Court File No. 09-8363-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

Applicant

THIRD REPORT OF THE MONITOR
DATED OCTOBER 14, 2009

INTRODUCTION AND OVERVIEW OF CCAA PROCEEDINGS TO DATE

1. On September 15, 2009, Barzel Industries Canada Inc. ("**Barzel Canada**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Pursuant to the Order of this Honourable Court dated September 15, 2009 (the "**Initial Order**"), Deloitte & Touche Inc. ("**Deloitte**") was appointed as the Monitor of the Applicant (the "**Monitor**") in the CCAA proceeding.

2. On the same day, Barzel Canada's parent, Barzel Industries Inc. ("**BII**") and certain affiliated U.S. entities including Barzel Holdings Inc., Barzel Finco Inc. ("**Barzel Finco**"), Barzel Industries U.S. Inc., American Steel and Aluminum Corporation, Nova Tube and Steel Inc., Novamerican Tube Holdings, Inc. and Nova Tube Indiana, LLC (collectively, the "**U.S. Debtors**") filed voluntary petitions under chapter 11 of title 11 of the *United States Code*, 11 U.S.C. §101-1532 (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**").

3. The U.S. bankruptcy proceedings were recognized by this Honourable Court as a "foreign proceeding" under s. 18.6 of the CCAA in a companion order entered on September 15, 2009.

4. Collectively, Barzel Canada and the U.S. Debtors are known as the "Barzel Group".

5. On September 14, 2009, Barzel Canada and the U.S. Debtors entered into an asset purchase agreement (as amended on September 30, 2009, the "**Asset Purchase Agreement**") with Chriscott USA Inc. and 4513614 Canada Inc. (collectively "**Metco**") for the sale of substantially all of the assets, property and undertaking of the Barzel Group. The Asset Purchase Agreement contemplates that, subject to court approval, the terms contained therein will serve as a "stalking horse" bid in a sale process to be conducted according to certain bidding procedures (the "**Sale Procedures**"). The interest of Barzel Canada in the Delta Tubes Joint Venture, as described below, is an excluded asset under the Asset Purchase Agreement. However, s. 8.12 of the Asset Purchase Agreement, as amended on September 30, 2009, reports Metco's intention to purchase the Barzel Canada interest in the Delta Tubes Joint Venture subject to definitive documentation and court approval.

6. Deloitte, in its capacity as Proposed Monitor, provided this Honourable Court with a report dated September 15, 2009 (the "**Pre-Filing Report**") that contained information on, *inter alia*, the causes of the Applicant's insolvency, an overview of the Applicant's financial position, an overview of Barzel Canada's 13-week cash flow forecast, and the Proposed Monitor's associated conclusions and recommendations. A copy of the Pre-Filing Report (without exhibits) is attached as Exhibit "A" to this Third Report.

7. On September 18, 2009, the Applicant filed a motion record with this Honourable Court in connection with an anticipated motion seeking an order to compel ArcelorMittal Dofasco Inc. ("**Dofasco**") to provide product to the Barzel Group in compliance with the terms of the Initial Order and pursuant to the terms of a Replenishment Agreement between BII and Dofasco (the "Dofasco Motion"). In connection with the Dofasco Motion, Deloitte filed its first report in its capacity as Monitor (the "**First Report of the Monitor**") to provide this Honourable Court with additional information about the supply of materials by Dofasco to the Barzel Group.

8. On September 18, 2009, Justice Morawetz entered an Order on consent (the "**Order on Consent**") compelling Dofasco to immediately supply already manufactured product to the

Barzel Group without prejudice to the rights of either Dofasco or the Applicant to take any position in respect of rights or obligations under the Replenishment Agreement.

9. On October 2, 2009, the Monitor filed its second report in its capacity as Monitor (the "**Second Report of the Monitor**") in connection with a joint hearing held before this Honourable Court and the U.S. Court on October 6, 2009. On October 6, 2009, the Applicant and the U.S. Debtors were granted an Order (the "**Sale Procedures Order**"): (i) authorizing the Applicant and the U.S. Debtors to enter into the Asset Purchase Agreement; (ii) approving Sale Procedures; and (iii) approving a break-up fee and expense reimbursement fee contemplated by the Asset Purchase Agreement. The U.S. Debtors also received final approval of the DIP Credit Agreement from the U.S. Court at that time. A copy of the Second Report of the Monitor, without exhibits, is attached as Exhibit "B" to this Third Report.

10. The Applicant intends to bring a motion before this Court on October 15, 2009 seeking, among other things, approval of a sale of its interest in a joint venture that owns a manufacturing facility at LaSalle, Quebec (the "**Delta Tubes Joint Venture**"). The motion will also seek, among other things, an extension of the initial 30-day stay of proceedings (the "**Stay Period**"), approval of a retention incentive program (the "**RIP**") and amendment of the Initial Order, *nunc pro tunc*, to refer to the DIP Credit Agreement, as amended. This third report of the Monitor (the "**Third Report**") is filed in connection with the motion returnable October 15, 2009.

PURPOSE

11. The purpose of this Third Report is to:

- Provide background to the Court on the Barzel Group's interest in the Delta Tubes Joint Venture;

- Provide this Court with background on Barzel Canada's proposed sale of its equity interest in the Delta Tubes Joint Venture and the sale of certain other assets of Barzel

Canada (the "**Delta Tubes Transaction**") and the proposed use of those sales proceeds by Barzel Canada;

- Provide information in respect of the Applicant's request to extend the Stay Period;
- Provide information in respect of the RIP and the Applicant's request to have the RIP sealed from the public;
- Provide information in respect of the Applicant's updated cash flows;
- Provide information in respect of the Applicant's request to amend the Initial Order, *nunc pro tunc*, to reflect amendments to the DIP Credit Agreement; and
- Recommend that this Honourable Court make an order:
    - Approving the Delta Tubes Transaction;
    - Approving and sealing the RIP;
    - Extending the stay of proceedings; and
    - Amending the Initial Order so that it reflects the DIP Credit Agreement, as amended.

TERMS OF REFERENCE

12. In preparing this Third Report, the Monitor has relied upon unaudited financial information, Barzel Canada's books and records, financial information prepared by Barzel Canada and its advisors, and discussions with management of Barzel Canada and management of the Barzel Group including Mr. Wayne Day, Chief Restructuring Officer of the Barzel Group. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or

completeness of the information and, accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report.

13. Unless otherwise stated, all monetary amounts contained herein are expressed in US dollars.

14. Capitalized terms not defined in this Third Report are as defined in the Pre-filing Report, the Affidavit of Karen Narwold sworn October 9, 2009 (the "**Narwold Affidavit**") or the Affidavit of Wayne Day sworn October 9, 2009.

BACKGROUND AND DELTA TUBES JOINT VENTURE

15. The Barzel Group is a leading metal manufacturing, processing and distributing enterprise with operations throughout Ontario and Quebec and the eastern and mid-western United States. The Barzel Group is headquartered in Norwood, Massachusetts, and its operational hub is in Mississauga, Ontario. The Barzel Group has four primary business lines: (a) tube and pipe production; (b) manufacturing; (c) processing; and (d) distribution.

16. The core of the Applicant's business consists of two tube and pipe facilities, four manufacturing facilities and one processing facility. The Applicant's tube and pipe facilities are located in Baie D'Urfe, Quebec and Mississauga, Ontario and the Applicant's manufacturing facilities are located in Granby, St. Hubert and Shawinigan, Quebec.

17. In addition, Barzel Canada is party to a joint venture arrangement pursuant to which it owns a 60% equity interest in Tubes Delta Inc. (a Quebec corporation) and 60% of the limited partnership units of Delta Tube and Company Limited (a Quebec limited partnership). Tubes Delta Inc. is the general partner of Delta Tube and Company Limited. The Delta Tubes Joint Venture manufactures hollow structural sections and electric resistance weld pipes at a plant located at 5901 Irwin Street, City of LaSalle, Quebec (the "**Delta Tubes Facility**"). As noted above, the Barzel Canada interest in the Delta Tubes Joint Venture is an excluded asset under the Asset Purchase Agreement.

18. On December 18, 2007, Barzel Canada and Mittal Canada Inc. ("**Mittal**") entered into a limited partnership agreement (the "**Partnership Agreement**") that governed the terms of

their joint venture in the limited partnership known as Delta Tube and Company, Limited (the "**Partnership**"). Under the Partnership Agreement, the Applicant and Mittal held interests of 60% and 40%, respectively, in the Partnership. The Partnership Agreement contains a right of first refusal in favour of the other joint venture partner in the event of a sale of one party's interest.

19. Barzel Canada and Mittal were also parties to an amended and restated shareholders agreement entered into as of December 18, 2007 (the "**Shareholders' Agreement**"). The Shareholders' Agreement contains a restriction on the sale, assignment, transfer or disposition of a parties' shareholdings in Tubes Delta Inc. without the consent of the other party.

20. By letter dated April 14, 2008, Mittal notified Barzel Canada that it had transferred its shares in Delta Tubes and its interest in the Partnership to its affiliate, ArcelorMittal Tubular Products Montreal Inc. ("**ArcelorMittal**").

21. In April 2009, Barzel Canada approached ArcelorMittal about acquiring its interest in the Delta Tubes Joint Venture. Discussions between the parties contemplated a purchase price of CDN $2.8 million that would be partially satisfied by the assumption by ArcelorMittal of certain outstanding obligations of Barzel Canada to the Partnership and Delta Tubes.

22. On August 20, 2009, Metco Steel Inc. informed Barzel Canada that it was interested in acquiring Barzel Canada's interest in the Delta Tubes Joint Venture for CDN $3 million if Barzel Canada were unable to sell its interest to ArcelorMittal at the same price. On September 8, 2009, ArcelorMittal informed Barzel Canada that it would pay CDN $3 million for Barzel Canada's interest, but only if Barzel Canada paid its outstanding obligations to the Partnership and Delta Tubes Inc. at the time that the parties executed a purchase agreement (as of August 21, 2009, outstanding payables totalled CDN $2.1 million, so the net gain to Barzel Canada would have been approximately CDN $900,000).

23. The Monitor is advised that on October 1, 2009, ArcelorMittal sold its 40% interest in the Delta Tubes Joint Venture to Metco. ArcelorMittal did not seek Barzel Canada's consent to

the transfer, nor did ArcelorMittal give Barzel Canada the opportunity to assert its right of first refusal.

DELTA TUBES TRANSACTION

24. On October 9, 2009, Barzel Canada and 7224290 Canada Inc., which is related to or an affiliate of Metco, entered into an asset purchase agreement for the sale of Barzel Canada's interest in the Delta Tubes Joint Venture (the "**Purchase and Sale Agreement**").

25. The Purchase and Sale Agreement includes a purchase price of:

- CDN$3,000,000 in respect of Barzel Canada's ownership interest in Delta Tubes;
- CDN$250,000 in respect of orders by Delta Tubes customers that are to be processed at the Delta Tubes Facility and that are outstanding on the closing date; and
- Approximately CDN$1.6 million in respect of inventory owned by Barzel Canada that is physically located at the Delta Tubes Facility together with certain inventory located at the Applicant's facilities in Baie D'Urfé, Québec and Stoney Creek, Ontario that is for use at the Delta Tubes Facility on the closing date.

26. The Purchase and Sale agreement also releases Barzel Canada from liability for amounts owing by Barzel Canada to the Partnership as of the closing date (the "**Vendor Outstanding Amounts**"). As of October 9, 2009, the Vendor Outstanding Amounts totalled CDN $2,180,820.28.

27. The Purchase and Sale Agreement is expressly "As Is Where Is" and is conditional upon court approval and the parties' entering into a toll purchasing agreement (the "**Toll Processing Agreement**"). Under the Toll Processing Agreement, which is dated as of October 9, 2009, the Partnership will store, process, and deliver to Barzel Canada certain steel hollow structural sections so that Barzel Canada can ensure its supply of certain manufactured products to its customers. The Toll Processing Agreement has a term of six (6) months and is automatically renewed for successive six (6) month periods unless either

party provides written notice of non-renewal at least one (1) month prior to the expiry of any term.

28. The Purchase and Sale Agreement provides that the sale of Barzel Canada's interest in the Delta Tubes Joint Venture to the Purchaser will close no later than five (5) days after entry of an Order by this Honourable Court approving the sale.

29. The Monitor understands from discussions with Houlihan that the Delta Tubes Joint Venture was marketed by Houlihan as part of its previous marketing efforts to sell the Barzel Group. Houlihan advised the Monitor that the Delta Tubes Joint Venture was never marketed on its own. Houlihan has also advised that, during the pre-filing sales process, one interested party made an offer for the Barzel Group's interest in the Delta Tubes Joint Venture. According to Houlihan, this offer was not pursued at the time because of uncertainty relating to the relationship between the joint venture parties. Houlihan has further advised the Monitor that the Purchaser's offer is superior to this earlier offer. The Monitor understands that the Secured Lenders support the Delta Tubes Transaction and the purchase price offered by Metco.

OPPOSITION TO THE DELTA TUBES TRANSACTION

30. Canadian counsel for a potential purchaser of all of the assets of the Barzel Group, including the Delta Tubes Joint Venture, contacted the Monitor's counsel to express opposition to the Delta Tubes Transaction. The potential purchaser is worried that the Delta Tubes Transaction may have a chilling effect on bidding in the auction. The Monitor received a letter from this entity on October 13, 2009.

31. In the letter dated October 13, 2009 that is addressed to the Monitor and Barzel Canada, the John Maneely Company ("**JMC**"), which characterizes itself as a potential bidder for substantially all of the assets of the Barzel Group, expresses its opposition to the Delta Tubes Transaction. Specifically, JMC alleges that the Delta Tubes Transaction: (i) is premature; (ii) unjustly benefits the buyer and its affiliates; and (iii) could be detrimental to the Barzel Group's ability to obtain fair market value for substantially all of its assets because it might discourage prospective bidders who view the Delta Tubes Joint Venture as

a critical part of the Barzel Group business. The letter also notes JMC's view that the six-month term of the Tolling Agreement creates uncertainty in light of the importance to the Barzel Group business of the services provided by the Delta Tubes Joint Venture. JMC has proposed that the Court's consideration of the Delta Tubes Transaction be deferred until after the conclusion of the auction. A copy of the letter from JMC is attached as Exhibit "C" to this Third Report.

32. Counsel to the Monitor discussed the issue of opposition to the sale with Canadian counsel to the Secured Lenders. As of the date of the filing of this Third Report, the Secured Lenders have not advised the Monitor that their support for the transfer of the interest in the Delta Tubes Joint Venture to 7224290 Canada Inc. has been withdrawn.

DELTA TUBES TRANSACTION SALES PROCEEDS

33. The DIP Credit Agreement requires the Barzel Group to use the proceeds of the sale of the interest in the Delta Tubes Joint Venture to pay down borrowings under the DIP Facility as a permanent reduction in the amounts available to be borrowed thereunder. However, the interest in the Delta Tubes Joint Venture is not part of the security held by the Secured Lenders because:

- Equity interests of non wholly-owned subsidiaries of Barzel Canada (including the interest in the Delta Tubes Joint Venture) are not included as collateral under the Canadian Guarantee and Collateral Agreement dated as of November 15, 2007 among Novamerican Steel, Inc. (the predecessor to Barzel Industries Inc.), 632422 N.B. Ltd. and J.P. Morgan Chase Bank, N.A., Toronto Branch, as Canadian collateral agent. Even if the interest in the Delta Tubes Joint Venture would be impliedly included as part of a general grant of security, the interest would be excluded by operation of s. 3.01(d), which carves out any interest where the grant of security in such contract or agreement would breach or result in a default under such contract or agreement;

- Under s. 2.01(a) and s. 3.01(a) of the Canadian Collateral Agreement dated as of November 15, 2007 among Novamerican Steel, Inc. and Bank of New York Trust Company of Canada, as Canadian collateral agent, excluded equity interests include

equity interests in any non wholly-owned subsidiary where, pursuant to a joint venture or other related agreement, grant of security therein is prohibited without the consent of the other equity holders;

- Although the debenture granted by Novamerican Steel, Inc. to Bank of New York Trust Co. of Canada, as agent, as of November 15, 2007 (the "**Debenture**") contains no specific carve out for equity interests, it provides that, in the event of a conflict, the terms of the Canadian Collateral Agreement (which prohibit the grant of the interest) shall prevail; and

- the joint venture agreements contain restrictions on pledging an interest without the consent of the other joint venture partner.

