBC Inventory Limit**” means USD\$2,000,000.00 (or the CAD Equivalent) or such greater amount as may be agreed in writing pursuant to Section 3.3(a), plus all interest thereon and any fees in relation thereto, payable in relation to the Operating Loan Facility;
- (q) “**HSBC Obligations**” means all obligations, liabilities and indebtedness of every nature of the Borrower or any of the Credit Parties from time to time owed to HSBC under the HSBC Documents, including, without limitation, the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, heretofore, now and from time to time hereafter owing, due or payable, whether before or after the filing of a Proceeding under any bankruptcy or insolvency law together with (a) any amendments, modifications, renewals or extensions and (b) any interest accruing thereon after the commencement of a Proceeding, without regard to whether or not such interest is an allowed claim. HSBC Obligations shall be considered to be outstanding whenever any loan commitment under the HSBC Documents is outstanding;

- (r) **“HSBC Receivables Limit”** means USD\$10,000,000.00 (or the CAD Equivalent thereof) or such greater amount as may be agreed in writing pursuant to Section 3.3, plus all interest thereon and any fees in relation thereto, payable in relation to the Receivables Financing Facility;
- (s) **“Inventory”** shall have the meaning given to it in the NL PPSA, provided that with respect to extracted minerals, Inventory for the purposes of this Agreement shall only include refined minerals (i.e., processed acid spar requiring no additional processing) and shall not include stockpiled and unrefined minerals;
- (t) **“Loan Documents”** means, collectively, the BF Documents, the Government Documents and the HSBC Documents, or any of them, as the context may require;
- (u) **“NL PPSA”** means the *Personal Property Security Act*, SNL 1998, c. P-7.1, as amended;
- (v) **“Obligations”** means, collectively, the BF Obligations, the Government Obligations and the HSBC Obligations, or any of them, as the context may require;
- (w) **“Operating Loan Facility”** means the demand operating revolving loan facility available in Canadian Dollars and US Dollars, established pursuant to the HSBC Documents;
- (x) **“Proceeding”** shall mean any voluntary or involuntary insolvency, bankruptcy, receivership, custodianship, liquidation, dissolution, reorganization, assignment for the benefit of creditors, appointment of a custodian, receiver, trustee or other officer with similar powers or any other proceeding for the restructuring, liquidation, dissolution or other winding up of any person;
- (y) **“Receivables”** shall mean all of the following now owned or hereafter arising or acquired property of a Credit Party:
 - (i) all Accounts;
 - (ii) all interest, fees, late charges, penalties, collection fees and other amounts due or to become due or otherwise payable in connection with any Account;
 - (iii) letters of credit, indemnities, guarantees, security or other deposits and proceeds (as such term is defined in the NL PPSA) thereof issued payable to such Credit Party or otherwise in favor of or delivered to such Credit Party in connection with any Account or Inventory; or
 - (iv) all other accounts and other forms of obligations owing to any Credit Party arising from the sale or lease of Inventory or Accounts or the rendition of services; and
 - (v) the Collection Account and the proceeds of all collected Receivables held therein;

- (z) **“Receivables Financing Facility”** means the recourse receivables financing facility available in Canadian Dollars and US Dollars, established pursuant to the HSBC Documents;
- (aa) **“Security”** means, collectively, the BF Security, the Government Security and the HSBC Security, as amended, modified or supplemented from time to time, in accordance with Section 3.3 herein or any of them, as the context may require.

1.2 **Effect of Amendment and Restatement.** This Agreement is intended to and does completely amend and restate, without novation, the Existing Intercreditor Agreement.

2. CONSENT

2.1 Consent.

(a) The BF Lenders hereby:

- (i) consent to the creation, issuance, delivery and perfection of the Government Security and the HSBC Security and the incurrence of the Government Obligations and the HSBC Obligations;
- (ii) waive any breach or default under the BF Documents which may arise by the creation, issuance, delivery or perfection of the Government Security or the HSBC Security or the incurrence of the Government Obligations or the HSBC Obligations; and
- (iii) acknowledge and declare that the Credit Parties are not now, nor shall the Credit Parties at any time in the future be deemed, by virtue of the creation, issuance, delivery or perfection of the Government Security or the HSBC Security or the incurrence of the Government Obligations or the HSBC Obligations, to be or have been in default under any of the BF Documents.

(b) The Government hereby:

- (i) consents to the creation, issuance, delivery and perfection of the BF Security and the HSBC Security and the incurrence of the BF Obligations and the HSBC Obligations where such consent is required by the Government Documents, including, without limitation, Subsection 14(g) and paragraph (r) of Schedule B of the Government Loan Agreement;
- (ii) waives any breach or default under the Government Documents which may arise by the creation, issuance, delivery or perfection of the BF Security or the HSBC Security or the incurrence of the BF Obligations or the HSBC Obligations; and
- (iii) acknowledges and declares that the Credit Parties are not now, nor shall the Credit Parties at any time in the future be deemed, by virtue of the creation, issuance, delivery or perfection of the BF Security or the HSBC Security or the incurrence of the BF Obligations or the HSBC Obligations, to be or have been in default under Government Documents, including without limitation, Section

11 of the Government Loan Agreement, Subsection 14(g) and paragraphs (r) and (s) of Schedule B of the Government Loan Agreement.

- (c) HSBC hereby:
- (i) consents to the creation, issuance, delivery and perfection of the BF Security and the Government Security and the incurrence of the BF Obligations and the Government Obligations;
 - (ii) waives any breach or default under the HSBC Documents which may arise by the creation, issuance, delivery or perfection of the BF Security or the Government Security or the incurrence of the BF Obligations or the Government Obligations; and
 - (iii) acknowledges and declares that the Credit Parties are not now, nor shall the Credit Parties at any time in the future be deemed, by virtue of the creation, issuance, delivery or perfection of the BF Security or the Government Security or the incurrence of the BF Obligations or the Government Obligations, to be or have been in default under any of the HSBC Documents.

3. POSTPONEMENT AND SUBORDINATION

3.1 **Priority.** The Credit Parties and the Creditors hereby agree as follows:

- (a) The BF Security shall:
- (i) have priority over the Government Security in relation to the BF Obligations in respect of Credit Facility 01 and Credit Facility 03;
 - (ii) be subordinate to the Government Security in relation to the BF Obligations in respect of Credit Facility 02;
 - (iii) be subordinate to the HSBC Security in relation to Inventory of the Credit Parties up to the HSBC Inventory Limit;
 - (iv) be subordinate to the HSBC Security in relation to Receivables of the Credit Parties up to the HSBC Receivables Limit; and
 - (v) in all other respects have priority over the HSBC Security;
- (b) The Government Security shall:
- (i) have priority over the BF Security in relation to the BF Obligations in respect of Credit Facility 02;
 - (ii) be subordinate to the BF Security in relation to the BF Obligations in respect of Credit Facility 01 and Credit Facility 03;
 - (iii) be subordinate to the HSBC Security in relation to Inventory of the Credit Parties up to the HSBC Inventory Limit;

- (iv) be subordinate to the HSBC Security in relation to Receivables of the Credit Parties up to the HSBC Receivables Limit; and
- (v) in all other respects have priority over the HSBC Security;
- (c) The HSBC Security shall:
 - (i) have priority over the BF Security and the Government Security in relation only to:
 - (A) the Inventory of the Credit Parties (in aggregate) up to the HSBC Inventory Limit; and
 - (B) the Receivables of the Credit Parties (in aggregate) up to the HSBC Receivables Limit;
 - (ii) in all other respects be subordinate to the BF Security and the Government Security.

3.2 The priorities established by this Agreement will apply in all circumstances regardless of:

- (a) the date or time of creation, execution, attachment or perfection of any security or security interests held by the Creditors;
- (b) the method for perfection of any of the Security;
- (c) the time or order of registration or filing of financing statements, real estate charges or other recording of any of the Security;
- (d) the date of any advance or advances made to the Credit Parties by the Creditors;
- (e) the date of default by the Borrower under any of Loan Documents or the dates of crystallization of any floating charges held by the Creditors;
- (f) any priority granted by any principle of law or any statute, including the NL PPSA;
- (g) the date of notice of an Event of Default.

For greater certainty, the subordination provided herein shall apply with respect to all registrations made against the Credit Parties by the Creditors in respect of the Security.

3.3 Amendments.

- (a) The Creditors, or any of them, and the Credit Parties shall not, without the prior written consent of the other Creditors, amend, modify, supplement, restate or replace any of the terms of their respective Loan Documents.
- (b) Notwithstanding the foregoing, the Creditors and the Credit Parties may, without having obtained prior written consent of the other Creditors, amend, modify, supplement, restate or replace any of the terms of their respective Loan Documents

provided that such amendment, modification, supplementation, restatement or replacement shall not:

- (i) increase the maximum aggregate principal amount of advances, credits or indebtedness available under their respective Loan Documents, whether or not outstanding or committed;
- (ii) increase the rate of interest or fees payable under their respective Loan Documents or take any action which would have similar economic effect; or
- (iii) make their respective Obligations in effect on the date of this Agreement more onerous in any material respect.

For greater certainty:

- (iv) nothing in this Section 3.3 shall require the consent of other the Creditors, or constitute a restriction or limitation in any manner whatsoever, respecting HSBC's exercise of its powers and entitlements pursuant to Section 12 (Lapse and Cancellation) of the HSBC Facility Letter; and
- (v) any amendments, modifications, supplementations, restatements or replacements of the Loan Documents that are within the scope of Subsections (i), (ii) or (iii) of this Section 3.3(b) shall require the consent of the other Creditors accordance with Section 3.3(a).

3.4 No Dispute. Each Creditor hereby agrees that it will not, directly or indirectly, dispute or contest the validity, enforceability, registration or perfection of the Security of the other Creditors.

3.5 Enforcement of Security. Each Creditor agrees that it will give the other Creditors prior written notice of its enforcement of its Loan Documents or its Security, as the case may be.

3.6 Payments before an Event of Default. Subject to Section 3.7 herein, the subordinations provided herein shall not prevent a Creditor from receiving any Distribution in accordance with the terms of its Loan Documents.

3.7 Payments after Event of Default. Any Distributions received by a Creditor after such Creditor has made demand under its Loan Documents or Security, or after an Event of Default under any of the Loan Documents or any of the Security, shall be deemed to be the proceeds of enforcement and such payment shall be held in trust by the receiving Creditor and be applied in accordance with Section 3.1 herein.

3.8 Insurance Proceeds. Any insurance proceeds received by Creditors or the Credit Parties in respect of the property, assets or undertaking of any Credit Party shall be dealt with according to the postponements and subordinations provided for under Section 3 of this Agreement as though such insurance proceeds were paid or payable as proceeds of realization of the property, assets or undertaking for which they compensate.

3.9 Liquidation, Dissolution, Bankruptcy. In the event of any Proceeding involving the Borrower or any one or more of the Credit Parties:

- (a) all proceeds received from the sale of any Inventory of the Credit Parties shall be paid to HSBC until the HSBC Obligations have been indefeasibly paid in full, or if the HSBC Obligations exceed the HSBC Inventory Limit, until HSBC has been paid up to the HSBC Inventory Limit indefeasibly in full in cash out of the proceeds of sale, before any Distribution, whether in cash, securities or other property, shall be made out of such proceeds of sale on account of any of the BF Obligations or the Government Obligations;
- (b) all proceeds received from the sale of any Receivables of the Credit Parties or from the collection of any Receivables of the Credit Parties shall be paid to HSBC until the HSBC Obligations have been indefeasibly paid in full, or if the HSBC Obligations exceed the HSBC Receivables Limit, until HSBC has been paid up to the HSBC Receivables Limit indefeasibly in full out of the proceeds of sale or collection, before any Distribution, whether in cash, securities or other property, shall be made out of such proceeds of sale or collection on account of any of the BF Obligations or the Government Obligations;
- (c) all BF Obligations in relation to Credit Facility 01 and Credit Facility 03 shall first be indefeasibly paid in full before any Distribution, whether in cash, securities or other property, shall be made on account of (i) any Government Obligations; and (ii) subject to Sections 3.9(a) and 3.9(b), any HSBC Obligations;
- (d) all Government Obligations shall first be indefeasibly paid in full before any Distribution, whether in cash, securities or other property, shall be made on account of (i) any BF Obligations in relation to Credit Facility 02; and (ii) any HSBC Obligations, subject to Sections 3.9(a) and 3.9(b);
- (e) subject to Sections 3.9(a) and 3.9(b), all BF Obligations in relation to Credit Facility 02 shall first be indefeasibly paid in full before any Distribution, whether in cash, securities or other property, shall be made on account of any HSBC Obligation;
- (f) subject to Sections 3.9(a) and 3.9(b), any Distribution, whether in cash, securities or other property which would otherwise, but for the terms hereof, be payable or deliverable in respect of the Government Obligations or the HSBC Obligations shall be paid or delivered directly to the BF Lenders (to be held and/or applied by BF Lenders in accordance with the terms of the BF Documents) until all BF Obligations in relation to Credit Facility 01 and Credit Facility 03 are indefeasibly paid in full. Each of the Government and HSBC irrevocably authorizes, empowers and directs any debtor, debtor in possession, receiver, trustee, liquidator, custodian, conservator or other person having authority, to pay or otherwise deliver all such Distributions to the BF Lenders;
- (g) subject to Sections 3.9(a) and 3.9(b), after payment in full of all BF Obligations in relation to Credit Facility 01 and Credit Facility 03, any Distribution, whether in cash, securities or other property which would otherwise, but for the terms hereof, be payable or deliverable in respect of the remaining BF Obligations or the HSBC Obligations shall be paid or delivered directly to the Government (to be held and/or applied by the Government in accordance with the terms of the Government Documents) until all Government Obligations are indefeasibly paid in full. Each of

the BF Lenders and HSBC irrevocably authorizes, empowers and directs any debtor, debtor in possession, receiver, trustee, liquidator, custodian, conservator or other person having authority, to pay or otherwise deliver all such Distributions to the Government; and

- (h) subject to Sections 3.9(a) and 3.9(b), after payment in full of all Government Obligations, any Distribution, whether in cash, securities or other property which would otherwise, but for the terms hereof, be payable or deliverable in respect of the HSBC Obligations shall be paid or delivered directly to the BF Lenders (to be held and/or applied by BF Lenders in accordance with the terms of the BF Documents) until all BF Obligations in relation to Credit Facility 02 are indefeasibly paid in full. HSBC irrevocably authorizes, empowers and directs any debtor, debtor in possession, receiver, trustee, liquidator, custodian, conservator or other person having authority, to pay or otherwise deliver all such Distributions to the BF Lenders.

4. REPRESENTATIONS, COVENANTS AND OTHER AGREEMENTS

- 4.1 **Authority to Grant Priority.** Each Creditor and each Credit Party represents that it has good right, full power and lawful authority to enter into this Agreement and all necessary resolutions have been passed and all other necessary steps have been taken to authorize the execution and delivery of this Agreement.
- 4.2 **Marshaling.** Each Creditor hereby waives any rights it may have under applicable laws to assert the doctrine of marshaling or to otherwise require another Creditor to marshal any property of the Credit Parties for its own benefit or the benefit of other creditors.
- 4.3 **Registration of this Agreement.** Each Creditor authorizes the other Creditor's solicitors to file appropriate registration documents in such jurisdictions as is reasonable so as to give effect to and/or notice of this Agreement and/or the agreement as to priority provided for herein (including financing change statements appropriately amending any financing statements previously filed by any Creditor in any personal property registry).
- 4.4 **Exchange of Information.** Each Creditor may, but will not be obligated to, from time to time upon request from the other Creditor provide any or all information (including confidential information) that it may have concerning the property subject to the Security or the business and affairs of the Credit Parties. Each Creditor shall from time to time upon request of the other Creditor provide any information it may have regarding the indebtedness of the Credit Parties to the other Creditors. The Credit Parties authorize and consent to this exchange of information.
- 4.5 **Assignment.** No Creditor may assign the Obligations owed to it without the applicable assignee first agreeing in writing with the parties hereto to be bound by this Agreement. No Credit Party may assign the Obligations owed by it without the applicable assignee first agreeing in writing with the parties hereto to be bound by this Agreement.
- 4.6 **Indulgences.** A Creditor may grant time, renewals, extensions, releases and discharges to, accept compositions from and otherwise deal with the Credit Parties as it may see fit, the whole without notice to any other party to this Agreement and without prejudice to or in any way limiting or affecting the rights of any other Creditor under this Agreement.

4.7 **Continuation of Subordination; Termination of Agreement.** This Agreement shall remain in full force and effect until the indefeasible payment in full in cash of each of the Obligations and the termination of all lending commitments under the Loan Documents after which this Agreement shall terminate without further action on the part of the parties hereto. Upon the payment in full in cash of any Obligation and the release of the applicable Security in relation thereto, the applicable Creditor shall be released and discharged from all liabilities and obligations under this Agreement, unless such payment was made in violation of the terms of this Agreement.

4.8 **Amendment and Waiver.** Neither this Agreement nor any provision hereof may be amended or waived in any respect except by an instrument in writing executed by the party against whom enforcement of the amendment or waiver is sought, provided that no consent of or execution by the Credit Parties will be necessary to any such amendment, waiver or termination unless the interests of them are directly adversely affected thereby.

4.9 **Communication.** No notice, consent or other communication in connection herewith will be effective unless it is in writing and is executed by the party giving the same or the party's authorized agent.

5. MISCELLANEOUS

5.1 **Governing Law.** This Agreement will be governed by the laws in effect in the Province and the federal laws of Canada applicable therein. This Agreement shall be treated in all respects as a Newfoundland and Labrador contract and the parties hereto submit to the jurisdiction of the courts of the Province.

5.2 **Notice of Default.** Each Creditor shall give prompt written notice to the other Creditors of the occurrence of any of the following events upon becoming aware of them:

- (a) Event of Default in respect of repayment obligations; or
- (b) material Event of Default of any other provision or covenant under Security or other agreement relating to their respective Loan Documents,

provided that no liability shall attach to a Creditor failing to give the other party written notice of such default.

5.3 **Notices.** Any notice or other communication required or permitted to be given under this Agreement shall be in writing and may be given by mailing the same by prepaid mail, by facsimile or electronic mail confirmed by return email by the intended recipient (not automatic reply) directed as follows:

- (a) to the BF Lenders:

Bridging Finance Inc.
77 King Street West Suite 2925
P.O. Box 322,
Toronto, ON M5K 1K7
Attention: Graham Marr
Facsimile: 1-888-920-9599

Email: gmarr@bridgingfinance.ca

(b) to the Government:

Government of Newfoundland and Labrador
Department of Tourism, Culture, Industry and Innovation
P.O. Box 8700, 2nd Floor
Confederation Building (West Block)
St. John's, NL A1B 4J6
Attention: Minister
Facsimile: 709-729-0654

(c) to HSBC:

HSBC Bank Canada
205 Water Street
St. John's, NL A1C 1B4
Attention: James Bowne
Facsimile: 709-722-4026
Email: james_bowne@hsbc.ca

(d) to the Credit Parties:

c/o Canada Fluorspar (NL) Inc.
Suite 605, 140 Water Street
St. John's, NL A1C 6J4
Attention: Paul Coombs
Facsimile: 709-873-3335
Email: pcoombs@canadafluorspar.com

- 5.4 **Successors and Assigns.** This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 5.5 **Further Assurances.** Each of the parties hereto covenants and agrees that it will sign and it will cause its successors and permitted assigns to sign such further agreements, and do and perform or cause to be performed such further and other acts and things as may be necessary or desirable from time to time in order to give full effect to this Agreement and every part hereof.
- 5.6 **Severability.** The invalidity or unenforceability of any provision of this Agreement will not affect the remaining provisions or the remainder of the impugned provision.
- 5.7 **Non-Waiver of Rights.** Nothing contained herein impairs or affects the obligations of the Credit Parties or prevents any Creditor from exercising any or all remedies otherwise permitted by law.
- 5.8 **Number and Gender.** Unless the context otherwise requires, words importing the singular will include the plural and vice versa, and words importing gender will include all genders.

- 5.9 **Headings.** Headings have been inserted for convenience of reference only and are not to affect interpretation.
- 5.10 **Entire Agreement.** This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all oral agreements, undertakings and understandings among the parties with respect to the subject matter hereof.
- 5.11 **Counterparts.** This Agreement may be executed in any one or more counterparts, each of which when delivered (including by way of email or .pdf format) will be deemed to be an original and all of which together will constitute one and the same document.

[Remainder of page intentionally left blank. Signature pages to follow.]

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP,**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

Witness
Notary Public (affix seal)

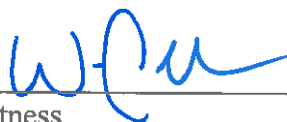
Per: _____
Name:
Position:

HSBC BANK CANADA

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

CANADA FLUORSPAR (NL) INC.

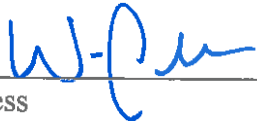


Witness
Notary Public (affix seal)


Per: 
Name: *Paul Coombs*
Position: *officer*

NEWSPAR, by its partners

CANADA FLUORSPAR (NL) INC.

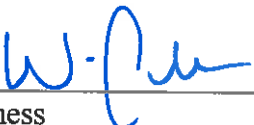


Witness
Notary Public (affix seal)

Per: 

Name: Paul cosmbs
Position: officer

CFI NEWSPAR HOLDINGS INC.

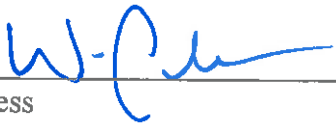


Witness
Notary Public (affix seal)


Per: 

Name: Paul cosmbs
Position: officer

CANADA FLUORSPAR INC.

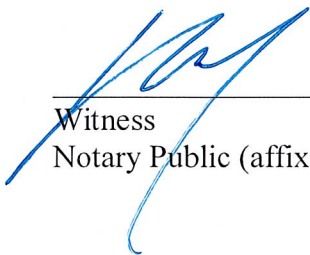


Witness
Notary Public (affix seal)

Per: 

Name: Paul cosmbs
Position: officer


IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.



Witness
Notary Public (affix seal)



BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP,**

Per: 

Name: *Graham Mann*
Position: *Portfolio Manager*

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HSBC BANK CANADA

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

CANADA FLUORSPAR (NL) INC.

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

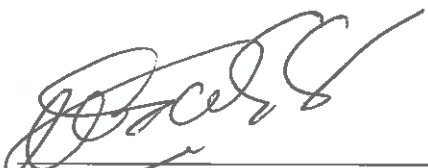
IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP,**


Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**



Witness
Notary Public (affix seal)
WILLIAM D. WOOLRIDGE
A Commissioner for Oaths in and for the Province of Newfoundland and Labrador.
My commission expires on December 31, 2019.

Per: 
Name: **TED LOMOND**
Position: **DEPUTY MINISTER**

HSBC BANK CANADA

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

CANADA FLUORSPAR (NL) INC.

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP,**

Witness
Notary Public (affix seal)


Per: _____
Name:
Position:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**



Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HSBC BANK CANADA



Witness
Notary Public (affix seal)

Per:  
Name: **JAMES BOWNE** **Karen Shaw**
Position: Assistant Vice President Account Manager, Corporate Banking
Corporate Banking

Geoffrey Davis-Abraham
A Barrister of the Supreme Court
of Newfoundland and Labrador

CANADA FLUORSPAR (NL) INC.

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

SCHEDULE A

BF Security

1. Collateral Debenture dated as of the 31st day of January, 2017 by the Borrower and Newspar in favour of the BF Lenders, registered at Registration No. 801734 of the Registry of Deeds for the Province of Newfoundland and Labrador and Volume 33 Folio 46 at the Mineral Claims Records Office for the Province of Newfoundland and Labrador, as amended by Amendment and Confirmation of Collateral Debenture dated as of the 1st day of August, 2017, registered at Registration No. 825066 of the Registry of Deeds for the Province of Newfoundland and Labrador and at Volume 33 Folio 65 at the Mineral Claims Records Office for the Province of Newfoundland and Labrador;
2. General Security Agreement dated as of the 31st day of January, 2017 by the Borrower and Newspar in favour of Bridging Finance Inc., registered at Volume 33 Folio 47 at the Mineral Claims Records Office for the Province of Newfoundland and Labrador and financing statements in relation thereto are registered in the Personal Property Security Registry for the Province of Newfoundland and Labrador at Registration No. 14667497, as amended by Registration Nos. 14712368, 15199193 and 15667934, and at Registration Nos. 14667521, as amended by Registration Nos. 14712517, 15199169, 15667884 as amended by Amendment and Confirmation of General Security Agreement dated as of the 1st day of August, 2017, registered at Volume 33, Folio 66 at the Mineral Claims Records Office for the Province of Newfoundland and Labrador;
3. Power of Attorney dated as of the 31st day of January, 2017 by the Borrower in favour of Bridging Finance Inc.;
4. Power of Attorney dated as of the 31st day of January, 2017 by Newspar in favour of Bridging Finance Inc.;
5. Assignment of Insurance Proceeds dated as of the 1st day of August, 2017 by the Borrower and Newspar in favour of Bridging Finance Inc., as agent for Sprott Bridging Income Fund LP;
6. Guarantee dated as of the 31st day of January, 2017 by CFI in favour of Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, as amended by Amendment and Confirmation of Security Agreement dated as of the 1st day of August, 2017 between CFI, Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, the Borrower and Newspar; and
7. Pledge Agreement dated as of the 31st day of January, 2017 by CFI in favour of Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, as amended by Amendment and Confirmation of Security Agreement dated as of the 1st day of August, 2017 between CFI, Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, the Borrower and Newspar.

SCHEDULE B

Government Security

1. General Security Agreement dated as of the 31st day of May, 2017 by the Borrower, Newspar and CFI in favour of Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, registered at Volume 33 Folio 59 at the Mineral Claims Records Office for the Province of Newfoundland and Labrador and a financing statement in relation thereto is registered in the Personal Property Security Registry for the Province of Newfoundland and Labrador at Registration No. 14986145, as amended at Registration No. 15667900;
2. Direct, Fixed and Floating Charge Debenture dated as of the 31st day of May, 2017 by the Borrower, Newspar and CFI in favour of Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, registered at Registration No. 816919 of the Registry of Deeds for the Province of Newfoundland and Labrador and at Volume 33 Folio 58 at the Mineral Claims Records Office; and
3. Subordination Agreement dated as of the 31st day of May, 2017 by Golden Gate Capital Opportunity Fund, L.P., by its general partner GGC Opportunity Fund Management GP, Ltd., the Borrower, Newspar and CFI in favour of Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation.