34. Notwithstanding the mandatory repayment provision in the DIP Credit Agreement and regardless of the fact that the interest in the Delta Tubes Joint Venture was never granted to the Secured Lenders as part of the pre-filing security or the security granted in connection with the DIP Credit Agreement, the Monitor supports Barzel Canada's request to use the proceeds from the Delta Tubes Transaction to pay down amounts drawn under the DIP Facility for the following reasons:

    - The Monitor is advised that the Secured Lenders were unwilling to extend DIP financing unless they could gain the benefit of proceeds from the sale of any assets of the Barzel Group. The DIP Lenders provided financing on the basis that there would be a mandatory, permanent pay-down of amounts outstanding under the DIP Facility upon realization of proceeds from a sale of Barzel Group assets, including the interest in the Delta Tubes Joint Venture. The Applicant could not continue to operate as a going concern without the DIP financing, so use of the proceeds as proposed by the Applicant should be permitted even though the interest in the Delta Tubes Joint Venture could not be pledged because of restrictions in the joint venture agreements;

    - The Updated Cash Flow Statement described below shows that the Applicant will have negative cash flow of $2 million between October 25, 2009 (the projected closing date of the Delta Tubes Transaction) and December 15, 2009 (the proposed

stay extension date) if all of the proceeds from the Delta Tubes Transaction are used to pay down the amounts borrowed under the DIP Facility. If such proceeds were not used to pay down the DIP Facility, the Barzel Group would have maintained a larger balance outstanding under the DIP Facility and would be required to pay associated interest costs. The Applicant would still have insufficient cash available to operate between October 25, 2009 and December 15, 2009 based on the Updated Cash Flow Statement, and would still require borrowings under the DIP Facility of approximately $2 million; and

- After deducting the proceeds from the sale of the inventory and customer lists (assets that are owned by Barzel Canada and subject to the Secured Lenders' security), the Delta Tubes Transaction nets proceeds of approximately $3 million. After subtracting the approximately $2 million in projected borrowings under the DIP Facility between October 25, 2009 and December 15, 2009, approximately $1 million would remain for any potential distribution to Barzel Canada's unsecured creditors. Because the Secured Creditors are projected to suffer a significant shortfall even in the event of a much higher bid in the auction for the assets of the Barzel Group, the Secured Lenders will likely have a large deficiency claim that will dilute any recovery of the unsecured creditors. Further, the administrative charge granted in these proceedings in the amount of $1 million will absorb any balance together with any priority payables (such as GST, source deductions, vacation pay and wages). In the event of a subsequent bankruptcy of Barzel Canada, these amounts will be required to be satisfied before any amounts are payable on account of unsecured claims.

35. In the view of the Monitor, it is therefore appropriate to use the proceeds from the Delta Tubes Transaction to pay down amounts outstanding under the DIP Facility notwithstanding the fact that the interest in the Delta Tubes Joint Venture was not pledged under any security agreement.

THE RETENTION INCENTIVE PLAN ("RIP")

36. The Monitor is advised that the Barzel Group, together with its advisors, has designed a RIP that provides for lump sum retention payments to be made to certain key employees upon

the closing of the sale of substantially all of the assets of the Barzel Group to a purchaser. The retention payments are equal to a specified number of weeks' salary (ranging from six to 23 depending on the individual) as an incentive for the recipients to either remain employed by the Applicant or otherwise continue to provide services to the Applicant although technically employed by an affiliated Barzel Group entity. The RIP provides that an employee who becomes an employee of the purchaser of the Barzel Group assets is eligible to receive only two-thirds of his or her retention payment.

37. The Monitor has been advised that the Secured Lenders have approved the financial terms of the RIP up to an aggregate cost of $504,000. In the event that the total awards payable under the RIP to Canadian and U.S. employees exceed $504,000, the awards will be subject to cutback (proportional, to the extent possible).

38. The Applicant has requested that the copy of the RIP that is filed with the Court be sealed because it contains personal and confidential information whose public dissemination would be harmful to Barzel Canada. Generally speaking, it is appropriate for such a document to be sealed where: (i) it is necessary to prevent a serious risk to an important interest; and (ii) the benefits of confidentiality outweigh any harm to the public. The Monitor is satisfied that a sealing order is appropriate under these circumstances because of the risk that competitors may be able to attract key employees away from Barzel Canada if compensation information becomes public. The Monitor therefore recommends that the sealing request of the Applicant be granted.

REQUEST FOR EXTENSION TO STAY OF PROCEEDINGS

39. Pursuant to the Initial Order, the initial 30 day stay period (the "**Stay Period**") expires on October 15, 2009. The Applicant is seeking an extension of the Stay Period for a period of sixty (60) days, up to and including December 15, 2009. The Monitor is of the view that the Applicant has acted and continues to act in good faith and with due diligence.

UPDATED CASH FLOW STATEMENT

40. The Applicant has updated its cash flow projections (the "**Updated Cash Flow Statement**"). The Updated Cash Flow Statement projects that Barzel Canada will continue to have

sufficient liquidity to continue to operate as a going concern during the proposed extension of the Stay Period. A copy of the Updated Cash Flow Statement is attached as Exhibit "D" to this Third Report.

41. The Updated Cash Flow Statement estimates an increase in net cash flow of $10.8 million in spite of a decrease of $1.6 million in receipts due to:

- Lower anticipated steel purchases resulting in lower disbursements of approximately $9.8 million;
- Estimated savings of $0.9 million in processing fees after consummation of the sale of the interest in the Delta Tubes Joint Venture, which is forecasted to close during the week of October 19, 2009;
- Lower intercompany disbursements, as no steel is expected to be purchased in Canada for the Barzel Group's U.S. entities; and
- Lower payroll costs attributable to employee terminations during the first three weeks of the CCAA proceedings.

42. A review of the Updated Cash Flow Statement highlights that the Applicant estimates a decrease in revenues as compared to the original forecasts due mainly to lower sales than projected in the cash flows submitted to the Court on the filing date. The Updated Cash Flow Statement assumes and reflects that the $4.8 million in total proceeds from the sale of the interest in the Delta Tubes Joint Venture will be used to pay down amounts outstanding under the DIP Facility.

AMENDMENTS TO DIP CREDIT FACILITY AND AMENDMENT OF INITIAL ORDER

43. In the period between this Honourable Court's approval of the DIP Facility on the terms and conditions set out in the DIP Credit Agreement on September 15, 2009 and the U.S. Court's final approval of the DIP Credit Agreement on October 6, 2009, the Barzel Group and the DIP Lenders made certain non-material amendments to the DIP Credit Agreement. These

amendments include minor administrative changes and an additional provision pursuant to s. 6.11 ("Amendment of Material Documents") that, with respect to the Delta Tubes Joint Venture, Barzel Canada shall not consent to any amendment or waiver under the Delta Tubes organizational documents or joint venture arrangements, except in connection with an approved sale. A blackline reflecting the amendments is attached as Exhibit "I" to the Narwold Affidavit.

44. As a result of this time-lag between approvals in the Canadian and U.S. courts, the form of DIP Credit Agreement approved in the U.S. is different than the one in Canada. The Applicant has therefore requested that the Initial Order be amended, *nunc pro tunc*, to refer to the amended version of the DIP Credit Agreement as approved by the U.S. Court in the Chapter 11 Proceedings.

45. In view of the fact that the amendments to the DIP Credit Agreement are non-material, and in the interest of consistency between the Canadian and U.S. proceedings, the Monitor recommends that the Court make the order as requested by the Applicant.

PPSA SEARCH RESULTS

46. The Monitor has caused searches to be performed under the applicable statutes in all of the jurisdictions where Barzel Canada holds personal property. A summary of the results of those searches is attached as Exhibit "E" to this Third Report. None of the secured creditors in these search results appears to have an interest in the assets that are the subject of the Delta Tubes Transaction.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

47. The Monitor believes that the relief requested by the Applicant is reasonable in the circumstances for the following reasons:

- the purchase price for the interests in the Delta Tubes Joint Venture is higher than the one offered previously by ArcelorMittal;
- the Secured Lenders support the Delta Tubes Transaction;

- The Monitor has consulted with Houlihan and is advised that Houlihan solicited offers for Barzel Canada's interest in the Delta Tubes Joint Venture as part of its marketing and sale efforts conducted on behalf of the Barzel Group. Houlihan has informed the Monitor that the offer contained in the Purchase and Sale Agreement exceeds any other offers received for Barzel Canada's interest in the Delta Tubes Joint Venture;

- the RIP is not excessive and in the view of the Monitor, the RIP may help to ensure the continued participation of senior management and other key employees through the course of the sale process and up to the consummation of the sale transaction. At this time, it would be disruptive to the successful course of the restructuring if the Applicant were compelled to find replacements for employees who perform critical or important functions within the Barzel Group. Accordingly, the RIP appears reasonably calculated to further the restructuring goals of the Applicant;

- the RIP contains sensitive and confidential personal information about the compensation of key employees of Barzel Canada. In the view of the Monitor, Barzel Canada would be harmed if information about compensation of its employees were released to the public; it therefore recommends that the RIP be sealed;

- based on the Applicant's updated cash flow forecast, the Applicant appears to have sufficient available cash resources during the requested Stay Period so that an extension of the Stay Period is required to permit the Applicants along with the rest of the Barzel Group to conduct the Sale Process pursuant to the Sale Procedures and to effect a sale of substantially all of the assets of the Barzel Group. In the view of the Monitor, the Applicant has been acting and continues to act in good faith and with due diligence.

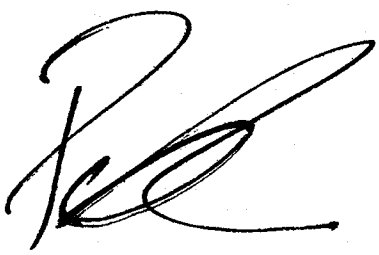
CONCLUSION

48. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make the proposed order of Barzel Canada.

All of which is respectfully submitted this 14th day of October 2009.

DELOITTE & TOUCHE INC.
In its capacity as Monitor of Barzel Industries Canada Inc.

Per:



Paul van Eyk, CA•CIRP, CA•IFA
Senior Vice President

EXHIBIT A

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

APPLICANT

REPORT OF DELOITTE & TOUCHE INC.

In its capacity as Proposed Monitor of the Applicant

SEPTEMBER 15, 2009

INTRODUCTION

1. Deloitte & Touche Inc. (**"Deloitte"**) has been advised that on September 15, 2009, Barzel Industries Canada Inc. (**"Barzel Canada"** or the **"Applicant"**) will apply for protection under the *Companies' Creditors Arrangement Act* (the **"CCAA"** and **"CCAA Proceedings"**) in order to restructure the business and affairs of the Applicant. Deloitte has been requested to act as the Monitor of the Applicant and Deloitte has consented to act as the Monitor in respect of these CCAA Proceedings (the **"Proposed Monitor"**).

2. Concurrently, Barzel Industries Inc. (**"Barzel US"**), a Delaware corporation and ultimate parent of the Applicant, and certain of its US affiliates (collectively, the **"US Debtors"**), are filing voluntary petitions (collectively, the **"Chapter 11**

Proceedings") in the United States for relief under title 11 of the United States Code, 11 U.S.C. § 101-1532 (the **"US Bankruptcy Code"**) in the United States Bankruptcy Court for the District of Delaware (the **"US Bankruptcy Court"**). The US Debtors intend to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the US Bankruptcy Code. Barzel Canada and the US Debtors are collectively referred to herein as the **"Barzel Group"**.

3. This report (**"Report"**) is prepared by the Proposed Monitor to assist this Honourable Court in considering the Applicant's requests for relief in the CCAA Proceedings.

4. The purpose of this Report is to provide this Honourable Court with information on:
   a. background, including the corporate and operational structure of the Applicant;
   b. the causes of the Applicant's insolvency;
   c. an overview of the Applicant's financial condition;
   d. the Barzel Group's pre-filing marketing process and negotiations with a potential stalking horse bidder;
   e. the proposed restructuring strategy and terms and uses of the DIP Credit Agreement;
   f. an overview of the Applicant's 13-week cash flow forecast;
   g. a summary of the cash management system and intercompany payables;
   h. the proposed Administration and D&O Charges;
   i. the proposed creditor notification process; and
   j. the Proposed Monitor's conclusions.

5. In preparing this Report, the Proposed Monitor has relied upon unaudited financial information, the Applicant's books and records, the financial information prepared by the Applicant and its advisors, and discussions with management of the Applicant and management of the Barzel Group. The Proposed Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information and, accordingly the Proposed Monitor expresses no opinion or other form of assurance on the information contained in this Report.

6. Unless otherwise stated, all currency amounts contained in this Report are expressed in US dollars.

7. The Proposed Monitor's affiliated accounting firm, Deloitte & Touche LLP, is not the auditor of the Barzel Group or any of its affiliated companies.

8. Deloitte was retained by the Applicant on August 28, 2009 to act as the Proposed Monitor. Since that date, the Proposed Monitor has been reviewing the Applicant's available financial information to gain knowledge of the business and financial affairs of the Applicant and has been preparing for the Applicant's anticipated CCAA application.

9. Going forward, the Proposed Monitor will make copies of certain material documents pertaining to these CCAA Proceedings available on its website at www.deloitte.com/ca/barzel.

BACKGROUND

10. The Proposed Monitor has been provided with draft versions of the Affidavit of Karen Narwold sworn September 15, 2009, in support of the Applicants' CCAA filing (the latest such draft provided to the Proposed Monitor, **"Narwold Affidavit"**).

Corporate History of the Barzel Group

11. As per the Narwold Affidavit, on April 26, 2006, Symmetry Holdings Inc. (**"Symmetry"**) was incorporated in Delaware as a development stage company formed for the purpose of acquiring one or more operating businesses raising gross proceeds of $150 million in its initial public offering.

12. On November 15, 2007, Symmetry acquired Novamerican Steel Inc., a corporation incorporated under the laws of Canada, and its subsidiaries (collectively

"**Novamerican**"), for $585.2 million by way of a leveraged buyout pursuant to an arrangement agreement in accordance with the terms of a court-approved statutory plan of arrangement under the *Canada Business Corporations Act* (the "**Leveraged Buyout Transaction**"). There was debt financing including $315 million of senior secured notes and $67 million of borrowings under an asset based lending facility, details of which are discussed below. $112 million of the net proceeds from Symmetry's initial public offering, $15 million from a private placement sale of additional equity in Symmetry, and cash held by Novamerican were also used to fund the acquisition.

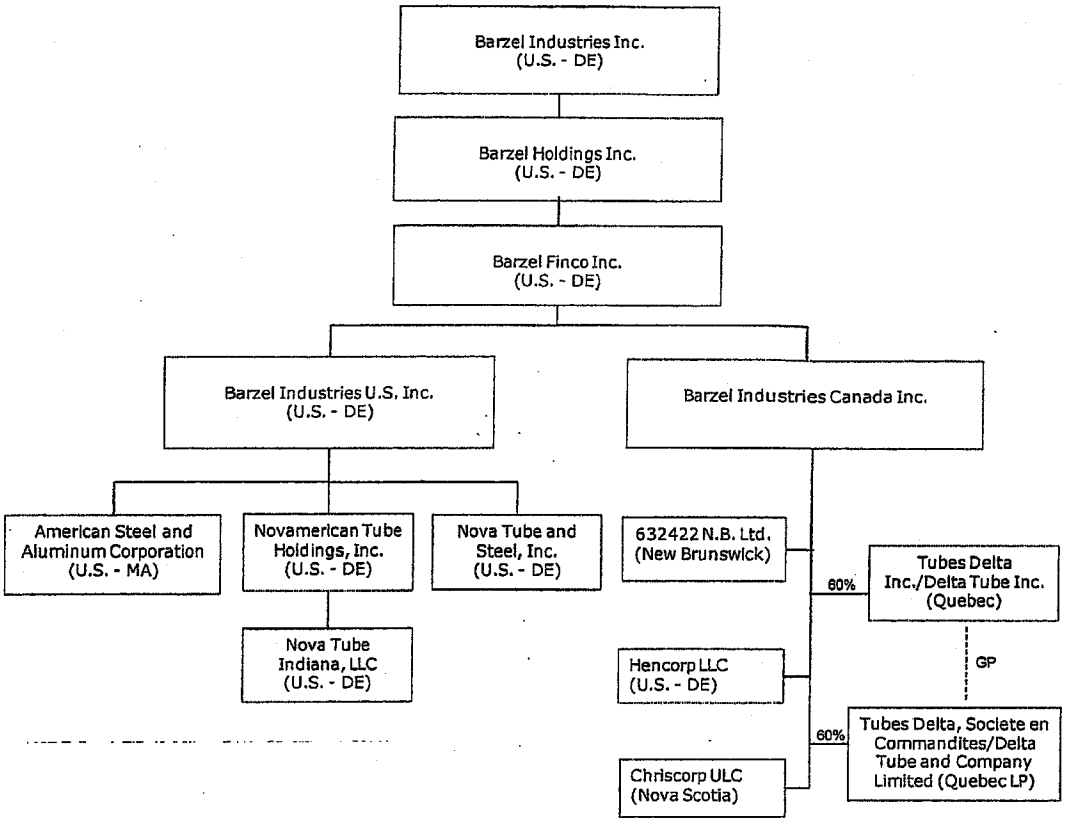
Corporate and Operational Structure

13. The Barzel Group is a leading metal manufacturing and service provider headquartered in Norwood, Massachusetts, however; all of the Barzel Group's operational decisions are made from its Canadian offices based in Mississauga, Ontario.

14. Barzel US' common stock and warrants were traded publicly on the NASDAQ Global Market under the symbols "TPUT" and TPUTW". It is anticipated that Barzel US will be delisted on the NASDAQ Global Market on or about September 14, 2009 as a result of failing to meet minimum listing compliance requirements.

15. The Barzel Group has over 3,500 customers located throughout North America. The Barzel Group's customers include automotive parts manufacturers and stampers, other steel service centers, general fabricators and manufacturers of transportation equipment, material handling equipment, electrical components, appliances, storage tank, ship building material, construction, agricultural and heavy equipment manufacturers.

16. A complete corporate organizational chart for the Barzel Group is shown below.



a. The only entity that filed for protection in the CCAA Proceedings is Barzel Industries Canada Inc.;

b. The entities that have filed for protection in the Chapter 11 Proceedings are:

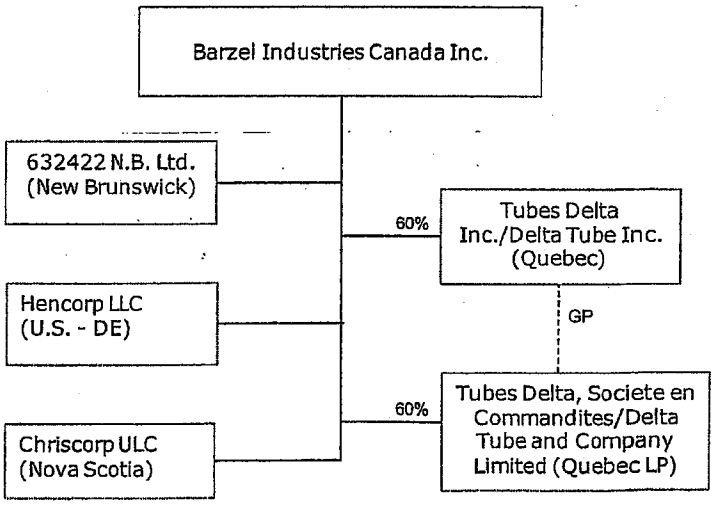
i. Barzel Industries Inc.;
ii. Barzel Holdings Inc.;
iii. Barzel Finco Inc.;
iv. Barzel Industries U.S. Inc.;
v. American Steel and Aluminum Corporation;
vi. Novamerican Tube Holdings, Inc.;
vii. Nova Tube and Steel, Inc.; and

viii. Nova Tube Indiana, LLC.

c. The entities that have not initiated formal restructuring proceedings in any jurisdiction are the following;

i. 632422 N.B. Ltd. (New Brunswick);
ii. Hencorp LLC;
iii. Chriscorp ULC;
iv. Tubes Delta Inc. / Delta Tube Inc. (Quebec); and
v. Tubes Delta, Societe en Commandites / Delta Tube and Company Limited (Quebec LP).

17. Set out below is an organizational chart setting out only those members of the Barzel Group that are subsidiaries of Barzel Industries Canada Inc.:



18. The two wholly-owned Canadian subsidiaries (632422 N.B. Ltd ("**632422**") and Chriscorp ULC) and one wholly-owned US subsidiary (Hencorp LLC) are inactive entities with no assets and have not filed for protection in these CCAA Proceedings or Chapter 11 Proceedings.

19. The Applicant also has a 60% interest in a Canadian joint venture (Tubes Delta Inc./ Delta Tube Inc.) which is not a party to these CCAA Proceedings or the Chapter 11 Proceedings at this time.

20. The Barzel Group operates an integrated system of fifteen (15) strategically located metal processing, manufacturing and distribution facilities throughout Northeastern, Mid-Atlantic and Mid-Western United States and the Canadian provinces of Ontario and Quebec.

21. The Barzel Group has four primary business lines: (a) tube and pipe production; (b) manufacturing; (c) processing; and (d) distribution.

    a. Tube and Pipe Production: The Barzel Group is a producer of hollow structural section tubes and electric resistance welded pipes. The Barzel Group operates five (5) state-of-the-art tube and pipe facilities that have total annual capacity of approximately 700,000 tons. In 2008, tube and pipe production accounted for approximately 16% of the Barzel Group's total consolidated revenue.

    b. Manufacturing: The Barzel Group's manufacturing operations are located in Québec and consist primarily of the production of custom light and heavy fabricated components. Manufacturing services include roll-forming, welding, punching, cutting and assembly. In 2008, manufacturing generated approximately 5% of the Barzel Group's consolidated revenue.

    c. Distribution: The Barzel Group is also a leading distributor of steel, aluminum and stainless products, including hot and rolled carbon, aluminum, stainless and alloys and coated products in sheet, coil, bar, shapes, tubular and plate forms. The Barzel Group operates five (5) distribution facilities that are strategically located in close proximity to major customers and transportation routes. Distribution services generated approximately 33% of the Barzel Group's total consolidated revenue in 2008.

d. Processing: The Barzel Group operates the largest independent continuous process-pickling facility in Canada and offers a range of other metal processing services including slitting, cutting-to length, shearing, levelling and blanking. In 2008, processing generated approximately 46% of the Barzel Group's total consolidated revenue.

22. Barzel Canada has leased corporate offices in Mississauga, Ontario and operates from leased and owned manufacturing facilities in the following locations:

    a. 7070 Mississauga Road, Mississauga, Ontario (corporate office - leased);
    b. 830 South Service Road, Stoney Creek, Ontario (processing facility - owned);
    c. 2730 Meadowpine Boulevard, Mississauga, Ontario (tube and pipe facility - leased);
    d. 19460 Clark Graham Avenue, Baie d'Urfe, Quebec (tube and pipe facility - owned);
    e. 553 Leon Harmel, Granby, Quebec (manufacturing facility - owned);
    f. 424 St. Vallier, Granby, Quebec (manufacturing facility - owned);
    g. 5675 La Savane Place, St. Hubert, Quebec (manufacturing facility - leased); and
    h. 1463 Cloutier Road, Shawinigan, Quebec (manufacturing facility - leased).

23. Barzel Canada has five (5) additional leased residential premises for executive housing, four (4) located in Ontario and one (1) in Quebec. Notices of termination have been provided to each of the respective landlords for each of the Ontario leases and such leases will terminate between September 14, 2009 and October 31, 2009. The lease in Montreal expires on December 31, 2009.

24. As of September 4, 2009, the Applicant had 281 employees comprised of active salaried and hourly employees. Of these employees, 57 are Canadian head office personnel, and 224 are operational personnel, including 72 unionized employees as described below.

25. The United Steelworkers of America, Local 6136, is the union representing the hourly workers at the two facilities located in Granby, Quebec. The current collective bargaining agreement expires on February 21, 2011. None of the Applicant's other facilities are unionized.

26. The Applicant has two defined contribution plans (**"DCP"**), one which is a registered plan pursuant to the *Pensions Benefits Act* (Ontario) and the other which is a registered plan pursuant to the *Supplemental Pensions Plan Act* (Quebec). The Applicant's required contributions under the DCPs are approximately CDN$87,000 per month. According to the Applicant, there are no contributions which have become due which have not been paid.

27. As noted in the Narwold Affidavit, the Applicant expects to continue to make all required statutory contributions to its registered DCP as they become due. The Applicant expects to continue making all other employment and post-employment benefit payments for its salaried and hourly employees in the ordinary course.

Operational Interdependencies

28. Due in large part to the initiatives undertaken by management of the Barzel Group to streamline operations and reduce overhead costs, there is a high degree of operational interdependency between the Applicant and the other entities within the Barzel Group. Operational interdependencies between the Applicant and the other entities within the Barzel Group include the following:

a. Barzel US provides all strategic and financial direction to the Barzel Group including matters relating to such things as; treasury, cash management and executive functions for the Applicant and the Barzel Group;

b. Barzel Canada is responsible for all day-to-day operational decisions such as production, research and development, marketing, and information technology for the Barzel Group;

c. Barzel US and Barzel Canada maintain their own separate customer service, marketing, human resources, accounts payable and accounts receivable functions as it relates to their customer and supplier base;

d. Barzel Canada sells certain product direct to end customers. Barzel Canada also sells certain product to some of its US affiliates that will finish such processing of this product and Barzel US will then sell it to end customers. In such circumstances, Barzel Canada invoices Barzel US, and such a transaction creates an intercompany accounts receivable owing to Barzel Canada. The manner in which intercompany accounts are settled is discussed below.

e. The manufacturing of some products are started by Barzel Canada, sold to a U.S. affiliate who provides additional processing, and then sold back to Barzel Canada for final processing and sale to the end customer. This also creates several intercompany receivables and payables which again are discussed below.

f. Given the foregoing, the Applicant has transfer pricing agreements in place with Nova Tube & Steel Inc., Nova Tube Indiana, LLC and American Steel and Aluminum Corporation (all U.S. affiliates of the Applicant).

29. There are many intercompany transactions that occur between the Applicant and Barzel US in the normal course of business, the most significant being:

a. Purchase of Steel Inventory - A significant portion of the Barzel Group's steel purchases are made by the Applicant for the benefit of Canadian and US operating entities which are settled through intercompany accounting; and

b. Movement of cash – There is movement of cash from Barzel US to the Applicant to fund corporate costs and ensure the Applicant has the required funds to purchase steel for the Barzel Group. The Proposed Monitor has not yet had an opportunity to explore in detail the related intercompany transactions. It intends to discuss with management the nature and quantum of the intercompany transactions and the expected forecasted weekly net balances and the reconciliation thereof. The Proposed Monitor will report to this Honourable Court on this issue once it has obtained the relevant information from management. In particular, creditors of the Applicant may be concerned if there is a net outflow of assets from the Applicant to Barzel US, and about the Applicant's ability to affect set-off given the Chapter 11 Proceedings. This concern, however, would presumably be mitigated by the fact that the Applicant's only material secured creditors will be suffering a significant shortfall on their secured debt.

CAUSES OF INSOLVENCY

30. The primary reasons for the current financial situation of the Barzel Group are as outlined in the Narwold Affidavit and include:

a. Barzel Group has suffered significant operating losses and liquidity issues during 2008 and 2009;

b. The current global economic recession and credit crisis, and the significant downturn in the automotive, transportation, manufacturing and construction industries in the United States and Canada has resulted in a dramatic decrease in purchases from many of the Barzel Group's customers; and

c. A significant decline in sales volume has negatively impacted operating performance and reduced liquidity and ability of the Barzel Group to borrow under the ABL Credit Agreement (as defined below) or obtain new financing to fund operations.

FINANCIAL POSITION

31. Attached hereto as Exhibits "**A**", "**B**" and "**C**" respectively are (a) the unaudited unconsolidated financial statements (internal) of the Applicant for July 31, 2009 year-to-date, (b) the unaudited unconsolidated financial statements of the Applicant for the year ended November 30, 2008, and (c) the audited consolidated financial statements of the Barzel Group for the year ended November 30, 2008.

32. Set out below is a summary of the Applicant's income statement for; (i) the fiscal period ending November 2008; (ii) fiscal 2009 year to date ("**YTD**"), as at July 2009; and (iii) the income statement summary for the month of July 2009.

Barzel Industries Inc. Canada - Income Statement

Income Statement (CDN$)	2008	YTD-09 (July)	Jul-09
Sales Revenue	$ 443,800,299	$ 63,561,168	$ 5,852,265
Processing Revenue	12,268,383	4,447,453	361,587
Net Sales	456,068,682	68,008,620	6,213,852
Cost of Sales	400,303,130	69,375,906	4,596,284
Gross Margin	55,765,552	- 1,367,285	1,617,568
Gross Margin %	*12%*	*-2%*	*26%*
Plant Expenses	31,699,349	24,804,535	3,361,872
Delivery Expenses	13,859,662	4,801,079	478,378
Selling Expenses	4,671,513	3,562,587	470,980
Administration	25,130,375	11,748,463	880,500
Operating Income	-$ 19,595,347	-$ 46,283,950	-$ 3,574,163
Operating Expenses	48,948,335	9,372,141	- 2,494,825
Earnings before taxes	- 68,543,682	- 55,656,091	- 1,079,338

Source: Information provided by the Applicant

33. Set out below is a summary of the Applicant's balance sheet for; (i) the fiscal period ending November 2008; and (ii) fiscal 2009 YTD, as at July 2009.

Barzel Industries Inc. Canada - Balance Sheet

BALANCE SHEET (CDN$)	2008	YTD-09 (July)
Cash and Cash Equivilents	17,542,465	2,384,177
Accounts Receivable	48,074,222	5,555,025
Intercompany Receivables	863,923	23,312,513
Inventory	28,226,676	11,123,378
Prepaids	2,693,502	372,316
Deferred Taxes S/T	94,888	94,888
Income Tax Receivable	858,201	-
Current assets	$ 98,353,877	$ 42,842,297
Property, Plant and Equipment	60,281,544	39,324,589
Intercompany Advances	39,946,150	21,409,249
Investment Joint Venture	2,474,967	2,182,020
Intangible Assets	30,292,982	27,192,145
Total Assets	$ 231,349,520	$ 132,950,300
Trade Accounts Payable	15,661,627	9,567,392
Accrued Liabilities	9,033,132	5,971,554
Intercompany Liabilities	- 5,405,494	77,662,357
Restructuring Reserve S/T	4,319,995	974,249
Current liabilities	23,609,260	94,175,552
Long Term Debt	32,555,600	8,252,600
Intercompany Note	263,946,314	143,633,053
Deferred tax liability	6,570,978	- 12,914,818
L/T Restructuring Reserves	4,364,334	5,047,885
Total Liabilities	$ 331,046,486	$ 238,194,272
Shareholder's Equity	- 99,696,966	- 105,243,972
Total Liab. and S/E	$ 231,349,520	$ 132,950,300

Source: Information provided by the Applicant

Senior Secured Notes

34. On or about November 15, 2007, Barzel Finco Inc. ("**Barzel Finco**") issued $315 million of 11.5% senior secured notes due in 2015 (the "**Notes**") pursuant to an indenture dated November 15, 2007 (the "**Indenture**"). The Notes have a maturity date of November 15, 2015, and pay interest at an annual rate of 11.5% semi-annually in arrears on May 15 and November 15. The proceeds of the Notes were used to fund, in part, the acquisition of Novamerican pursuant to the Leveraged Buyout Transaction.

35. The Notes are guaranteed by each of the US Debtors other than Barzel Finco and secured pursuant to among other things, a collateral agreement dated as of November 15, 2007 among the US Debtors and the trustee for the Notes (the "**Indenture Trustee**") as collateral agent for the benefit of the Holders (as defined below) and the other "Secured Parties" referred to in the Indenture (the "**Indenture Collateral Agreement**"). The actual collateral pledged to the Holders (as defined below) and other secured parties to secure the US Debtors obligations under the Notes is further detailed in the Narwold Affidavit.

36. Two-thirds of the Notes are held by JPMorgan Chase Bank, N.A.("**JPM**"), and one-third of the Notes are held by CIBC World Markets Corp. ("**CIBC**" and together with JPM, the "**Holders**").

37. Of the gross proceeds from the issuance of the Notes, $125 million was loaned by Barzel Finco to the Applicant in accordance with the terms of the acquisition of Novamerican and the Indenture, which loan was evidenced by two intercompany demand promissory notes from the Applicant totalling $125 million (collectively, the "**Intercompany Notes**"). The obligations of the Applicant under the Intercompany Promissory Notes are secured by all present and after acquired property of the Applicant pursuant to a Canadian collateral agreement and a debenture, each dated November 15, 2007, and a charge/mortgage of land dated November 16, 2007, (collectively, the "**Intercompany Notes Collateral Documents**"). The Intercompany Notes and the Intercompany Notes Collateral Documents were in turn pledged (and a security interest was granted therein) by Barzel Finco to the Holders to secure the obligations under the Notes.

38. The Proposed Monitor understands that the Barzel Group was unable to make the interest payment due under the Notes on May 15, 2009. Accordingly, on May 14, 2009, the applicable members of the Barzel Group and the Holders entered into a deferral arrangement (as amended, the **"Deferral Agreement"**) with respect to the Notes. Pursuant to the Deferral Agreement, the interest payment due on May 15, 2009

was deferred until August 14, 2009. On July 17, 2009, the Barzel Group amended the Deferral Agreement and further deferred payment of outstanding interest until October 13, 2009.

39. Under the Deferral Agreement, the Debtors are required to pursue an expedited marketing and sale process of substantially all of their respective assets.

ABL Borrowings

40. The Barzel Group obtained additional financing for the Novamerican acquisition and general operations pursuant to a credit agreement dated as of November 15, 2007 (as amended, the "**ABL Credit Agreement**"), by and among Barzel Finco and the Applicant (together with Barzel Finco, the "**ABL Borrowers**"), as borrowers, Barzel US, and JPM, CIBC and other lender parties thereto (collectively, the "**ABL Lenders**"), as lenders, and JPM, CIT Business Credit Canada Inc. and The CIT Group/Business Credit, Inc., as agents. JPM is the administrative agent under the ABL Credit Agreement (the "**ABL Administrative Agent**").

41. Pursuant to the ABL Credit Agreement, the ABL Lenders extended to the ABL Borrowers a five (5) year secured revolving credit facility of up to $175 million (the "**ABL Facility**"), subject to a borrowing base and including a Canadian borrower sublimit of US$125 million. The ABL Facility is guaranteed by each of the US Debtors other than Barzel Finco and the Applicant's borrowings under the ABL Facility are guaranteed by 632422 pursuant to a guarantee and collateral agreement dated as of November 15, 2007 (the "**Canadian Guarantee and Collateral Agreement**").