SCHEDULE C

HSBC Security and other HSBC Documents

1. Agreement for USD Line of Credit by way of Current Account Overdraft dated as of the 25th day of May, 2018 by the Borrower in favour of HSBC;
2. Agreement for CAD Line of Credit by way of Current Account Overdraft dated 25th day of May, 2018 by the Borrower in favour of HSBC;
3. Guarantee and postponement of claims in an unlimited amount dated as of the 25th day of May by CFI in favour of HSBC, respecting the indebtedness of the Borrower to HSBC;
4. Guarantee and postponement of claims in an unlimited amount dated as of the 25th day of May, 2018 by Newspar in favour of HSBC, respecting the indebtedness of the Borrower to HSBC;
5. ISDA (International Swaps and Derivatives Association) Agreement and related schedules dated as of the 25th day of May, 2018 by the Borrower in favour of HSBC;
6. General Security Agreement dated as of the 25th day of May, 2018 by the Borrower in favour of HSBC;
7. General Security Agreement dated as of the 25th day of May, 2018 by CFI in favour of HSBC;
8. General Security Agreement dated as of the 25th day of May, 2018 by Newspar, a general partnership under the laws of the Province of Newfoundland and Labrador, in favour of HSBC;
9. Assignment of Insurance dated as of the 25th day of May, 2018 by the Borrower in favour of HSBC;
10. Trade Invoice Recourse Financing Facility Agreement dated as of the 25th day of May, 2018 by the Borrower in favour of HSBC;
11. Agreement for Foreign Exchange Contracts dated as of the 25th day of May by the Borrower in favour of HSBC;
12. Assignment and Postponement Agreement dated as of the 25th day of May by CFI in favour of HSBC;
13. Assignment and Postponement Agreement dated as of the 25th day of May, 2018 by Newspar in favour of HSBC;
14. LIBOR Agreement dated as of the 25th day of May, 2018 by the Borrower in favour of HSBC;
15. Acknowledgement and Consent Agreement dated the 25th day of May, 2018 between the Borrower, CFI, Newspar and HSBC; and

16. Amending Agreement dated as of the 25th day of May, 2018 between the Borrower, CFI, Newspar and HSBC.

**BRIDGING FINANCE INC. on its own behalf and as agent for
SPROTT BRIDGING INCOME FUND LP**

- and -

**HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR,
as represented by the Minister of Tourism, Culture, Industry and Innovation**

- and -

HSBC BANK CANADA

- and -

CANADA FLUORSPAR (NL) INC.

- and -

**NEWSPAR, by its partners CANADA FLUORSPAR (NL) INC. and CFI NEWSPAR
HOLDINGS INC.**

- and -

CANADA FLUORSPAR INC.

**CONSENT AND AMENDMENT AGREEMENT
RESPECTING SECTION 1.1(r), SECTION 3.3 AND SECTION
4.8 OF AN AMENDED AND RESTATED INTERCREDITOR
AGREEMENT DATED MAY 25, 2018**

Dated as of ___ day of April, 2020

CONSENT AND AMENDMENT AGREEMENT

THIS AGREEMENT is dated as of the ___ day of April, 2020.

AMONG: **BRIDGING FINANCE INC.**, a company incorporated and existing under the laws of Canada, on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP**

(collectively, the “**BF Lenders**”)

AND: **HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR**, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

(the “**Government**”)

AND: **HSBC BANK CANADA**, a bank named in Schedule II to the *Bank Act*, SC 1991, c 46

(“**HSBC**”)

AND: **CANADA FLUORSPAR (NL) INC.**, a company incorporated and existing under the laws of the Province of Newfoundland and Labrador

(the “**Borrower**”)

AND: **NEWSPAR**, a general partnership formed under the laws of the Province of Newfoundland and Labrador, by its partners **CANADA FLUORSPAR (NL) INC.** and **CFI NEWSPAR HOLDINGS INC.**

(“**Newspar**”)

AND: **CANADA FLUORSPAR INC.**, a body corporate, existing pursuant to the laws of the Province of Ontario

(“**CFI**” and together with the Borrower and Newspar, the “**Credit Parties**” and each a “**Credit Party**”)

WHEREAS:

- A. HSBC and the Credit Parties have previously entered into a Facility Letter dated as of August 28, 2018 (as such agreement may have been amended, supplemented, or otherwise modified from time to time, the “**Facility Agreement**”) being a replacement of a previous facility letter between HSBC and the Credit Parties dated October 24, 2017;
- B. HSBC and the Borrower have previously entered into a Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 (as such agreement may have been amended, supplemented, or otherwise modified from time to time, the “**RF Agreement**”);

C. The Credit Parties, the BF Lenders, the Government and HSBC are parties to an Amended and Restated Intercreditor Agreement dated as of May 25, 2018 (the "ARIA");

D. Section 1.1(r) of the ARIA provides that:

"HSBC Receivables Limit" means USD\$10,000,000.00 (or the CAD Equivalent thereof) or such greater amount as may be agreed in writing pursuant to Section 3.3, plus all interest thereon and any fees in relation thereto, payable in relation to the Receivables Financing Facility;

E. Section 3.3 of the ARIA provides:

3.3 Amendments.

- (a) The Creditors, or any of them, and the Credit Parties shall not, without the prior written consent of the other Creditors, amend, modify, supplement, restate or replace any of the terms of their respective Loan Documents.
- (b) Notwithstanding the foregoing, the Creditors and the Credit Parties may, without having obtained prior written consent of the other Creditors, amend, modify, supplement, restate or replace any of the terms of their respective Loan Documents provided that such amendment, modification, supplementation, restatement or replacement shall not:
 - (i) increase the maximum aggregate principal amount of advances, credits or indebtedness available under their respective Loan Documents, whether or not outstanding or committed;
 - (ii) increase the rate of interest or fees payable under their respective Loan Documents or take any action which would have similar economic effect; or
 - (iii) make their respective Obligations in effect on the date of this Agreement more onerous in any material respect.

For greater certainty:

- (iv) nothing in this Section 3.3 shall require the consent of other the Creditors, or constitute a restriction or limitation in any manner whatsoever, respecting HSBC's exercise of its powers and entitlements pursuant to Section 12 (Lapse and Cancellation) of the HSBC Facility Letter; and
- (v) any amendments, modifications, supplementations, restatements or replacements of the Loan Documents that are within the scope of Subsections (i), (ii) or (iii) of this Section 3.3(b) shall require the consent of the other Creditors accordance with Section 3.3(a).

F. Section 4.8 of the ARIA provides:

- 4.8 **Amendment and Waiver.** Neither this Agreement nor any provision hereof may be amended or waived in any respect except by an instrument in writing executed by the party against whom enforcement of the amendment or waiver is sought, provided that no consent of or execution by the Credit Parties will be necessary to any such amendment, waiver or termination unless the interests of them are directly adversely affected thereby.
- G. HSBC has issued to the Borrower and the Borrower has accepted an amendment of the Facility Letter, which amendment is dated February 27, 2020 (subject to receipt of the consent of BF Lenders and the Government in accordance with the provisions of Section 3.3 of the ARIA on the terms and conditions contained herein), a true copy of which amendment is attached hereto at Schedule A and forms part and parcel hereof (the “**HSBC Amended Facility Letter**”);
- H. HSBC and the Borrower have entered into a Third Amendment to the RF Agreement dated as of February 17, 2020 (subject to receipt of the consent of BF Lenders and the Government in accordance with the provisions of Section 3.3 of the ARIA on the terms and conditions contained herein) and true copies of RF Agreement and all amendments thereto are attached hereto at Schedule B and form part and parcel hereof (the “**Amended RF Agreement**”); and
- I. The HSBC Amended Facility Letter and the Amended RF Agreement amend, modify, supplement, restate or replace terms of certain of the HSBC Documents (as that terms is defined in the ARIA) and the Credit Parties and HSBC have requested the BF Lenders and the Government to enter into this Agreement to record their consent to the HSBC Amended Facility Letter and the Amended RF Agreement in accordance with the provisions of Section 3.3 of the ARIA;

NOW THEREFORE, in consideration of the promises contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

1. AMENDMENTS

1.1 The ARIA is hereby amended as follows:

(a) Section 1.1(r) is hereby deleted in its entirety and replaced with the following:

“**HSBC Receivables Limit**” means USD\$20,000,000.00 (or the CAD Equivalent thereof) or such greater amount as may be agreed in writing pursuant to Section 3.3, plus all interest thereon and any fees in relation thereto, payable in relation to the Receivables Financing Facility;

1.2 **Confirmation.** Except as set forth in this Agreement, all of the terms of the ARIA are and remain unchanged and the ARIA, except as amended by this Agreement, is hereby ratified and confirmed.

2. CONSENT

2.1 The BF Lenders hereby:

- (a) consent to the creation, issuance, delivery and/or perfection of the HSBC Amended Facility Letter and the Amended RF Agreement;
- (b) consent to the HSBC Receivables Limit (as that term was defined in the ARIA) being increased from USD\$10,000,000.00 (or the CAD Equivalent thereof) to the greater amount of USD\$20,000,000.00 (or the CAD Equivalent thereof);
- (c) waive any breach or default under the BF Documents (as that terms is defined in the ARIA) which may arise by the creation, issuance, delivery or perfection of the HSBC Amended Facility Letter and the Amended RF Agreement;
- (d) acknowledge and declare that the HSBC Security (as that terms is defined in the ARIA) shall be deemed to include the Amended RF Agreement;
- (e) acknowledge and declare that the HSBC Documents (as that terms is defined in the ARIA) shall be deemed to include the HSBC Amended Facility Letter and the Amended RF Agreement; and
- (f) acknowledge and declare that the Credit Parties are not now, nor shall the Credit Parties at any time in the future be deemed, by virtue of the creation, issuance, delivery or perfection of the HSBC Amended Facility Letter and the Amended RF Agreement to be or have been in default under any of the BF Documents (as that terms is defined in the ARIA).

2.2 The Government hereby:

- (a) consents to the creation, issuance, delivery and/or perfection of the HSBC Amended Facility Letter and the Amended RF Agreement;
- (b) consents to the HSBC Receivables Limit (as that term was defined and used in the ARIA) being increased from USD10,000,000.00 (or the CAD Equivalent thereof) to the greater amount of USD20,000,000.00 (or the CAD Equivalent thereof);
- (c) waives any breach or default under the Government Documents (as that terms is defined in the ARIA) which may arise by the creation, issuance, delivery or perfection of the HSBC Amended Facility Letter and the Amended RF Agreement;
- (d) acknowledges and declares that the HSBC Security (as that terms is defined in the ARIA) shall be deemed to include the Amended RF Agreement;
- (e) acknowledges and declares that the HSBC Documents (as that terms was defined in the ARIA) shall be deemed to include the HSBC Amended Facility Letter and the Amended RF Agreement; and
- (f) acknowledges and declares that the Credit Parties are not now, nor shall the Credit Parties at any time in the future be deemed, by virtue of the creation, issuance, delivery or perfection of the HSBC Amended Facility Letter and the Amended RF Agreement to be or have been in default under any of the Government Documents (as that terms is defined in the ARIA).

3. **MISCELLANEOUS**

- 3.1 **Governing Law.** This Agreement will be governed by the laws in effect in the Province and the federal laws of Canada applicable therein. This Agreement shall be treated in all respects as a Newfoundland and Labrador contract and the parties hereto submit to the jurisdiction of the courts of the Province.
- 3.2 **Successors and Assigns.** This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 3.3 **Further Assurances.** Each of the parties hereto covenants and agrees that it will sign and it will cause its successors and permitted assigns to sign such further agreements, and do and perform or cause to be performed such further and other acts and things as may be necessary or desirable from time to time in order to give full effect to this Agreement and every part hereof.
- 3.4 **Severability.** The invalidity or unenforceability of any provision of this Agreement will not affect the remaining provisions or the remainder of the impugned provision.
- 3.5 **Number and Gender.** Unless the context otherwise requires, words importing the singular will include the plural and vice versa, and words importing gender will include all genders.
- 3.6 **Headings.** Headings have been inserted for convenience of reference only and are not to affect interpretation.
- 3.7 **Counterparts.** This Agreement may be executed in any one or more counterparts, each of which when delivered (including by way of email or .pdf format) will be deemed to be an original and all of which together will constitute one and the same document.

[Remainder of page intentionally left blank. Signature pages to follow.]

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP**



Per: _____
Name: Graham Marr
Position: Portfolio Manager

Witness
Notary Public (affix seal)

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

Per: _____
Name: _____
Position: _____

Witness
Notary Public (affix seal)

HSBC BANK CANADA

Per: _____
Name: _____
Position: _____

Witness
Notary Public (affix seal)

Per: _____
Name: _____
Position: _____

Witness
Notary Public (affix seal)

CANADA FLUORSPAR (NL) INC.

Per: _____
Name: _____
Position: _____

Witness
Notary Public (affix seal)

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

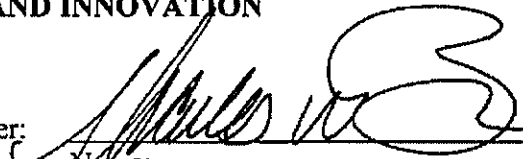
BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

Witness
Notary Public (affix seal)

Per: 
Name:
Position:

HSBC BANK CANADA

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

CANADA FLUORSPAR (NL) INC.

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

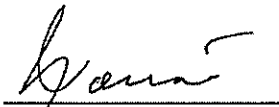
HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HSBC BANK CANADA

Witness
Notary Public (affix seal)

Per: 
Name: **JAMES BOWNE**
Position: Assistant Vice President
Corporate Banking

Witness
Notary Public (affix seal)

Per: 
Name: **Karen Shaw**
Position: Account Manager, Corporate Banking

CANADA FLUORSPAR (NL) INC.

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories as of the date first shown above.

BRIDGING FINANCE INC. on its own behalf and as agent for **SPROTT BRIDGING INCOME FUND LP**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by the **MINISTER OF TOURISM, CULTURE, INDUSTRY AND INNOVATION**

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

HSBC BANK CANADA

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:

Witness
Notary Public (affix seal)

Per: _____
Name:
Position:


CANADA FLUORSPAR (NL) INC.

Witness
Notary Public (affix seal)

Per: *CW*
Name: **CASEY WALSH**
Position: **DIRECTOR**


NEWSPAR, by its partners

CANADA FLUORSPAR (NL) INC.

Per: 
Name: CASEY WALSH
Position: DIRECTOR


Witness
Notary Public (affix seal)

CFI NEWSPAR HOLDINGS INC.

Per: 
Name: CASEY WALSH
Position: DIRECTOR

Witness
Notary Public (affix seal)

CANADA FLUORSPAR INC.

Per: 
Name: CASEY WALSH
Position: DIRECTOR

Witness
Notary Public (affix seal)

SCHEDULE A
HSBC AMENDED FACILITY LETTER



February 27, 2020

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

PRIVATE & CONFIDENTIAL

Attention: Casey Walsh

Dear Sir:

We refer to the facility letter (including the schedules and appendices thereto) dated August 28, 2018, as amended from that date to the date hereof (as further amended by this agreement, the "**Facility Letter**") between HSBC Bank Canada (the "**Bank**") and Canada Fluorspar (NL) Inc. (the "**Borrower**"). On the basis of the financial information and other information, representations, warranties and documents provided to the Bank, the Bank has agreed, at the request of the Borrower, to continue to provide the Credit Facilities and to amend certain terms and conditions of the Facility Letter all as more particularly set out below. This agreement does not amend or supersede any other agreements between the parties respecting other products and services provided by the Bank unless specifically stated otherwise.

1. Amendments to the Facility Letter

As of the date hereof, the following terms of the Facility Letter shall be as follows:

1.1 Section 1 of the Facility Letter is deleted and replaced in its entirety with the following:

1. **Operating Loan Facility**

1.1 Amount

Demand operating revolving loan facility ("**Operating Loan Facility**") available by way of any of the types of advances and other credit described in Section 1.3 (below) up to but not exceeding in aggregate (for all such types of advances and other credit) USD 2,000,000, subject to the Maximum Limit.

1.2 Purpose

To assist in financing the day-to-day operating requirements of the Borrower.

1.3 Availability

Loan advances and other credit under the Operating Loan Facility ("**Operating Loans**") are available subject to the Maximum Limit as follows:

- (a) CAD account overdraft up to an aggregate principal amount not exceeding CAD 2,640,000 ("**CAD Overdraft Loans**"); or
- (b) USD account overdraft up to an aggregate principal amount not exceeding USD 2,000,000 ("**USD Overdraft Loans**").

The Borrower shall ensure that the aggregate US Dollar Equivalent of all amounts advanced and credits outstanding under the Operating Loan Facility shall at no time exceed the Maximum Limit.

1.4 Repayment

All amounts advanced and outstanding under the Operating Loan Facility shall be repaid on demand by the Bank.

1.5 Interest

Until demand for payment is made by the Bank, interest on the outstanding principal balance of all Loans and other credit advanced under the Operating Loan Facility shall, unless otherwise provided, be calculated and payable as follows:

- (a) for CAD Overdraft Loans, the Bank's Prime Rate plus 1.25% per annum on the basis of a year of 365 days, calculated monthly in arrears on the daily balance on the last day of each month, payable on the first Business Day of the following month; or
- (b) for USD Overdraft Loans, the Bank's U.S. Base Rate plus 1.25% per annum on the basis of a year of 360 days, calculated monthly in arrears on the daily balance on the last day of each month, payable on the first Business Day of the following month.

1.6 Fees

The Borrower shall pay to the Bank:

- (a) an administration fee of CAD 250 payable on the first Business Day of each month with respect to the previous month; and
- (b) an annual review fee equal to 0.15% of the aggregate amount of the authorized Operating Loan Facility.

1.2 Section 3 of the Facility Letter is deleted and replaced in its entirety with the following:

3. Foreign Exchange Facility

3.1 Amount

Demand revolving foreign exchange facility up to a permitted maximum of USD 35,606,060 (the "Foreign Exchange Facility Limit").

3.2 Purpose

To hedge against currency fluctuations of the Borrower in the normal course of business and not for speculative purposes.

3.3 Availability

Advances are available to purchase foreign exchange forward contracts for major currencies identified and approved by the Bank from time to time for periods up to one year, subject to an overall maximum aggregate USD Equivalent outstanding face value not exceeding the Foreign Exchange Facility Limit.

3.4 Repayment:

All liabilities of the Bank under foreign exchange forward contracts shall be paid by the Borrower on demand by the Bank and, unless and until otherwise demanded, such contracts shall be fulfilled by the Borrower as they fall due.

- 1.3 A new Section, numbered Section 5.3, shall be added to the Facility Letter immediately after Section 5.2, as follows:

5.3 The liability, indebtedness and obligations of the Borrower and the Guarantors under all of the Credit Facilities shall continue to be evidenced, governed and secured, as the case may be, by the Loan Documents previously delivered by the Borrower and Guarantors pursuant to the Facility Letter, including those outlined in Section 5.1 of the Facility Letter, the continuing validity of which is hereby acknowledged by the Borrower and Guarantors unless otherwise released by the Bank as specified in the next Section below (if any), together with the following additional documents and any other required loan or security documents, including this agreement, completed and signed in a form and manner satisfactory to the Bank:

- (a) the Bank's standard documentation in connection with the provision of trade finance facilities and the issuance of DCs, LGs and/or other trade finance instruments;

- 1.4 Section 6 of the Facility Letter is deleted and replaced in its entirety with the following:

6. Conditions Precedent

In addition to the conditions precedent set out in Schedule A, it shall be a condition precedent to the next advance and the continued availability of the Credit Facilities that the Bank shall have received in form and content satisfactory to the Bank:

- (a) the Loan Documents, duly authorized, executed and delivered, and, as relevant, duly registered;
- (b) copies of all Material Agreements (if any) and such other documents as the Bank may reasonably request; and
- (c) a consent/approval agreement between the Bank, Bridging Finance Inc. and Sprott Bridging Income Fund LP, Her Majesty in Right of Newfoundland and Labrador and/or the credit parties, in form and content satisfactory to the Bank, providing all express written consents and approvals for this amendment letter and the Trade Invoice Recourse Receivables Financing Facility (as amended) as required pursuant to Section 3.3 of the intercreditor agreement dated May 25, 2018.

- 1.5 Section 7 (a) of the Facility Letter is deleted and replaced in its entirety with the following:

7. Covenants and Conditions

- (a) Without limiting the Bank's right to demand repayment of any outstanding amounts, the Borrower covenants and agrees with the Bank that it shall not, without the prior written consent of the Bank:
 - (i) permit the ratio of Debt to TNW of the Borrower to at any time exceed 3.00 to 1.00;
 - (ii) permit the TNW of the Borrower to at any time be less than CAD 40,000,000; and

- (iii) permit the Debt Service Coverage of the Borrower to be less than 1.10 to 1.00 from the date of this Facility Letter until December 31st, 2020 and 1.20 to 1.00 from January 1st, 2021 and thereafter.

The Borrower agrees that the foregoing financial tests may be calculated periodically by the Bank using financial statements provided by the Borrower or with such other statements as the Bank may agree to use from time to time. Any amounts not in CAD shall be calculated at the Canadian Dollar Equivalent.

1.6 Section 8 of the Facility Letter is deleted and replaced in its entirety with the following:

8. **Reporting Requirements**

The continued availability of the Credit Facilities is subject to the Borrower delivering to the Bank the following reports in a form and on a frequency acceptable to the Bank as advised by the Bank from time to time:

- (a) within 30 days of each calendar month end:
 - (i) an aged list of accounts receivable of the Borrower;
 - (ii) an aged list of accounts payable of the Borrower;
 - (iii) an internally-prepared income statement and balance sheet for the Borrower;
 - (iv) a signed certificate of margin compliance in the form requested by the Bank;
- (b) quarterly, within 30 days of each quarter end:
 - (i) a signed certificate of covenant compliance in the form requested by the Bank;
- (c) annually, within 90 days of the Borrower's fiscal year end:
 - (i) on a consolidated basis audited financial statements for Canada Fluorspar Inc.;
 - (ii) on a consolidated basis internally prepared financial statements for the Borrower;
 - (iii) *pro forma* financial statements, cash flow forecast and budget (including balance sheet, income statement and cash flow statement) for the next two fiscal years of the Guarantors demonstrating the ability of the Borrower to comply with the financial terms and conditions of this Facility Letter on a monthly basis; and
- (d) such additional financial statements and information as and when requested by the Bank.

2. Interpretation

All capitalized terms herein, unless otherwise expressly defined herein, shall have the meaning ascribed to them in the Facility Letter.

The Facility Letter and the Loan Documents shall henceforth be read and construed in conjunction with this agreement; and the Facility Letter and this agreement shall henceforth have effect as far as practicable as though the provisions thereof were contained in one instrument.

All the terms, conditions and provisions of the Facility Letter not otherwise amended by this agreement shall remain unchanged and have full force and effect.

3. Continuation of Facility Letter

Each Credit Party agrees that this agreement constitutes an amendment to the Facility Letter and that accordingly, in this agreement the term "Facility Letter" means the Facility Letter as amended by this agreement.

4. Representations and Warranties

Each Credit Party confirms the representations and warranties made by it in the Facility Letter remain true and accurate as of the date hereof.

5. General Provisions

5.1 Governing Law

This agreement is governed by the laws of the Governing Jurisdiction.

5.2 Language Choice

The parties hereto have requested that this agreement and any document relating thereto be drafted in English. Les parties aux présentes ont exigé que cette convention et tout document y afférent soient rédigés en anglais.

6. Novation

It is expressly understood and agreed between the parties hereto that this agreement does not constitute a novation of the terms and conditions of the Credit Facilities, the Facility Letter or the other Loan Documents, the Bank hereby reserving all of its rights and recourses under the Credit Facilities, the Facility Letter and the other Loan Documents. Nothing set forth in this agreement shall, except as specifically set forth herein, be construed as altering the obligations of the Borrower and the Guarantors under the Credit Facilities, the Facility Letter and the other Loan Documents. Nothing herein shall in any way release the Borrower and the Guarantors from their obligations to the Bank under the Credit Facilities, the Facility Letter and the other Loan Documents.

7. Acknowledgment of Other Facilities

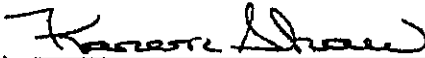
The parties acknowledge that the Bank has made a Receivables Finance credit facility available to the Customer that is subject to and governed by other agreements between the parties currently in the amount of USD10,000,000, to be increased to USD20,000,000. The terms and conditions of this Facility Letter do not amend nor supersede such other agreements.


8. Acceptance

Kindly confirm acceptance and agreement to the terms and conditions of this agreement by the Borrower signing, dating and delivering a copy of this letter, also acknowledged by the Guarantors to the Bank by 5:00 p.m. local time on March 20, 2020.

Yours truly,

HSBC BANK CANADA


per: 
James Bowne
Assistant Vice President
Corporate Banking

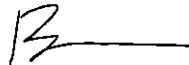
Per: 
W. Craig Logan
Head of Corporate Banking
Atlantic Canada

The undersigned hereby acknowledge(s) and agree(s) to the terms and conditions of this agreement as of the 28 day of FEBRUARY, 2020.

BORROWER:


Canada Fluorspar (NL) Inc.

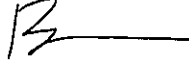
Per: 
Authorized Signatory
Title: DIRECTOR
Name: CASEY WASHIT

Per: 
Authorized Signatory
Title: Director
Name: Bill Dobbs


GUARANTORS:

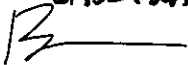
Canada Fluorspar Inc.

Per: 
Authorized Signatory
Title: DIRECTOR
Name: CASEY WASHIT

Per: 
Authorized Signatory
Title: Director
Name: Bill Dobbs

**Canada Fluorspar (NL) Inc. and CFI Newspaper Holdings Inc.,
carrying on business in partnership as Newspaper**

Per: 
Authorized Signatory
Title: **DIRECTOR**
Name: **CASEY WALSH**

Per: 
Authorized Signatory
Title: Director
Name: Bill Dobbs

SCHEDULE B
AMENDED RF AGREEMENT

TRADE INVOICE RECOURSE FINANCING FACILITY AGREEMENT

TRADE INVOICE RECOURSE FINANCING FACILITY AGREEMENT (as it may be amended, modified or supplemented from time to time, this "Agreement") is made as of May 25, 2018 (the "Effective Date"), between Canada Fluorspar (NL) Inc., a corporation governed by the laws of Newfoundland and Labrador, (the "Customer"), and HSBC BANK CANADA (the "Bank").

RECITALS

WHEREAS, the Customer is a supplier of goods or services to each account debtor listed on Schedule 1 hereto (each an "Account Debtor" and, collectively, the "Account Debtors") and is the legal and beneficial owner of Receivables (as hereinafter defined) payable by each such Account Debtor to the Customer; and

WHEREAS, the Customer has requested the Bank to provide financing to the Customer in connection with certain Receivables from time to time, and the Bank may be willing to provide financing to the Customer for such Receivables, in which case the terms set forth herein shall apply to such financing.

THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS.** Certain capitalized terms used in this Agreement shall have the meanings given to those terms in Exhibit A attached hereto and thereby incorporated herein.
2. **FINANCING.**
 - (a) Advance Request. Commencing on the Effective Date and ending on the Termination Date, the Customer may from time to time submit invoices or information in respect of Proposed Receivables to the Bank. Following the submission of such invoices and/or information in respect of Proposed Receivables to the Bank, the Customer may from time to time request that the Bank provide financing to the Customer with respect to such submitted Proposed Receivables by submitting to the Bank an Advance Request, and the Bank, in its sole discretion, may accept such request and make Advances to the Customer subject to the terms of this Agreement. Such Proposed Receivables, once the Bank has accepted the relevant Advance Request and provided the relevant Advance(s) to the Customer hereunder, are referred to, collectively, as the "Financed Receivables").
 - (b) Uncommitted Arrangement. THIS AGREEMENT DOES NOT CONSTITUTE A COMMITMENT, OBLIGATION OR OTHER UNDERTAKING OF THE BANK TO PROVIDE ADVANCES IN CONNECTION WITH ANY RECEIVABLES OR OTHERWISE EXTEND CREDIT OR PROVIDE ANY FINANCIAL ACCOMMODATION TO THE CUSTOMER. For the avoidance of doubt, notwithstanding the inclusion of any Account Debtor in Schedule 1 hereto, the Bank shall be under no obligation to purchase any Proposed Receivable owing from any such scheduled Account Debtor.
 - (c) Term. This Agreement commences on the Effective Date and shall continue in effect until the date which is thirty (30) days following the date which either the Customer or the Bank delivers written notice to the other Party of its intent to terminate this Agreement, provided that the Bank shall have the right to terminate this Agreement at any time an Event of Default is continuing. Any such termination shall not affect the rights and

obligations of the Parties with respect to Advances made hereunder prior to the Termination Date or are otherwise expressed to survive termination hereof.

- (d) Conditions Precedent. Without limiting the Bank's right to decline to make any Advance in respect of any Proposed Receivable in its sole discretion, no Advance shall be made in respect of any Proposed Receivable until satisfaction of the following conditions precedent on or prior to the proposed Advance Date, all to the satisfaction of the Bank:
- (i) the Bank shall have received (A) an Advance Request; (B) all invoice(s) and/or information related to such invoices issued to the Account Debtor that is an obligor on any such Proposed Receivables and related to the Contracts for such Proposed Receivables, which such invoices and/or information related to such invoices shall be true and accurate and not omit any facts; and (C) such additional supporting documentation that the Bank may have reasonably requested;
 - (ii) the Customer shall have made the representations and warranties of the Customer contained in this Agreement as of such Advance Date;
 - (iii) the Customer shall be in compliance in all material respects with each term, covenant and other provision of this Agreement applicable to the Customer;
 - (iv) no Event of Default shall then exist and no event or circumstance has arisen which, but for the passage of time, or the giving of notice, or both, would constitute an Event of Default;
 - (v) the Bank shall have received payment of all fees due under Section 2(h) and other amounts due under this Agreement; and
 - (vi) with respect to the initial Advance Date only, the Customer shall have taken the following actions and the Bank shall have received each of the following documents, each dated such date (where applicable) and in form and substance satisfactory to the Bank:
 - (A) evidence that the Customer shall have established the Collection Account at the Bank and the Bank shall have control over and a security interest in such account as herein provided;
 - (B) evidence that the Customer shall have instructed each Account Debtor that all payments with respect to the Proposed Receivables shall be made directly to the Collection Account.
 - (C) a certificate of the Secretary or Assistant Secretary of the Customer, certifying the names and true signatures of the incumbent officers authorized on behalf of the Customer to execute and deliver this Agreement, each Advance Request and any other documents to be executed or delivered by it hereunder, together with its Organizational Documents and board resolutions, evidencing necessary organizational action and governmental approvals, if any, necessary for the Customer to execute, deliver and perform its obligations under this Agreement.
 - (D) certified inquiry response report under the PPSA (or comparable lien search certificate from relevant jurisdiction of the Customer) demonstrating no registered security interests, liens, hypothecs, or other encumbrances or adverse claims affecting the Collateral other than Permitted Encumbrances.
 - (E) a general security agreement in favour of the Bank, modified as may be mutually agreed between the Bank and the Customer to describe the applicable scope of the secured collateral to include at least the Collateral, duly executed and delivered by the Customer, in form and substance satisfactory to the Bank.

- (F) verification statement (or comparable certificate from relevant jurisdiction) confirming registration of a PPSA financing statement (or comparable filing or registration from relevant jurisdiction) identifying the Customer as “debtor” and the Bank as “secured party” and containing an appropriate description of the Collateral, duly filed on or before the initial Advance Date in the correct filing office under the PPSA (or comparable statute) of the jurisdiction in which the Customer is located for purposes of applicable law.
 - (G) the Intercreditor Agreement, duly executed by each of the parties thereto.
 - (H) a good standing certificate, certificate of status, certificate of compliance or comparable certification for the Customer from its governing jurisdiction.
 - (I) if so requested by the Bank, a lien perfection and power/capacity, due authorization, execution, delivery and enforceability legal opinion of external counsel to the Customer in form and substance satisfactory to the Bank.
 - (J) a complete copy of the EDC accounts receivable insurance policy covering the Proposed Receivables, together with a direction to pay in favour of the Bank in respect of proceeds of such accounts receivable insurance policy relating to the Proposed Receivables accounts receivables, proof of premium payment and other documents and information as the Bank requires.
 - (K) all documents and other evidence that the Bank requires for its know-your-customer and other compliance checks on the Customer and each Account Debtor.
 - (L) Satisfactory review of Buyer contracts prior to funding.
- (e) Advance Amount. Advances from time to time from the Bank to the Customer, in respect of any Financed Receivable on any Advance Date(s) (each, an “Advance Amount”) shall be made in the currency in which the applicable original invoice(s) are denominated and all Advance Amounts in respect of such Financed Receivable shall not, in the aggregate, exceed:

Advance Amount = A x B, where:

A = Net Invoice Amount; and

B = Advance Rate (90%)

- (f) Maximum Facility Amount. Notwithstanding Section 2(e) of this Agreement, in no event shall the Outstanding Account Debtor Financed Amount in respect of all Account Debtors under all Financed Receivables exceed the Facility Amount.
- (g) Interest on Advances. The Advances shall bear interest at the Discount Rate. Interest shall accrue from the date that an Advance is made by the Bank until the date that amounts are received in full by the Bank in respect of the Financed Receivable against which such Advance was made in accordance with Section 5(a)(iv) hereof; provided, however, that if the Bank has not received repayment in full of Advances made in respect of any Financed Receivable by the Invoice Due Date for such Financed Receivable or upon demand by the Bank, whichever is earlier, then the Advances in respect of such Financed Receivable shall bear interest at the Delinquent Rate for all time after the Invoice Due Date or demand, as applicable, until such Advances are repaid in full. Interest shall be calculated on the basis of Applicable Day Count Convention for the interest rate applicable to such Advances. Interest shall be payable monthly in arrears on the last day of each month. Interest that is payable but remains unpaid shall also accrue interest at the same rate as other amounts advanced in respect of such Financed Receivable.

- (h) Fees. The Customer shall pay the Bank: (i) at the time of each advance in respect of an Eligible Receivable, an administrative fee of 0.2% of the face value of the Eligible Receivable financed under this Agreement, plus any and all fees agreed between the Borrower and the Bank from time to time in writing, *provided that* from first availability until the first annual review, such administrative fee shall be a total of USD5,000 per month regardless of the amount of Eligible Receivables financed; (ii) an annual extension fee payable on the yearly anniversary date of this Agreement equal to 0.15% of the Facility Amount; and (iii) wire-transfer fees payable for each wire transfer payment made by the Bank in connection with this Agreement, at the Bank's then prevailing charge for wire transfers, in the relevant currency.
- (i) Not a True Sale; Full Recourse. Nothing in this Agreement shall be construed as a sale or purchase of Proposed Receivables between the Customer and the Bank. The Bank and the Customer have structured the transactions contemplated by this Agreement as a financing, secured by a charge and security interest on the Collateral under applicable law and accounting principles, including, without limitation, in their respective books, records, financial statements, computer files, tax returns (federal, provincial and local), regulatory and governmental filings.

3. **CUSTOMER REPRESENTATIONS AND WARRANTIES.** The Customer represents and warrants to the Bank on the date hereof and on each Advance Date and in respect of all Proposed Receivables for which the Customer has requested an Advance from the Bank hereunder (thereby becoming Financed Receivables) that the representations and warranties set forth below are true and correct in all material respects:

(a) Proposed Receivables.

- (i) The information submitted to the Bank in respect of each Proposed Receivable is a true and correct list of the Account Debtor's name, the purchase order numbers, the invoice numbers, the Net Invoice Amount due in respect thereof and the Invoice Due Date, in each case, for each Proposed Receivable. All information contained in each such submission to the Bank in respect of Proposed Receivables is accurate in all material respects. Each invoice submitted by the Customer is accurate in all material respects as of its date, and does not and will not omit to state a fact necessary in order to make the information contained therein, in light of the circumstances under which they were made, not materially misleading. The Bank has received true and correct copies of all the relevant documentation relating to each of the Proposed Receivables requested by the Bank. None of the Proposed Receivables are currently evidenced by "chattel paper" or "instruments" or "money" (as each such term is defined in Section 1 of the PPSA) or by "bill" or "note" or "cheque" (as each such term is defined in the *Bills of Exchange Act* (Canada)), unless specifically approved by the Bank and all such cheques, notes, bills and other instruments shall be physically delivered by the Customer to the Bank duly endorsed in favour of the Bank. To the Customer's knowledge, each of the Proposed Receivables is in full force and effect and is the valid and binding obligation of the applicable Account Debtor, enforceable in accordance with its terms, and constitutes the applicable Account Debtor's legal, valid and binding obligation to pay to the Customer the amount of the Proposed Receivables, subject, as to enforcement of such Account Debtor's payment obligation, to bankruptcy, insolvency, reorganization, arrangement, moratorium and other laws of general applicability relating to or affecting creditors' rights. Neither the Customer nor, to the Customer's knowledge, any Account Debtor is in default in the performance of any of the provisions of the documentation applicable to its transactions relating to any Proposed Receivables related to it, including any of the Contracts relating to such Proposed Receivables. Each Proposed Receivable and the Contract and sale terms related thereto are not subject to any defense or Dispute, whether arising out of the transactions contemplated by this Agreement or independently thereof. The Customer has delivered to the Account Debtor all goods and other property or performed all services required to be so delivered or performed by the terms of the documentation giving rise to the Proposed Receivables. The payments due with respect to each Proposed Receivable are not contingent upon the Customer's fulfillment of any further obligation;

- (ii) Each Proposed Receivable submitted to the Bank is an Eligible Receivable and a bona fide payment obligation of the applicable Account Debtor identified in the applicable Invoice and due on the Invoice Due Date for such Proposed Receivable. No actual or to the Customer's knowledge pending Dispute or default or event of default with respect to any Proposed Receivable exists. The amount owed under each Proposed Receivable is free of allowances, side agreements and Dilution. All invoices relating to each Proposed Receivable arising out of the sale of goods or the provision of services to the Customer's knowledge have been accepted by the applicable Account Debtor.
 - (iii) Each Eligible Receivable (A) arises under a Contract between the Customer and the applicable Account Debtor; (B) does not require the applicable Account Debtor or any other Person to consent to the transfer, or assignment by way of security of the Customer's rights to payment under such agreement and (C) does not contain a confidentiality provision that purports to restrict the ability of the Bank to exercise its rights under this Agreement, including without limitation, its right to review such Contract.
 - (iv) The Customer is the legal and beneficial owner of each Proposed Receivable and all Collateral free and clear of any lien, hypothec, charge, encumbrance or security interest other than Permitted Encumbrances, and on or before the initial Advance Date, the Bank shall acquire, subject to Permitted Encumbrances, a valid and enforceable first ranking security interest, lien and charge on each of the Financed Receivables, the Collections with respect thereto and the other Collateral ranking prior to the right, title and interests of all other Persons.
 - (v) The Customer is not, and will not be, on each Advance Date, subject to any Insolvency Event, nor insolvent within the meaning of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada), the *Fraudulent Conveyances Act* (Newfoundland) or comparable legislation of any other relevant jurisdiction as the same may be amended, restated or replaced from time to time (collectively, the "Insolvency Statutes") and the Customer will not be rendered insolvent (within the meaning of any Insolvency Statute) by entering into this Agreement and performing its obligations hereunder, and will not be insolvent immediately its receipt of the relevant Advance and the granting of the security interests contemplated in this Agreement to the Bank. The Customer has not entered into this Agreement with the intention of defeating, hindering, delaying or defrauding creditors or others of their claims against the Customer, nor preferring any creditor over any other creditor, nor for any other purpose relating in any way to the claims of creditors or others against the Customer.
 - (vi) A copy of the accounts receivable insurance policy(ies) covering the Proposed Receivables has been delivered to the Bank. Such accounts receivable insurance policy(ies) is/are in good standing and the Customer's rights thereunder are fully assignable to the Bank. The Customer has not exceeded any limits or sublimits in respect of exposure to any Account Debtor, country or industry under the applicable accounts receivable insurance policy.
- (b) Customer; Account Debtor(s).
- (i) The Customer is a corporation duly formed, validly existing and in good standing under the laws of Newfoundland and Labrador, and is duly qualified to do business, and is in good standing, in every jurisdiction where the nature of its business requires it to be so qualified. Except to the extent provided in the Amended and Restated Loan Agreement dated February 1, 2018 among the Customer, Newspar, Canada Fluorspar Inc. and Sprott Bridging Income Fund LP by its agent Bridging Finance Inc. and the Loan Agreement dated as of March 30, 2017 among Her Majesty in Right of Newfoundland and Labrador, the Customer, Newspar and Canada Fluorspar Inc., as amended, the Customer is not a party to any agreement which restricts or prohibits the right of the Customer to grant a security interest in the Collateral to the Bank. The Customer is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

- (ii) (A) To the best of the knowledge of the Customer, an Account Debtor on any Proposed Receivable owing by it is not subject to any Account Debtor Insolvency Event at the time of the Advance Request relating thereto; and (B) each Account Debtor on any Financed Receivable owing by it is not subject to an Account Debtor Insolvency Event on any Advance Date.
- (c) No Conflict, etc. The execution, delivery and performance by the Customer of this Agreement, each Advance Request and each other document to be delivered by the Customer hereunder, (i) are within the Customer's corporate or other organizational powers; (ii) have been duly authorized by all necessary corporate or other organizational action; and (iii) do not contravene (A) the Customer's Organizational Documents; (B) any law, rule or regulation applicable to the Customer; (C) any contractual restriction binding on or affecting the Customer or its property, or (D) any order, writ, judgment, award, injunction or decree binding on or affecting the Customer or its property. The Agreement has been duly executed and delivered by the Customer. The Customer has furnished to the Bank a true, correct and complete copy of its Organizational Documents, including all amendments thereto.
- (d) Authorizations; Filings. No authorization or approval or other action by, and no notice to or filing with, any governmental entity is required for the due execution, delivery and performance by the Customer of this Agreement or any other document to be delivered thereunder except for the filing of any PPSA financing statements (or comparable registration or filing in the relevant jurisdiction) as may be necessary to perfect the security interest, charge and lien on the Collateral in favour of the Bank pursuant to this Agreement. Except to the extent relating to the Amended and Restated Loan Agreement dated February 1, 2018 among the Customer, Newspar, Canada Fluorspar Inc. and Sprott Bridging Income Fund LP by its agent Bridging Finance Inc. and the Loan Agreement dated as of March 30, 2017 among Her Majesty in Right of Newfoundland and Labrador, the Customer, Newspar and Canada Fluorspar Inc., as amended, no PPSA financing statement (or comparable registration or filing in the relevant jurisdiction) or other instrument similar in effect covering any of the Collateral is on file in any filing or recorded in any recording office or system, except those filed in favour of the Bank relating to this Agreement, and no competing notice of assignment or payment instruction or other notice inconsistent with the transactions contemplated in this Agreement is in effect with respect to any Account Debtor, subject in each case to Permitted Encumbrances.
- (e) Enforceability. This Agreement constitutes the legal, valid and binding obligation of the Customer enforceable against the Customer, in accordance with its terms, except as limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws relating to the enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is sought at equity or law).
- (f) Litigation Matters. There is no pending (or, to its knowledge, threatened) action, proceeding, investigation, litigation or injunction, writ or restraining order affecting the Customer or any of its Affiliates before any court, governmental entity or arbitrator which could reasonably be expected to result in a Material Adverse Change, and the Customer is not currently the subject of, and has no present intention of taking any action to commence, an Insolvency Event applicable to the Customer.
- (g) Material Adverse Change. There exists no event which has had, or is reasonably likely to result in, a Material Adverse Change.
- (h) Money Laundering and Anti-Terrorism Laws and Sanctions Laws; Etc.
- (i) All required import or export licences (if any) applicable to goods (if any) of relevance to each Financed Receivable to be obtained by the Customer have been obtained and the Customer is in compliance in all material respects with foreign and domestic laws and regulations pertaining to each jurisdiction in which it operates and to each such Financed Receivable including, if applicable, the shipment and financing of the goods of relevance to such Financed Receivable;

(ii) Neither the Customer nor any of its subsidiaries, directors, officers or employees is an individual or entity (nor does the Customer nor any such entity or individual operate, possess, own, charter or use a vessel) nor, to the knowledge of the Customer (after having conducted commercially reasonable diligence) any Account Debtor: (A) is, or is owned or controlled by, a Sanctioned Person or a Sanctioned Country; (B) has any business affiliation or commercial dealings with any Sanctioned Person or Sanctioned Country; or (C) is in breach of or is the subject of any action or investigation under any Sanctions Laws; and

(iii) Customer and its subsidiaries are, and, to the knowledge of the Customer (after having conducted commercially reasonable diligence), its Account Debtors, are in compliance with Sanction Laws, Anti-Money Laundering Laws and Anti-Corruption Laws and all other applicable laws relating to anti-money laundering, and corruption of public officials, and other federal, state, or provincial laws relating to "know your customer" and anti-money laundering rules and regulations. Customer and its subsidiaries have and, to the knowledge of the Customer, (after having conducted commercially reasonable diligence) the Account Debtors, have taken appropriate steps to implement policies and procedures reasonably designed to provide that there will be no payments to any government official or employee, or politically sensitive person, political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage in violation of any Anti-Corruption Laws.

(i) Review. The Customer has discussed and reviewed this Agreement with its accountant, independent auditors and legal counsel and the Customer is not relying upon oral or other representations or statements from the Bank inconsistent with the terms and provisions of this Agreement.

4. **CUSTOMER COVENANTS.** Until the later of the Termination Date and the date that all Obligations (other than Obligations under Section 6(b) and (c) which survive the Repayment in full of all Advances) of the Customer pursuant to this Agreement have been paid in full to the Bank, the Customer agrees to perform the covenants set forth below:

(a) Payment of Amounts Owning. The Customer shall duly and timely pay to the Bank all Obligations when due; and without limiting the generality of the foregoing shall pay to the Bank: (i) the outstanding principal amount of each Advance (whether or not the relevant Account Debtor has actually paid or remitted the amount due to the Customer on that date); (ii) on demand the full amount of all Obligations upon the occurrence and during the continuation of one or more Events of Default; and (iii) on demand the full amount of all Obligations, on any earlier date on which the term of this Agreement is terminated for any other reason; in each case, in the same currency as the relevant Advance plus interest accruing on such outstanding amount calculated monthly not in advance from such due date to the date of full payment to the Bank at the Delinquent Rate.

(b) Notice of Disputes, Breaches of Contract, Account Debtor Insolvency Events, Etc. The Customer shall fulfill and perform all obligations stemming from transactions related to Financed Receivables and shall promptly upon learning of the same deliver a reasonably detailed written notice to the Bank of (i) any Dispute asserted or threatened in respect of a Financed Receivable; (ii) any breach by the applicable Account Debtor of the Contract which could reasonably give rise to such Account Debtor failing to pay any invoice amount or give rise to any Dispute; (iii) any Account Debtor Insolvency Event occurring, or (iv) it becoming illegal for an Account Debtor to pay all or any part of the invoice amount because of the imposition of any prohibition or restriction on such payments.

(c) Contracts: Financed Receivables. The Customer, at its expense, shall timely and fully perform in all material respects with all terms, covenants and other provisions required to be performed by it under the Contracts related to the Financed Receivables, and the Customer, at its expense, shall compel the applicable Account Debtor to timely and fully perform in all material respects with all terms, covenants and provisions required to be performed by such Account Debtor under the Contracts related to the Financed Receivables. The Customer, at its expense, shall use commercially reasonable efforts to keep each Financed Receivable in full

force and effect as a valid and binding obligation of such Account Debtor, enforceable in accordance with its terms, subject, as to enforcement of such Account Debtor's payment obligation, to bankruptcy, insolvency, reorganization, arrangement, moratorium and other laws of general applicability relating to or affecting creditors' rights.

- (d) Existence. The Customer will (i) comply in all material respects with all applicable laws, rules, regulations and orders and (ii) preserve and maintain its organizational existence, rights, franchises, qualifications, and privileges, except as permitted pursuant to the Credit Facility Letter. The Customer will keep its jurisdiction of organization and the location of its chief executive office as the Province of Newfoundland and Labrador and principal place of business and chief executive office and the office where it keeps its records concerning the Collateral at the address set forth in Section 12 hereof or, in each case, upon ten (10) Business Days' prior written notice to the Bank, at any other locations in jurisdictions where all actions reasonably requested by the Customer or otherwise necessary to protect, perfect and maintain the Bank's interest in the Collateral have been taken and completed.
- (e) Books and Records. The Customer will maintain accurate books and accounts with respect to the Financed Receivables. The Customer shall maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing Financed Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records and other information reasonably necessary or advisable for collecting all Financed Receivables (including, without limitation, records adequate to permit the daily identification of each Financed Receivable and all Collections of and adjustments to each existing Financed Receivable).
- (f) Sales, Liens and Debt. The Customer shall not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any lien, hypothec, charge, encumbrance or security interest upon or with respect to, the Financed Receivables or upon or with respect to any deposit or other account to which any Collections of any Financed Receivable are sent, or assign any right to receive income in respect thereof except the interests in favour of the Bank, subject in each case to Permitted Encumbrances.
- (g) Extension or Amendment of Financed Receivables. The Customer shall not amend or extend the payment terms under any Financed Receivables, unless approved in advance in writing by the Bank, and shall not otherwise waive or permit or agree to any deviation from the terms or conditions of any Financed Receivable without the prior written consent of the Bank.
- (h) Audits and Visits. The Customer shall, at any time and from time to time during regular business hours on any Business Day from time to time as requested by the Bank, permit the Bank, or its agents or representatives, upon reasonable notice, (i) on a confidential basis, to examine and make copies of and abstracts from all books, records and documents (including, without limitation, computer tapes and disks) in its possession or under its control relating to Financed Receivables owed by Account Debtor including, without limitation, the related Contracts; and (ii) to visit its offices and properties for the purpose of examining and auditing such materials described in clause (i) above, and to discuss matters relating to Financed Receivables owed by any Account Debtor or the Customer's performance hereunder or under the related Contracts with any of its officers or employees having knowledge of such matters (hereinafter, an "Audit"), provided that, unless a breach or default of the Customer's obligations hereunder occurs and is continuing, only one such Audit in any calendar year shall be at the Customer's expense.
- (i) Accounting Treatment. The Customer shall make all disclosures required by applicable law or regulation with respect to the obtaining of credit from the Bank, by way of Advances in respect of Financed Receivables hereunder, and account for such secured financing in accordance with Generally Accepted Accounting Principles or IFRS, as applicable, then in effect.
- (j) Reporting Requirements. The Customer will comply with all reporting requirements set forth in that certain Credit Agreement by and between the Bank and the Customer dated October 24, 2017 (as such agreement

may be amended, restated, amended and restated, supplemented or otherwise modified from time to time). In addition, the Customer will notify the Bank as soon as possible and in any event within one (1) Business Days after becoming aware of the occurrence thereof, written notice of (A) any non-payment of amounts due with respect to any Financed Receivable or (B) any matter that could reasonably be expected to result in a Material Adverse Change.

- (k) Further Assurances. The Customer will, at its expense, promptly execute and deliver all further instruments and documents, and take all further action that the Bank may reasonably request, from time to time, in order to perfect, protect or more fully effectuate the enforceability of the Bank's security interests in the Financed Receivables and the other Collateral and to enable the Bank to exercise or enforce its rights and remedies hereunder, as applicable, and to support the filing of a claim under any applicable accounts receivable insurance policy covering the Financed Receivables, including, without limitation, any accounts receivable insurance maintained by the Bank in respect of the Financed Receivables, and to support the filing of a claim under any applicable accounts receivable insurance policy covering the Financed Receivables.
- (l) Taxes. The Customer will pay any and all taxes (excluding the Bank's income, gross receipts, franchise, capital, sales and harmonized sales tax, goods and services tax, doing business or similar taxes) relating to the transactions contemplated by this Agreement; except for those taxes that the Customer is contesting in good faith and for which adequate reserves have been taken. The Customer shall treat each assignment of Financed Receivables to the Bank hereunder as a secured lending transaction for federal and provincial income tax, reporting and accounting purposes. The Customer will comply with all other applicable Canadian tax laws, regulations and rules relating to the transactions contemplated by this Agreement.
- (m) Not Adversely Affect the Bank's Rights. The Customer will refrain from any act or omission outside of the ordinary course of business which might in any way prejudice or limit the Bank's rights to, and security interests in, the Collateral.
- (n) Accounts Receivable Insurance. The Customer or one of its Affiliates shall remain liable to continue to pay the insurance premiums for the EDC accounts receivable insurance policy selected and approved by the Customer and issued to the Customer or one of its Affiliates covering such Financed Receivables, shall maintain such insurance policy in good standing and shall refrain from any act or omission which might in any way prejudice or limit the Bank's rights thereunder or cause the termination of such insurance policy, including, without limitation, exceeding any limits or sublimits in respect of exposure to any Account Debtor, country or industry.
- (o) Claims under Accounts Receivable Insurance. Upon the request of the Bank from time to time, the Customer agrees that it or one of its Affiliates shall take appropriate actions to prepare and file a claim in respect of any Financed Receivable under the applicable accounts receivable insurance policy.
- (p) Money Laundering and Anti-Terrorism Laws, Use of Proceeds. The Customer shall, and shall cause each of its Affiliates to, continue to comply with all applicable Sanctions Laws, Anti-Money Laundering Laws, Anti-Corruption Laws and all other applicable laws relating in any way to the Financed Receivables and to promptly notify the Bank in writing (with explanation) of any actual or alleged violation thereof. The Customer will not, directly or indirectly, use any benefit derived from this Agreement to fund any activities or business of or which any Person, including an Account Debtor, or in any country or territory, that is, or whose government is, the subject of Sanctions; or in any other manner that would result in a violation of Sanctions by any Person. The Customer shall promptly notify the Bank of any circumstance of which it may become aware in connection with any Financed Receivable that may relate to money laundering, terrorist financing, bribery, corruption, tax evasion or Sanctions.
- (q) Other Credit Agreements. Subject to the terms of the Intercreditor Agreement, the Customer shall comply at all times with its credit agreements, facility letters and other agreements for borrowed money or funded debt with its creditors and notify immediately the Bank upon the occurrence of any event of default resulting in a

loss of the available credit thereunder or of any demand of payment by a creditor in relation to one of these agreements, and advise the Bank of any such new agreement or material modification to such agreement with any of its creditors.

- (r) Field Audit. The Customer shall, at its sole cost and expense and within 12 months of the date of the first Advance made under the Facility, provide the Bank with results of an onsite client survey conducted by a third-party auditor selected by the Bank.
- (s) Sale of Receivables Payable by the Chemours Company. Without limiting the scope of the restriction set forth in Section 4(f) above, the Customer shall not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any lien, hypothec, charge, encumbrance or security interest upon or with respect to any Receivable to or in favour of Citibank, N.A. ("Citibank") where such Receivable is payable by The Chemours Company (whether or not such Receivable is a Financed Receivable) unless and until the Customer shall have been notified in writing by the Bank that an intercreditor agreement in form and substance satisfactory to the Bank in all respects has been executed by the Bank and Citibank addressing their respective priorities in such Receivables.