42. The Canadian Guarantee and Collateral Agreement grants a security interest in the Applicant's and 632422's respective current assets to secure the obligations of the Applicant under the ABL Credit Agreement.

43. As of September 8, 2009, approximately $18 million was outstanding under the ABL Facility (including letters of credit) of which approximately $14 million was owed by the Applicant.

44. On June 1, 2009 and again on July 17, 2009, the ABL Credit Agreement was amended to provide the ABL Borrowers with limited liquidity to enable them to pursue and consummate the sales process contemplated under the Deferral Agreement. The ABL Credit Agreement was also amended to take out any of the ABL Lenders that were not Holders, leaving JPM and CIBC as the remaining ABL Lenders.

45. The ABL Lenders and the Holders are currently the same entities, being JPM and CIBC. Accordingly, all of the Applicant's assets have been pledged to the ABL Lenders and/or the Holders pursuant to the Intercompany Notes Collateral Documents (and the pledge of the Intercompany Notes Collateral Documents and the Intercompany Note by Barzel Finco to the Holders) and the Canadian Guarantee and Collateral Agreement.

46. It is the Proposed Monitor's understanding that the current economic environment has reduced demand for the Barzel Group's goods and services, driven down prices and lowered sales significantly. The Barzel Group's declining operating performance has reduced liquidity and limited the Barzel Group's ability to borrow under the ABL Credit Agreement or obtain new financing to fund continued operations.

PRE-FILING MARKETING AND SALES PROCESS

47. The Proposed Monitor has been advised that the financial advisor / investment banker for the Barzel Group, Houlihan Lokey Howard & Zukin Capital, Inc. ("**Houlihan**"), has conducted an extensive marketing and sales process in respect of the Barzel Group before the commencement of these CCAA Proceedings and the Chapter 11 Proceedings. The Proposed Monitor has also been advised that the Barzel Group has

been negotiating with an arms length third party, Metco Steel Inc. (**"Metco"**), to serve as a stalking horse bidder to purchase substantially all of the assets of the Barzel Group, with the consent and involvement of the Holders and the ABL Lenders. Metco was a participant in the Houlihan sales process. If a definitive agreement is reached with Metco, the Applicant intends to seek approval from this Honourable Court to enter into such agreement and to run a court supervised bidding process for its assets in the very near future. As noted in the Narwold Affidavit, Metco advised the Applicant that is was not prepared to purchase the assets of the Barzel Group outside formal insolvency proceedings.

48. Accordingly, the Barzel Group and Metco have been negotiating the terms of such a definitive agreement which would provide for the sale of substantially all of the Barzel Group's assets to Metco for $65 million, subject to certain adjustments and the assumption of certain liabilities. If consummated, this will create a significant shortfall for the ABL Lenders and the Holders.

49. The Proposed Monitor will obtain further information, and will provide further details on the prefiling marketing and sales process conducted by Houlihan and the terms of any stalking horse offer and bidding process when these matters are next before this Honourable Court.

RESTRUCTURING OF BARZEL CANADA AND TERMS AND USES OF THE PROPOSED DIP CREDIT AGREEMENT

50. The Proposed Monitor has been advised that the principal strategy to be pursued is a sale of the Barzel Group's assets as a going concern within the CCAA Proceedings and Chapter 11 Proceedings.

51. The Barzel Group's liquidity position remains severe. In order to continue day-to-day operations and to facilitate the restructuring of the Barzel Group, the Applicant and Barzel US will require additional and immediate liquidity during formal insolvency proceedings if they are to successfully conduct a sale of its assets.

52. As described in the Narwold Affidavit and above, the pre-filing financing of the Applicant is intertwined with the financing of Barzel US. The Proposed Monitor has been advised by the Barzel Group that the Applicant is only able to obtain DIP financing in conjunction with the wider Barzel Group.

53. As described in the Narwold Affidavit, the ABL Lenders (hereinafter referred to in the context of the DIP Credit Agreement as the "**DIP Lenders**") have agreed, pursuant to a proposed senior secured, super-priority, debtor-in-possession revolving credit agreement (the "**DIP Credit Agreement**") to extend limited debtor-in-possession financing (the "**DIP Facility**") to the ABL Borrowers (hereinafter referred to in the context of the DIP Credit Agreement as the "**DIP Borrowers**") to support the operations of the Barzel Group during the sale process. The ABL Lenders also informed the Barzel Group that their willingness to provide such financing was predicated, in part, on the Applicant bringing an independent application for protection under the CCAA. JPM is the administrative agent under the DIP Credit Agreement (the "**DIP Administrative Agent**").

KEY ELEMENTS OF THE DIP CREDIT AGREEMENT

54. Some of the principal terms of the DIP Credit Agreement include, without limitation, the following:

    a. The DIP Facility is a revolving credit facility in an aggregate amount not to exceed approximately $30 million at any time outstanding, and will mature on the earlier of (i) December 11, 2009, (ii) the date that is 30 days after the date hereof if by such date either the final order has not been entered by the U.S Bankruptcy Court in connection with the Chapter 11 Proceedings or the CCAA stay of proceedings has not been extended, and (iii) the date of consummation of a sale of all or substantially all of the US Debtors' assets pursuant to section 363 of the

U.S. Bankruptcy Code coordinated with the sale of substantially all of the Applicant's assets under the CCAA Proceedings.

b. Pricing under the DIP Credit Agreement is at prime plus 7.0%. A commitment fee of 0.5% is payable by Barzel Finco on the average daily unused amount of the revolving commitments and on the maturity date (whether through acceleration or otherwise). Additional fees may be payable by Barzel Finco directly to the DIP Administrative Agent.

c. Availability under the DIP Facility will reflect an operating budget approved by the DIP Agent, but will not be a function of any borrowing base or include any Canadian borrowing limit as under the ABL Credit Agreement. Availability is also limited as described immediately below.

d. The DIP Facility is a rollover of the ABL Facility. To the extent approved by this Honourable Court and the U.S. Bankruptcy Court, respectively, (collectively, in the context of the Chapter 11 Proceedings and the CCAA Proceedings, the "**Courts**"), until the later of the of the expiry of the appeal period in respect of the CCAA Proceedings and the date upon which the final order is entered by the U.S Bankruptcy Court in connection with the Chapter 11 Proceedings, aggregate availability under the DIP Facility is restricted to the lesser of (i) $17,500,000 and (ii) the sum of (1) $7,000,000, (2) deemed daily (excluding days which are not business days) advances under the DIP Facility to fund repayments of outstanding obligations (including accrued interest) under the ABL Facility (each such repayment and advance to be effected by book entry only and to be in an amount equal to the available Cash Collateral (as defined in the interim order in respect of the Chapter 11 Proceedings) of the DIP Borrowers, less the initial $2,000,000 referred to in (3) below), on each day not previously so applied to repay the outstanding obligations under the ABL Facility), and (3) a deemed advance to Barzel Finco on the date hereof in an amount equal to the aggregate amount of

funds on deposit in all bank accounts (other than certain payroll accounts) of the Barzel Group in excess of $2,000,000.

e. On the earlier of the expiry of the appeal period in respect of the CCAA Proceedings, and the date upon which the final order is entered by the U.S Bankruptcy Court in connection with the Chapter 11 Proceedings, Barzel Finco or the Applicant, as applicable, shall be deemed to have requested an advance (to be effected by book entry) under the DIP Facility in an amount equal to all remaining outstanding obligations (including accrued interest) under the ABL Facility. The proceeds of such deemed advance under the DIP Facility shall be applied to repay (by book entry) in full the outstanding obligations under the ABL Facility (thus completing the rollover of the outstanding obligations under ABL Facility into the DIP Facility).

f. The obligations of Barzel Finco under the DIP Credit Agreement are guaranteed by each of the other US Debtors and by the Applicant. The obligations of the Applicant under the DIP Credit Agreement are guaranteed by Barzel Finco and each of the other US Debtors.

g. The DIP Credit Agreement contemplates that the obligations of the DIP Borrowers will be secured by a court-ordered super-priority (subject to customary and Court ordered exceptions) charge (supplemented pursuant to the security documentation relating to the DIP Credit Agreement) over substantially all of the present and after-acquired real and personal property of the Barzel Group.

55. The Proposed Monitor has not been party to the ongoing and complex negotiations between Barzel Group, the DIP Administrative Agent and the ABL Administrative Agent. However, the Proposed Monitor understands that Houlihan had previously solicited other prospective lenders to provide DIP financing for the Barzel Group. Houlihan advised that these lenders were not willing to provide DIP financing for the following reasons:

a. The ABL Lenders would not agree to priming charges;

b. The accounts receivable and inventory collateral did not provide the other lenders with sufficient collateral to support the DIP financing requirements; and

c. There was likely not an opportunity to provide exit financing.

56. As it relates to the DIP Credit Agreement, the Applicant and/or its advisors have advised the Proposed Monitor that:

a. the DIP Credit Agreement represents the best alternative available to the Barzel Group and, by extension, the Applicant;

b. as the business of the Applicant is inextricably linked to that of the US Debtors, the Applicant would not be able to secure DIP financing without the involvement of the US Debtors;

c. the DIP Credit Agreement should ensure the continuation of the Applicant's operations and employment of the majority of its employees during the CCAA Proceedings;

d. the proposed sales process and stalking horse offer would be at risk if the DIP Credit Agreement were not approved by this Honourable Court; and

e. substantially all of the assets of the Barzel Group are already pledged to the Holders and/or the ABL Lenders. As such, any other DIP financing would need to prime such entities (and, therefore, be subject to potential opposition) or be an alternate DIP in the same or greater amount in order to repay such entities.

57. Barzel Canada has advised the Proposed Monitor that the Barzel Group will use the funds advanced under the DIP Facility for working capital, general corporate purposes, transaction costs, post-filing expenses, and to pay interest on the DIP

Facility. The Proposed Monitor understands that the Barzel Group is in immediate need of the financing in order to ensure steel purchases are made to allow the Applicant and the US Debtors to continue operating and meeting customer order requirements.

OVERVIEW OF THE 13-WEEK CASH FLOW STATEMENT

58. The Barzel Group has prepared a consolidated 13-week cash flow forecast (the **"Consolidated Cash Flow Statement"**) that estimates its financing requirements during the CCAA Proceedings and the Chapter 11 Proceedings. A copy of the Consolidated Cash Flow Statement is attached hereto as Part 1 of Exhibit **"D"** and projects that the Barzel Group has liquidity available to continue operating while under the protection contemplated pursuant to the CCAA Proceedings and the Chapter 11 Proceedings. The DIP Credit Agreement provides with respect to projected borrowings for a maximum cumulative variance of $1,000,000 from the approved budget.

59. From a review of the Consolidated Cash Flow Statement, it is important to note that the Barzel Group's liquidity over the 13-week period becomes increasingly tight with limited flexibility. The Barzel Group will need to execute a transaction on an expedited basis as there is the potential that by the end of the 13 week forecast the Barzel Group will not have sufficient liquidity to continue as a going-concern.

60. The Applicant has prepared a 13-week cash flow forecast (the **"Canadian Cash Flow Statement"**) that estimates its financing requirements during the CCAA Proceedings. A copy of the Canadian Cash Flow Statement is attached hereto as Part 2 of Exhibit **"D"**.

61. The Canadian Cash Flow Statement estimates that for the period September 11, 2009 to December 11, 2009, the Applicant will have total receipts of approximately total

receipts of approximately $17.2 million and approximate total disbursements of $26.6 million for net cash outflow of $9.4 million.

62. As at September 11, 2009, the Applicant is forecast to have available liquidity, consisting of cash on hand and availability under the DIP Credit Agreement of approximately $10 million.

63. It should be noted that to the extent that suppliers supply goods or services after the date of the Initial Order (if obtained) on credit, there is a risk that the Applicant will not have sufficient liquidity to satisfy its obligations (which could include payments owing to employees for services performed in the preceding pay period) unless the DIP Lenders provide additional credit or a purchase transaction is consummated in which the purchaser agrees to assume such obligations.

64. As at July 25, 2009 (the latest available financial reporting of the Applicant), the amount of pre-filing trade debt of the Applicant that will be stayed as a result of the CCAA Proceedings is approximately $14.3 million.

65. The Cash Flow Statement of the Applicant as of September 13, 2009 has been prepared by the Applicant for the purpose of the CCAA Proceedings and Chapter 11 Proceedings using probable and hypothetical assumptions. The probable assumptions of the Cash Flow Statement are as follows:

    a. accounts receivable collections have been estimated by the Applicant's collection group based on revenue forecasts and customer collection experience;

    b. all disbursements are made assuming suppliers pre-filing amounts are stayed and post-filing amounts are paid on significantly reduced credit terms in light of the commencement of these CCAA Proceedings;

    c. no significant changes in input prices (i.e., steel) or foreign exchange rates;

    d. intercompany accounts payable and loans, as at the date of filing, are stayed;

e. all interest payments relating to the Notes are stayed;

f. interest accruing on the direct indebtedness of the DIP Credit Agreement is paid monthly at the rates agreed in DIP Credit Agreement;

g. pension funding payments continue to be made in the normal course for the current service portion for the DCPs; and

h. professional fees associated with the planned Chapter 11 and CCAA proceedings have been included.

66. The Proposed Monitor believes that the forecast provided by the Applicant in relation to the total Canadian professional fees referred to above may potentially be too low. In the event the Applicant cannot support the payment of all those fees over the course of the CCAA Proceeding, some or all of the professionals covered under the "Administration Charge" described in the draft Initial Order (the "**Administration Charge**") will have to rely on the Administration Charge. The Proposed Monitor will monitor the disbursements and report to this Honourable Court any material concerns that may arise.

CASH MANAGEMENT SYSTEM AND INTERCOMPANY PAYABLES

67. As described above, there are significant intercompany dependencies between the Applicant and Barzel. As noted above, the Proposed Monitor understands that the Applicant and Barzel US will settle the net intercompany balances on at least a weekly basis. The Proposed Monitor has not had an opportunity to fully understand the nature of the intercompany balances and transactions at this point but will investigate further and report to this Honourable Court as more information is obtained.

68. As requested by the Applicant, the Proposed Monitor will monitor the Applicants' cash management system, particularly in regard to intercompany transfers among the Applicant and the Barzel Group.

CHARGES IN THE DRAFT INITIAL ORDER

69. The Administration Charge provides for an amount of CDN$1,000,000 for the Monitor, the Monitor's counsel, and the Applicant's Canadian counsel, as security for professional fees and disbursements incurred before and after the making of the Initial Order in respect of these CCAA Proceedings. The Administration Charge has been established based on respective professionals' previous history and experience with significant cross border restructurings of similar magnitude and complexity. The Proposed Monitor believes that the Administration Charge is required and reasonable under the circumstances.

70. The directors' and officers' charge (the **"D&O Charge"**), as described in the Narwold Affidavit and the draft Initial Order, provides for a charge in the amount of CDN$2.3 million as security for various indemnities provided to the directors and officers by the Applicant in the draft Initial Order.

71. The Proposed Monitor has been advised that the D&O Charge is necessary for the continued service of the Applicant's directors and officers during the Company's restructuring and that the quantum has been calculated relative to certain employee-related obligations of the Applicants for which the directors and officers may be held liable, and the value of directors' and officers' liability insurance that Barzel US maintains for all its officers and directors.

72. Given that the Applicant will require the committed involvement of its directors and officers to successfully restructure, the Proposed Monitor believes the D&O Charge is required under the circumstances. The Proposed Monitor has not been provided with detailed information on a per employee basis in order to calculate the potential exposure. However, the Applicant has provided a summary overview of the potential liabilities for the directors and officers which supports the quantum requested.

CREDITOR NOTIFICATION

73. The draft Initial Order requires the Proposed Monitor to send notice of the Initial Order, within ten days, to every known creditor, having a claim of more than CDN$1,000. Approval to use a CDN$1,000 threshold is being sought to reduce the administrative burden and the cost of such process, considering the large number of creditors with low outstanding balances. An analysis of a recent accounts payable sub-ledger indicates that approximately 41% in number of creditors have outstanding balances less than CDN$1,000, representing less than 1% of the aggregate dollar value of the trade accounts payable. The Proposed Monitor will attempt to ensure that creditors owed less than CDN$1,000 will receive notice of the Initial Order by posting the Initial Order on its website.

SECURITY

74. The Proposed Monitor has received oral opinions (collectively, the "**Osler Opinions**") from its counsel, Osler, Hoskin & Harcourt LLP ("**Osler**"), that (subject to certain assumptions and qualifications) the security granted by the Applicant in connection with its obligations in connection with the ABL Facility and the Intercompany Notes, respectively (collectively, the "**Senior Security**"), is validly perfected and registered or otherwise is opposable to third parties in the Provinces of Ontario and Quebec (those being the jurisdictions in which we understand the Applicant has tangible assets and/or is located). The Osler Opinion provide that the pledge by Barzel Finco of the Intercompany Notes and Intercompany Notes Security

Documents pursuant to the Indenture Collateral Agreement to the Indenture Trustee as collateral agent for the secured parties referred to in the Indenture, in the State of New York is valid (subject to certain assumptions and qualifications).

75. The Osler Opinion with respect to the Senior Security governed by the laws of the Province of Quebec (collectively, the "**Quebec Security Documents**") includes an assumption that the party identified as "Novamerican Steel Inc." in the Quebec Security Documents (the "**Quebec Security Document Grantor**") was the corporation ("**Amalco 2**") that resulted from the amalgamation under the Canada Business Corporations Act (Canada) (the "**CBCA**") on November 15, 2007 of Amalco 1 (as described below), Nova Steel Ltd., Cresswell Industries Inc., Nova Tube Ontario Inc. and Nova Steel Processing Centre Ltd., and not by Amalco 1 (being the result of the amalgamation under the CBCA on November 15, 2007 of Novamerican Steel Inc. and 632421 N.B. Ltd.). This assumption was made because the identity of the Quebec Security Document Grantor is unclear. Osler was advised by Quebec counsel to JPM, as *fondé de pouvoir* under the Quebec Security Documents, that the Quebec Security Documents were executed on November 15, 2007 at a time of the day which was after Amalco 1 had amalgamated to continue as Amalco 2. As a result, neither Amalco 1 nor any other predecessor of Amalco 2 could have been a party to the Quebec Security Documents at such time. Based on this advice, if Amalco 2 was not the "Grantor" under the Quebec Security Documents, the security thereunder could not have been validly created.

CONCLUSIONS

76. The Proposed Monitor is of the view that the restructuring and continuation of the business of Barzel Canada as a going concern is the best option available for a variety of reasons, including, *inter alia*:

a. A going concern restructuring or sale of assets would preserve the value of Barzel Canada whereas a liquidation and wind-down of Barzel Canada or the Barzel Group would likely result in a substantial diminution in value that could ultimately reduce creditors' recoveries against Barzel Canada; and

b. The liquidation and wind-down of Barzel Canada could eliminate a significant number of jobs, many of which would be preserved if Barzel Canada is able to continue or sold as a going concern.

77. In these circumstances, the Proposed Monitor is supportive of Barzel Canada's efforts to obtain DIP financing so as to avoid a liquidation and facilitate a restructuring and sale of its assets through the Chapter 11 Proceedings and these CCAA Proceedings.

78. The Proposed Monitor understands that the DIP Lenders are only willing to extend credit to Barzel Canada under the conditions of the DIP Credit Agreement. The Proposed Monitor further understands that Barzel Canada and the Barzel Group do not have any satisfactory alternative financing arrangements available.

79. The Proposed Monitor understands that, without access to financing under the DIP Credit Agreement, Barzel Canada and the Barzel Group would face an imminent liquidity crisis, an inability to purchase steel and allow for ongoing operations and the prospect of a liquidation of its assets. Consequently, the Proposed Monitor recognizes the need for the Applicant to obtain this Honourable Court's approval of the DIP Credit Agreement as part of the Initial Order.

80. Given the state of the credit markets and under the present circumstances, the Proposed Monitor appreciates Barzel Canada and the Barzel Group's view that the proposed DIP Credit Agreement is the only viable financing available to the Barzel Group at the present time. The Proposed Monitor recognizes the Company's need for ongoing financing and is supportive of its efforts to maintain going concern value and to protect its employees and other stakeholders.

81. The Applicant has advised the Proposed Monitor that it intends to seek an order of this Honourable Court in the near future regarding the approval of a sales process and the Metco agreement;

82. Further to the Proposed Monitor's review of the proposed draft Initial Order, the Proposed Monitor supports the charges and financial thresholds proposed in the draft Initial Order, including:

    a. the Administration Charge of $1,000,000;

    b. the D&O Charge of $2.3 million; and

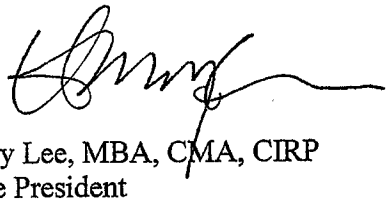
    c. notices to creditors with outstanding balances of CDN$1,000 or more.

All of which is respectfully submitted at Toronto, Ontario, this 15th day of September, 2009.

DELOITTE & TOUCHE INC.
In its capacity as Proposed Monitor of
Barzel Industries Canada Inc.

Per:

Paul van Eyk, CA•CIRP, CA•IFA
Senior Vice President



Huey Lee, MBA, CMA, CIRP
Vice President

EXHIBIT B

Court File No. 09-8363-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

Applicant

SECOND REPORT OF THE MONITOR
DATED OCTOBER 2, 2009

INTRODUCTION AND OVERVIEW OF CCAA PROCEEDINGS TO DATE

1. On September 15, 2009, Barzel Industries Canada Inc. ("**Barzel Canada**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Pursuant to the Order of this Honourable Court dated September 15, 2009 (the "**Initial Order**"), Deloitte & Touche Inc. ("**Deloitte**") was appointed as the Monitor of the Applicant (the "**Monitor**") in the CCAA proceeding.

2. On the same day, Barzel Canada's parent, Barzel Industries Inc. ("**BII**") and certain affiliated U.S. entities including Barzel Holdings Inc., Barzel Finco Inc. ("**Barzel Finco**"), Barzel Industries U.S. Inc., American Steel and Aluminum Corporation, Nova Tube and Steel Inc., Novamerican Tube Holdings, Inc. and Nova Tube Indiana, LLC (collectively, the "**U.S. Debtors**") filed voluntary petitions under chapter 11 of title 11 of the *United States Code*, 11 U.S.C. §101-1532 (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**").

3. The U.S. bankruptcy proceedings were recognized by this Honourable Court as a "foreign proceeding" under s. 18.6 of the CCAA in a companion order entered on September 15, 2009.

4. Collectively, Barzel Canada and the U.S. Debtors are known as the "**Barzel Group**".

5. Deloitte, in its capacity as Proposed Monitor, provided this Honourable Court with a report dated September 15, 2009 (the "**Pre-Filing Report**") that contained information on, *inter alia*, the causes of the Applicant's insolvency, an overview of the Applicant's financial position, an overview of Barzel Canada's 13-week cash flow forecast, and the Proposed Monitor's associated conclusions and recommendations. A copy of the Pre-Filing Report (without exhibits) is attached as Exhibit "A" to this Report.

6. On September 18, 2009, the Applicant filed a motion record with this Honourable Court in connection with an anticipated motion seeking an order to compel ArcelorMittal Dofasco Inc. ("**Dofasco**") to provide product to the Barzel Group in compliance with the terms of the Initial Order and pursuant to the terms of a Replenishment Agreement between BII and Dofasco (the "Dofasco Motion"). In connection with the Dofasco Motion, Deloitte filed its first report in its capacity as Monitor (the "**First Report of the Monitor**") to provide this Honourable Court with additional information about the supply of materials by Dofasco to the Barzel Group. A copy of the First Report of the Monitor is attached as Exhibit "B" to this Report.

7. On September 18, 2009, Justice Morawetz entered an Order on consent (the "**Order on Consent**") compelling Dofasco to immediately supply already manufactured product to the Barzel Group without prejudice to the rights of either Dofasco or the Applicant to take any position in respect of rights or obligations under the Replenishment Agreement.

8. The Monitor understands that the Barzel Group remains in negotiations with Dofasco with respect to future steel supply during the CCAA proceedings. At the time of this report, no formal agreement has been made between the Barzel Group and Dofasco. The Monitor will provide the Court with updates on the negotiations with Dofasco and may be able to provide additional information as soon as its next report.

PURPOSE

9. The purpose of this Second Report of the Monitor (the "**Second Report**") is to:

- Provide background information about the Barzel Group, including the pre-filing marketing efforts carried out by the Barzel Group with the assistance of Houlihan Lokey Howard & Zukin Capital, Inc. ("**Houlihan**"), an investment banking firm retained by the Barzel Group for this purpose;

- Summarize the "stalking horse" offer submitted by Chriscott USA Inc. and 4513614 Canada Inc. (collectively "**Metco**") to purchase substantially all of the assets, property and undertaking of the Barzel Group (the "**Stalking Horse Offer**");

- Summarize the proposed sale process pursuant to which the business and assets of the Barzel Group, including Barzel Canada, would be marketed for sale (the "**Sale Process**"), including the bidding procedures to be used in connection with the Sale Process (the "**Sale Procedures**");

- Provide update on the intercompany transactions protocol during the CCAA proceedings ("**Intercompany Protocol**");

- Summarize the pre-filing and post-filing activities of the Monitor;

- Recommend that this Honourable Court make an order:

    - Authorizing the Applicant to enter into the Stalking Horse Offer;

    - Approving the Sale Process, including the Sale Procedures, and authorizing and directing the Barzel Group to conduct the Sale Process on the basis detailed herein; and

    - Approving the activities of the Monitor as described herein.

TERMS OF REFERENCE

10. In preparing this Second Report, the Monitor has relied upon unaudited financial information, Barzel Canada's books and records, financial information prepared by Barzel Canada and its advisors, and discussions with management of Barzel Canada and management of the Barzel Group including Mr. Wayne Day, Chief Restructuring Officer of the Barzel Group. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information and, accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report.

11. Unless otherwise stated, all monetary amounts contained herein are expressed in US dollars.

12. Capitalized terms not defined in this Second Report are as defined in the Pre-filing Report, the First Report of the Monitor, the Affidavit of Karen Narwold sworn September 17, 2009 (the "**Narwold Sale Affidavit**") or the APA (as defined below).

GENERAL BACKGROUND

13. The Barzel Group is a leading metal manufacturing, processing and distributing enterprise with operations throughout Ontario and Quebec and the eastern and mid-western United States. The Barzel Group is headquartered in Norwood, Massachusetts, and its operational hub is in Mississauga, Ontario. The Barzel Group has four primary business lines: (a) tube and pipe production; (b) manufacturing; (c) processing; and (d) distribution.

14. The finance and operations of the Barzel Group are closely integrated. All cash management, finance, treasury, regulatory, supply and executive functions for the Barzel Group are coordinated by BII from the U.S. Similarly, Barzel Canada manages and directs operations for the Barzel Group from its offices in Stoney Creek, Ontario (formerly in Mississauga, Ontario). This high level of interconnectedness has dictated a need for cross-border coordination of insolvency proceedings.

Secured Debt and Intercompany Notes

15. On or about November 17, 2007, Barzel Finco issued $315 million of 11.5% Senior Secured Notes due 2015 (the "**Notes**") that pay interest semi-annually in arrears on May 15 and November 15. Two thirds of the Notes are held by J.P. Morgan Chase, N.A. ("**JPM**"), and one third of the Notes are held by CIBC World Markets Corp. ("**CIBC**") (collectively, the "**Holders**"). The Notes are guaranteed by each of the other U.S. Debtors.

16. Of the gross proceeds of the Notes, $125 million was loaned by Barzel Finco to the Applicant as evidenced by two intercompany demand promissory notes (together, the "**Intercompany Notes**"). The obligations of the Applicant under the Intercompany Notes are secured by all present and after acquired property of the Applicant pursuant to a Canadian collateral agreement and a debenture, each dated November 15, 2007, and a charge/mortgage of land dated November 16, 2007 (collectively, the "**Intercompany Notes Collateral Documents**"). The Intercompany Notes and the Intercompany Notes Collateral Documents were in turn pledged (and a security interest granted therein) by Barzel Finco to the Holders to secure the obligations thereunder.

17. As of the filing date on September 15, 2009, the Applicant also had approximately $14 million outstanding under an asset-backed loan facility pursuant to a Credit Agreement dated November 15, 2007 by and among Barzel Canada, BII and Barzel Finco, as borrowers (the "**ABL Borrowers**"), and JPM, CIBC and certain other lender parties, as lenders (the "**ABL Lenders**"), and JPM, Business Credit Canada Inc. and the CIT Group/Business Credit Inc., as agents. Pursuant to the Credit Agreement, the ABL Lenders extended to the ABL Borrowers a five year revolving credit facility of up to $175 million of availability subject to a borrowing base.

18. Collectively, the Holders and the ABL Lenders are referred to as the "Secured Lenders".

The Deferral Agreement

19. The recent economic downturn coupled with fluctuating steel prices softened the market for the Barzel Group's goods and services and led to significant decreases in revenues and liquidity in 2008 and 2009. As a result, the Barzel Group had insufficient cash available to

make an interest payment due under the Notes on May 15, 2009. On May 14, 2009, the Barzel Group entered into a deferral agreement (as amended, the "**Deferral Agreement**") with the Holders that deferred the May 2009 interest payment to August 14, 2009. The Deferral Agreement was amended on July 17, 2009 to further defer payment under the Notes to October 13, 2009.

20. As one of the terms of the Deferral Agreement, the Barzel Group was required to pursue either: (i) a recapitalization or restructuring of Barzel Group indebtedness; (ii) disposition of all or a majority of a outstanding equity securities and/or all or a majority of the assets or operations of the Barzel Group; or (iii) refinancing of the Barzel Group indebtedness. In furtherance of that objective, on May 2, 2009 the Barzel Group retained Houlihan to explore strategic and financial alternatives, including an en-bloc sale process, that would preserve the Barzel Group business as a going concern. Senior management of the Barzel Group, in consultation with Houlihan, determined that Barzel Canada would not be marketed independently because of its high degree of integration into the Barzel Group as a whole.

Insolvency Proceedings

21. On September 15, 2009 (the "**Filing Date**"), Barzel Canada filed for protection under the CCAA. On the same day, the U.S. Debtors sought protection under the Bankruptcy Code.

22. The Barzel Group had insufficient working capital to independently finance its restructuring and continue operating during the Sale Process. Therefore, the Barzel Group was required to obtain DIP financing through JPM and CIBC (the "**DIP Lenders**") pursuant to a Credit Agreement by and among BII, Barzel Finco and Barzel Canada and JPM, as administrative agent (the "**DIP Credit Agreement**"). The DIP Credit Agreement provides for a revolving credit facility in an aggregate amount not to exceed $30 million (the "**DIP Facility**"). A more extensive discussion of the DIP Facility is contained in the Pre-Filing Report.

Milestones under the DIP Credit Agreement

23. The DIP Credit Agreement also provides that the availability of draws under the DIP Facility is conditional upon the achievement of certain milestones and adherence to a strict timeline in the Sale Process. Broadly speaking, the Barzel Group must consummate the sale of substantially all of its assets no later than sixty (60) days after the Filing Date. In the period between the Filing Date and the Closing of the 363 Sale, the DIP Credit Agreement requires the Barzel Group to:

- file a motion to approve the sale (including bidding and auction procedures) (the "**Bid Procedure Motion**") no later than two business days after the Filing Date;
- obtain an order approving the Bid Procedure Motion no later than eighteen days after the Filing Date;
- set a deadline for accepting bids that is no later than thirty-five days after the Filing Date;
- if applicable, conduct the Auction no later than forty days after the Filing Date; and
- conclude a hearing to confirm the 363 sale no later than forty-five days after the Filing Date.

PRE-FILING MARKETING EFFORTS

24. In the months prior to the September 15, 2009 filing date and in compliance with the Barzel Group's obligations under the Deferral Agreement, Houlihan prepared marketing materials and canvassed the market for potential strategic and financial investors and/or buyers for the Barzel Group and its assets. In the course of its initial search, Houlihan identified 252 potential strategic investors and acquirers, of which 128 were strategic buyers and 124 were financial buyers. Of that group, 72 prospective purchasers or investors executed confidentiality agreements, received a confidential information memorandum and gained access to an electronic data room. Thirteen of the potential buyers and investors received management presentations or conducted facility tours.

25. The Monitor conducted a review of the transaction process undertaken by Houlihan that included the review of certain key transaction documents and discussions with key individuals representing both the Barzel Group and Houlihan, including Corrado DeGasperis (at the time the CEO – Barzel Group), M. Ridgway Barker (Counsel – Kelly Drye & Warren LLP), Karen Narwold (General Counsel – Barzel Group), Dan Sullivan (Director – Houlihan) and Jeffrey Lewis (Vice President – Houlihan).

26. The Monitor understands that Houlihan conducted preliminary diligence on financial records of the Barzel Group to: (i) assess the business and other risks to the transaction; and (ii) prepare standard documentation for marketing Barzel to potential buyers including an opportunity summary, an offering memorandum and a management presentation. Houlihan also assisted with the preparation of an online data site which housed financial, operational and other data of the Barzel Group.

27. After the initial round of marketing, the Barzel Group received thirteen offers to pursue transactions involving substantially all of the Barzel Group assets, including nine offers from financial buyers/investors and three offers from strategic buyers/investors. The Barzel Group received two more offers from strategic buyers/investors after the expiration of the deadline for submitting first-round offers.

28. The BII board of directors (the "**Board of Directors**") reviewed the offers and directed Houlihan to: (i) invite the bidders to participate in more extensive due diligence; and (ii) conduct a final round of bidding. Eight offers were received in a final round of bidding ending August 12, 2009, including five offers from financial buyers/investors and three offers from strategic buyers/investors.

29. After reviewing the final round bids, the Board of Directors instructed Houlihan to work with four of the bidders to secure financing for their respective bids and definitively document prospective transactions that would maximize value under the circumstances.

30. Of those four bids, the Board of Directors identified the bid by Metco as the highest and best bid reasonably obtainable, based on the following criteria:

    - bid was for cash proceeds, and did not contemplate any debt rollover;

- bid was en-bloc;
- bid was not contingent upon financing;
- bid provided for sale of business as a going concern;
- bid did not require significant additional due diligence; and,
- bid was supported by the Secured Lenders.