5. COLLECTION ACTIVITIES; ETC.

(a) Collections.

- (i) Establishment of Account(s). The Customer has established the Collection Account and covenants to maintain such account so long as any Obligations remain unpaid, unless otherwise agreed to in writing by the Bank.
- (ii) Collection Account. The Collection Account established by the Customer shall be held and maintained at a designated bank branch of the Bank, in the name of the Customer but subject to the exclusive dominion and control of the Bank for so long as any Obligations remain outstanding (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances), which account shall be separate and segregated from the Customer's own assets (including other bank accounts), to solely receive Collections and amounts owing under Financed Receivables. The Customer shall maintain such account so long as any Obligations remain unpaid (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances) unless otherwise agreed to in writing by the Bank. The Customer shall (a) take any and all actions necessary (including those requested by the Bank) to ensure that all payments on account of the Financed Receivables shall be wire transferred, deposited or credited directly from the relevant Account Debtor to the Collection Account, without adjustment, set-off or deduction of any kind or nature; (b) not change the payment instructions to any Account Debtor that all amounts owing in respect of the Financed Receivables be deposited directly into the Collection Account; and (c) take any and all other actions, including actions requested by the Bank, to ensure that any amounts not owing in respect of the Financed Receivables will not be deposited to the Collection Account or commingled with the Collections in the Collections Account with any other funds, property or assets of the Customer and to keep separate and segregated all such Collections. All funds remitted to, or deposited in the Collections Account and the credit balances therein from time to time shall remain subject to the security interests in favour of the Bank for as long as the Obligations have not been satisfied in full (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances) and until then, the Customer shall not, directly or indirectly, utilize funds in the Collection Account for its own purposes, and shall not have any right to withdraw funds therefrom (whether pursuant to cheques, other payment orders or otherwise) and no right to pledge such funds to any Person other than the Bank as collateral for any obligations of the Customer or any other Person.
- (iii) Control of Collection Account. Until the Obligations have been satisfied in full (other than the Obligations under Section 6(b) and (c) which survive the repayment in full of Advances), to the Bank, the Customer acknowledges and agrees that: (A) the Collection Account shall at all times be under the sole

control and direction of the Bank and hereby grants to the Bank the sole right without the consent of, or notice to the Customer at any time and from time to time to set-off and debit the Collection Account and withdraw from the Collection Account any or all funds credited or deposited now or at any time hereafter to the Collection Account and to otherwise operate or deal with the Collection Account and any or all funds now or at any time hereafter credited or deposited into the Collection Account, and (B) the Customer shall not have any right to control or direct or otherwise operate or deal with the Collection Account or any funds now or at any time hereafter credited or deposited to the Collection Account, other than to credit or deposit funds, or to direct Account Debtors to credit or deposit funds, to the Collection Account in accordance with this Agreement.

- (iv) Receipt of Funds by the Bank. No amounts shall be deemed received by the Bank and applied against the Obligations of the Customer hereunder for purposes of this Agreement until the Bank has debited immediately available funds from the Collection Account or such funds have otherwise been actually received by the Bank.
- (v) Excess Collections. Upon receipt by the Bank in the Collection Account or otherwise of Collections in respect of any Financed Receivable in an amount equal to or greater than the Advance made in respect of such Financed Receivable plus applicable interest, the Bank shall, within two (2) Business Days of receipt of such Collections, release any such excess Collections from the Collection Account to the Borrower.
- (vi) Funds Held in Trust. Prior to being deposited in the Collection Account, any funds received by the Customer in respect of any Financed Receivables shall be deemed to be subject to a trust in favour of the Bank, and the Customer shall be deemed to be holding such funds in trust for the exclusive use and benefit of the Bank until the Obligations have been satisfied in full to the Bank (other than Obligations under Section 6(a) and (c) which survive the repayment full of Advances).
- (b) Payment Reconciliation. Without diminishing the Customer's liability to pay the Obligations when due, the Customer shall be responsible for identifying, matching and reconciling any payments, including those related to any Dilution of Financed Receivables or Collections therefrom, deposited in the Collection Account. Customer shall provide to the Bank, in a form and substance satisfactory to the Bank, a full reconciliation ("Payment Reconciliation") of all such payments deposited in the Collection Account, together with the DSO values of all Collections deposited in the Collection Account and adjustments (including Dilution amounts, if any), within five (5) days of the deposit of Collections in respect of Financed Receivables in the Collection Account and from time to time upon the request of the Bank. Subject at all times to the security interest granted in favour of the Bank in the Collection Account, if any payment is received in the Collection Account that does not constitute a Collection with respect to any Financed Receivable, following receipt by the Bank of satisfactory evidence of payment details documenting that the payment is for Receivables not constituting Financed Receivables, such funds will be forwarded to the Customer or to such other Person as is entitled thereto.
- (c) Rights of the Bank; Notices to Account Debtors. The Bank shall have the right to exercise any and all of its rights and remedies hereunder, under applicable law (including, the PPSA or comparable statute or applicable law of any other jurisdiction) or at equity to collect any Financed Receivables directly from the applicable Account Debtor. In furtherance of the foregoing, but without limiting the generality thereof, the Bank may, in its sole discretion, upon the occurrence and continuation of any Event of Default, notify or otherwise advise any Account Debtor that the Bank has the right to collect the applicable Financed Receivable, and may direct such Account Debtor to make payments with respect to such Financed Receivable directly to the Collection Account or to the Bank directly as the Bank may direct.
- (d) Account Debtor Payment Default. So long as no Event of Default has occurred and is continuing, upon the occurrence of any payment default by an Account Debtor in payment of any Financed Receivable, the Customer shall notify the Bank about such default and provide a report about the course of action to be

adopted by the Customer, in light thereof without diminishing the Customer's obligations and liabilities to pay the Obligations to the Bank when due hereunder.

6. EVENTS OF DEFAULT; INDEMNITIES AND SET-OFF.

- (a) Events of Default. If any one or more Events of Default occur and continue, the Bank may, in its discretion:
- (i) terminate this Agreement and declare to be immediately due and payable all of the Obligations of the Customer to the Bank;
 - (ii) commence such litigation or proceedings, and make such claims as the Bank considers appropriate, in its discretion, against the Customer;
 - (iii) realize upon, enforce against and otherwise exercise its rights and remedies against the Financed Receivables, the Collateral and all other security granted to the Bank in connection with this Agreement;
 - (iv) to the fullest extent permitted by applicable law set off, appropriate and apply any and all credit balances and deposits (general or special, time or demand, matured or unmatured, provisional or final) at any time and from time to time held by the Bank against the indebtedness and liability of the Customer to the Bank.
- (b) General Indemnification. The Customer hereby agrees to indemnify the Bank (together with its officers, directors, agents and employees, each, an "Indemnified Party") from and against any and all claims, losses and liabilities (including, without limitation, reasonable legal fees) (all of the foregoing being collectively referred to as "Indemnified Amounts") arising out of or resulting from any of the following: (i) the granting to the Bank of a security interest in any Financed Receivable; (ii) the failure to vest in the Bank a perfected security interest (within the meaning of the PPSA) in each Financed Receivable and the proceeds and Collections in respect thereof free and clear of any liens or encumbrances of any kind or nature whatsoever (other than Permitted Encumbrances and those granted under this Agreement); (iii) any Dispute or any other claim related to such Financed Receivable (or any portion thereof); (iv) any failure by the Customer to perform its duties or obligations hereunder in accordance with this Agreement; (v) any Event of Default; or (vi) any losses or damage arising from any communications sent or received using electronic means. The foregoing indemnification shall not apply in the case of any claims, losses or liabilities to the extent resulting solely from (A) the gross negligence or willful misconduct of an Indemnified Party as determined in a final non-appealable judgment by a court of competent jurisdiction or (B) an Account Debtor Insolvency Event. Amounts due hereunder shall accrue interest at the Delinquent Rate.
- (c) Tax Indemnification. All payments on the Financed Receivables from the Account Debtors will be made free and clear of any present or future taxes, withholdings or other deductions whatsoever. The Customer will indemnify the Bank for any such taxes, withholdings or deductions as well as any stamp duty or any similar tax or duty on documents or the transfer of title to property arising in the context of this Agreement which has not been paid by the Customer. Further, the Customer shall pay, and indemnify and hold the Bank harmless from and against, any taxes that may at any time be asserted in respect of the Financed Receivables hereunder (including any sales, occupational, excise, gross receipts, personal property, privilege or license taxes, or withholdings, goods and services tax, sales tax and other taxes, but not including taxes imposed upon the Bank with respect to its overall net income) and costs, expenses and reasonable counsel fees in defending against the same, whether arising by reason of the acts to be performed by the Customer hereunder or otherwise. Amounts due hereunder shall accrue interest at the Delinquent Rate.
- (d) PPSA. The rights granted to the Bank hereunder are in addition to all other rights and remedies afforded to the Bank as a secured creditor under the PPSA or other applicable law, any other comparable statute of any other jurisdiction, any other law or in equity.

7. **CUSTOMER OBLIGATIONS.** Notwithstanding the granting of a security interest in the Financed Receivables and other Collateral to the Bank hereunder, the Bank shall have no responsibility for, or have any liability with respect to, the performance of any Contract, and neither shall the Bank have any obligation to intervene in any commercial dispute arising out of the performance of any Contract. All obligations of the Customer under each Contract, including all performance obligations, representations and warranty obligations, all servicing obligations, all maintenance obligations, and all delivery, transport and insurance obligations, shall be retained by the Customer.
8. **HSBC GROUP – SANCTIONS LAWS.** The Customer acknowledges and agrees that:
- (a) the Bank, together with HSBC Holdings plc, its Affiliates and subsidiaries (together “HSBC Group”), and HSBC Group’s service providers are required to act in accordance with, and it is the policy of the Bank and other members of the HSBC Group to comply with, the laws and regulations of various jurisdictions, including those which relate to Sanctions Laws and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion;
 - (b) the Bank may take, and may instruct other members of the HSBC Group to take, to the extent it or such member is legally permitted to do so under the laws of its jurisdiction, any action (a “Compliance Action”) which it or such member, in its sole discretion, considers appropriate to act in accordance and compliance with Sanctions Laws and other applicable domestic and foreign laws, regulations and regulator requirements. Such Compliance Action may include but is not limited to the interception and investigation of any payment, communication or instruction or other information; sharing information within HSBC Group, the making of further enquiries as to whether a Person is subject to any Sanctions Laws; and the refusal to process any transaction or instruction that does not conform with Sanctions Laws;
 - (c) neither the Bank nor any other member of HSBC Group will be liable to the Customer for any direct, indirect or consequential, losses, costs, fees, charges, disbursements, damages, expenses, legal expenses and fees, claims, actions, suits, demands and liabilities whatsoever suffered, incurred, commenced or made (collectively, “Loss”) suffered by any party arising out of or relating to any Compliance Action taken by or on behalf of the Bank, any delay or failure by the Bank in performing any of its duties under this Agreement or by the Bank, any other member of the HSBC Group caused in whole or in part by any steps which the Bank or such other member, in its sole and absolute discretion, considers appropriate under applicable laws and regulations including (without limitation) Sanctions Laws. The Bank will use reasonable commercial efforts to notify the Customer of the existence of such circumstances as soon as is reasonably practicable; and
 - (d) the Customer acknowledges that the Bank may, in its sole discretion, refuse to provide financing for the Proposed Receivables in connection with or relating to any countries, governments, entities or other Persons that are subject to Sanctions Laws or limitations imposed by domestic or foreign laws, or by the Bank or any member of the HSBC Group, and that the Bank has the right, without prior notice to the Customer, to reject, refuse to pay, or not process any transaction or instruction that does not conform with any such Sanctions Laws or limitations.
9. **COSTS AND EXPENSES; DELINQUENT RATE.**
- (a) All amounts payable to the Bank on account of the Obligations which are not paid to the Bank by the Customer when due hereunder shall bear interest at the Delinquent Rate calculated monthly, not in advance, whether before or after demand and judgment and shall be payable by the Customer on demand by the Bank, accruing each day from such due date to the date such amount is received by the Bank.

- (b) The Customer shall reimburse the Bank for all reasonable costs (including out of pocket legal fees and expenses) in CAD, or the CAD Equivalent thereof, that the Bank incurs in connection with the preparation and negotiation of this Agreement, any amendments hereto and the administration, preservation of rights and enforcement hereof.
- (c) Any fees, expenses, indemnity, or all other amounts payable by the Customer to the Bank in connection with this Agreement shall bear interest each day from the date due until indefeasible payment in full at the Delinquent Rate, whether before or after demand, default and judgment. Such interest shall be payable on demand. Fees are deemed payable on the date or dates set forth herein; expenses, indemnity, or other amounts payable by the Customer to the Bank are due thirty (30) days after receipt by the Customer of written demand thereof.
10. **GENERAL PAYMENTS.** All amounts payable by the Customer to the Bank under this Agreement shall be paid in full, free and clear of all deductions, set-off or withholdings whatsoever except only as may be required by law, and shall be paid on the date such amount is due by not later than 11:00 am (Eastern Time) to the account of the Bank notified to the Customer from time to time. If any deduction or withholding is required by law, the Customer shall pay to the Bank such additional amount as necessary to ensure that the net amount actually received by the Bank equals to the full amount the Bank should have received had no such deduction or withholding been required. Except as may be otherwise expressly provided in this Agreement, all payments to be made hereunder, including in respect of a Financed Receivable with respect to the Advance Amount, interest thereon and indemnities in connection therewith shall be paid in the currency stipulated in the relevant original invoices. Any amounts that would fall due for payment on a day other than a Business Day shall be payable on the succeeding Business Day.
11. **LIMITATION OF LIABILITY.** NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT (INCLUDING LOST PROFITS OR LOSS OF BUSINESS) EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
12. **NOTICES.** Unless otherwise provided herein, any notice, request or other communication which the Bank, the Customer may be required or may desire to give to the other party under any provision of this Agreement shall be in writing and sent by electronic facsimile transmission, hand delivery or first class mail, registered and postage prepaid, and shall be deemed to have been given or made and received when transmitted with receipt confirmed in the case of electronic facsimile transmission, when received if sent by hand delivery or five (5) days after deposit in the mail if mailed, and in each case addressed to the Bank, or the Customer as set forth below. Any party hereto may change the address to which all notices, requests and other communications are to be sent to it by giving written notice of such address change to the other parties in conformity with this paragraph, but such change shall not be effective until notice of such change has been received by the other parties.

If to the Customer:

Canada Fluorspar (NL) Inc.

1 Clarke's Pond Road

St. Lawrence, Newfoundland A0E 2V0

Fax:

Email:

If to the Bank:

HSBC Bank Canada

70 York Street

Toronto, ON M5J 1S9

Attention: Country Head, Global Trade and Receivables Finance

with a copy to (which copy shall not constitute notice hereunder):

HSBC Bank Canada
70 York Street
Toronto, ON M5J 1S9
Attention: Legal, Global Trade and Receivables Finance

The Customer agrees that the Bank may presume the authenticity, genuineness, accuracy, completeness and due execution of any electronic facsimile transmission bearing a facsimile or scanned signature resembling a signature of an authorized Person of the Customer without further verification or inquiry by the Bank. Notwithstanding the foregoing, the Bank in its sole discretion may elect not to act or rely upon such a communication and shall be entitled (but not obligated) to make inquiries or require further action by the Customer to authenticate any such communication.

13. **SURVIVAL.** Notwithstanding the occurrence of the Termination Date, (a) all covenants, representations and warranties made herein shall survive the execution, delivery and performance of the Agreement so long as any Financed Receivables remain outstanding; and (b) the Customer's obligations to indemnify the Bank with respect to the expenses, damages, losses, costs, liabilities and other obligations shall survive until the later of (i) all applicable statute of limitations periods with respect to actions that may be brought against the Bank or any other indemnified party have run and (ii) 365 days following the entry of a final non-appealable order of a court of competent jurisdiction with respect to actions brought against the Bank or any other Indemnified Party that were initiated prior to the end of the applicable statute of limitations for such actions.
14. **GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL; ETC.**
- (a) This Agreement shall be governed by the laws of the Province of Newfoundland and Labrador, without giving effect to conflict of laws principles that would require the application of the law of any other jurisdiction.
- (b) Each Party irrevocably and unconditionally (i) submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Newfoundland and Labrador, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment and (ii) agrees that all claims in respect of any such action or proceeding may be heard and determined in any such Newfoundland and Labrador court or, to the extent permitted by law, in such appellate court. A final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, (x) any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court located in the Province of Newfoundland and Labrador and (y) the defense of inconvenient forum to the maintenance of such action or proceeding in any such court.
- (c) EACH PARTY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT SUCH PARTY MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.
15. **GENERAL PROVISIONS.**
- (a) This Agreement represents the final agreement of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements with respect to such subject matter. No provision of this Agreement may be amended or waived except by a writing signed by the Parties hereto.

- (b) This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the Parties; provided, however, that the Customer may not assign any of its rights hereunder without the Bank's prior written consent. The Bank shall have the right without the consent of or notice to the Customer to sell, transfer, negotiate or grant participations in all or any part of, or any interest in, the Bank's obligations, rights and benefits hereunder.
- (c) Each provision of this Agreement shall be severable from every other provision hereof for the purpose of determining the legal enforceability of any specific provision. This Agreement may be executed and delivered in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same agreement.
- (d) Customer acknowledges that from time to time financial advisory, investment banking and other services may be offered or provided to the Customer or one or more of its affiliates (in connection with this Agreement or otherwise) by the Bank or its subsidiaries. The Customer hereby authorizes the Bank to share within the Bank to any director, officer or employee of the Bank on a need to know basis any information delivered to the Bank by the Customer and its subsidiaries pursuant to this Agreement, or in connection with the decision of the Bank to enter into this Agreement, to any other business unit of the Customer and/or to any subsidiary of the Customer. Such authorization shall terminate on the termination of this Agreement. Without limiting the foregoing, the Bank agrees to maintain the confidentiality of any Confidential Information (as defined below) of the Customer and shall not disclose such Confidential Information to any third party except as set forth in the Agreement. "Confidential Information" shall mean information of the Customer provided to the Bank. "Confidential Information" shall not include any information that (i) is part of the public domain without any breach of this Agreement by the receiving Party; (ii) is or becomes generally known to the general public or organizations engaged in the same or similar businesses as the receiving Party on a non-confidential basis, through no wrongful act of such Party; (iii) is known by the receiving Party prior to disclosure to it hereunder without any obligation to keep it confidential; (iv) is disclosed to it by a third party which, to the best of the receiving Party's knowledge, is not required to maintain the information as proprietary or confidential; (v) is independently developed by the receiving Party without reference to Confidential Information of the other Party; or (vi) is the subject of a written agreement whereby the other Party consents to the disclosure of such Confidential Information on a non-confidential basis. The Bank may disclose Confidential Information, without the consent of the Customer, if such Party is requested or becomes legally compelled (by applicable law, rule, regulation, oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information. The Customer further acknowledges and agrees that, notwithstanding any of the foregoing, the Bank may store, disclose, process and transfer Confidential Information to members of the HSBC Group and other third party partners of the Bank, on a worldwide basis, to perform and/or in connection with the performance of this Agreement including, without limitation, in connection with any audit or similar review conducted pursuant to Section 4(h) of this Agreement. The obligations under this paragraph(d) shall terminate on the date which is seven (7) years from the Termination Date (the "Confidentiality Termination Date"). Following the Confidentiality Termination Date, the Bank shall, in its sole determination, either return Confidential Information of the Customer to the Customer, unless otherwise required by applicable law to maintain, or confirm to the Customer that it has destroyed any Confidential Information in accordance with its document retention policy, unless otherwise required by applicable law to maintain.
- (e) For the purposes of complying with the *Interest Act* (Canada) where interest is calculated pursuant hereto at a rate based on a 360 or 365 day period, the yearly rate or percentage of interest to which such rate is equivalent is such rate multiplied by the actual number of days in the year (365 or 366, as the case may be) divided by respectively 360 or 365.
- (f) With respect to any monies payable by the Customer hereunder, or any portion or portions thereof, which are payable in a currency other than Canadian currency (the "Foreign Currency Obligation"), the following provisions shall apply:

- (i) payment of the Foreign Currency Obligation made hereunder shall be made in immediately available funds in lawful money of the jurisdiction in the currency of which the Foreign Currency Obligation is payable (the "Foreign Currency") in such form as shall be customary at the time of payment for settlement of international payments in Toronto, Ontario without set-off or counterclaim;
- (ii) the Customer shall hold the Bank harmless from any loss incurred by the Bank arising from any change in the value of Canadian currency in relation to the Foreign Currency between the date the Foreign Currency Obligation becomes due and the date of full, final and indefeasible payment thereof to the Bank; and
- (iii) if, for the purpose of obtaining judgment under this indemnity in any court, it is necessary to convert a sum due hereunder in the Foreign Currency into Canadian currency, the rate of exchange used shall be that quoted by the Bank at its Toronto, Ontario branch for the purchase of the Foreign Currency with Canadian currency on the Business Day preceding that on which final judgment is given.


The obligation of the Customer in respect of any such sum due from it to the Bank hereunder shall, notwithstanding any judgment in Canadian dollars, be discharged only to the extent that on the Business Day following receipt by the Bank of any sum adjudged to be so due in Canadian dollars the Bank may in accordance with its normal banking procedures purchase the Foreign Currency with the Canadian dollars; if the amount of the Foreign Currency so purchased is less than the sum actually due to the Bank in the Foreign Currency the Customer agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Bank against such loss and if the Foreign Currency purchased exceeds the sum actually due to the Bank in the Foreign Currency, the Bank agrees to remit such excess to the Customer as the Customer may be entitled thereto.

- (g) It is the intention of the parties hereto that each member of the HSBC Group shall have the rights and benefits provided for in this Agreement, as fully and effectually as if each such member was a signatory hereto.
- (h) Where this Agreement is signed by more than one person, the expression "Customer" shall be construed as referring to each such person individually and to any one or more of such persons collectively, and the agreements, undertakings, obligations and liabilities of the Customer herein contained are joint and several and shall be construed accordingly, and no Customer shall be entitled to any rights or remedies, legal or equitable, of a surety as regards the indebtedness, obligations or liabilities of any other Customer.
- (i) The rights and powers conferred by this Agreement are in addition to and without prejudice to any other rights which the Bank may now have or hereafter acquire from the Customer through agreement, by operation of law, or otherwise.
- (j) The Bank shall not be deemed to have waived any of its rights hereunder, unless it has signed such waiver in writing.
- (k) Time shall be of the essence of this Agreement.
- (l) Any provision of this Agreement which is determined or adjudged to be illegal, invalid, prohibited or unenforceable under applicable law in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such illegality, invalidity, prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the legality, validity or enforceability in any other jurisdiction.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

CANADA FLUORSPAR (NL) INC.

By: 
Name: Paul Combs
:
Title: Officer

HSBC BANK CANADA

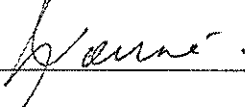
By: _____
Name _____
:
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

CANADA FLUORSPAR (NL) INC.

By: _____
Name _____
: _____
Title: _____

HSBC BANK CANADA

By: 
Name _____
: **JAMES BOWNE**
Title: **Assistant Vice President**
Corporate Banking



Karen Shaw
Account Manager, Corporate Banking

Schedule 1

Account Debtors

| Name of Account Debtor | Sublimit for Account Debtor | Maximum Term for Account Debtor |
|---|------------------------------------|--|
| Fluorchemie Stulln GmbH | 2,000,000.00 | up to 90 days |
| LANXESS Aktiengesellschaft | 9,000,000.00 | up to 90 days |
| Rio Tinto Alcan Inc. | 11,000,000.00 | up to 90 days |
| SOLVAY SPECIALTY POLYMERS ITALY SPA | 10,000,000.00 | up to 90 days |
| Honeywell International Inc. | 8,000,000.00 | up to 90 days |
| Honeywell Specialty Chemicals SEELZE GMBH | 4,000,000.00 | up to 90 days |
| Lincoln Electric Company, The | 4,000,000.00 | up to 90 days |
| Hastie Mining and Trucking | 1,000,000.00 | up to 90 days |
| Seaforth Mineral and Ore Company Inc. | 1,000,000.00 | up to 90 days |
| MINMETALS DEVELOPMENT CO., LTD. | 8,000,000.00 | up to 90 days |
| INDUSTRIES CHIMIQUES DU FLUOR SA | 4,000,000.00 | up to 90 days |
| ARKEMA | 8,000,000.00 | up to 90 days |
| Solvay Specialty Polymers Germany GmbH | 8,000,000.00 | up to 90 days |
| GULF FLUOR OWNED BY HAMAD SUHAIL OWAIDA ALKHYELI ONE MAN COMPANY L.L.C- SOLE | 1,500,000.00 | up to 90 days |
| GLENCORE AG | 7,500,000.00 | up to 90 days |
| The Chemours Company | 9,000,000 | up to 120 days |
| | | |

Exhibit A

Definitions

"Account Debtor": The meaning set forth in the recitals of the Agreement.

"Account Debtor Insolvency Event": With respect to any Account Debtor, such Account Debtor generally does not pay its debts as such debts become due, or admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors; or any proceeding is instituted by or against such Account Debtor seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, plan of compromise or arrangement, or composition of it or its debts or making a proposal under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for it or for any substantial part of its property, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for, it or for any substantial part of its property) shall occur; or such Account Debtor shall take any action to authorize any of the actions set forth above in this definition.

"Advance": The provision of credit to the Customer in respect of a Financed Receivable.

"Advance Amount": The meaning set forth in Section 2(e) of the Agreement.

"Advance Date": Each date on which the Bank makes in advance in respect of an Advance Request accepted by the Bank.

"Advance Rate": With respect to any Financed Receivable, 90%.

"Advance Request": The meaning set forth in Section 2(a) of the Agreement, to be substantially in the form of Exhibit B to the Agreement, or in any other form or by way of any electronic communication that is acceptable to the Bank.

"Affiliate": With respect to any Person, each officer and director of such Person and any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person. For purpose of this definition, **"control"** means the possession of either (a) the direct or indirect power to vote, or the direct or indirect beneficial ownership of more than 50% of the equity interests having ordinary voting power for the election of directors of such Person or (b) the power to direct or cause the direction of the management and policies of such Person directly or indirectly, alone or in concert with a related group with whom such Person does not deal at arm's length, whether by contract or otherwise.

"Agreement": The meaning set forth in the first paragraph of the agreement to which this Exhibit is attached.

"Anti-Corruption Laws": *The U.S. Foreign Corrupt Practices Act of 1977, Corruption of Foreign Public Officials Act (Canada), the Criminal Code (Canada) and all other legislation and related regulations and guidelines (whether federal, provincial or foreign) dealing with or relating to the corruption of public officials or bribery.*

"Anti-Money Laundering Laws": *The Proceeds of Crime (Money Laundering) and Terrorist Act, the Regulations thereunder and all Guidelines published by the Financial Transactions and Reports Analysis Centre of Canada or under such Act, as any or all may be amended or replaced from time to time.*

"Applicable Day Count Convention": The applicable of: (i) in respect of the Bank's Canadian Prime Rate, the BA Rate and the Bank's Cost of Funds, 365 days or 366 days, as the case may be, and (ii) in respect of LIBOR and the US Base Rate, 360 days.

"Audit": The meaning set forth in Section 4(h) of the Agreement.

"BA Rate": The rate per annum advised by the Bank to the Customer as the rate at which the bank would in accordance with normal practices on such date be prepared to purchase bankers' acceptances having a face amount and term comparable to the face amount and term of the relevant Proposed Receivable; provided, however, that should the "BA Rate" be determined to be less than zero, then the "BA Rate" shall be deemed to be zero for the purposes of the Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the "BA Rate" from time to time.

"Bank": The meaning set forth in the preamble to the Agreement.

"Bank's Canadian Prime Rate": The floating annual rate of interest established and announced by the Bank from time to time as a reference rate for determining the rate of interest it will charge on commercial loans denominated in Canadian Dollars in Canada; provided, however, that should the "Bank's Canadian Prime Rate" be determined to be less than zero, then the "Bank's Canadian Prime Rate" shall be deemed to be zero for the purposes of the Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the "Bank's Canadian Prime Rate" from time to time.

"Bank's Cost of Funds": The cost of funding of the Bank, as determined by the Bank from time to time and communicated to the Customer; provided, however, that should the "Bank's Cost of Funds" be determined to be less than zero, then the "Bank's Cost of Funds" shall be deemed to be zero for the purposes of the Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the "Bank's Cost of Funds" from time to time.

"Business Day": Any day that is not a Saturday, Sunday, statutory or civic holiday (federal or provincial in the Province of Ontario or the Province of Newfoundland and Labrador) or other day on which banks in Toronto, Ontario or St. John's, Newfoundland are required or permitted to close.

"CAD" or "Canadian Dollars": The lawful currency of Canada.

"CAD Equivalent": At any time, the amount of CAD which could be purchased from the Bank by the payment of a specified amount of USD using the Bank's spot rate for the purchase of CAD quoted by the Bank's treasury department at such time.

"Collateral": All the Customer's present and future right, title and interest in and to all accounts and bank debts and generally all debts, dues, claims, choses in action and demands of any nature and kind, including, without limitation, the Financed Receivables, the Collections, the Collection Account and all proceeds therefrom.

"Collections": With respect to each Financed Receivable, all proceeds thereof.

"Collection Account": The account maintained in the name of the Customer at HSBC Bank Canada with account 043-117953-002 for Canadian Dollars and 043-117953-071 for US Dollars, which accounts shall at all times shall be under the sole dominion and control of the Bank.

"Compliance Action": The meaning set forth in Section 8(b) of the Agreement.

"Confidential Information": The meaning set forth in Section 15(d) of the Agreement.

“Confidentiality Termination Date”: The meaning set forth in Section 15(d) of the Agreement.

“Contracts”: The contracts or other agreements between the Customer and each applicable Account Debtor (whether for the sale of goods, provision of services, or otherwise) pertaining to Financed Receivables.

“Credit Facility Letter”: credit facility letter agreement dated the 24th of October 2017 and accepted on the 25th of October 2017 among the Customer, Newspar, Canada Fluorspar Inc. and the Bank, as may be amended, modified or replaced from time to time.

“Customer”: The meaning set forth in the preamble of the Agreement.

“Delinquent Rate”: A rate of interest equal to the Discount Rate plus 2.00% per annum.

“Dilution”: All actual and potential offsets to or reduction in the amount of Financed Receivables or Collections therefrom, including, without limitation, the Customer payment and/or volume discounts, write-offs, reductions, rebates, credit memoranda, returns and allowances, and billing errors.

“Discount Rate”: In respect of Financed Receivables denominated in USD, LIBOR plus 2.70% per annum and in respect of Financed Receivables denominated in CAD, the BA Rate + 2.70% per annum.

“Dispute”: Any dispute, discount, deduction, claim, offset, defense or counterclaim of any kind relating to one or more Financed Receivables (other than a discount or adjustment granted with the Bank’s prior written consent), regardless of whether the same (i) is in an amount greater than, equal to or less than the applicable Financed Receivable; (ii) is bona fide or not, or (iii) arises by reason of an act of God, civil strife, war, currency restrictions, foreign political restrictions or regulations, or any other circumstance beyond the control of the Customer or the applicable Account Debtor.

“DSO”: Days sales outstanding ratio calculated in accordance with standards established or approved by the Bank from time to time.

“Effective Date”: The meaning set forth in the preamble to the Agreement.

“Eligible Receivable”: A Receivable that satisfies each of the following conditions to the satisfaction of the Bank:

- (a) it is generated by the Customer in the ordinary course of its business from sale of goods or the provision of services to an Account Debtor under a duly authorized Contract that is in full force and effect and that is a legal, valid and binding obligation of the Customer and the related Account Debtor, enforceable against such Person in accordance with its terms,
- (b) the goods or services for which the Receivable has been created have been fully delivered or performed by the Customer and, in the case of services, the Account Debtor has confirmed in writing that the services were rendered in accordance with the terms of the contract of sale,
- (c) by its terms has an Invoice Due Date that is no more than 90 days from the original invoice date and such Invoice Due Date has not occurred,
- (d) it is owned by the Customer, free and clear of all liens, encumbrances and security interests of any Person, other than Permitted Encumbrances.
- (e) it is freely assignable without the consent of any Person, including the applicable Account Debtor,

- (f) no default or event of default (howsoever defined) exists under the applicable Contract between the Customer and the applicable Account Debtor,
- (g) it is not subject to any Dispute or Dilution,
- (h) together with all other Financed Receivables due from such Account Debtor, it does not cause the aggregate amount of such Financed Receivables arising from sales to such Account Debtor to exceed the credit sub-limit set by the Bank from time to time in its sole discretion,
- (i) no covenant, representation or warranty contained in this Agreement pertaining to such Receivable has been breached or is not true, and
- (j) it constitutes an account or a payment intangible as defined in the PPSA and is not, unless specifically approved by the Bank, evidenced by instruments, a note, bill, cheque or chattel paper.

“Event of Default”: The occurrence of any one or more of the following events:

- (k) the Customer fails to pay when due any of the present and future debts and liabilities of the Customer to the Bank or other Obligations under this Agreement, the Credit Facility Letter or of any other Loan Document;
- (l) the Customer fails to perform any material provisions of this Agreement, the Credit Facility Letter or of any other Loan Documents (as defined in the Credit Facility Letter);
- (m) any representation or warranty by the Customer to the Bank in this Agreement, the Credit Facility Letter or of any other Loan Documents shall be false or inaccurate in any material respect on and as of the date that it was made or was deemed to have been made;
- (n) the Customer ceases or threatens to cease to carry on business, commits or threatens to commit an act of bankruptcy, becomes insolvent, files a notice of intention to file a proposal, makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets, or if a bankruptcy petition is filed against the Customer;
- (o) if the Customer takes any action in respect of a winding-up or liquidation of the Customer or if the Customer institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, or files an application, petition or consent seeking re-organization or takes or commences any other steps or proceedings under any one or more of the *Winding-up and Restructuring Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) (including without limitation the serving of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*) or any other bankruptcy, insolvency or analogous law or consents to the filing of a petition against it under any law which involves any compromise of any creditor's rights against the Customer;
- (p) if, in any material respect, any execution or any other process of any court becomes enforceable against the Customer or if any distress or analogous process is levied upon any part of the property or assets of the Customer;
- (q) a receiver, or receiver-manager is appointed with respect to all or substantially all of the assets of the Customer;

- (r) the occurrence of any one or more of the events described in subparagraphs (a) to (g) above with respect to any Person which has guaranteed any debts or liabilities of the Customer to the Bank; or

“Facility Amount”: Up to USD\$10,000,000 (and for Proposed Receivables which the Bank, in its discretion, decides to finance as Financed Receivables in respect of which the relevant original invoices are denominated in CAD, means the CAD Equivalent of USD\$10,000,000).

“Financed Receivables”: The meaning set forth in Section 2(a) of the Agreement.

“Foreign Currency”: The meaning set forth in Section 15(f) of the Agreement.

“Foreign Currency Obligation”: The meaning set forth in Section 15(f) of the Agreement.

“HSBC Group”: The meaning set forth in Section 8(a) of the Agreement.

“IFRS”: The International Financial Reporting Standards issued by the International Accounting Standards Board as adopted and implemented by the Accounting Standards Board of The Chartered Professional Accountants of Canada, as amended, updated and supplemented from time to time.

“Indemnified Amounts”: The meaning set forth in Section 6(b) of the Agreement.

“Indemnified Party”: The meaning set forth in Section 6(b) of the Agreement.

“Insolvency Event”: With respect to any Person, such Person shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against such Person seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, plan of compromise or arrangement, or composition of it or its debts or making a proposal under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, liquidator, monitor, custodian or other similar official for, it or for any substantial part of its property) shall occur; or such Person shall take any action to authorize any of the actions set forth above in this definition; **provided**, that in the case of the inability of a Person to pay its debts as such debts become due arising by reason only of currency restrictions or foreign political restrictions or regulations beyond the control of the Customer or such Person, such event shall not be deemed an “Insolvency Event” hereunder.

“Insolvency Statutes”: The meaning set forth in Section 3(a)(v) of the Agreement.

“Intercreditor Agreement”: An intercreditor agreement, in form and substance satisfactory to the Bank, by and among Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP, Her Majesty in right of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, the Bank, the Customer, Newspaper, by its partners, the Customer and CFI Newspaper Holdings Inc., and the Customer.

“Invoice Due Date”: With respect to a Financed Receivable, the last date identified for timely payment in the applicable original invoice.

"LIBOR": The rate established by Bank equal to the offered rate appearing on the LIBOR01 Page as of 1:00 p.m. (London, England time) on the Business Day immediately preceding the date of a proposed Advance Date for a period commensurate with the tenor of the applicable Proposed Receivable. In the event that such rate does not appear on the LIBOR01 Page at such time, or if for any reason such rate is not available, "LIBOR" shall be determined by reference to such other comparable publicly available service for displaying the offered rate for deposits in U.S. Dollars in the London, England interbank market as may be selected by the Bank and, in the absence of availability, such other method to determine such offered rate as may be selected by the Bank in its sole discretion; provided, however, that if "LIBOR" shall be determined to be less than zero, then "LIBOR" shall be deemed to be zero for the purposes of this Agreement.

"LIBOR01 Page": The display designated as "LIBOR01 Page" on the Reuters Service (or such other page as may replace the LIBOR01 Page on that service or such other service as may be nominated by the ICE Benchmark Administration Limited as the information vendor for the purpose of displaying ICE Benchmark Administration Limited rates for U.S. Dollar deposits).

"Loss": The meaning set forth in Section 8(c) of the Agreement.

"Material Adverse Change": An event that results or could reasonably be expected to result in (a) a material adverse change in (i) the business condition (financial or otherwise), operations, performance or properties of the Customer, or (ii) the ability of the Customer to fulfill its obligations hereunder or (b) the impairment of the validity or enforceability of, or the rights, remedies or benefits available to, the Bank under this Agreement.

"Net Invoice Amount": The amount shown on the original invoice for the applicable Financed Receivable as the total amount payable by the applicable Account Debtor, which amount shall be net of any discounts, credits, Dilutions or other allowances identified with specificity on such original invoice.

"Obligations": At any time, the sum of (a) the aggregate principal amount of all outstanding unpaid Advances and all accrued and unpaid interest thereon outstanding at such time; (b) all then outstanding accrued and unpaid fees payable hereunder; and (c) all other then outstanding liabilities, obligations and indebtedness (absolute or contingent, direct or indirect, several or joint and several or otherwise) of the Customer to the Bank under this Agreement;

"OFAC": The meaning set forth in the definition of "Sanctioned Country".

"Organizational Documents": The certificate or articles of incorporation, continuation or amalgamation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-corporate entity); and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation with the applicable governmental authority in the jurisdiction of its formation and, if applicable, any certificate or articles of formation or any equivalent thereof.

"Outstanding Account Debtor Financed Amount": As of the date of determination, an amount equal to (i) the aggregate amount of all Advances by the Bank to the Customer in respect of Financed Receivables of a particular Account Debtor expressed in CAD (and with respect to Financed Receivables denominated in USD, the CAD Equivalent thereof), minus (ii) the aggregate amount of: (A) all Collections with respect to such Financed Receivables actually indefeasibly paid to the Bank in repayment of such Advance (whether from the Collection Account or otherwise), expressed in CAD (and with respect to amounts denominated in USD, the CAD Equivalent of such amounts); and (B) all payments by the Customer to the Bank in reduction of Advances outstanding.

“Outstanding Aggregate Financed Amount”: As of the date of determination, an amount equal to the Outstanding Account Debtor Financed Amount for all Account Debtors expressed in CAD, or if denominated in USD, the CAD Equivalent thereof.

“Parties”: Collectively, the Customer and the Bank and, individually, the Customer or the Bank, as applicable in the context.

“Payment Reconciliation”: The meaning set forth in Section 5(b) of the Agreement.

“Permitted Encumbrances”: The meaning set forth in the Credit Facility Letter.

“Person”: An individual, partnership, corporation (including a business trust), limited liability company, limited partnership, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof or any governmental authority.

“PPSA”: The *Personal Property Security Act* (Newfoundland and Labrador) as amended or replaced from time to time.

“Proposed Receivables”: The Eligible Receivables for which invoices and/or other information are submitted to the Bank from time to time, against which an Advance may be requested by the Customer from the Bank in accordance with Section 2(a) of this Agreement.

“Receivables”: Any indebtedness or other payment obligation owing to the Customer by any Account Debtor (whether constituting an account or payment intangible), including any right to payment of interest or finance charges and other obligations of such Account Debtor with respect thereto, arising out of the Customer’s sale and delivery of goods or the Customer’s sale and provision of services.

“Sanctioned Country”: A country or territory that is, or whose government is, the subject of country-wide or territory wide economic or trade sanctions administered by but not limited to the Office of Foreign Assets Control of the U.S. Treasury Department of the Treasury (“OFAC”), the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Hong Kong Monetary Authority, Global Affairs Canada, Canada Border Services Agency, or Justice Canada.

“Sanctioned Person”: Any of the following currently or in the future: (i) an entity, vessel, or Person named on the list of Specially Designated Nationals or Blocked Persons maintained by OFAC available at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx> or on the consolidated list of persons, groups, and entities subject to the European Union financial sanctions currently available at http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm or otherwise subject to Sanctions Laws; (ii) any Person located in or organized under, incorporated under the laws of any, or resident in any Sanctioned Country to the extent that the entity or individual is subject to sanctions under Sanctions Laws; (iii) any Person otherwise a subject of sanctions under Sanctions Laws; and (iv) any entity or individual engaged in sanctionable activities under the Sanctions Laws.

“Sanctions Laws”: The sanctions or related laws, regulations, and rules promulgated or administered by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Hong Kong Monetary Authority, Global Affairs Canada, Canada Border Services Agency, or Justice Canada (including, without limitation, the *Trading with the Enemy Act* and each of the foreign assets control regulations of the United States Treasury Department, and the *Patriot Act*), the sanctions and other restrictive measures applied by the European Union in pursuit of the Common Foreign and Security Policy objectives set out in the Treaty on European Union, and any enabling legislation or executive order related thereto, as amended from time to time and

any similar sanctions laws as may be enacted from time to time in the future by the United States, Canada, the United Kingdom, the European Union (and any of its member states), the United Nations Security Council, or any other legislative body of the United Nations or any other relevant government or country; and any corresponding laws of jurisdictions in which the Customer operates or in which the proceeds of the Advance will be used or from which repayments of such obligations be derived.

"Termination Date": The date on which this Agreement terminates pursuant to Section 2(c) of the Agreement.

"U.S. Base Rate": On any day, the floating annual rate of interest publicly announced or established from time to time by the Bank and in effect on such day as the reference rate for determining rates of interest for U.S. Dollar commercial loans to borrowers in Canada; provided, however, that should the "U.S. Base Rate" be determined to be less than zero, then the "U.S. Base Rate" shall be deemed to be zero for the purposes of this Agreement. A certificate of an officer of the Bank shall be prima facie evidence of the U.S. Base Rate from time to time.

"USD" or "U.S. Dollars": The lawful currency of the United States of America.

"USD Equivalent" or "U.S. Dollars": At any time, the amount of USD which could be purchased from the Bank by the payment of a specified amount of CAD using the Bank's spot rate for the purchase of USD quoted by the Bank's treasury department at such time.

Exhibit B

Form of Advance Request

To be provided to the Customer upon request.



February 21, 2019

PRIVATE AND CONFIDENTIAL

Canada Fluorspar (NL) Inc.
700 605-140 Water Street, St-John's, NL,
A1C 6H6

Attn: Mr. Casey Walsh

Dear Sir,

Subject: First Amendment (this "First Amendment") to that certain Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 by and between Canada Fluorspar (NL) Inc. ("CFI"), a corporation governed by the laws of the Province of Newfoundland and Labrador, being individually referred to as a "Borrower", as borrower, and HSBC Bank Canada (the "Bank"), as lender (as such agreement may have been amended, supplemented or otherwise modified from time to time, the "Receivables Financing Agreement")

We refer to the above-captioned Receivables Financing Agreement. Capitalized terms not otherwise defined in this First Amendment have the same meanings as specified in the Receivables Financing Agreement.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Bank and the Borrower have agreed that the Receivables Financing Agreement is hereby amended as follows:

1. Replacement of Schedule 1. Schedule 1 of the Receivables Financing Agreement is deleted in its entirety and replaced with the revised schedule appearing as a Schedule to this First Amendment.

The Receivables Financing Agreement as specifically amended by this First Amendment shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The execution, delivery and effectiveness of this First Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Bank under the Receivables Financing Agreement, nor constitute a waiver of any provision of any of the Receivables Financing Agreement or any of the security documents executed in connection with the Receivables Financing Agreement.

This First Amendment shall be governed by the laws of the Province of Newfoundland and Labrador.



This First Amendment may be executed in any number of counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an original executed counterpart of a signature page to this First Amendment by facsimile or other electronic medium shall be effective as delivery of an original executed counterpart of this First Amendment.

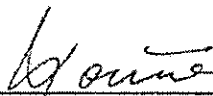
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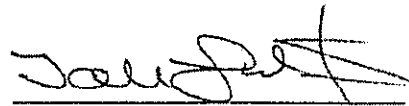


Please confirm your agreement with the foregoing terms by signing in the spaces provided below.

Yours Very Truly,


HSBC BANK CANADA, as Bank

By: 
Name: James Bowne
Title: Assistant Vice President
Corporate Banking

By: 
Name: Todd Lambton
Title: Regional Head – GTRF Sales –
Eastern Canada

We agree to the foregoing:

Canada Fluorspar (NL) Inc. as Borrower

By: 
Name: CASEY WALSH
Title: CFO

By: _____
Name:
Title:



SCHEDULE TO FIRST AMENDMENT

Schedule 1

Account Debtors

Various Account Debtors of the Customers as agreed from time to time in writing between the Bank and Customers.

September 30th, 2019

PRIVATE AND CONFIDENTIAL

Canada Fluorspar (NL) Inc.
605-140 Water Street, St-John's, NL,
A1C 6H6

Attn: Mr. Casey Walsh

Dear Sir,

Subject: Second Amendment (this "**Second Amendment**") to that certain Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 by and between Canada Fluorspar (NL) Inc. ("CFI"), a corporation governed by the laws of the Province of Newfoundland and Labrador, being individually referred to as a "**Borrower**", as borrower, and HSBC Bank Canada (the "**Bank**"), as lender (as such agreement may have been amended, supplemented or otherwise modified from time to time, the "**Receivables Financing Agreement**")

We refer to the above-captioned Receivables Financing Agreement. Capitalized terms not otherwise defined in this Second Amendment have the same meanings as specified in the Receivables Financing Agreement.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Bank and the Borrower have agreed that the Receivables Financing Agreement is hereby amended as follows:

1. Addition of Definition of "CDOR": The following new definitions are added to Exhibit A to the Receivables Financing Agreement:

"CDOR": The rate determined by the Bank and reset by the Bank on a daily basis that is equal to the average settlement rate for Canadian Dollar bankers' acceptances having a tenor of 30 days, which rate appears on the Reuters Screen CDOR Page as of 10:00 am (Toronto time) on the relevant calculation day (or, if such calculation day is not a Business Day, then on the immediately preceding Business Day); provided, however, that in the event that (i) it is not possible to determine CDOR from the Reuters Screen CDOR Page or (ii) the Bank reasonably determines that its cost of funding exceeds CDOR as displayed on the Reuters Screen CDOR Page, then CDOR shall be deemed for the purposes of this Agreement to be the rate reasonably determined by the Bank to reflect the actual cost of funds to the Bank; and provided further that if "CDOR" shall be

determined to be less than zero, then "CDOR" shall be deemed to be zero for the purposes of this Agreement.

"Reuters Screen CDOR Page": The display designated as "Reuters Screen CDOR Page" by Thomson Reuters, in its capacity as administrator for CDOR, or such other service as may be named as a replacement page for rates for Canadian Dollar bankers' acceptances.

2. Amendment of Definition of "Discount Rate". The definition of "Discount Rate" appearing in Exhibit A to the Receivables Financing Agreement is deleted in its entirety and replaced with the following:

"Discount Rate": A rate equal to: (i) in respect of Financed Receivables denominated in CAD, CDOR plus 2.70% per annum and (ii) in respect of Financed Receivables denominated in USD, LIBOR plus 2.70% per annum.

The Receivables Financing Agreement as specifically amended by this Second Amendment shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The execution, delivery and effectiveness of this Second Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Bank under the Receivables Financing Agreement, nor constitute a waiver of any provision of any of the Receivables Financing Agreement or any of the security documents executed in connection with the Receivables Financing Agreement.

This Second Amendment shall be governed by the laws of the Province of Newfoundland and Labrador.

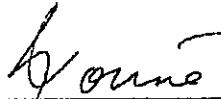
This Second Amendment may be executed in any number of counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an original executed counterpart of a signature page to this Second Amendment by facsimile or other electronic medium shall be effective as delivery of an original executed counterpart of this Second Amendment.

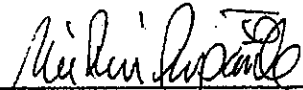
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Please confirm your agreement with the foregoing terms by signing in the spaces provided below.

Yours Very Truly,


HSBC BANK CANADA, as Bank

By: 
Name: James Bowne
Title: Assistant Vice President
Corporate Banking

By: 
Name: Melanie Lapointe
Title: Assistant Vice President, Global
Trade and Receivable Finance

We agree to the foregoing:

Canada Fluorspar (NL) Inc. as Borrower

By: 
Name: C. CASPER
Title: CFO

By: _____
Name:
Title:

February 17, 2020

PRIVATE AND CONFIDENTIAL

Canada Fluorspar (NL) Inc.
605-140 Water Street, St-John's, NL,
A1C 6H6

Attn: Mr. Casey Walsh

Dear Sir,

Subject: Third Amendment (this "Third Amendment") to that certain Trade Invoice Recourse Financing Facility Agreement dated as of May 25, 2018 by and between Canada Fluorspar (NL) Inc., a corporation governed by the laws of the Province of Newfoundland and Labrador (the "Borrower"), as borrower, and HSBC Bank Canada (the "Bank"), as lender (as such agreement may have been amended, supplemented or otherwise modified from time to time, the "Receivables Financing Agreement")

We refer to the above-captioned Receivables Financing Agreement. Capitalized terms not otherwise defined in this Third Amendment have the same meanings as specified in the Receivables Financing Agreement.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Bank and the Borrower have agreed that the Receivables Financing Agreement is hereby amended as follows:

1. **Definition of Facility Amount:** The definition of "Facility Amount" in Exhibit A to the Receivables Financing Agreement is deleted in its entirety and replaced with the following:

"Facility Amount": Up to USD 20,000,000 (and for Proposed Receivables which the Bank, in its discretion, decides to finance as Financed Receivables in respect of which the relevant original invoices are denominated in CAD, means the CAD Equivalent of USD 20,000,000);

The Receivables Financing Agreement as specifically amended by this Third Amendment shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The execution, delivery and effectiveness of this Third Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Bank under the Receivables Financing Agreement, nor constitute a waiver of any provision of any of the Receivables Financing Agreement or any of the security documents executed in connection with the Receivables Financing Agreement.

This Third Amendment shall be governed by the laws of the Province of Newfoundland and Labrador.

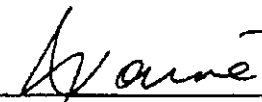
This Third Amendment may be executed in any number of counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an original executed counterpart of a signature page to this Third Amendment by facsimile or other electronic medium shall be effective as delivery of an original executed counterpart of this Third Amendment.

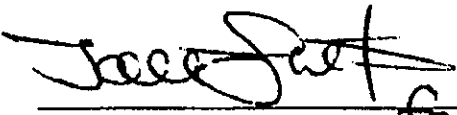
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Please confirm your agreement with the foregoing terms by signing in the spaces provided below.

Yours Very Truly,


HSBC BANK CANADA, as Bank

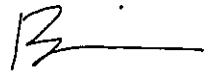
By: 
Name: James Bowne
Title: Assistant Vice President
Corporate Banking

By: 
Name: Melanie Lapointe
Title: Assistant Vice President, Global
Trade and Receivable Finance

We agree to the foregoing:

Canada Fluorspar (NL) Inc. as Borrower

By: 
Name: CASIM WASH
Title: DIRECTOR

By: 
Name: Bill Dobbs
Title: Director

THIS IS EXHIBIT "G" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

SCHEDULE "I"

**2022 01G 0709
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION**

BETWEEN:

**PRICEWATERHOUSECOOPERS INC. in its
capacity as court-appointed receiver and
manager of BRIDGING FINANCE INC. and
BRIDGING INCOME FUND LP**

APPLICANT

AND:

**CANADA FLUORSPAR (NL) INC. and
CANADA FLUORSPAR INC.**

RESPONDENTS

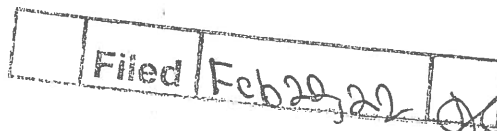
INTERIM RECEIVERSHIP ORDER

BEFORE THE HONOURABLE CHIEF JUSTICE RAYMOND P. WHALEN:

UPON The application of PricewaterhouseCoopers Inc., in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and Bridging Income Fund LP (formerly Sprott Bridging Income Fund LP) (the "**Applicant**"), for appointment of an interim receiver in respect of Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc. (collectively, the "**Debtor**");

AND UPON READING the Originating Application and the affidavit of Graham Page sworn February 19, 2022, and the consent of Grant Thornton Limited to act as interim receiver (in such capacity, the "**Interim Receiver**") of the Debtor;

AND UPON HEARING counsel for the Applicant any other counsel or other interested parties present;



R.W.

IT IS HEREBY ORDERED THAT:

SERVICE

1. The time for service of the notice of application and the material filed herein for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today and any further service thereof is hereby dispensed.

APPOINTMENT

2. Pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "*BIA*") Grant Thornton Limited is hereby appointed Interim Receiver, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, save and except for the Excluded Property (the "**Property**").
3. For greater certainty, the Interim Receiver will not take possession of the Property except to the extent necessary to carry out its obligations hereunder.

DEFINED TERMS

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

INTERIM RECEIVER'S POWERS

5. The Interim Receiver is not authorized or permitted to operate or conduct the business of the Debtor; provided, however, that the Receiver is hereby empowered and authorized, but not obligated, to take such steps as are necessary (or cause the Debtor to take such steps as are necessary) to protect, preserve, and secure the Property.