31. Metco was unwilling to enter into a sale transaction unless the Barzel Group was under bankruptcy protection. Therefore, the Barzel Group and Metco have agreed that Metco will serve as a stalking horse purchaser of substantially all of the Barzel Group assets in the CCAA proceeding and the Chapter 11 proceedings.

32. Based on a review of certain marketing documents and the online data site, the Monitor is of the view that the marketing documents and the online data site contain sufficient information that would allow a potential buyer to prepare an offer.

33. The Monitor is supportive of the transaction process undertaken by Houlihan and the recommended acceptance of the Metco stalking horse agreement as contemplated in the APA. This is primarily based on the extensive number of potential targets contacted and limited market demand, the low number of cash offers submitted despite allowance for submission of offers beyond pre-determined timelines, the flexibility afforded by the process in allowing potential buyers not identified at the outset to participate in the process and the understanding that the Secured Lenders are supportive of the transaction process and the Metco offer.

THE ASSET PURCHASE AGREEMENT ("APA")

34. On September 14, 2009, in anticipation of its imminent filing (and consistent with the terms of the DIP Credit Agreement), BII and certain other named subsidiaries including Barzel Canada (the "**Sellers**") entered into an Asset Purchase Agreement with Metco (the "**Purchasers**") that outlines terms for the purchase and sale of substantially all of the Seller's assets, including the assets of Barzel Canada. The APA, without exhibits or

schedules, is attached at Tab E to the Applicant's Motion Record filed September 17, 2009. The transaction contemplated by the APA involves a simultaneous and coordinated sale of both Canadian and U.S. assets of the Barzel Group.

35. The Monitor has been advised that the Sellers and Metco are currently in the process of negotiating an amendment to the APA that will not substantively modify the terms of the agreement as described below. The Monitor will provide this Honourable Court with an update as to the nature of the amendment once it is finalized.

Acknowledgment

36. In an acknowledgment dated September 14, 2009 (the "**Acknowledgment**"), the Secured Lenders consented on certain terms and conditions to the Barzel Group entering into the APA with Metco.

Purchased Assets

37. Under the terms of the APA, the assets that are being sold (the "**Purchased Assets**") include:

- owned real property;
- leases;
- other tangible assets (including but not limited to leasehold improvements, furnishings, office equipment, vehicles, tools, machinery, equipment and structures);
- inventory;
- contracts;
- intellectual property;
- customer and vendor lists and other information;
- business records;

- accounts receivable and prepaid expenses;
- permits, to the extent assignable;
- goodwill associated with the business;
- purchased insurance proceeds; and
- bank accounts.

Excluded Assets

38. The Purchased Assets exclude, among other things, any lease, contract or real property not expressly transferred; all cash on hand, cash on deposit and cash equivalents; certificates of deposit; checks received but not deposited and any marketable securities.

Assumed Liabilities

39. Subject to certain conditions, the Purchaser will assume certain liabilities of the Sellers including:

- all liabilities under the assigned contracts arising and in respect of any period after the Closing Date;
- all liabilities under the assigned leases relating to events or circumstances first arising and accruing after the Closing Date;
- Buyers' cure costs, which are amounts that must be paid, if any, in connection with the assignment and assumption of the Assigned Contracts and the Assigned Leases, including costs pursuant to s. 365(b)(1)(A) and (B) of the Bankruptcy Code and any costs incurred in connection with obtaining consent for an assignment;
- all liabilities for transactional costs and transactional taxes payable in connection with the sale transaction;

- all liabilities arising from ownership of the Purchased Assets from and after 12:01 a.m. on the Closing Date;

- all liabilities arising from the employment of transferred employees from and after 12:01 a.m. on the Closing Date;

- specifically assumed employee liabilities; and

- all adjusted trade payables, which are the outstanding amounts owing by the Barzel Group for the purchase of a commodity used in the ordinary course of business, as of the Closing Date.

Purchase Price

40. The Purchase Price is US$65 million plus the obligation of the Purchaser to pay, perform and discharge the assumed liabilities, subject to agreed upon working capital adjustments as detailed in the APA.

Sale Free and Clear

41. The Purchased Assets are to be transferred free and clear of all liens, claims and encumbrances, other than those expressly assumed by the Purchaser or otherwise expressly permitted under the APA.

Closing Conditions

42. The Purchaser's obligation to conclude the sale transaction is conditional upon:

- truth and correctness of all Sellers' representations and warranties, except as would not result in a materially adverse event;

- performance and compliance in all material respects with all covenants and agreements set forth in the APA by the Sellers on or before Closing; and

- all bankruptcy court and other regulatory approvals.

Termination Fee and Expense Reimbursement Fee

43. Subject to the approval of this Honourable Court, the APA provides that if Metco is not the Successful Bidder and/or the Sellers consummate an alternate transaction, Metco is entitled to: (i) disbursement of its good faith deposit; (ii) payment by the Sellers of reimbursement of documented, reasonable, out-of-pocket costs incurred in connection with the Stalking Horse Offer up to an aggregate amount of $750,000 (the "**Expense Reimbursement**"); and (iii) payment by the Sellers of a termination fee equal to 3% of the base Purchase Price (the "**Sellers Termination Fee**").

SALE PROCESS

44. In the interest of maximizing value for all Barzel Group stakeholders, the Barzel Group and Metco have determined and agreed that: (i) the APA is subject to higher or better offers being obtained pursuant to a Sale Process; and (ii) the APA shall serve as the Stalking Horse Bid. Subject to the approval of this Honourable Court and the U.S. Court, the Sale Process shall be conducted pursuant to a single bidding procedure (the Sale Procedures) to be coordinated by BII's U.S. lawyers in consultation with Barzel Canada's Canadian lawyers and the Monitor. A copy of the Sale Procedures is attached as Exhibit "G" to the Affidavit of Karen Narwold sworn September 17, 2009.

SALE PROCEDURES

Potential Bidders

45. In order to participate in the Bidding Process, each interested person or entity must deliver to the Sellers on or before the Bid Deadline, which is as of yet to be determined: (i) an executed confidentiality agreement that is satisfactory to the Sellers in form and substance; and (ii) evidence satisfactory to the Sellers, with the consent of the DIP Lender, of the financial wherewithal of the Potential Bidder. A Potential Bidder that submits an executed confidentiality agreement and satisfactory evidence of financial wherewithal is considered a "Qualified Bidder".

Due Diligence

46. Upon receipt of a satisfactory confidentiality agreement and proof of ability to consummate a sale transaction, the Sellers shall deliver or make available to each Qualified Bidder information and financial data relevant to the Purchased Assets. The Sellers shall also make available to Qualified Bidders due diligence and additional information as reasonably requested.

Bid Requirements

47. A bid submitted pursuant to the Sale Procedures will be considered a qualified bid ("**Qualified Bid**") only if it is submitted by a Qualified Bidder and includes:

- an Offer to acquire the Purchased Assets that is accompanied by an agreement marked to show any proposed amendments to the APA (the "**Marked Agreement**");
- agreement that the Qualified Bidder's offer is binding and irrevocable until 48 hours after the earlier of: (i) the closing of the sale of the Purchased Assets; (ii) the withdrawal of the Purchased Assets for sale by the Sellers; or (iii) 30 days after the Sale Hearing;
- a purchase price greater than the aggregate purchase price offered by the stalking horse bidder by at least $500,000 plus the amount of the Termination Fee and Expense Reimbursement;
- disclosure of the identity of each entity participating in the bid; and
- a good faith deposit by way of certified cheque or wire transfer in an amount equal to 10% of the aggregate purchase price of the bid.

48. The Sellers, in consultation with the DIP Lenders and the Monitor, reserve the right to reject any bid if, among other things, such bid is on terms that are more burdensome or conditional than the terms contained in the Stalking Horse Offer.

49. Notwithstanding the foregoing, Metco is deemed to be a Qualified Bidder and the APA is deemed to be a Qualified Bid for all purposes in connection with the bidding process, auction and sale.

Auction

50. If the Sellers receive one or more Qualified Bids in addition to the Sale Agreement in advance of the Bid Deadline, the Sellers will conduct an auction (the "**Auction**") of the Purchased Assets on a date as of yet to be determined.

51. At the Auction, bidding will begin at the amount of the aggregate consideration under the Qualified Bid that is determined by the Sellers, in consultation with the DIP Lenders and the Monitor, to be the best and highest offer, and will continue in increments of at least $500,000 in cash.

52. If the Sellers do not receive any Qualified Bids other than the APA, the Auction will be cancelled and the Sellers will proceed to consummate the sale transaction on the terms contemplated by the APA, subject to any required court approvals.

Selection of Successful Bid

53. Before the conclusion of the Auction, the Sellers, in consultation with the DIP Lenders and the Monitor, will: (i) review the financial and contractual terms of each bid made at the Auction; (ii) with the consent of the DIP Lenders, identify the highest and best bid for the Purchased Assets; and (iii) notify all Qualified Bidders of the name of the maker of the Successful Bid (the "**Successful Bidder**"). The Sellers may also identify, in their reasonable business judgment, the next best bid (the "**Next Best Bid**") and the next best bidder (the "**Next Best Bidder**").

Sale and Sale Motion

54. The Sellers will sell the Purchased Assets to the Successful Bidder pursuant to the terms of the Successful Bid upon the approval of the Successful Bid by this Honourable Court and the U.S. Court. The Sale Process contemplates a sale approval motion to be heard jointly before this Honourable Court and the U.S. Court on a date that is as of yet to be settled.

55. If the Successful Bidder fails to consummate the sale for any reason, the Next Best Bid will be deemed to be the Successful Bid and the Sellers will be authorized but not directed to effectuate a sale to the Next Best Bidder pursuant to the terms of the Next Best Bid.

COURT APPROVAL OF APA AND SALE PROCEDURES

56. The Sale Procedures and the APA are being submitted to this Honourable Court and the U.S. Court for approval. The final sale of the Purchased Assets will also be submitted to this Honourable Court and to the U.S. Court for approval.

57. Because the Barzel Group's Canadian and U.S. assets are being sold in a coordinated and simultaneous sale, any hearing on the approval of the APA, Sale Procedures and Sale will be conducted as a joint hearing before the Ontario Superior Court of Justice – Commercial List and the U.S. Court. To that end, a Cross-Border Protocol was approved pursuant to orders entered by this Honourable Court and the U.S. Court on September 15, 2009.

DELTA SALE AND UPDATED CASH FLOWS

58. The Applicant currently holds a 60% interest in a joint venture called Delta Tubes Inc. ("Delta"). The Monitor is advised that on October 1, 2009, the Barzel Group's joint venture partner, ArcelorMittal Tubular Products Montreal Inc., sold its 40% interest in Delta to Metco (or an affiliate).

59. The Monitor understands that the Barzel Group is currently in negotiations with Metco regarding the sale of the Barzel Group's 60% interest in Delta. The Applicant anticipates that any arrangement to sell the Barzel Group's interest in Delta would include a requirement that Metco provide ongoing steel supply to the Barzel Group for 12 months.

60. The Monitor has been advised by Barzel Canada that the Applicant intends to bring a motion in the near future seeking an order to approve both the Delta sale and a stay extension. The Monitor plans to file a report to accompany that motion and intends to report at that time on both the status of the Delta sale and updated cash flows of the Applicant.

INTERCOMPANY TRANSACTIONS

61. Through review of the Applicants financial information, including cash flow forecasts of the DIP Period, and through discussion with management, the Monitor obtained an understanding of the Intercompany Protocol. The following is a summary of intercompany transactions to be incurred by the Applicant:

    i. **Purchase and sale of raw material.** Intercompany purchases and sales of raw material are to be transacted with cash on delivery ("**COD**") payment terms. To date, intercompany transactions involving the purchase and sale of raw material have yet to be incurred. All steel inventory purchased by the Applicant has been used within production at Canadian facilitates. The US Debtors have purchased its own steel directly as at the date of this report.

    ii. **Purchase and sale of finished goods.** Intercompany purchases and sales of finished goods are to be transacted with COD payment terms. Intercompany transactions involving the purchase and sale of finished steel tubing have been minimal since the filing date. All finished goods are to be invoiced by the producing jurisdiction, with payment for post filing production received separately by each jurisdiction. The Monitor did identify two transactions, in which the US Debtors purchased goods from the Applicant for a total value of $16,000, which the Monitor identified as a receivable owed to the Applicant. Management and the CRO have followed up on this variance and have advised us as at the date of this report, the US Debtors has paid the Applicant the $16,000.

    iii. **Fund transfers to and from the Applicant.** This intercompany funds transfer may be required to ensure adequate liquidity in each jurisdiction to order to fund operations. To date, intercompany fund transfers between the Applicant and the US Debtors has yet to be incurred, as each jurisdiction has maintained sufficient liquidity for operational purposes through separate borrowings under the DIP facility.

62. The Intercompany Protocol established by the Barzel Group contemplates COD payments for all transactions; however if there are cash transfers to or from the Applicant, the Barzel Group has advised that it will perform weekly reconciliations to present to the Monitor.

ACTIVITIES OF THE MONITOR PRIOR TO AND AFTER INITIAL ORDER

63. The Monitor assisted the Applicant in its preparations for CCAA filing through providing insight into the anticipated role of the Monitor, including its review of on-going operations and reporting requirements to this Honourable Court, during the stay of proceedings.

64. As discussed above, the Monitor conducted a review of the pre-filing marketing and sales process initiated by the Applicant, through discussions with Houlihan and through review of the market and sales process date-site documents, in order to provide its recommendations in respect of the Applicant's request for Court approval of the Stalking Horse Offer.

65. The Monitor prepared and maintains an external web site to enhance and facilitated communications to various stakeholders regarding the CCAA proceedings.

66. With the Monitor's assistance, the Applicant supplied sufficient notice to all creditors with balances owed of $1,000 CDN or more, pursuant to paragraph 46 of the Initial Court Order. Notice was also provided to other creditors including lessors, government bodies, utility service providers and any other party that requested a copy of the Initial Court Order.

67. The Monitor reviewed post filing receipts and disbursements to ensure the Applicant's cash flows are consistent with the terms of the Initial Order. The Monitor provided direction to the Applicant in performing a hard close of all its Accounts Payable sub-ledgers on Monday, September 14, 2009.

68. In accordance with paragraphs 12 and 13 of the Initial Court Order, the Monitor has provided guidance regarding the Applicant's repudiation of real property leases not required for the ongoing operations. The Applicant issued notice of repudiation on September 21, 2009, with lease repudiation taking effect on September 28, 2009, for the following properties:

- 1566 Woodhenge Way, Mississauga, Ontario

- 170 University Avenue, Toronto, Ontario
- 207-81 Rue de Bresoles, Montreal, Quebec
- 7070 Mississauga Rd., Mississauga, Ontario

69. The Monitor also prepared the Monitor's First Report and has advised Barzel Canada on current and future Dofasco steel purchases during the CCAA proceeding.

MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

70. The Monitor believes that the Sale Process and the Bidding Procedures are reasonable in the circumstances for the following reasons:

- the Barzel Group, with the assistance of Houlihan, has marketed its business and assets since May 2009. Houilhan has conducted an extensive marketing campaign and has thoroughly canvassed the market in an effort to identify prospective investors and purchasers;

- in the Monitor's view, the Sale Process is commercially reasonable and the Sale Procedures and Auction provide an opportunity for a result that may be more favourable to the Barzel Group stakeholders than the transaction contemplated by the APA;

- the Sale Process presents the Barzel Group with an opportunity to continue as a going concern if a sale transaction is completed with Metco or another party;

- the Monitor has been advised that the Secured Lenders, who appear to be the only stakeholders with an economic interest in the assets of the Barzel Group, support the Sale Process, the Sale Procedures, the Auction and the APA;

- in light of the facts that: (i) Barzel Canada owes $125 million under secured intercompany demand notes and $14 million under the ABL Facility; and (ii) the Stalking Horse Offer provides for a purchase price of $65 million plus assumption of certain liabilities, it is anticipated that the Secured Lenders will suffer a significant shortfall, excluding repayments of DIP loan. Therefore, the allocation of proceeds between Canada and the U.S. entities does not appear to be relevant to the extent that no substantially

superior bids are received during the Auction. In the event that a bid significantly exceeding the Stocking Horse Offer is received, the Monitor will assist the Barzel Group and the stakeholders in arriving at appropriate allocations;

- continued availability of draws under the DIP financing facility is conditional upon the achievement of certain milestones in the contemplated Sale Process. These milestones include a truncated timeline for court approvals, the Sale Process and consummation of the sale transaction. Absent this source of funding, the Barzel Group will not have the ability to continue operating in the ordinary course;

- "stalking horse" bids, together with break-up and expense reimbursement fees, are commonly used in US insolvency proceedings and, more recently, have also been used in Canadian CCAA proceedings;

- the Termination Fee and the Expense Reimbursement Fee do not appear to be excessive in the circumstances and are consistent with ones that have been used in other Canadian insolvency proceedings. In the view of the Monitor, the Termination Fee and the Expense Reimbursement Fee are not so large as to discourage a third party from submitting an offer that is superior to the Stalking Horse Bid; and

- in view of the high degree of historical integration between the Barzel Group's Canadian and U.S. entities and operations, including common cash management, financing and operations; inclusion of Barzel Canada in the single U.S. sales process appears to be appropriate under the circumstances.