A handwritten signature in black ink, appearing to be 'R.W.', located in the bottom right corner of the page.

6. The Interim Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:
- (a) to exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve, protect, and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, preserve and protect the assets of the Debtor, including the power to incur any obligations in the ordinary course of business, and the powers to enter into any agreements, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - (d) to retain or hire any employees on behalf of the Debtor for any period of time on substantially the same terms and conditions as those existing between such employees and the Debtor, if applicable, prior to the appointment of the Interim Receiver;
 - (e) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim

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Receiver's powers and duties, including without limitation those conferred by this Order;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor. For greater certainty, this provision shall not apply to the Excluded Property;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Interim Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;
- (k) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Interim Receiver for registration this Order shall be immediately registered by the Registrar of Deeds.

R.W.

for the Province of Newfoundland and Labrador or any other similar government authority, notwithstanding Section 7 of the *Registration of Deeds Act, 2009*, SNL 2009, c R-10.01, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of deeds shall accept all Affidavits of Corporate Signing Authority submitted by the Interim Receiver in its capacity as Interim Receiver of the Debtor and not in its personal capacity;

- (l) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Interim Receiver, in the name of the Debtor;
- (m) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (n) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (o) to commence proceedings for the Debtor pursuant to the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act*; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below).

A handwritten signature in black ink, appearing to be 'R.W.', is located in the bottom right corner of the page.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

7. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Interim Receiver upon the Interim Receiver's request.

8. All Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records (and all transaction related thereof), and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraphs 7 and 9 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

R.W.

9. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

10. Without leave of the Court no action lies against the interim receiver with respect to any report made under, or any action taken pursuant to *BIA*.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

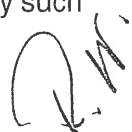
11. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing

R.W.

agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

NO EXERCISE OF RIGHTS OR REMEDIES

12. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor or the Interim Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Debtor to carry on any business that the Debtor is not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment.
13. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such



party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Interim Receiver at the first available opportunity.

14. Nothing in this Order shall prevent HSBC from exercising any rights or remedies, taking any enforcement steps, actions or commencing any proceedings against the Debtor with respect to the Excluded Property.

NO INTERFERENCE WITH THE INTERIM RECEIVER

15. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, except with the written consent of the Debtor and the Interim Receiver, or leave of this Court.

CONTINUATION OF SERVICES

16. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with the Debtor, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtor or exercising any other remedy provided under such agreements or arrangements. The Debtor shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain



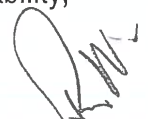
names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtor in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtor and the Interim Receiver, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

17. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, but excluding the Excluded Property, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

18. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Interim Receiver, on the Debtor's behalf, may terminate the employment of such employees.
19. Despite anything in federal or provincial law, if the Interim Receiver, in that position, carries on the business of the Debtor or continues the employment of a debtor's employees, the interim receiver is not by reason of that fact personally liable in respect of a liability,



including one as a successor employer, that is in respect of the employees or former employees of the debtor or a predecessor of the debtor or in respect of a pension plan for the benefit of those employees and that exists before the interim receiver is appointed or that is calculated by reference to a period before the appointment.

LIMITATION ON ENVIRONMENTAL LIABILITIES

20. Nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively, the "Environmental Legislation"), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.
21. The Interim Receiver shall not be liable for any mine closure or environmental and land rehabilitation-related liabilities or obligations in respect of or in any way related to the Property (or caused by or resulting from any matter or thing originating on or coming from the Property). For greater certainty:



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

- (i) before the Interim Receiver's appointment; or
- (ii) after the Interim Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Interim Receiver's gross negligence or wilful misconduct.

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

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

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

- (A) complies with the order, or

- (B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Interim Receiver, if the order is in effect when the Interim Receiver is appointed, by,
 - (A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Interim Receiver to contest the order; or
 - (B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Interim Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

22. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Interim Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property provided that the interim receiver shall act honestly and in good faith and deal with the Property in a commercially reasonable manner. Nothing in this Order shall derogate from any

R.M.

limitation on liability or other protection afforded to the Interim Receiver under any applicable law.

INTERIM RECEIVER'S ACCOUNTS

23. The Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges.
24. The Interim Receiver and counsel to the Interim Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Interim Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$250,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Interim Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person but subject to sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
25. The Interim Receiver and its legal counsel shall pass their accounts from time to time.
26. Prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE INTERIM RECEIVERSHIP

27. Subject to prior approval of the Applicant, the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$2,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Interim Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
28. Neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
29. The Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
30. The monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a pari passu basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

31. The Interim Receiver shall be allowed to repay any amounts borrowed by way of Interim Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

32. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Interim Receiver's Charge and the Interim Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

33. For greater certainty, neither the Interim Receiver's Charge nor the Interim Receiver's Borrowing Charge shall apply or attach to the Excluded Property.
34. The Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
35. Unless otherwise ordered by this Court, the Interim Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Interim Receiver's reports shall be filed by the registry notwithstanding that they do not include an original signature.
36. Nothing in this Order shall prevent the Interim Receiver from acting as a receiver, a receiver and manager, a trustee in bankruptcy, or a monitor of the Debtor.
37. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby

R.W.

respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Interim Receiver in any foreign proceeding, or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

38. The Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Interim Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
40. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Interim Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

41. The Interim Receiver shall establish and maintain a website in respect of these proceedings at www.grantthornton.ca/cfi (the "**Interim Receiver's Website**") and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available; and

D.W.

- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Interim Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

42. Service of this Order shall be deemed good and sufficient by:

a. serving the same on:

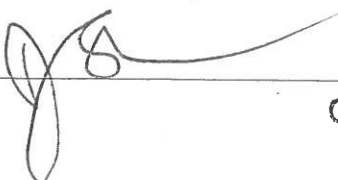
- (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
- and

b. posting a copy of this Order on the Interim Receiver's Website.

and service on any other person is hereby dispensed with.

43. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

DATED at St. John's, in the Province of Newfoundland and Labrador, this 21 day of February, 2022.



COURT
OFFICER



SCHEDULE "A"

Defined Terms

"Excluded Property" means: (i) any and all Receivables and / or Financed Receivables, as such terms are defined pursuant to a Trade Invoice Recourse Financing Facility Agreement between HSBC and Canada Fluorspar (NL) Inc. dated May 25, 2018, as amended, together with all rights and remedies arising thereunder, insurance policies and proceeds resulting therefrom, and proceeds generally, and (ii) all Export Development Canada insurance policies or support in favour of HSBC.

"HSBC" means HSBC Bank Canada.

R.W.

SCHEDULE "B"

Interim Receiver Certificate

Certificate No.

Amount \$

This is to certify that Grant Thornton Limited, the interim receiver (the "**Interim Receiver**") of the assets, undertakings, and properties of Canada Fluorspar (NL) Inc., and Canada Fluorspar Inc., (the "**Debtors**") acquired for, or used in relation to, a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by order of the Supreme Court of Newfoundland and Labrador (the "**Court**") dated the day of February, 2022 (the "**Order**") made in an action having court file number 2022 01G 0709, has received as such Interim Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$, being part of the total principal sum of \$ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [*monthly/semi-annually/annually/other*] not in advance on the day of each month after the date hereof at a rate per annum equal to the rate of per cent above the prime commercial lending rate of from time to time.

Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Interim Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at

Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

[signature page to follow]

Dated the day of , 2022.

Grant Thornton Limited, solely in its capacity as Interim Receiver of the Property, and not in its personal capacity

Per:

Name:

Title:

A.W.

THIS IS EXHIBIT "H" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

2022 01G
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

BETWEEN:

PRICEWATERHOUSECOOPERS INC. in its capacity as court-appointed receiver and manager of BRIDGING FINANCE INC. and BRIDGING INCOME FUND LP

APPLICANT

AND:

CANADA FLUORSPAR (NL) INC. and CANADA FLUORSPAR INC.

RESPONDENTS

AFFIDAVIT

| SUMMARY OF CURRENT DOCUMENT | |
|--|---|
| Court File Number(s): | 2022 01G |
| Date of Filing Document: | February 21, 2022 |
| Name of Party Filing or Person: | PricewaterhouseCoopers Inc. |
| Application to which Document being filed relates: | Application to appoint an interim receiver for the Respondent pursuant to section 47 of the <i>Bankruptcy and Insolvency Act</i> , RSC 1985, c B-3, section 105 of the <i>Judicature Act</i> , RSNL 1990, c J-4 and Rule 25.01 of the <i>Rules of the Supreme Court, 1986</i> |
| Statement of Purpose in Filing: | To support the application |

I, Graham Page, of the City of Toronto, in the Province of Ontario, make oath and say:

- I am a Director in the Consulting and Deals practice at PricewaterhouseCoopers Inc. ("**PwC**"), the court-appointed receiver and manager of Bridging Finance Inc., Bridging Income Fund LP (formerly Sprott Bridging Income Fund LP) and certain related entities and investment funds. As such, I have personal knowledge of the facts set out in my affidavit. Where I have obtained information from others, I have stated the source of that information and that I believe it to be true.

OVERVIEW OF BRIDGING

- Bridging Finance Inc. ("**Bridging Finance**") is a privately held investment management firm that offers alternative investment options to retail and institutional parties through its

investment funds. Bridging would raise capital from investors for the purpose of making private debt loans to third party borrowers. Each of the Bridging investment funds has appointed Bridging Finance as portfolio manager and as its agent to enter into loan agreements with borrowers, take security on behalf of each Bridging investment fund with respect to loans and collect loan payments from borrowers.

3. Bridging Finance is registered with securities regulators in all provinces and territories in Canada as a restricted portfolio manager and an exempt market dealer.
4. As further detailed below, Bridging Finance is the portfolio manager and agent for Bridging Income Fund LP (formerly Sprott Bridging Income Fund LP) ("**Bridging Income Fund**") the main secured lender to CFI in respect of this proceeding along with five other investment funds managed by Bridging Finance.
5. Throughout my affidavit, Bridging Finance, Bridging Income Fund, and the 5 other investment funds managed by Bridging Finance will be collectively referred to as "**Bridging**".

PWC APPOINTMENT AS RECEIVER AND MANAGER FOR BRIDGING

6. By orders of the Ontario Superior Court of Justice (Commercial List) dated April 30, 2021, May 3, 2021, and May 14, 2021 (collectively, the "**Appointment Orders**"), PwC was appointed as receiver and manager of all of the assets, undertakings, and properties of each of Bridging Finance, Bridging Income, and certain related entities and investment funds. Attached hereto and marked as **Exhibit A** is a copy of the original Appointment Order.
7. PwC was appointed as the receiver and manager pursuant to section 129 of the Ontario *Securities Act* upon application by the Ontario Securities Commission as a result of the

Commission's ongoing investigation into Bridging Finance and certain related individuals and entities.

CFI CORPORATE HISTORY AND BUSINESS

8. Canada Fluorspar (NL) Inc. is a Newfoundland and Labrador corporation, and is a borrower of Bridging as set out below. Canada Fluorspar (NL) Inc. is also the employer for the mine operation described below.
9. Canada Fluorspar Inc. is incorporated under the laws of the Province of Ontario and is extra-provincially registered in Newfoundland and Labrador. Canada Fluorspar Inc. has been 100% owned by Golden Gate Capital ("**Golden Gate**") since 2014. Canada Fluorspar Inc. is the guarantor for Canada Fluorspar (NL) Inc.'s indebtedness as described below.
10. Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc. will be referred to in my affidavit collectively as "**CFI**".
11. CFI's chief place of business is Newfoundland and Labrador, where all of its operational assets are located.
12. CFI is the only active producer of fluorspar in Canada and the United States. CFI is developing the St. Lawrence Fluorspar Mine Project in St. Lawrence, Newfoundland and Labrador, to mine high quality fluorspar ore from the AGS Vein to produce acid-grade fluorspar concentrate and export to domestic and international markets. This is known as the AGS Fluorspar Project, discovered in 2013.
13. The current estimate of available ore indicates that the mine is expected to operate for approximately 10 years. CFI also has other fluorspar ore bodies in the vicinity of the AGS Fluorspar Project, which could be mined after the AGS Vein ore has been exhausted.

14. The fluorspar deposits of St. Lawrence are known for accessibility, high grades, and absence of impurities. The location of the AGS Fluorspar Project, with an ice-free, deep-water harbour close to the major North Atlantic and European shipping routes, enhances its strategic position.
15. Since 2018, shipments have been loaded from a pier in Marystown, NL. However, in July 2021, CFI loaded its first shipment from its new Blue Beach Marine Terminal, 5 kilometers from the mine site in St. Lawrence.
16. Fluorspar is an essential mineral to many industries and applications, including lithium ion batteries; solar panels; refrigeration and air conditioners; high-performance polymers for aerospace; automotive and electronics applications; high-strength and purity glass for smart phones and electronic devices; pharmaceuticals, anaesthetics and medical devices; fire retardants and welding consumables; and steel and aluminum production.
17. In addition to mine development at the AGS Fluorspar Project and the Marine Terminal at Blue Beach Cove, CFI also operates:
 - (a) A Mill Facility with a production capacity of up to 180,000 tonnes per year of acidspar concentrate;
 - (b) Infrastructure to support the mine and mill, including access roads, conveyors, an administration building, a warehouse and maintenance building, employee facilities, a concentrate storage building, a security building, and an electrical building; and
 - (c) A Tailings Management Facility to store 2.8 million tonnes of flotation tailings over the life of the AGS Fluorspar Project.

CFI's INDEBTEDNESS

18. Bridging entered into several non-revolving term loans with CFI:

- (a) A term loan in the principal amount of CAD\$27,000,000, pursuant to a Credit Agreement dated February 2, 2017 with a maturity date of January 31, 2019;
- (b) A second term loan in the principal amount of CAD\$20,000,000, pursuant to an Amended and Restated Credit Agreement dated August 1, 2017 with a maturity date of January 31, 2019 and a CFI option to extend all outstanding term loans to July 31, 2019;
- (c) A third term loan in the principal amount of CAD\$8,000,000 pursuant to a Second Amended and Restated Credit Agreement dated February 1, 2018 with a maturity date of January 31, 2019 and a CFI option to extend to July 31, 2019;

(collectively, the "**Bridging Loan**"). Attached hereto and marked as **Exhibit B** is a copy of the Second Amended and Restated Credit Agreement, dated February 1, 2018, summarizing the Bridging Loan.

19. Bridging is the largest secured creditor of CFI.

20. However, CFI is also a borrower under the following other facilities:

- (a) HSBC: (i) a revolving term loan in the principal amount of USD\$20,000,000, (ii) an overdraft account with a credit limit of up to US\$2,000,000, (iii) a letter of credit facility with a credit limit of up to CAD\$1,500,000, and (iv) a credit card facility with a credit limit of up to CAD\$100,000 (collectively, the "**HSBC Facilities**"); and
- (b) A non-revolving term loan from the Province of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, in the principal amount of CAD\$17,000,000 pursuant to a loan agreement dated March

30, 2017, as amended, with a maturity date of December 31, 2021 (the "**NL Loan**").

On November 29, 2021 the maturity date of NL Loan was extended to December 31, 2022.

21. CFI's shareholder, Golden Gate, has invested approximately USD\$238,000,000 in equity financing since its acquisition of CFI in 2014.

SECURITY OVER CFI PROPERTY

22. CFI's obligations under the Bridging Loans are secured by a general security agreement and a debenture, as amended, granting a security interest in favour of Bridging with respect to all of CFI's present and after-acquired real and personal property, including all relevant mineral titles (the "**Bridging Security**"). Attached hereto and marked as **Exhibit C** is a copy of the Bridging Security.

23. In addition, CFI has granted to:

- (a) HSBC with respect to the HSBC Facilities a general security agreement providing a security interest in all of CFI present and after acquired personal property and specific security with respect to CFI's accounts receivables (the "**HSBC GSA**");
- (b) The Province of Newfoundland and Labrador, as represented by the Minister of Tourism, Culture, Industry and Innovation, with respect to the NL Loan a general security agreement and a debenture granting a security interest with respect to all of CFI's present and after-acquired real and personal property, including all relevant mineral titles (the "**NL Security**").

24. Pursuant to an Amended and Restated Intercreditor Agreement dated May 25, 2018, as amended, between Bridging, HSBC, the Government of Newfoundland and Labrador and CFI, the HSBC GSA has first priority over all accounts receivable of CFI which have been financed by HSBC pursuant to the Trade Invoice Recourse Financing Facility Agreement

dated May 25, 2018 between Canada Fluorspar (NL) Inc. and HSBC, as amended, up to the limit of US \$20,000,000, plus interest thereon and any fees in relation thereto.

25. I understand that HSBC intends to administer the collection of the subject accounts receivable, rather than having the Interim Receiver do so, as a result of which such accounts receivable and proceeds thereof are excluded property under the form of interim receivership order being sought.

BRIDGING' REVIEW OF CFI'S BUSINESS

26. CFI's current indebtedness to Bridging alone exceeds CAD\$68,000,000 inclusive of accrued interest.
27. My understanding from discussions with CFI's management team is that in order to generate positive cash flow in a given month, CFI needs to operate near full capacity production at the mine in order to produce enough fluorspar to cover the associated cost of mining.
28. Bridging understands that a number of logistical and COVID-19-related challenges have impeded CFI's production since Q4 2021, particularly in the colder months of November 2021 to January 2022. As a result, Bridging understands that CFI's cash burn rate has increased each month and has left CFI generating large negative monthly cash flow.
29. Golden Gate has historically injected equity into CFI to fund its operations since it acquired CFI in 2014. I understand from Golden Gate that this has totalled approximately USD\$238 million of equity injections into CFI.
30. In late January 2022, Golden Gate first advised Bridging that Golden Gate was not prepared to inject additional cash into CFI's operations after the recent operational and COVID-19 related issues from November 2021 to January 2022.

31. I understand that this has left CFI in an immediate cash crunch.
32. The Bridging Loans are set to mature in March 2022 after repeated amendments since the lending relationship began. Bridging understands from discussions with CFI management that CFI will not be in a position to repay the Bridging Loans when they come due.
33. Bridging understands that CFI is similarly unable to repay the HSBC Facilities and the NL Loan.
34. Bridging has also held discussions with CFI, Golden Gate and other secured lenders in an effort to seek a path forward amongst the key stakeholders that would maintain the going concern operations of CFI.
35. Bridging understands that without an urgent further influx of cash or significant reductions in expenses (or both), CFI will not be able to make payroll beyond the payroll that needs to be funded on Wednesday, February 23.
36. Bridging further understands from CFI that, without intervention, CFI will be forced to fully cease operations. In preparation for that, I understand that CFI intends to terminate some 260 employees at the beginning of this week due to the lack of cash.
37. Due to CFI's impending cessation of operations and potential for a bankruptcy, Bridging's security, along with that of HSBC and the Province, is in jeopardy.
38. Bridging intends to give notice to CFI of its intention to enforce its security under section 244 of the BIA. We anticipate such notice being sent on Monday, February 21, 2022.

THE NEED FOR AN INTERIM RECEIVER FOR CFI

39. The economic and social implications of a permanent cessation of CFI's operations would be serious for lenders, equityholders, the employees of CFI, and the province.
40. A CFI bankruptcy could potentially cause the permanent closure of the mine and the permanent loss of approximately 260 jobs, of which the vast majority are in Newfoundland. It would also lead to losses for many others not directly employed by CFI but whose jobs or livelihoods depend on CFI and the significant contribution it makes to the Newfoundland and Labrador economy.
41. PwC, on behalf of Bridging, has been in discussions with CFI's other secured lenders with a view to developing a restructuring plan for CFI. This plan includes appointing an interim receiver and allowing the interim receiver to re-hire a number of employees to take CFI into a care and maintenance mode to preserve its viability during a restructuring.
42. Certain other secured lenders have been generally supportive of developing such a plan provided the substantial operating costs are limited immediately while the various stakeholders seek a path forward to a going concern sale. On this point and as noted above, I am advised that HSBC does not oppose the form of Interim Receivership Order sought by Bridging, provided such order provides for the carve-out provisions noted above.
43. Those discussions are ongoing and Bridging believes that it may be able to bring forward a restructuring plan for CFI with a view to a sales or investment solicitation process in the near future while the mine is put into care and maintenance.
44. Given the issues outlined above, it is critical that CFI's assets be placed under the care and control of a court officer to protect Bridging's interests and the interests of CFI's other stakeholders.

45. Bridging intends that this interim receivership would last only so long as necessary to come to an agreement regarding a potential restructuring plan, or alternatively a bankruptcy if no investor comes forward to fund CFI's restructuring costs, such as in a receivership, BIA or CCAA filing, while under a care and maintenance program.
46. I make this affidavit in support of the within application and for no other or improper purpose.

AFFIRMED before me by audio-video communication pursuant to the *Temporary Alternate Witnessing of Documents Act* at St. John's, NL, this 19th day of February, 2022:



Joe Thorne
Att. Barrister (NL)



GRAHAM PAGE

THIS IS EXHIBIT "I" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

2022 01G 0709

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

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

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

NOTICE OF MOTION

(Companies' Creditors Arrangement Act)

Grant Thornton Limited, in its capacity as Court-Appointed Interim Receiver of Canada Fluorspar (NL) Inc., and Canada Fluorspar Inc. (the "Interim Receiver" or the "Applicant") will make a motion before the presiding Judge in Bankruptcy and Insolvency on Friday, the 11th day of March, 2022, at 10:00am, or so soon thereafter as the motion can be heard at the Courthouse, Duckworth Street, St. John's, Newfoundland and Labrador.

On the hearing of this Motion, the Applicant intends to apply for the following relief:

1. A first day initial order (the "First Day Order") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), substantially in the form attached at Schedule "B" hereto, *inter alia*:
 - (a) Abridging the notice periods pursuant to Section 11 of the CCAA and the *Rules of the Supreme Court, 1986*, Rule 3.03(1), Rule 6.04(2) and Rule 6.06;
 - (b) Pursuant to Section 11 of the CCAA, directing that the service on the service list set out in Schedule "A" hereto is sufficient for the purposes of this Application;

- (c) declaring that Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspaper (a General Partnership) (collectively, the "**Company**") is a debtor company to which the CCAA applies;
- (d) staying all actions, suits or proceedings and remedies taken or that might be taken against or in respect of the Company, any of its Property (as defined below) or business, or its director and officers, except as otherwise set forth in the Initial Order or as otherwise permitted by law (the "**Stay**"), for an initial period of ten (10) days in accordance with the CCAA (the "**Stay Period**");
- (e) appointing the Interim Receiver (the "**Proposed Monitor**") as the monitor of the Company in these proceedings (the "**CCAA Proceedings**");
- (f) approving and ratifying the execution by the Proposed Monitor, on behalf of the Company, of a debtor-in-possession facility loan agreement (the "**DIP Financing Agreement**") entered into on the ___ day of March, 2022 with Bridging Finance Inc., Bridging Income Fund LP, Bridging Private Debt Institutional LP, Bridging Mid-Market Debt Fund LP, Bridging Private Debt Lending Master Fund I, LP (Cayman), Bridging SMA 1 LP, Bridging SMA 2 LP and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology, pursuant to which Bridging Finance Inc., and/or an affiliate or affiliates to be named, and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology (collectively the "**DIP Lenders**") have agreed to advance to the Company a total amount of up to Six Million Five Hundred Thousand Dollars (\$6,500,000.00) (the "**DIP Facility**"), which will be made available to the Company during these CCAA Proceedings, of which an initial amount of Three Million Six Hundred Thousand Dollars (\$3,600,000.00) will be advanced to the Company during the initial 10-day Stay Period (the "**Initial Advance**"), and granting in favour of the DIP Lenders a priority charge against the assets, property and undertakings (the "**Property**") of the Company in order to secure the Company's obligations under the DIP Financing Agreement (the "**DIP Lender Charge**");
- (g) granting an "**Administration Charge**" against the Property in an initial amount of \$250,000.00, as security for the payment of the professional fees and

disbursements incurred and to be incurred by the Proposed Monitor, counsel to the Proposed Monitor and counsel to the Company, in connection with the CCAA Proceedings both before and after the making of the Initial Order;

2. Prior to the expiry of the Stay Period, on a further motion on notice to affected parties that will take place before the Court on the ___ day of March, 2022 (the "**Comeback Hearing**"), the Proposed Monitor will also seek:
 - (a) an amended and restated initial order (the "**ARIO**", together with the First Day Order, the "**Initial Order**"), among other things;
 - (b) reconfirming the appointment of Grant Thornton Limited as Monitor of the Company in these proceedings;
 - (c) an order (the "**SISP Order**"), among other things, approving the process and implementation of the Sale and Investment Solicitation Process ("**SISP**") by the Monitor, with the assistance of the Company, in accordance with the procedures further described herein (the "**SISP Procedures**").
 - (i) extending the Stay to the 10th day of July, 2022; and
 - (ii) increasing the amounts which may be borrowed by the Company under the DIP Financing Agreement to Six Million Five Hundred Thousand Dollars (\$6,500,000.00), which, together with the other obligations of the Company under the DIP Financing Agreement will be secured by the DIP Lender Charge.
3. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS APPLICATION ARE:

4. As of the date of this Application, the Company is insolvent and is an entity to which the CCAA applies. The claims against the Company exceed Five Million Dollars (\$5,000,000.00).
5. The Company has been experiencing liquidity challenges and experienced substantial operating losses over the calendar year of 2021 and into 2022.

6. Accordingly, on the 21st day of February 2022, this Honourable Court appointed the Interim Receiver. Since that time, the Interim Receiver has taken the necessary steps to protect the assets of the Company and to preserve the Company as a going concern business.
7. The Interim Receiver has secured the DIP Financing to allow the Company and the Proposed Monitor to pursue the SISP in accordance with the SISP Procedures further described herein.
8. The Company requires the protection of this Honourable Court to allow it to pursue the SISP in accordance with the SISP Procedures for which the Interim Receiver is seeking the Court's approval.
9. If an Order is made under the CCAA, the Company will be given the opportunity to restructure or liquidate its operations through the SISP and will continue to be a valuable contributor to the Newfoundland and Labrador economy.

STAY OF PROCEEDINGS

10. The Proposed Monitor, on behalf of the Company, requires a Stay as part of the First Day Order for an initial period of ten (10) days, which it intends to seek the extension thereof at the Comeback Hearing.
11. This Stay is necessary and in the best interests of the Company as it will allow the Proposed Monitor to stabilize the Company's operations, allow it to continue operating in the ordinary course, to complete and implement the SISP, which will ultimately preserve and maximize the value of the Company's estate for its secured creditors and other stakeholders.
12. The pursuit of the SISP will allow the Proposed Monitor, on behalf of the Company, to determine whether an offer can be obtained in respect of its assets, for the benefit of its creditors and other stakeholders.
13. It is envisaged that the stakeholders of the Company, including its creditors, would benefit from these proceedings, and thus the Stay (as it may be extended) and ancillary interim relief sought at the CCAA Proceedings are reasonable and necessary requests in the circumstances.

DIP FINANCING AGREEMENT & DIP CHARGE

14. The 17 week Cash Flow prepared by the Interim Receiver indicates that the Company needs interim financing to fund these CCAA proceedings and the SISP, including during the initial ten (10) day Stay Period.
15. On the basis of various discussions with the DIP Lenders, the Proposed Monitor, on behalf of the Company, intends to enter into the DIP Financing Agreement with the DIP Lenders, pursuant to which the DIP Lenders have agreed to provide the DIP Facility to the Company in the maximum principal amount of Six Million Five Hundred Thousand Dollars (\$6,500,000.00) (with an initial tranche of Three Million Six Hundred Thousand Dollars (\$3,600,000.00)) and to be secured by a super-priority charge on all present and after-acquired property of the Company.
16. The DIP financing will be used by the Proposed Monitor, on behalf of the Company to, *inter alia*, finance its working capital requirements, implement restructuring or liquidation procedures, finance professional fees and other purposes, including but not limited to post-filing expenses, and costs during the Stay.
17. Given the current financial state of the Company, the DIP Facility is the only feasible financing alternative available to the Proposed Monitor and the Company.
18. The Proposed Monitor requests, given the Company's immediate liquidity needs, the following;
 - (a) That the DIP Financing Agreement be approved at the hearing of the First Day Order, and that the Monitor be authorized to borrow thereunder for a maximum of up to Three Million Six Hundred Thousand Dollars \$3,600,000.00 (being all that is required to sustain operations during the short period), subject to a corresponding DIP Lender Charge approved for the DIP Lenders; and
 - (b) That liberty be granted to the Proposed Monitor to seek the approval and ratification of the remainder of funding envisaged under the DIP Financing Agreement at the subsequent hearing of the Proposed Monitor's request for a Comeback Hearing, and that the Proposed Monitor be authorized to borrow thereunder the balance made available under the DIP Financing Agreement, subject to the corresponding DIP Lender Charge.

ADMINISTRATION CHARGE

19. In addition to the foregoing, the Proposed Monitor is respectfully seeking this Honourable Court's approval of an Administration Charge as part of the First Day Order in order to secure the professional services required to complete this CCAA proceeding, maintain the Company's continued operation in the ordinary course of business during the Stay, and complete and implement the SISP.
20. During these proceedings, the Proposed Monitor will need assistance from the following professionals, for whom the Administration Charge is required:
 - (a) The Monitor and its legal counsel; and
 - (b) The Company's legal counsel.
21. The relief sought in the First Day Order, including in respect of the aforementioned charges, is considered to be reasonable, necessary and appropriate in the circumstances, and the Proposed Monitor requests its inclusion in the First day Order.

APPOINTMENT OF THE INTERIM RECEIVER AS MONITOR

22. The Interim Receiver has consented to act as the Monitor of the Company, subject to this Honourable Court's approval;
23. The Interim Receiver is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the "BIA") and is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA.
24. The Interim Receiver has been assisting the Company for three (3) weeks in connection with the development of contingency plans, and the exploration of various formal and informal restructuring and liquidation alternatives.
25. The Interim Receiver has extensive experience in matters of this nature, including going-concern acquisitions in the context of the CCAA, and is therefore well-suited to this mandate.

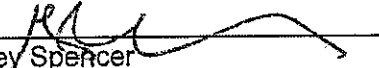
26. Given its knowledge base in regards to the operations and finances of the Company and its ability to perform monitoring functions without delay, it is believed to be in the best interests of the Company that the Interim Receiver be appointed as Monitor.

OTHER GROUNDS

27. The provisions of the CCAA, including s. 11, 11.001, 11.02(2) thereof; and
28. Such further and other grounds as counsel may advise and this Honourable Court may permit.
29. The following documentary evidence will be used at the hearing of this Application:
- (a) The Affidavit of Phil Clarke, sworn the 8th day of March, 2022;
 - (b) The consent of Grant Thornton Limited to act as Monitor, attached as Schedule "C";
 - (c) The Pre-Filing Report of the Interim Receiver; and
 - (d) Such further and other evidence as counsel may advise and this Honourable Court may permit.

DATED at St. John's, Newfoundland and Labrador, this 8th day of MARCH, 2022.

MCINNES COOPER

Per: 
Geoffrey Spencer
Solicitors for the Applicant
whose address for service is:
5th Floor, 10 Fort William Place
P.O. Box 5939
St. John's, NL A1C 5X

TO: The Counsel and others listed in Schedule "A" hereto

ISSUED at St. John's, in the Province of Newfoundland and Labrador this 8 day of March 2022.


Registrar
Assistant Deputy Registrar

SCHEDULE "A"
SERVICE LIST

1. Canada Fluorspar Inc., Canada Fluorspar (NL) Inc., and Newspaper
1 Clarks Pond Road
St. Lawrence, NL A0E 2V0
2. Grant Thornton as Interim Receiver
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Sean.MacNeil@ca.gt.com
3. Counsel for Canada Fluorspar Inc., Canada Fluorspar (NL) Inc., and Newspaper
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Allison Philpott
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aphilpott@coxandpalmer.com
4. Counsel for Pricewaterhousecoopers Inc., on behalf of Bridging Finance Inc.
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Stewart McKelvey
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5. Graham Page
Michael McTaggart
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Michael.mctaggart@pwc.com

6. Counsel for Golden Gate Capital
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7. Government of Newfoundland and Labrador
Department of Industry, Energy and Technology
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Jamie O'Dea
Micheal Day
Andrew Wheeler
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10. Financial Advisor for HSBC
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11. Canada Revenue Agency
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Fax: 705-671-3994
12. Workplace NL
P.O. Box 9000
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Fax: 709-738-1714
13. ACOA
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14. Bank of Montreal
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Toronto, ON M5X 1A1
15. Bank of Montreal Transport Finance
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16. Komatsu International (Canada) Inc.
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18. Ford Credit Canada Leasing, Division of Canadian Road Leasing Company
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27. Dave Elliott
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28. Derek Pardy
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30. Benjamin Pitcher
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31. Dormody Engineering Incorporated
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32. Hitech Communications Ltd.
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Schedule "B"

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

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

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

INITIAL ORDER

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

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

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

SERVICE

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

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (collectively the "**Company**") is a company to which the CCAA applies.
3. Capital terms not otherwise defined herein shall have the meaning ascribed to them in Schedule "A"

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Company shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), except the Excluded Property. Subject to further Order of this Honourable Court, the Monitor on behalf of the Company, shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Monitor is authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of its Business or for the carrying out of the terms of this Order.
5. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall be entitled to continue to utilize its cash management system currently in place, or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Company of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Company, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of

compromise or arrangement with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:
 - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
 - (b) the fees and disbursements of any Assistants retained or employed by the Company in respect of these proceedings, at their standard rates and charges;
 - (c) with consultation with the DIP Lender, amounts owing for goods and services supplied to the Company, if in the opinion of the Monitor, the supplier or vendor of such goods or services is necessary for the operation and preservation of the Business or Property

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Monitor, on behalf of the Company, shall be entitled but not required to pay all reasonable expenses incurred by the Company in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property, except the Excluded Property or the Business including, without limitation, payments on account of insurance, maintenance and security services and lease payments for mining equipment used in the operation of the Business; and
 - (b) payment for goods or services actually supplied to the Company following the date of this Order.

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

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
 - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Company in connection with the sale of goods and services by the Company, but only where such Sales Taxes are accrued or collected after the date of this Order, , and
 - (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Company.
9. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Monitor, on behalf of the Company, shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Company and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order. The Monitor, on behalf of the Company, may pay such Rent twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.
10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Monitor, on behalf of the Company, is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Company to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

NO PROCEEDINGS AGAINST THE COMPANY OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH RIGHTS

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

CONTINUATION OF SERVICES

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

NON-DEROGATION OF RIGHTS

16. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Company. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

APPOINTMENT OF MONITOR

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

Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

18. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Company's receipts and disbursements;
 - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
 - (c) assist, with consultation with the Company, in its dissemination of reports and other information to the DIP Lender (as defined herein) and their respective counsel, pursuant to and in accordance with the Definitive Documents, or as may otherwise be reasonably requested by the DIP Lender;
 - (d) execute the DIP Financing Agreement on behalf of the Company;
 - (e) advise, in consultation with the Company, in its preparation of the Company's cash flow statements and reporting required by the DIP Lender under the Definitive Documents, which information shall be reviewed with the Monitor and delivered to the DIP Lender and their respective counsel in accordance with the Definitive Documents;
 - (f) execute any and all documentation, on behalf of the Company, as reasonably necessary or required by the DIP Financing Agreement;
 - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Company, to the extent that is necessary to adequately assess the Company's business and financial affairs or to perform its duties arising under this Order;
 - (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

- (i) perform such other duties as are required by this Order or by this Court from time to time.
19. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property but as Monitor shall take part in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business, or any part thereof.
20. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.
21. **THIS COURT ORDERS** that nothing herein contained shall make the Monitor liable for any mine closure or environmental and land rehabilitation-related liabilities or obligations in respect of or in any way related to the Property (or caused by or resulting from any matter or thing originating on or coming from the Property). For greater certainty:
- (a) Notwithstanding anything in any Environmental Legislation, the Monitor is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Monitor's appointment; or

- (ii) after the Monitor's appointment unless it is established that the condition arose or the damage occurred as a result of the Monitor's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts the Monitor from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any Environmental Legislation, but subject to subparagraph (a) hereof, where an order is made which has the effect of requiring the Monitor to remedy any environmental condition or environmental damage affecting the Property, the Monitor is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed, or during the period of the stay referred to in clause (ii) below, the Monitor:
 - (A) complies with the order, or
 - (B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed, by,
 - (A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Monitor to contest the order; or
 - (B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

- (iii) if the Monitor had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.
22. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Company and the DIP Lender with information provided by the Company in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Company is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Company may agree.
23. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
24. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, and counsel for the Company on a weekly basis and, in addition, the Company is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Company reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.
25. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose, the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency.
26. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Company's counsel shall be entitled to the benefit of and are hereby granted a charge (the

“Administration Charge”) on the Property, except the Excluded Property, which charge shall not exceed an aggregate amount of \$250,000.00, as security for their professional fees and disbursements incurred at their respective standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 35 and 37 herein.

ENHANCEMENT OF MONITOR'S POWERS

27. **THIS COURT ORDERS** that, without in any way limiting the powers and duties of the Monitor, the Monitor is hereby empowered and authorized, but not obligated, to do any of the following in the name and on behalf of the Company, where the Monitor considers it necessary or desirable:
- (a) take any and all actions and steps to manage, operate and carry on the Business, including, without in any way limiting the generality of the foregoing:
 - (i) any actions or steps the Monitor considers necessary or desirable to proceed with an orderly restructuring or liquidation of the Business;
 - (ii) any and all steps of the Company authorized by any Order made in these proceedings, including making distributions or payments;
 - (iii) permanently or temporarily ceasing, downsizing or shutting down any of the Company's operations;
 - (iv) terminating the employment of or temporarily laying off employees of the Company;
 - (v) pursuing all avenues of refinancing the Business or Property, except the Excluded Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;
 - (vi) execute the DIP Financing Agreement on behalf of the Company;
 - (vii) execute any and all documentation, on behalf of the Company, as reasonably necessary or required by the DIP Financing Agreement;

- (viii) preparing a Plan of Compromise and Arrangement on behalf of one or more of the Applicants;
 - (ix) entering into any agreements;
 - (x) settling, extending or compromising any indebtedness owing to or by the Company;
 - (xi) engaging consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other Persons (as defined below) from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's powers and duties, including those conferred by this Order;
 - (xii) purchasing or leasing machinery, equipment, inventories, supplies, premises or other assets to continue the Business, or any part or parts thereof;
 - (xiii) initiating, prosecuting and continuing the prosecution of any and all proceedings and defending all proceedings now pending or hereafter instituted with respect to the Company, the Business, the Property or the Monitor and to settle or compromise any such proceeding;
 - (xiv) exercising any rights of the Company;
 - (xv) applying for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and in the name of the Company;
 - (xvi) taking any and all corporate governance actions for the Company; and
 - (xvii) providing instruction and direction to the advisors of the Company;
- (b) preserve, protect and exercise control over the Property, with the exception of the Excluded Property, or any parts thereof, including, without in any way limiting the generality of the foregoing:

- (i) receive, collect and exercise control over all monies and accounts held by or owing to the Company; including any proceeds of the sale of any of the Property;
- (ii) exercise all remedies of the Company in collecting monies owed or hereafter owing to the Company and to enforce any security held by the Company;
- (iii) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property for any purpose pursuant to this Order;
- (iv) to market, sell convey, transfer, lease or assign the Property, including running a sales solicitation process, or any part or parts of the Property out of the ordinary course of business;
 - (A) without the approval of this Court, in respect of any one transaction not exceeding \$250,000 or \$1,000,000 in the aggregate; and
 - (B) with the approval of this Court in respect of any other transaction;
- (c) to report to, meet with and discuss with such affected persons as the Monitor deems appropriate on all matters relating to the Business and the Property, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (d) oversee and direct the preparation and dissemination of financial and other information of the Company in these proceedings, including cash flow statements;
- (e) apply to the court for advice and direction or for any further orders in these proceedings, including, without in any way limiting the generality of the foregoing, sale approval and vesting orders and orders extending or terminating the stay of proceedings;
- (f) perform such other duties or take any steps reasonably incidental to the exercise of these powers;

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE MONITOR

28. **THIS COURT ORDERS** that the Company and all its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf shall fully co-operate with the Monitor in the exercise its powers under this Order or any other Order of the Court, including by:
- (a) advising the Monitor of the existence of any Property of which such party has knowledge of;
 - (b) providing the Monitor with immediate and continued access to any Property in such party's possession or control;
 - (c) advising the Monitor of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information ("**Records**") of which such party has knowledge of; and
 - (d) providing access to and use of the Records, including any accounting, computer, software and physical facilities relating thereto, and including providing the Monitor with instructions on the use of any computer or other system as requested by the Monitor and providing the Monitor with any and all access codes, account names and account numbers that may be required to gain access to the Records, provided however that nothing in this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Monitor due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

LIMITATION ON THE MONITOR'S LIABILITY

29. **THIS COURT ORDERS THAT** the Monitor is not and shall not, for any purposes, be deemed to be a director, officer, employee, receiver, receiver-manager, or liquidator of the Company.
30. **THIS COURT ORDERS THAT** the Monitor is not and shall not for the purposes of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.) be deemed to be a legal representative or person to whom s. 150(3) of that Act applies.
31. **THIS COURT ORDERS THAT** that the rights, protections, indemnities, charges, priorities and other provisions in favour of the Monitor set out in the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, any other applicable legislation, and any other Order granted in these proceedings, all shall apply and extend to the Monitor in connection with the Monitor carrying out the provisions of this Order, amended as necessary to give effect to the terms of this Order.

DIP FINANCING

32. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, is hereby authorized and empowered to execute, enter into and deliver the DIP Facility Loan Agreement (the "**DIP Financing Agreement**") dated the ___ day of March, 2022 between, the Company, as borrower, and Bridging Finance Inc., Bridging Income Fund LP, Bridging Private Debt Institutional LP, Bridging Mid-Market Debt Fund LP, Bridging Private Debt Lending Master Fund I, LP (Cayman), Bridging SMA 1 LP, Bridging SMA 2 LP, and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology as lender (collectively the "**DIP Lender**"), and to borrow, in accordance with the terms and conditions of the DIP Financing Agreement, interim financing of up to Three Million Six Hundred Thousand (\$3,600,000.00) (the "**DIP Facility**") to, among other things, fund the Company's working capital requirements and other general corporate purposes of the Company during the ten (10) day Stay Period.
33. **THIS COURT ORDERS** that, in addition to the DIP Financing Agreement, the Company is also hereby authorized and empowered to execute and deliver such other credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively with the DIP Financing Agreement, the "**Definitive**

Documents"), as are contemplated by the DIP Financing Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Monitor, on behalf of the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Financing Agreement and the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

34. **THIS COURT ORDERS** that, as security for the Company's obligations under the Definitive Documents, the DIP Lender shall be entitled to the benefit of and are hereby granted a charge (the "**DIP Lender's Charge**") on the Property, except the Excluded Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 35 and 37 herein.

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

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

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

36. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Company under the CCAA, or any proposal filed by the Company under the BIA, with respect to any advances made under the DIP Financing Agreement and the other Definitive Documents.
37. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "**Variation**") whether by subsequent order of this Court on or pending an appeal from this Order, such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Financing Agreement or the other Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Lender's Charge) for all advances so made and other obligations set out in the DIP Financing Agreement and the other Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows:
- First – the Administration Charge (to the maximum amount of \$[250,000.00]);
- Second– the DIP Lender's Charge
39. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to

the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for any secured creditor of the Company who did not receive notice of the application for this Order. The Company shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrances over which the Charges have not obtained priority pursuant to this Order.
41. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, any of the Charges, unless the Company also obtains the prior written consent of the Monitor and of the applicable chargee(s) entitled to the benefit of the Charges (collectively, the "**Chargees**"), or further Order of this Court.
42. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Company, and notwithstanding any provision to the contrary in any Agreement:
- (a) Neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Financing Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;

- (b) None of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the DIP Financing Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and
- (c) The payments made by the Company pursuant to this Order, the DIP Financing Agreement or the other Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

SERVICE AND NOTICE

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

GENERAL

- 45. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 46. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from subsequently acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Company, the Business or the Property.
- 47. **THIS COURT ORDERS** that each of the Company and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance

in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

48. **THIS COURT ORDERS** that a hearing for the balance of the relief sought by the Monitor, on behalf of Company in the Notice of Motion is hereby scheduled before this Court for the ___ day of March, 2022 at _____ am/pm or such other date as determined by this Court.
-

Schedule "A"

Defined Terms

"Excluded Property" means: (i) any and all Receivables and/or Financed Receivables, such as terms are defined pursuant to a Trade Invoice Recourse Financing Facility Agreement between HSBC and Canada Fluorspar (NL) Inc., dated May 25, 2018, as amended, together with all rights and remedies arising thereunder, insurance policies and proceeds resulting therefrom, and proceeds generally, and (ii) all Export Development Canada insurance policies or support in favor of HSBC.

"HSBC" means HSBC Bank Canada

Schedule "C"

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

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

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

CONSENT TO ACT AS MONITOR

Grant Thornton Limited., hereby consents to act as court-appointed monitor in these proceedings of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (General Partnership) if so appointed by this Honourable Court.

DATED at the City of Halifax, in the Province of Nova Scotia, this 8 day of March, 2022.

Grant Thornton Limited

Per: 

Phil Clarke, KStJ, CPA, CA,
CIRP, LIT, Partner

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

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

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

AFFIDAVIT OF PHIL CLARKE

SUMMARY OF CURRENT DOCUMENT

| | |
|--|--|
| Court File Number(s): | 2022 01G |
| Date of Filing of Document: | March 8, 2022 |
| Name of Party Filing or Person: | Grant Thornton Limited, in its capacity as Court Appointed interim receiver (the " Interim Receiver " or " Applicant ") of the Company (as defined below) |
| Application to which Document being filed relates: | Interlocutory Application (Inter Partes) filed by the Applicant |
| Statement of Purpose in filing: | Interlocutory Application seeking appointment of Grant Thornton Limited as Monitor of the Company pursuant to the CCAA, seeking enhanced powers of the Monitor, seeing an Administrative Charge and seeking approval of the DIP Financing Agreement, |
| Court Sub-File Number, if any | N/A |

2022 01G

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

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

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

AFFIDAVIT OF PHIL CLARKE

I, Phil Clarke, KSTJ, CPA, CA, CIRP, LIT, of Halifax, in the Province of Nova Scotia,
MAKE OATH AND SAY THAT:

1. I am a Partner with Grant Thornton Limited, Interim Receiver of the property of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., (collectively, the "Company").
2. The facts stated in this Affidavit are based on my knowledge of the Company and its business and affairs since being appointed as Interim Receiver on February 21, 2022, as well as information received from other individuals, including but not limited to former directors, officers and/or employees of the Company. Where I have relied upon information from others, I have stated the source of such information and I believe the information to be true.

I. OVERVIEW

3. This affidavit is sworn in support of an application made by the Interim Receiver of the Company pursuant to the *Companies' Creditors Arrangement Act* (Canada) R.S.C. 1985, c. C-36, as amended (the "CCA").
4. I have reviewed the within application and the facts contained therein are true to the best of my knowledge, information and belief.

II. DESCRIPTION OF THE COMPANY

5. Canada Fluorspar (NL) Inc. is a company incorporated under the laws of the Province of Newfoundland and Labrador, and Canada Fluorspar Inc., is a company incorporated under the laws of the Province of Ontario and is extra-provincially registered in Newfoundland and Labrador. Newspar (NL) is a general partnership of which Canada Fluorspar (NL) Inc. is a 99.999% partner. Canada Fluorspar Inc. has been 100% owned by Golden Gate Capital ("GGC"), an American private equity firm, since 2014.

6. The Company's chief place of business is the Province of Newfoundland and Labrador, where all of its operational assets are located.

7. The Company is one of the few active producer of fluorspar in Canada and the United States. The Company is developing the St. Lawrence Fluorspar Mine Project in St. Lawrence, Newfoundland and Labrador, to mine high-quality fluorspar ore from the AGS Vein to produce acid-grade fluorspar concentrate and export to domestic and international markets. This is known as the AGS Fluorspar Project, discovered in 2013.

8. The current estimate of ore in the AGS Vein is expected to operate for approximately 10 years. The Company also has other fluorspar ore bodies in the vicinity of the AGS Fluorspar Project, which could be mined after the AGS Vein has been exhausted.

9. The fluorspar deposits of St. Lawrence are known for accessibility, high grades, and absence of impurities. The location of the AGS Fluorspar Project, with an ice-free, deep-water harbour close to the major North Atlantic and European shipping routes, enhances its strategic position.

10. Since 2018, shipments have been loaded from a pier in Marystown, Newfoundland and Labrador. However, in July 2021, the Company loaded its first shipment from its new Blue Beach Marine Terminal, 5 kilometers from the mine site in St. Lawrence.

11. Fluorspar is an essential mineral to many industries and applications, including lithium ion batteries; solar panels; refrigeration and air conditioners; high-performance polymers for aerospace; automotive and electronics applications; high-strength and purity glass for smart

phones and electronic devices; pharmaceuticals, anesthetics and medical devices; fire retardants and welding consumables; and steel and aluminum production.

12. In addition to mine development at the AGS Fluorspar Project and the Marine Terminal at Blue Beach Cove, the Company also operates the following:

- A Mill Facility with a production capacity of up to 200,000 tonnes per year of acid spar concentrate;
- Infrastructure to support the mine and mill, including access roads, conveyors, an administration building, a warehouse and maintenance building, employee facilities, a concentrate storage building, a security building, and an electrical building; and
- A Tailings Management Facility to store 2.8 million tonnes of flotation tailings over the life of the AGS Fluorspar Project.

III. EMPLOYEES

13. As a result of the financial difficulties facing the Company, approximately 229 employees were terminated by the Company immediately prior to and just after the appointment of the Interim Receiver on February 21, 2022. The Interim Receiver has terminated 7. As at the date of this Affidavit, there are 45 employees still employed by the Company.

14. Prior to February 21, 2022, the Company employed approximately 280 people in St. Lawrence, Newfoundland and Labrador. Of the total, 94% of these employees were from the Burin Peninsula, 98% are from the Province of Newfoundland and Labrador, and 18% of the workforce was female with 10% in managerial, technical, supervisory, and operational roles.

15. Between January 2016 and June 2021, the Company has spent over \$550 Million in (direct) value of goods and services, with 60% spent in Newfoundland and Labrador. There was in excess of \$115 Million paid to workers from the Province of Newfoundland and Labrador.

V. THE COMPANY'S FINANCIAL POSITION

16. Attached to this Affidavit as Exhibit A is the Company's Financial Statements dated December 23, 2021 for the period ending December 31, 2020. The financial statements do not appear to be approved by the board. (the "Financial Statements").

17. As appears from the Financial Statements, as at December 31, 2020, the assets of the Company have a net book value of \$410,915,340. As appears from the Financial Statements, as at ~~December 31, 2020~~, the liabilities of the Company have a net book value of approximately \$285,778,760]. As at December 31, 2020 the Company only had \$301,161 in available cash, a working capital deficit of \$81,855,613, and a cumulative retained earnings deficit of \$38,561,308.

18. The Company had been experiencing liquidity challenges and experienced substantial operating losses over the calendar year 2021 and into 2022 and had been supported by its majority shareholder. As noted in the financial statements dated December 23, 2021, the Company had a loss in 2020 of \$29,241,211 and received additional financing from January 1, 2021 through to December 23, 2021 in the amount of \$17,320,037 USD.

19. The additional financing provided by the majority shareholder continued into February 2022, at which point that shareholder declined to provide continued financial support for ongoing obligations and investment purposes.

20. Without the continued support of the majority shareholder, the Company had limited cash available, and no known short-term prospect for additional financing. At that time of the application by Bridging Finance Inc. ("BFI"), the Company had approximately \$1,800,000 in cash in the bank with \$800,000 due to be paid to employees on February 25, 2022 for the pay period ending February 18, 2022.

21. On February 19, 2022, the Company's board of directors passed a resolution to make application pursuant to the CCAA as a result of the liquidity crisis. Subsequent to this meeting and prior to the hearing to appoint an Interim Receiver on February 22, 2022, all the directors resigned.

22. Discussions between BFI and the Province of Newfoundland and Labrador ("PNL") continued and it was determined that an Interim Receiver could be a mechanism to both protect

the assets of the Company, and seek a stay of proceedings to give BFI and PNL and other stakeholders time to determine if they were willing to provide additional funding to provide the Company an opportunity to restructure its affairs.

23. BFI made application to the Supreme Court of Newfoundland and Labrador to have Grant Thornton Limited (“GTL”) appointed as Interim Receiver, which was granted, and GTL was appointed the Interim Receiver on February 21, 2022.

24. As appears from the above, the Company’s current liabilities exceed the net book value of its current assets, and has no available funding such that on a going concern basis, the Company is insolvent.

25. A significant portion of the Company’s liabilities consist of its secured debt, which is further described below:

- HSBC: (i) A Revolving Loan provided to the Company by HSBC in the principal amount of USD\$20,000,000.00, (ii) an overdraft account with a credit limit of up to USD\$2,000,000.00, (iii) a letter of credit facility with a credit limit of up to CAD\$1,500,000.00, and (iv) a credit card facility with a credit limited of up to CAD \$100,000.00 (collectively, the “**HSBC Facilities**”);
- Bridging Finance Inc.: (i) A term loan in the principal amount of CAD\$27,000,000.00, (ii) A second term loan in the principal amount of CAD\$20,000,000.00, and (iii) A term loan in the principal amount of CAD\$8,000,000.00 (collectively, the “**Bridging Loans**”); and
- A Non-Revolver Term Loan provided by the Government of Newfoundland and Labrador to the Company in the principal amount of CAD\$17,000,000.00 (the “**Gov NL Loan Agreement**”);

26. The Company’s obligations under the HSBC Facilities are secured by a security interest granted in favour of HSBC with respect to the Company’s Accounts Receivables (the “**HSBC GSA**”). A copy of the HSBC Loan Agreement and the HSBC GSA is attached hereto as Exhibit B.

27. The Company's obligations under the Bridging Loans are secured by a security interest granted in favour of BFI, with respect to all of the Company's present and after-acquired personal property (the "Bridging GSAs"). A copy of the Bridging Loan Agreements and the Bridging GSAs are attached hereto as Exhibit C.

28. The Company's obligations under the Gov NL Loan Agreement are secured by a security interest granted in favour of the Government with respect to all of the Company's present and after-acquired personal property (the "Gov NL GSA"). A copy of the Gov NL Loan Agreement and the Gov NL GSA are attached hereto as Exhibit D.