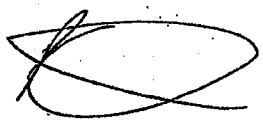
CONCLUSION

71. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make the proposed order of Barzel Canada.

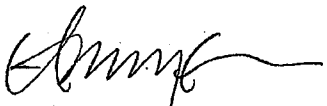
All of which is respectfully submitted this 2nd day of October 2009.

DELOITTE & TOUCHE INC.
In its capacity as Monitor of Barzel Industries Canada Inc.

Per:



Paul van Eyk, CA•CIRP, CA•IFA
Senior Vice President



Huey Lee, MBA, CMA, CIRP
Vice President

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

AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.

Court File No: 09-8363-00CL

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

SECOND REPORT OF THE MONITOR

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EXHIBIT C

John Maneely Company

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October 13, 2009

VIA EMAIL

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Barzel Industries Canada Inc.
c/o Barzel Industries Inc.
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Norwood, MA 02062
U.S.A
Attention: Karen Narwold
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Re: IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT* ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.; Motion for Order Approving Sale of Delta Tube Joint Venture Interests

Dear Mr. van Eyk and Ms. Narwold:

Reference is made to the above-described proceedings (the "Canadian Proceedings") before the Ontario Superior Court of Justice – Commercial List (the "Canadian Court"), as well as (i) the Asset Purchase Agreement by and among Barzel Industries Inc. ("Barzel Parent"), the other entities identified therein as the selling subsidiaries and Chriscott USA Inc. ("U.S. Buyer") and 4513614 Canada Inc. ("Canadian Main Buyer"), dated as of September 14, 2009, as amended (the "Main APA"), pursuant to which Barzel Parent and certain of its subsidiaries, including Barzel Industries Canada Inc. ("Barzel Canada"), have agreed to sell substantially all of the assets of their business of manufacturing, processing and distributing steel tube, pipe and other metal products (the "Business"); (ii) the Purchase and Sale Agreement, dated October 9, 2009 (the "Delta APA"), among Barzel Canada, 7224290 Canada Inc. ("Canadian Delta Buyer"

and, together with the Main Buyers, the "Buyers"), Tubes Delta Inc. (the "Delta Corporation") and Delta Tube and Company Limited (together with the Delta Corporation, the "Delta Joint Venture"), pursuant to which Barzel Canada has agreed to sell its interest in the Delta Joint Venture; and (iii) the motion (the "Motion") pending before the Canadian Court, scheduled for hearing (the "Hearing") on Thursday, October 15, 2009, in connection with the Canadian Proceedings, including with respect to (A) the approval of the sale of Barzel Canada's interest in the Delta Joint Venture pursuant to the Delta APA and (B) the approval of the Partnership Toll Processing Agreement (defined in the Delta APA).

John Maneely Company ("JMC") is writing to express its concern that the Motion is premature, that it unjustly benefits the Buyers and their affiliates and that it could be detrimental not only to Barzel Canada's ability to obtain the appropriate fair market value for its interest in the Delta Joint Venture, but to the ability of Barzel Parent, Barzel Canada and their affiliates to obtain the highest and best value for the Business, as a whole, by discouraging certain bidders to whose bid the interest in the Delta Joint Venture is a critical component.

JMC notes that Barzel Parent and its advisers are currently conducting an auction process with respect to the Business, and that the deadline for bids submitted in connection with that auction process is Monday, October 26, 2009, a mere 11 days after the proposed hearing. JMC believes that the actions that the Motion seeks to have approved by the Canadian Court -- outside of and prior to the resolution of the ongoing auction process – may well harm the interests of – and unjustly reward the Buyers at the expense of -- Barzel Parent, Barzel Canada and their affiliates and creditors. JMC believes that, at the very least, consideration of the Motion should be deferred until Barzel Parent and its advisors are able to review and consider bids submitted with respect to the Business, as well as the Delta Joint Venture, on October 26, 2009.

As previously discussed with representatives of Houlihan Lokey Howard & Zukin Capital, Inc. ("Houlihan Lokey"), and further to the bid letter JMC submitted to Houlihan Lokey on August 12, 2009, and JMC's letter to Houlihan Lokey, dated September 23, 2009, regarding our interest in collaborating with other block bidders, JMC is actively coordinating with other potential block bidders to assemble a value-maximizing competing bid for the Business, including the Delta Joint Venture. The Delta Joint Venture is an integral part of the Business, from the perspective of JMC and its potential bid – and we note Barzel Canada acknowledges in its affidavit (the "Affidavit") supporting the Motion that several bidders in the pre-petition sale process included the Delta Joint Venture in their bids for the Business. Accordingly, JMC believes that approving the sale of Barzel's interest in the Delta Joint Venture would likely have a materially adverse effect on the value of JMC's and potentially other interested parties' bid(s) for the Business. Further, such approval may discourage JMC from further participating in the auction, eliminating a key potential purchaser of the Barzel tubing assets.

Furthermore, the combination of the sale of Barzel Canada's interest in the Delta Joint Venture, together with the six-month term of the proposed Partnership Toll Processing Agreement, mean that the proposed Motion may well result in further harm to Barzel Parent, Barzel Canada and their affiliates and creditors by chilling interest in the remainder of the Business. The Affidavit notes the importance to the Business of the processing services provided by the Delta Joint Venture. Allowing the sale of the Delta Joint Venture to the Buyers

will assure the Buyers an undue advantage in the auction with respect to the remainder of the Business because they will be the only bidders assured that the Delta Joint Venture will continue to serve the Business after the six-month period contemplated by the Toll Processing Agreement.

Barzel Canada supports this premature Motion, in part, by citing the restrictions on transfer included in the governing documents relating to the Delta Joint Venture. However, the Buyers' advantage in obtaining required consents for such a transfer is solely due to Barzel Canada's failure, to date, to enforce its own rights with respect to the transfer of the minority interest in the Delta Joint Venture to an affiliate of the Buyers. The Affidavit suggests Barzel Canada "would have consented to the transfer in any event", but the Affidavit provides no support for why such a consent would have been appropriate, particularly in light of the potential chilling effect of such transfer – and the transactions contemplated by the Delta APA – on the sale of the Business.

Given (i) the short period of time (11 days) between the proposed Hearing and the deadline for bids in the pending auction process for the Business and (ii) the potential harm to the interests of Barzel Parent, Barzel Canada and their affiliates and creditors in maximizing the value received in the sale of the Delta Joint Venture and the rest of the Business, we believe it is the fairest course of action and clearly in the bests interests of Barzel Canada and its affiliates and creditors to postpone the Hearing and any consideration of the Motion, particularly with respect to the Delta APA and the Toll Processing Agreement, until after Monday October 26, 2009.

Sincerely,

Daniel Pryor
Vice Chairman
John Maneely Company
Tel: (202) 729-5370
Email: dan.pryor@carlyle.com

cc: William G. Peluchiwski, Houlihan Lokey, Email: wpeluchiwski@hl.com
Robin B. Schwill, Davies Ward Phillips & Vineberg LLP, Email: rschwill@dwpv.com
Benjamin D. Feder, Kelly Drye & Warren LLP, Email: BFeder@KelleyDrye.com
Norman L. Pernick, Cole, Schotz, Meisel, Forman & Leanord, P.A., Email: npernick@ColeSchotz.com

EXHIBIT D

Barzel Industries, Inc.
CAD

	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
	DIP FINANCING PERIOD - FORECAST														
	1	2	3	4	5	6	7	8	9	10	11	12	13		
Week of	**9/18/2009**	**9/25/2009**	**10/2/2009**	**10/9/2009**	**10/16/2009**	**10/23/2009**	**10/30/2009**	**11/6/2009**	**11/13/2009**	**11/20/2009**	**11/27/2009**	**12/4/2009**	**12/11/2009**	**Total**	
Receipts															
Trade / Regular	991	513	1,253	616	829	692	630	711	711	567	785	905	893	10,095	**Note 1**
Asset sales						4,808								4,808	**Note 3**
Tax refunds	-	-	-	-	-	-	423	-	-	-	-	-	-	423	**Note 3**
Intercompany funds transfer	-	-	60	30	30	30	30	30	30	30	30	30	30	360	**Note 2**
Total Receipts	991	513	1,313	646	859	5,530	1,083	741	741	597	815	935	923	15,686	
Disbursements															
Metal + Freight + Processing	-	-	-	(63)	(63)	(63)	(63)	(63)	(63)	(63)	(63)	(63)	(63)	(625)	**Note 5**
Critical Metal Supplier Payments	(60)	(654)	(191)	(271)	(271)	(271)	(271)	(271)	(271)	(171)	(171)	(171)	(171)	(3,214)	**Note 4**
Transportation	-	-	-	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(10)	(0)	(12)	**Note 5**
Metal + Freight + Processing	(60)	(654)	(191)	(334)	(334)	(334)	(334)	(334)	(334)	(234)	(234)	(244)	(234)	(3,851)	
Maintenance	(1)	(1)	-	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(218)	**Note 6**
Consumables	(4)	(57)	(84)	(93)	(93)	(97)	(97)	(97)	(97)	(97)	(97)	(97)	(97)	(1,105)	**Note 5**
Gas / Oil	-	-	(1)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(31)	**Note 5**
Packaging	-	-	-	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(45)	**Note 5**
Consumables	(5)	(58)	(85)	(122)	(122)	(126)	(126)	(126)	(126)	(126)	(126)	(126)	(126)	(1,399)	
Utilities	(6)	-	(49)	(61)	(61)	(67)	(67)	(67)	(67)	(67)	(67)	(67)	(67)	(714)	**Note 5**
Plant Projects and Capital	-	-	(2)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(377)	**Note 6**
Payroll and Related	(312)	(382)	(272)	(281)	(281)	(281)	(281)	(281)	(281)	(281)	(281)	(281)	(281)	(3,772)	**Note 7**
Benefits and Related	-	(51)	(172)	-	(108)	(31)	(92)	-	-	(139)	(92)	-	-	(685)	**Note 7**
Temporary Labor	-	-	(3)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(88)	**Note 5**
Leases	-	-	(85)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(381)	**Note 5**
Travel and Related	(11)	(1)	(6)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(125)	**Note 5**
IT and Communications	-	(2)	-	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(590)	**Note 5**
Consulting and Professional Fees	(4)	1	(2)	(8)	(12)	(8)	(8)	(8)	(8)	(12)	(8)	(8)	(8)	(96)	**Note 5**
Taxes	-	-	(118)	(6)	(8)	(11)	(57)	(5)	(5)	(5)	(5)	(4)	(55)	(279)	**Note 8**
Delta Tube Processing Fee	-	-	(80)	(63)	(63)	-	-	-	-	-	-	-	-	(206)	**Note 5**
Other (Includes Interco. Cash Disbursement)	10	(34)	(90)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(143)	**Note 5**
Total Disbursements	(388)	(1,181)	(1,155)	(1,022)	(1,137)	(1,005)	(1,113)	(968)	(968)	(1,011)	(961)	(877)	(918)	(12,706)	
Subtotal Net Cash Flow	603	(668)	158	(376)	(278)	4,525	(30)	(228)	(228)	(414)	(146)	57	4	2,980	
Adjustments															
Strook and Strook	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loughlin Meijhi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Houlihan Lokey	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
JP Morgan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cravath	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Kelley Drye and Warren	-													-	
KPMG LLP	-													-	
Employment / TSI	-													-	
Severance and Related	-	-												-	
Interest Expense	-	-	(11)				(151)	-			(173)	-		(335)	**Note 10**
LC and Commitment Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Pryor Cashman LLP	-	-	0	0	0	0	0	0	0	0	0	0	0	-	
Bowne	-	-	0	0	0	0	0	0	0	0	0	0	0	-	
Richards Layton (DE Counsel)	-	-	0	0	0	0	0	0	0	0	0	0	0	-	
Davies Ward	-	-	-	-	-	-	-	(160)	-	-	-	-	(90)	(250)	**Note 9**
Mc Millan	-	-	-	(213)	(50)	-	-	-	(38)	-	(38)	-	(38)	(376)	**Note 9**
Cole Schotz	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Unsecured creditors committee counsel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Unsecured creditors committee accountant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Canada monitor	-	-	-	(75)	(75)	-	(75)	-	(75)	-	(75)	-	(25)	(400)	**Note 9**
Canada counsel	-	-	-	(40)	(40)	-	(40)	-	(40)	-	(30)	-	-	(190)	**Note 9**
Claims agent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Communication firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Appraisal and Enviornmental Assesssment Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Chief Restructuring Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Key Employee Incentive Program (KEIP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
US Trustee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Adjustments	-	-	(11)	(328)	(165)	-	(266)	(160)	(153)	-	(316)	-	(153)	(1,551)	
Net Cash Flow After Adjustments	603	(668)	147	(704)	(443)	4,525	(296)	(388)	(380)	(414)	(461)	57	(148)	1,430	
Beginning Revolver	14,556	16,891	16,912	16,912	16,912	15,709	11,183	11,478	11,866	12,246	12,661	13,122	13,065	14,556	
Borrowings (Repayments)	2,225	-	-	-	(1,203)	(4,526)	295	388	380	415	461	(57)	148	(1,474)	
FX impact	110	21	-											131	
Ending Revolver	16,891	16,912	16,912	16,912	15,709	11,183	11,478	11,866	12,246	12,661	13,122	13,065	13,213	13,213	
Beginning Cash on Hand	1,077	3,916	3,204	3,351	2,646	1,000	1,000	999	999	999	1,000	999	1,000	1,077	
Net Cash Flow	603	(668)	147	(704)	(443)	4,525	(296)	(388)	(380)	(414)	(461)	57	(148)	1,430	
FX impact	11	(44)												(33)	
Interfunds Transfer (to) from US		-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowings	2,225	-	-	-	(1,203)	(4,526)	295	388	380	415	461	(57)	148	(1,474)	
Ending Cash on Hand	3,916	3,204	3,351	2,646	1,000	1,000	999	999	999	1,000	999	1,000	999	999	
Commitment	24,500	24,500	24,500	24,500	21,500	16,692	16,692	16,692	16,692	16,692	16,692	16,192	15,192		
Ending Revolver	16,891	16,912	16,912	16,912	15,709	11,183	11,478	11,866	12,246	12,661	13,122	13,065	13,213		
Accrued Interest on ABL	133	133	133	133	133	133	133	133	133	133	133	133	133		
LOCs	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Debt	17,024	17,045	17,045	17,045	15,842	11,316	11,611	11,999	12,379	12,794	13,255	13,198	13,346		
Net Availability	7,476	7,455	7,455	7,455	5,658	5,376	5,081	4,693	4,313	3,898	3,437	2,994	1,846		
Total Liquidity (Ending Cash on Hand + Net Availability)	11,392	10,659	10,806	10,102	6,659	6,376	6,080	5,692	5,312	4,898	4,437	3,994	2,846		
Less: Outstanding Checks	141	389	171	250	250	250	250	250	250	250	250	250	250		
Total Liquidity net of Outstanding Checks	11,251	10,270	10,635	9,852	6,409	6,126	5,830	5,442	5,062	4,648	4,187	3,744	2,596		