29. The shareholder of the Company, GGC, has invested approximately USD \$238,000,000 in equity financing into the Company since its acquisition of the Company in 2014.

VI. THE COMPANY'S FINANCIAL DIFFICULTIES

30. It is my understanding from discussions with the Company's former management team that production of fluor spar concentrate started to increase in the first half of 2021, with new production records achieved in May and June 2021.

31. However, as a result of COVID-19 pandemic and related restrictions and operational challenges related to the construction and operation of the mill, significant production issues occurred during November 2021 to January 2022.

32. While the Company has experienced problems, I understand that there are solutions for these problems and, importantly, I am advised that the Company does not have a problem generating sales and is consistently able to sell its production into the markets. Unfortunately, the Company's sales were constrained by operational challenges, extensive short term and long-term debt, and lack of liquidity which slowed production. The Company needs additional time and money to seek a purchaser or investor with the financial resources to recapitalize the Company, or purchase the Company, so that production levels can be achieved that deliver on contracted sales volumes.

33. Attached hereto as Exhibit E is a detailed 17-week Cash Flow Forecast ("Cash Flow") that has been prepared by the Interim Receiver outlining the cash requirements to complete putting the

Company's assets into care and maintenance mode, maintain the environmental management processes, and run a sales and solicitation process.

34. GGC has advised that, under the circumstances, it cannot provide any further equity financing to the Company.

35. BFI and PNL have agreed to provide the Interim Receiver / Proposed Monitor the DIP Financing required to allow the Company and the Proposed Monitor to pursue the SISP in accordance with the SISP Procedures further described herein.

36. The CCAA Proceedings are necessary to give the Company the opportunity to restructure its operations and implement strategic solutions or liquidate its assets, including through the SISP. The CCAA Proceedings provide the Company with the best chance to find a new owner and be a viable company in the long-term and to continue to be a valuable contributor to the Province of Newfoundland and Labrador economy.

37. Absent the CCAA Proceeding, and the DIP Financing required to run the SISP process contemplated therein, the Interim Receiver will have to make an assignment of the Company into bankruptcy.

38. The economic and social implications of a complete cessation of the operations of the Company would be serious for the Province of Newfoundland and Labrador. These implications include the permanent loss of employment for the individuals previously employed by the Company, and the numerous other individuals who are not employed by the Company, but whose jobs or livelihoods depend on the Company and the significant contribution it makes to the Province of Newfoundland and Labrador's economy.

VII. DIP FINANCING

39. As set out above, the Company is not able to fund its ongoing obligations. Accordingly, Bridging Finance Inc., and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology has agreed to provide a DIP Facility and enter into a DIP Financing Agreement with the Proposed Monitor, subject to court approval, to

restructure the Company's operations. A copy of the DIP Financing Agreement is attached hereto as Exhibit F.

40. As appears from the Cash Flow prepared by the Interim Receiver, the Proposed Monitor expects the need for interim financing (including prior to the Comeback Hearing) to fund these CCAA Proceedings and the SISP.

41. The advances under the DIP Facility will benefit all stakeholders by allowing the Company ~~the ability to meet its operational demands. The benefit of the DIP Facility outweighs the prejudice~~ to the lenders whose security will be subordinated to the DIP security. Further, as the amount of the DIP Facility will be provided by Bridging Finance Inc., and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology, who already benefit from a security interest in the Company's Property. Further the HSBC factoring agreement is carved out as Excluded Property as defined in the Interim Receivership order dated February 21, 2022. I do not expect any material prejudice to any of the other existing creditors of the Company should the Court approve the DIP Financing Agreement and the DIP Lender Charge.

42. The Proposed Monitor is supportive of the approval of the DIP Financing Agreement and the DIP Lender Charge.

43. Accordingly, I believe that it is appropriate in the circumstances for this Court to approve the DIP Financing Agreement and the DIP Lender Charge.

VIII. ADMINISTRATION CHARGE

44. In addition to the foregoing, the Proposed Monitor is seeking an Administration Charge in order to secure the professional services required to complete this CCAA proceeding, maintain the Company's continued operation during the Stay, and complete and implement the SISP.

45. During these proceedings, the Proposed Monitor will need assistance from the following professionals, for whom the Administration Charge is required:

- a. The Monitor and its legal counsel; and

b. The Company's legal counsel.

46. Accordingly, I believe that the requested Administration Charge is reasonable, necessary and appropriate in the circumstances.

IX. RANKING OF COURT ORDERED CHARGES

47. The proposed ranking of the court ordered charges is as follows:

(a) Administration Charge \$250,000 in the Initial Order and \$250,000 in the ARIO;
and

(b) DIP Lender Charge.

48. Pursuant to the proposed Initial Order, the charges on the assets and property of the Company would rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise (collectively, "Encumbrances"), except the Excluded Property, in favour of any person, notwithstanding the order of perfection or attachment, except for any secured creditor of the Company who does not receive notice of this Application. The proposed ARIO contemplates that the charges would rank ahead of all Encumbrances, except Excluded Property, on a subsequent motion on notice to those persons likely to be affected thereby.

X. THE PROPOSED SISP ORDER

49. As previously mentioned, the Company shall seek, at the Comeback Hearing, the issuance of the SISP Order which provides for the approval by this Honourable Court of the SISP and related SISP Procedures.

50. I believe that the SISP Procedures are fair, efficient and will maximize the chance to obtain the highest or otherwise best offer for the Company's equity, assets, rights, undertakings and properties, in the best interest of the Company's stakeholders, including its employees, its creditors, its suppliers and contracting parties. The SISP Procedures were designed in consultation with the Company and senior secured lenders.

51. I believe that the proposed SISP as well as the related milestones and SISP Procedures are reasonable in the circumstances. I believe that the SISP process has a good likelihood of being successful given, *inter alia*, the following:

a. Fluorspar was designated a "Critical Mineral" by Canada's Federal Government on March 11th, 2021:

i. Fluorspar is important in the de-carbonization objectives of the Federal Government and the future electrification of the transportation sector;

ii. Fluorspar is the basic material for all refrigerants used in home, automotive and commercial applications including the latest generation of low GWP refrigerants;

iii. Fluorspar is a necessary component of all aluminum production worldwide, including the Rio Tinto Alcan aluminum facilities in Quebec; and

iv. Fluorspar is a key component of 23% of all pharmaceuticals manufactured worldwide.

b. The Company is one of the few active producers of Fluorspar in Canada and the United States.

c. The mine can be to be profitable in the future.

52. I have been informed that PricewaterhouseCoopers Inc. ("PWC"), in its capacity as Receiver of Bridging Finance Inc., who previously attempted to market Bridging Finance's portfolio (including the Bridging Loan Agreements with the Company) through a Court supervised process. As a result of this process, there were over 50 potential investors who expressed interest in the Bridging Loan Agreements with the Company. I believe that this gives comfort to this Honourable Court and the Company's stakeholders that the SISP process has a real prospect of finding a buyer or new investor for the Company that will allow it to continue as a going concern.

53. The Interim Receiver has been contacted by numerous parties expressing interest in the Company's assets, and in addition was advised by the Company that many of the Company's customers may also be interested in participating in the SISP process.

XI ENHANCED POWERS

54. All of the officers and directors of the Company resigned on or around February 19, 2022.

55. In light of the resignation of the Company's officers and directors, the Proposed Monitor is seeking enhanced powers, as outlined in the proposed Initial Order, to be able to complete this CCAA proceeding, maintain the Company's continued operation during the Stay, and complete and implement the SISP.

56. I believe that the proposed enhanced powers are reasonable, necessary and appropriate in the circumstances.

XI INTERIM RECEIVER'S REPORT

57. A copy of the Interim Receiver's First Report is attached hereto as Exhibit G.

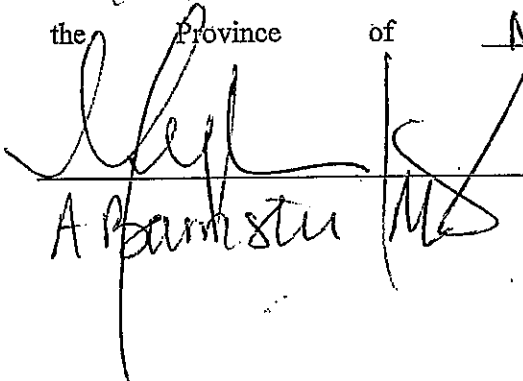
XII. CONCLUSION AND RELIEF SOUGHT

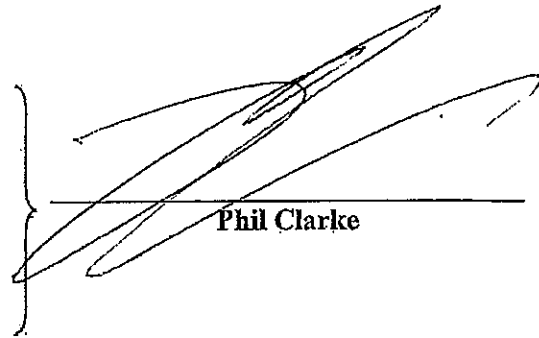
58. The Proposed Monitor, with the assistance of its legal advisors and the Company, have determined that the proposed CCAA proceedings represent the best available strategy to maximize value for its stakeholders and to find a potential solution that sees the Company continue as a going concern.

59. I believe that if the relief sought is granted, the Company will have an opportunity to effect a successful restructuring. If the order is not granted, I believe that the Company will have to cease operations immediately which would cause prejudice to the Company, its stakeholders, its many employees and the Province of Newfoundland and Labrador as a whole.

60. I make this Affidavit in support of the within Application.

SWORN BEFORE ME on this 8 day
of March, 2022 in the City of St John's in
the Province of NL.


A. Armstrong


Phil Clarke

THIS IS EXHIBIT "J" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nouf Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

2022 01G 0709

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

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

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

INITIAL ORDER

BEFORE THE HONOURABLE JUSTICE MACDONALD

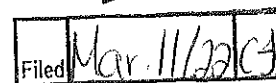
THIS APPLICATION, made by Grant Thornton Limited, in its capacity as Court-Appointed Interim Receiver of Canada Fluorspar (NL) Inc., and Canada Fluorspar Inc., (the "**Interim Receiver**" or the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended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

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

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

SERVICE

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



APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (collectively the "**Company**") is a company to which the CCAA applies.
3. Capital terms not otherwise defined herein shall have the meaning ascribed to them in Schedule "A"

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Company shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, save and except the Excluded Property (the "**Property**"). Subject to further Order of this Honourable Court, the Monitor on behalf of the Company, shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Monitor is authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of its Business or for the carrying out of the terms of this Order.
5. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:
 - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
 - (b) the fees and disbursements of any Assistants retained or employed by the Company in respect of these proceedings, at their standard rates and charges; and



- (c) in consultation with the DIP Lender, amounts owing for goods and services supplied to the Company, if in the opinion of the Monitor, the supplier or vendor of such goods or services is necessary for the operation and preservation of the Business or Property.
6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Monitor, on behalf of the Company, shall be entitled but not required to pay all reasonable expenses incurred by the Company in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance, maintenance and security services and lease payments for mining equipment used in the operation of the Business; and
 - (b) payment for goods or services actually supplied to the Company following the date of this Order.
7. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
 - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Company in connection with the sale of goods and services by the Company, but only where such Sales Taxes are accrued or collected after the date of this Order, and
 - (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any



nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Company.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Monitor, on behalf of the Company, shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Company and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order. The Monitor, on behalf of the Company, may pay such Rent twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.
9. **THIS COURT ORDERS** that, except as specifically permitted herein, the Monitor, on behalf of the Company, is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Company to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

NO PROCEEDINGS AGAINST THE COMPANY OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES



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

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

NO INTERFERENCE WITH RIGHTS

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

CONTINUATION OF SERVICES

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



on behalf of the Company, in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and each of the Monitor and the Company, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Company. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

APPOINTMENT OF MONITOR

16. **THIS COURT ORDERS** that Grant Thornton Limited is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Company with the powers and obligations set out in the CCAA, (save and except in relation to the Excluded Property) or set forth herein and that the Company and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Company pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
17. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Company's receipts and disbursements;
 - (b) report to this Court at such times and intervals as the Monitor or Court may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
 - (c) assist, with consultation with the Company, in its dissemination of reports and other information to the DIP Lender (as defined herein) and their respective counsel,



pursuant to and in accordance with the Definitive Documents (as defined herein), or as may otherwise be reasonably requested by the DIP Lender;

- (d) execute the DIP Financing Agreement (as defined herein) on behalf of the Company;
- (e) advise, in consultation with the Company, in its preparation of the Company's cash flow statements and reporting required by the DIP Lender under the Definitive Documents, which information shall be reviewed with the Monitor and delivered to the DIP Lender and their respective counsel in accordance with the Definitive Documents;
- (f) execute any and all documentation, on behalf of the Company, as reasonably necessary or required by the DIP Financing Agreement;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Company, to the extent that is necessary to adequately assess the Company's business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other Persons (as defined below) from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's powers and duties, including those conferred by this Order;
- (j) enter into any agreements in the ordinary course of business;
- (k) exercise any rights of the Company;
- (l) apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and in the name of the Company;



- (m) take any and all steps of the Company authorized by any Order made in these proceedings, including making distributions or payments;
 - (n) purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the Business, or any part or parts thereof, in the ordinary course of business; and
 - (o) perform such other duties as are required by this Order or by this Court from time to time.
18. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property but as Monitor shall take part in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business, or any part thereof.
19. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.
20. **THIS COURT ORDERS** that nothing herein contained shall make the Monitor liable for any mine closure or environmental and land rehabilitation-related liabilities or obligations in respect of or in any way related to the Property (or caused by or resulting from any matter or thing originating on or coming from the Property). For greater certainty:



- (a) Notwithstanding anything in any Environmental Legislation, the Monitor is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Monitor's appointment; or
 - (ii) after the Monitor's appointment unless it is established that the condition arose or the damage occurred as a result of the Monitor's gross negligence or wilful misconduct.

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

- (c) Notwithstanding anything in any Environmental Legislation, but subject to subparagraph (a) hereof, where an order is made which has the effect of requiring the Monitor to remedy any environmental condition or environmental damage affecting the Property, the Monitor is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed, or during the period of the stay referred to in clause (ii) below, the Monitor:
 - (A) complies with the order, or
 - (B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed, by,



- (A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Monitor to contest the order; or
- (B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Monitor had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

21. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Company and the DIP Lender with information provided by the Company in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Company is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Company may agree.
22. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
23. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, and counsel for the Company on a weekly basis and, in addition, the Company is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Company reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.



24. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose, the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency.
25. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Company's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, (save and except the Excluded Property and Excluded Inventory), which charge shall not exceed an aggregate amount of \$250,000.00, as security for their professional fees and disbursements incurred at their respective standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 37 and 39 herein.

ENHANCEMENT OF MONITOR'S POWERS

26. **THIS COURT ORDERS** that, without in any way limiting the powers and duties of the Monitor, the Monitor is hereby empowered and authorized, but not obligated, to do any of the following in the name and on behalf of the Company, where the Monitor considers it necessary or desirable:
- (a) take any and all actions and steps to manage, operate and carry on the Business, including, without in any way limiting the generality of the foregoing:
 - (i) temporarily ceasing, downsizing or shutting down any of the Company's operations;
 - (ii) terminating the employment of or temporarily laying off employees of the Company;
 - (iii) taking any and all corporate governance actions for the Company; and
 - (iv) providing instruction and direction to the advisors of the Company;
 - (b) preserve, protect and exercise control over the Property, (with the exception of the Excluded Property), or any parts thereof, including, without in any way limiting the generality of the foregoing:



- (i) receive, collect and exercise control over all monies and accounts held by or owing to the Company; including any proceeds of the sale of any of the Property (save and except the Excluded Property);
 - (ii) exercise all remedies of the Company in collecting monies owed or hereafter owing to the Company and to enforce any security held by the Company;
 - (iii) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property (save and except the Excluded Property) for any purpose pursuant to this Order;
- (c) to report to, meet with and discuss with such affected persons as the Monitor deems appropriate on all matters relating to the Business and the Property, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (d) oversee and direct the preparation and dissemination of financial and other information of the Company in these proceedings, including cash flow statements;
- (e) apply to the court for advice and direction or for any further orders in these proceedings, including, without in any way limiting the generality of the foregoing, sale approval and vesting orders and orders extending or terminating the stay of proceedings;
- (f) perform such other duties or take any steps reasonably incidental to the exercise of these powers;

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE MONITOR

27. **THIS COURT ORDERS** that the Company and all its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other



persons acting on their instructions or behalf shall fully co-operate with the Monitor in the exercise its powers under this Order or any other Order of the Court, including by:

- (a) advising the Monitor of the existence of any Property of which such party has knowledge of;
- (b) providing the Monitor with immediate and continued access to any Property in such party's possession or control;
- (c) advising the Monitor of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information ("**Records**") of which such party has knowledge of; and
- (d) providing access to and use of the Records, including any accounting, computer, software and physical facilities relating thereto, and including providing the Monitor with instructions on the use of any computer or other system as requested by the Monitor and providing the Monitor with any and all access codes, account names and account numbers that may be required to gain access to the Records, provided however that nothing in this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Monitor due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

LIMITATION ON THE MONITOR'S LIABILITY

- 28. **THIS COURT ORDERS THAT** the Monitor is not and shall not, for any purposes, be deemed to be a director, officer, employee, receiver, receiver-manager, or liquidator of the Company.
- 29. **THIS COURT ORDERS THAT** the Monitor is not and shall not for the purposes of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.) be deemed to be a legal representative or person to whom s. 150(3) of that Act applies.



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

DIP FINANCING

31. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, is hereby authorized and empowered to execute, enter into and deliver the DIP Facility Loan Agreement (the "**DIP Financing Agreement**") dated the ____ day of March, 2022 between, the Company, as borrower, and Bridging Finance Inc., Bridging Income Fund LP, Bridging Private Debt Institutional LP, Bridging Mid-Market Debt Fund LP, Bridging Private Debt Lending Master Fund I, LP (Cayman), Bridging SMA 1 LP, Bridging SMA 2 LP, and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology as lender (collectively the "**DIP Lender**"), and to borrow, in accordance with the terms and conditions of the DIP Financing Agreement, interim financing of up to One Million Eight Hundred Thousand (\$1,800,000.00) (the "**DIP Facility**") to, among other things, fund the Company's working capital requirements and other general corporate purposes of the Company during the ten (10) day Stay Period.
32. **THIS COURT ORDERS** that, in addition to the DIP Financing Agreement, the Company is also hereby authorized and empowered to execute and deliver such other credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively with the DIP Financing Agreement, the "**Definitive Documents**"), as are contemplated by the DIP Financing Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Monitor, on behalf of the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Financing Agreement and the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.



33. **THIS COURT ORDERS** that, as security for the Company's obligations under the Definitive Documents, the DIP Lender shall be entitled to the benefit of and are hereby granted a charge (the "**DIP Lender's Charge**") on the Property, (save and except the Excluded Property and Excluded Inventory), which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 37 and 39 herein. Notwithstanding the foregoing, the Interim Receiver's Borrowing Charge contained in Paragraph 27 of the Interim Receivership Order shall continue to be in full force and effect during the term of this Order. The Interim Receiver's Borrowing Charge shall rank pari passu with the DIP Lender's Charge.
34. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:
- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
 - (b) upon the occurrence of an event of default under the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge, upon five (5) days notice to the Monitor and the Company, the DIP Lender may exercise any rights and remedies against the Company or the Property, (save and except the Excluded Property), under or pursuant to the DIP Financing Agreement, the other Definitive Documents and the DIP Lender's Charge, including, without limitation, to cease making advances to the Company and set off and/or consolidate any amounts that may be owing by the DIP Lender against the obligations of the Company to the DIP Lender under the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Company and for the appointment of a trustee in bankruptcy of the Company; and
 - (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Company or the Property (save and except the Excluded Property).



35. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Company under the CCAA, or any proposal filed by the Company under the BIA, with respect to any advances made under the DIP Financing Agreement and the other Definitive Documents.
36. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "**Variation**") whether by subsequent order of this Court on or pending an appeal from this Order, such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Financing Agreement or the other Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Lender's Charge) for all advances so made and other obligations set out in the DIP Financing Agreement and the other Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

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

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

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



39. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property, (save and except the Excluded Property and Excluded Inventory), and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for any secured creditor of the Company who did not receive notice of the application for this Order. The Company shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrances over which the Charges have not obtained priority pursuant to this Order.
40. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, any of the Charges, unless the Company also obtains the prior written consent of the Monitor and of the applicable chargee(s) entitled to the benefit of the Charges (collectively, the "**Chargees**"), or further Order of this Court.
41. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Company, and notwithstanding any provision to the contrary in any Agreement:
- (a) Neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Financing Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;



- (b) None of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the DIP Financing Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and
- (c) The payments made by the Company pursuant to this Order, the DIP Financing Agreement or the other Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

SERVICE AND NOTICE

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

GENERAL

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

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

46. **THIS COURT ORDERS** that each of the Company and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance



in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

47. **THIS COURT ORDERS** that a hearing for the balance of the relief sought by the Monitor, on behalf of Company in the Notice of Motion is hereby scheduled before this Court for the 18th day of March 2022 at 10:00 am or such other date as determined by this Court.



COURT
OFFICER



Schedule "A"

Defined Terms

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

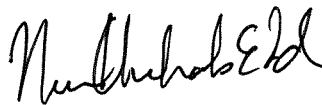
"Excluded Property" means: (i) any and all Receivables and/or Financed Receivables, as such terms are defined pursuant to the RFA, together with all rights and remedies arising thereunder, insurance policies and proceeds resulting therefrom, and proceeds generally, and (ii) all Export Development Canada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

"HSBC" means HSBC Bank Canada; and

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

A handwritten signature in black ink, consisting of a stylized, cursive letter 'M' followed by a horizontal flourish.

THIS IS EXHIBIT "K" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student at Law, Province of Ontario,
Expires May 14, 2022.
Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student at Law, etc.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.

March 11, 2022

File No.: 207871-984

Delivered Via Courier

PRIVATE & CONFIDENTIAL

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

Dear Sir / Madam:

Re: **Credit Facilities Extended by HSBC Bank Canada to Canada Fluorspar (NL) Inc.**

We are counsel to HSBC Bank Canada (the "**Lender**") in connection with the credit facilities the Lender has extended to Canada Fluorspar (NL) Inc. ("**Fluorspar**").

In this regard, reference is made to the following agreements made between the Lender and Fluorspar:

1. Facility Letter dated August 28, 2018, as amended, between the Lender and Fluorspar;
2. Trade Invoice Recourse Financing Facility Agreement dated May 25, 2018, as amended, between the Lender and Fluorspar;
3. Letters of Credit issued by the Lender, on behalf of Fluorspar; and
4. General Security Agreement dated May 25, 2018, between the Lender and Fluorspar.

On behalf of the Lender, we hereby demand repayment of all amounts due and owing by Fluorspar to the Lender under the foregoing agreements, namely the amount of U.S.\$11,881,582.05, plus discounting charges in the amount of U.S.\$13,263.33, plus Mastercard charges in the amount of CDN\$64,435.78, as of March 11, 2022, plus all accruing interest and incurred legal costs. Please note that this amount will continue to accrue interest at the rates agreed to, and costs and expenses will continue to be incurred by the Lender for which Fluorspar will be responsible, until payment of all amounts owing hereunder is received by the Lender. If full payment is not received by the close of business on March 21, 2022, the Lender will take whatever steps it deems appropriate to seek repayment of the said amount. To this end, we enclose for service upon you, a Notice of Intention to Enforce Security in accordance with section 244

Fernanda Lopes & Associados ► Guevara & Gutierrez ► Paz Horowitz Abogados ► Sirote ► Adepetun Caxton-Martins Agbor & Segun ► Davis Brown ► East African Law Chambers ► Eric Silwamba, Jalasi and Linyama ► Durham Jones & Pinegar ► LEAD Advogados ► Rattagan Macchiavello Arocena ► Jiménez de Aréchaga, Viana & Brause ► Lee International ► Kensington Swan ► Bingham Greenebaum ► Cohen & Grigsby ► Sayarh & Menjra ► For more information on the firms that have come together to form Dentons, go to dentons.com/legacyfirms

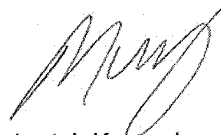
of the *Bankruptcy and Insolvency Act (Canada)* (the "**Notice of Intention**"). If you are prepared to waive the ten day notice period, please endorse the Consent and Waiver located on page 2 on the Notice of Intention and return to the undersigned as soon as possible.

Please note that the Lender reserves its rights to proceed against you prior to the time stipulated above in the event that it determines that its position is further jeopardized.

If you have any questions or concerns, please contact the undersigned.

Yours truly,

Dentons Canada LLP



Robert J. Kennedy
Partner

RJK/ac

Enclosure

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

TO: Canada Fluorspar (NL) Inc., an insolvent company (the "**Debtor**")

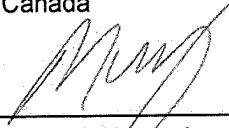
TAKE NOTICE THAT:

1. HSBC Bank Canada (the "**Lender**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral.
2. The security that is to be enforced is in the form of a:
 - (a) General Security Agreement dated May 25, 2018, between the Lender and the Debtor (the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of March 11, 2022, the sum of U.S.\$11,894,845.38, and CDN\$64,435.78, plus all accrued interest and legal costs incurred to date.
4. The Lender will not have the right to enforce its Security until after the expiry of the ten day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Toronto, in the Province of Ontario, this 11th day of March, 2022.

DENTONS CANADA LLP, solicitors and agents
for HSBC Bank Canada

Per: _____


Robert J. Kennedy

CONSENT AND WAIVER

THE UNDERSIGNED hereby:

1. Acknowledges receipt of the Notice herein;
2. Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and
3. Consents to the immediate enforcement by Canada Fluorspar (NL) Inc. of the Security referred to herein.

DATED this _____ day of March, 2022.

CANADA FLUORSPAR (NL) INC.

Name:

Title

THIS IS EXHIBIT "L" REFERRED TO IN THE
AFFIDAVIT OF BRIAN PETIT SWORN BEFORE
ME THIS 16th DAY OF MARCH, 2022.



Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

Nour Chehab Eddine,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 14, 2022.

A Commissioner for Taking Affidavits, etc.



Deloitte Restructuring Inc.
Queen's Marque
1741 Lower Water St., Suite 800
Halifax NS B3J 0J2
Canada

Tel: +1 (902) 721-5661
Fax: +1 (902) 423-5820
www.deloitte.ca

March 15, 2022

Brian Pettit
Assistant Vice-President, Special Credit
HSBC Bank Canada
70 York Street West, 6th floor
Toronto, Ontario, M5J 1S9

Dear Mr. Pettit,

Subject: Canada Fluorspar (NL) Inc. ("CFI")

We understand that HSBC Bank Canada ("**HSBC**") intends to make an application to the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (the "**Court**") for an order (the "**Receivership Order**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as the receiver (the "**Receiver**") over certain assets CFI.

Deloitte has reviewed the draft Receivership Order and consents to act as Receiver if the Court grants the requested relief.

Sincerely,

DELOITTE RESTRUCTURING INC.

Per:

James Foran
Senior Vice President

c: Robert Kennedy (Dentons Canada LLP)