Barzel Industries, Inc.
Total combined US and Canada

	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
	DIP FINANCING PERIOD - FORECAST													
	1	2	3	4	5	6	7	8	9	10	11	12	13	
Week of	**9/18/2009**	**9/25/2009**	**10/2/2009**	**10/9/2009**	**10/16/2009**	**10/23/2009**	**10/30/2009**	**11/6/2009**	**11/13/2009**	**11/20/2009**	**11/27/2009**	**12/4/2009**	**12/11/2009**	**Total**
Receipts														
Trade / Regular	2,065	1,967	1,863	2,500	2,363	2,264	1,954	2,193	2,193	2,105	2,458	2,317	1,982	28,226
Asset sales	-	-	-	-	-	4,808	2,731	-	-	-	-	-	-	7,539
Tax refunds	-	-	-	-	-	-	451	-	533	-	-	-	-	984
Intercompany funds transfer	-	-	2,782	30	30	30	30	30	30	30	30	30	30	3,082
Total Receipts	2,065	1,967	4,645	2,530	2,393	7,103	5,166	2,223	2,756	2,135	2,488	2,347	2,012	39,831
Disbursements														
Metal + Freight + Processing	(140)	(1,778)	(1,995)	(1,787)	(1,709)	(1,709)	(1,787)	(1,787)	(1,787)	(1,628)	(1,528)	(1,538)	(1,426)	(20,598)
Consumables	(5)	(63)	(107)	(177)	(180)	(184)	(184)	(184)	(184)	(184)	(184)	(184)	(184)	(2,002)
Utilities	(6)	(3)	(122)	(99)	(99)	(105)	(105)	(105)	(105)	(105)	(105)	(105)	(105)	(1,170)
Plant Projects and Capital	(10)	-	(4)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(389)
Payroll and Related	(323)	(697)	(368)	(552)	(373)	(558)	(373)	(558)	(373)	(558)	(373)	(558)	(373)	(6,033)
Benefits and Related	(90)	(160)	(312)	-	(108)	(31)	(184)	(245)	-	(139)	(184)	(245)	-	(1,698)
Temporary Labor	-	-	(15)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(195)
Leases	-	(1)	(85)	(142)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(57)	(740)
Travel and Related	(12)	(7)	(19)	(36)	(36)	(36)	(36)	(36)	(36)	(36)	(36)	(36)	(36)	(402)
IT and Communications	-	(3)	(9)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(802)
Consulting and Professional Fee	(18)	(4)	(7)	(13)	(31)	(13)	(13)	(13)	(13)	(31)	(13)	(13)	(13)	(196)
Taxes	-	-	(118)	(11)	(96)	(166)	(67)	(5)	(5)	(33)	(5)	(4)	(55)	(565)
Delta Tube Processing Fee	-	-	(80)	(63)	(63)	-	-	-	-	-	-	-	-	(206)
Other (Includes Interco. Cash D	-	(35)	(2,784)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(3,219)
	0	0	0	0	0	0	0	0	0	0	0	0	0	-
Total Disbursements	(604)	(2,751)	(6,025)	(3,054)	(2,926)	(3,032)	(2,981)	(3,164)	(2,734)	(2,946)	(2,660)	(2,915)	(2,424)	(38,215)
Subtotal Net Cash Flow	1,461	(784)	(1,380)	(524)	(533)	4,071	2,186	(941)	22	(810)	(172)	(568)	(411)	1,616
														-
Adjustments														-
Strook and Strook	-	-	-	-	-	(225)	-	-	-	(150)	-	-	-	(375)
Loughlin Meijhi	-	-	-	-	-	(125)	-	-	-	(50)	-	-	-	(175)
Houlihan Lokey	-	-	-	-	-	-	-	(132)	-	-	-	-	(132)	(264)
JP Morgan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cravath	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kelley Drye and Warren	(150)	-	-	-	-	-	-	(40)	-	-	-	-	(120)	(310)
KPMG LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employment / TSI	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Severance and Related	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Expense	-	-	(22)	-	-	-	(191)	-	-	-	(225)	-	-	(438)
LC and Commitment Fees	-	-	(108)	-	-	-	-	-	-	-	-	-	-	(108)
Pryor Cashman LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bowne	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Richards Layton (DE Counsel)	-	-	-	(51)	(38)	-	-	-	(33)	-	(33)	-	(28)	(181)
Davies Ward	-	-	-	-	-	-	-	(160)	-	-	-	-	(90)	(250)
Mc Millan	-	-	-	(213)	(50)	-	-	-	(38)	-	(38)	-	(38)	(376)
Cole Schotz	-	-	-	-	-	-	-	(200)	-	-	-	-	(200)	(400)
Unsecured creditors committee	-	-	-	-	-	-	-	-	-	-	-	-	(100)	(100)
Unsecured creditors committee	-	-	-	-	-	-	-	-	-	-	-	-	(50)	(50)
Canada monitor	-	-	-	(75)	(75)	-	(75)	-	(75)	-	(75)	-	(25)	(400)
Canada counsel	-	-	-	(40)	(40)	-	(40)	-	(40)	-	(30)	-	-	(190)
Claims agent	-	-	-	-	(75)	-	-	-	-	(75)	-	-	-	(150)
Communication firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Appraisal and Enviornmental As	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chief Restructuring Officer	-	-	-	-	-	-	-	(56)	-	-	-	-	(79)	(135)
Key Employee Incentive Progra	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US Trustee	-	-	-	-	-	-	(26)	-	-	-	-	-	-	(26)
Total Adjustments	(150)	-	(130)	(379)	(278)	(350)	(332)	(588)	(185)	(275)	(400)	-	(861)	(3,927)
														0
Net Cash Flow After Adjustments	1,311	(784)	(1,510)	(902)	(811)	3,721	1,854	(1,529)	(163)	(1,085)	(572)	(568)	(1,272)	(2,311)
Beginning Revolver	17,556	20,891	20,912	20,912	21,912	22,493	18,772	16,917	18,447	18,609	19,695	20,267	20,835	17,556
Borrowings (Repayments)	3,225	-	-	1,000	581	(3,721)	(1,855)	1,530	162	1,086	572	568	1,272	4,420
FX impact	110	21	-	-	-	-	-	-	-	-	-	-	-	131
Ending Revolver	20,891	20,912	20,912	21,912	22,493	18,772	16,917	18,447	18,609	19,695	20,267	20,835	22,107	22,107
Beginning Cash on Hand	1,923	6,470	5,642	4,132	4,230	4,000	4,000	3,999	4,000	3,999	3,999	3,999	3,999	1,923
Net Cash Flow	1,311	(784)	(1,510)	(902)	(811)	3,721	1,854	(1,529)	(163)	(1,085)	(572)	(568)	(1,272)	(2,311)
FX impact	11	(44)	-	-	-	-	-	-	-	-	-	-	-	(33)
Interfunds Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	3,225	-	-	1,000	581	(3,721)	(1,855)	1,530	162	1,086	572	568	1,272	4,420
Ending Cash on Hand	6,470	5,642	4,132	4,230	4,000	4,000	3,999	4,000	3,999	3,999	3,999	3,999	3,999	3,999
Commitment	30,000	30,000	30,000	30,000	30,000	25,192	25,192	25,192	25,192	25,192	25,192	25,192	25,192	
Ending Revolver	20,891	20,912	20,912	21,912	22,493	18,772	16,917	18,447	18,609	19,695	20,267	20,835	22,107	
Accrued Interest on ABL	160	160	160	160	160	160	160	160	160	160	160	160	160	
LOCs	883	883	883	883	883	883	883	883	883	883	883	883	883	
Total Debt	21,934	21,955	21,955	22,955	23,536	19,815	17,960	19,490	19,652	20,738	21,310	21,878	23,150	
Net Availability	8,066	8,045	8,045	7,045	6,464	5,377	7,232	5,702	5,540	4,454	3,882	3,314	2,042	
Total Liquidity (Ending Cash on Hand + Net A	14,536	13,687	12,177	11,275	10,464	9,377	11,231	9,702	9,539	8,454	7,881	7,314	6,041	
Less: Outstanding Checks	245	585	245	500	500	500	500	500	500	500	500	500	500	
Total Liquidity net of Outstanding Checks	14,291	13,102	11,933	10,775	9,964	8,877	10,731	9,202	9,039	7,954	7,381	6,814	5,541	

Barzel Group
Barzel Updated CDN Cash Flow Forecast for the 13 week period September 14 to December 11, 2009
Notes and Summary of Assumptions

1 Collection of trade accounts receivable are in connection with sales made to third parties. Collections have been estimated based on customers' average historic payment pattern, adjusted for the slow down experienced over the first three weeks of the CCAA Proceedings. Sales invoiced are estimated to be collected within 9 weeks of sale. The Applicants' sales have been estimated based on the historical tonnes being sold and taking into consideration that no more steel will be purchased from Dofasco, whereby 21% of total sales are attributed to the Applicants' operations.

2 Intercompany receipts reflect collection of intercompany sales made between the Applicant and related companies in the US. Sales from the Applicant to related US companies is mainly composed of tubing product. Based on past practice this transaction is forecasted at a 5% mark-up.

3 Other receipts are composed of an anticipated tax refund from the province of Qubec and receipts from the sale of the Delta Tube joint venture, the cash flow forecast may be impacted if there is a change in the timing of these receipts.

4 Steel is the principal raw material used in the production of the Applicants products. Payment for purchases from steel suppliers is forecasted on a cash on delivery ("COD") basis.

5 These disbursements represent operating costs associated with the production and sale of the products and administration of the business. The majority of purchases are assumed to be made on a COD basis, furthermore the Applicant has also forecasted the payment of certain security deposits.

6 Maintenance and capital expenditures are assumed to be made on a COD basis and are based on estimates of actual capital expenditures necessary in the post-filing period.

7 Employee related costs and benefits reflect salaries, wages, vacation pay, other benefit costs and employee travel expenses. Pension disbursements with respect to the employees unionized in Canada are being made on account of current service; payments in respect of past service costs have been paid pre-filing.

8 Taxes relate to payments for property taxes on the various leased and owned facilities.

9 The restructuring professionals fees include all post-filing fees related to Applicants' legal counsel, Bank's advisor, and the Monitor and its legal counsel.

10 Interest and commitment fees on the DIP Facility have been estimated and will be paid as contemplated under the agreements.

11 The CDN$/US$ foreign exchange rate is assumed to be constant at 1.0812 throughout the period.

EXHIBIT E

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM

SEARCH RESULTS

in connection with

BARZEL INDUSTRIES CANADA INC. - INDUSTRIES BARZEL CANADA INC.

Summary prepared on September 08, 2009

E & OE

Personal Property Security Act (PPSA)

With your consent, searches have not been conducted to determine the complete history of BARZEL INDUSTRIES CANADA INC. - INDUSTRIES BARZEL CANADA INC. to identify all of its authorized forms of name and its predecessor and trade names. This summary contains a list of secured party registrations under the PPSA against only the name(s) reported below:

BARZEL INDUSTRIES CANADA INC.
INDUSTRIES BARZEL CANADA INC.
BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC.
INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC.
NOVAMERICAN STEEL INC.
ACIER NOVAMERICAN INC.
NOVAMERICAN STEEL INC. ACIER NOVAMERICAN INC.
ACIER NOVAMERICAN INC. NOVAMERICAN STEEL INC.
NOVAMERICAN STEEL CANADA INC.
ACIER NOVAMERICAN CANADA INC.
NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC.
ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC.
NOVA STEEL LTD.
ACIER NOVA LTEE
NOVA STEEL LTD. ACIER NOVA LTEE
ACIER NOVA LTEE NOVA STEEL LTD.
CRESSWELL INDUSTRIES INC.
INDUSTRIES CRESSWELL INC.
CRESSWELL INDUSTRIES INC. INDUSTRIES CRESSWELL INC.
INDUSTRIES CRESSWELL INC. CRESSWELL INDUSTRIES INC.
144463 CANADA INC.
CRESSWELL ROLL FORMING INC.
PROFILAGES CRESSWELL INC.
CRESSWELL ROLL FORMING INC. PROFILAGES CRESSWELL INC.
PROFILAGES CRESSWELL INC. CRESSWELL ROLL FORMING INC.
NOVA TUBE ONTARIO INC.
TUBE NOVA ONTARIO INC.
NOVA TUBE ONTARIO INC. TUBE NOVA ONTARIO INC.
TUBE NOVA ONTARIO INC. NOVA TUBE ONTARIO INC.
NOVA STEEL PROCESSING CENTRE LTD.
CENTRE DE TRAITEMENT ACIER NOVA LTEE
NOVA STEEL PROCESSING CENTRE LTD. CENTRE DE TRAITEMENT ACIER NOVA LTEE
CENTRE DE TRAITEMENT ACIER NOVA LTEE NOVA STEEL PROCESSING CENTRE LTD.
3419584 CANADA INC.
632421 N.B. LTD.

Collateral Classification Codes:
I = inventory; E = equipment; A = accounts; O = other; MV = motor vehicle
AS = amount secured; DM = date of maturity; BD = book debts; NFMD = no fixed maturity date; CG = consumer goods

BARZEL INDUSTRIES CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	4	640712052	NOVAMERICAN				AMENDMENT

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
		20071206 1643 1590 4695 December 06, 2007	STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				
2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				DEBTOR
	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070				AMENDMENT REFERENCE A CHANGE OF NAME

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement

INDUSTRIES BARZEL CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC.				AMENDMENT AMENDMENT TO

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				REFERENCE A NAME CHANGE OF THE DEBTOR
	8	640712052 20090220 1144 1590 2341	BARZEL INDUSTRIES				AMENDMENT

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
		February 20, 2009	CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350				REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			MISSISSAUGA ON L5N 7J8				
2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				ADDRESS OF THE DEBTOR.

BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
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	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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			NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

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2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
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	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. (currency: September 07, 2009)

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1	2	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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			CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
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2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
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NOVAMERICAN STEEL INC. (currency: September 07, 2009)

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	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

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2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

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ACIER NOVAMERICAN INC. (currency: September 07, 2009)

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	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

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	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

NOVAMERICAN STEEL INC. ACIER NOVAMERICAN INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

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2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

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			BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

ACIER NOVAMERICAN INC. NOVAMERICAN STEEL INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

NOVAMERICAN STEEL CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	650395314 20081205 1431 8077 4850 December 05, 2008 5 years	NOVAMERICAN STEEL CANADA INC 350 - 7070 MISSISSAUGA RD MISSISSAUGA ON L5N 7J8	PITNEY BOWES GLOBAL FINANCIAL SERVICES 5500 EXPLORER DRIVE MISSISSAUGA ON L4W 5C7	E, NFMD	MULTI LEASE 595677 595678 (SAME LOCATION) COPIER AND PERIPHERALS	
2	3	650292183 20081202 1034 8077 4359 December 02, 2008 1 year	NOVAMERICAN STEEL CANADA INC 350 - 7070 MISSISSAUGA RD MISSISSAUGA ON L5N 7J8	PITNEY BOWES GLOBAL FINANCIAL SERVICES 5500 EXPLORER DRIVE MISSISSAUGA ON L4W 5C7	E, NFMD	MAILING EQUIPMENT	

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3	4	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	6	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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			6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	10	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
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4	14	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	16	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	20	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

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			BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

ACIER NOVAMERICAN CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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			CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

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2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

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NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. (currency: September 07, 2009)

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1	2	640712052 20071115 1124 1590 3767 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	JPMORGAN CHASE BANK, N.A. P.O. BOX 2558 HOUSTON, TEXAS USA 77252-2558 JPMORGAN CHASE BANK, N.A., TORONTO BRANCH RBC PLAZA, 200 BAY STREET, SUITE 1800 TORONTO ON M5J 2J2	I, A, O		
	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

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	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

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	4	640712052 20071206 1643 1590 4695 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

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	8	640712052 20090220 1144 1590 2341 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF CHIEF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
2	12	640712403 20071115 1150 1590 3768 November 15, 2007 10 years	NOVAMERICAN STEEL INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL INC./ACIER NOVAMERICAN INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1	BNY TRUST COMPANY OF CANADA 4 KING STREET WEST, SUITE 1101 TORONTO ON M5H 1B6	I, E, A, O, MV		
	14	640712403 20071206 1644 1590 4696 December 06, 2007	NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC.				AMENDMENT AMENDMENT TO REFERENCE A NAME CHANGE OF THE DEBTOR

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			6001 IRWIN STREET LASALLE PQ H8N 1A1 NOVAMERICAN STEEL CANADA INC. ACIER NOVAMERICAN CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1 ACIER NOVAMERICAN CANADA INC. NOVAMERICAN STEEL CANADA INC. 6001 IRWIN STREET LASALLE PQ H8N 1A1				
	18	640712403 20090220 1146 1590 2343 February 20, 2009	BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES				AMENDMENT REFERENCE A CHANGE OF NAME AND A CHANGE OF EXECUTIVE OFFICE ADDRESS OF THE DEBTOR.

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 BARZEL INDUSTRIES CANADA INC. INDUSTRIES BARZEL CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8 INDUSTRIES BARZEL CANADA INC. BARZEL INDUSTRIES CANADA INC. 7070 MISSISSAUGA ROAD, SUITE 350 MISSISSAUGA ON L5N 7J8				

NOVA STEEL LTD. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	639833391 20071011 1947 1531 8767 October 11, 2007 4 years	NOVA STEEL LTD. 830 SOUTH SERVICE ROAD STONEY CREEK ON L8E 5M7	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. 100 -1235 NORTH SERVICE ROAD W OAKVILLE ON L6M 2W2	E, O, MV	YEAR: 2004 MAKE: CAT MODEL: GP50K-LP V.I.N.: AT33B50034	
	3	639833391 20071113 1112 1529 8328 November 13, 2007	NOVA STEEL PROCESSING CENTER LTD. 830 SOUTH SERVICE ROAD STONEY CREEK ON L8E 5M7				AMENDMENT TO ADD A DEBTOR TO THE ORIGINAL REGISTRATION
2	4	634270149 20070412 1120 6005 2869 April 12, 2007 5 years	NOVA STEEL LTD 330 PINEBUSH ROAD CAMBRIDGE ON N1T 1Z6	NATIONAL LEASING GROUP INC L#2369763 1558 WILLSON PL WPG MB R3T 0Y4	E		
3	5	863371134 20000630 1441 1530 0289 June 30, 2000 7 years	NOVA STEEL LTD. P.O. BOX 3840 CAMBRIDGE ON N3H 5C6	RENTWAY LTD 7405 EAST DANBRO CRESCENT MISSISSAUGA ON L5N 6P8	CAUTION FILING E, MV, AS=$102457	YEAR: 2001 MAKE: FREIGHTLINER MODEL: FLD120064ST V.I.N.: 1FUJAHAV51LH78526	

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
	6	863371134 20011128 1815 1531 3977 November 28, 2001		PENSKE TRUCK LEASING CANADA INC. RT 10 GREEN HILLS PO BOX 405 READING PA 19603		YEAR: 2000 MAKE: INTERNATIONAL MODEL: 9400 V.I.N.: 2HSFHAMR1YC050113 YEAR: 2002 MAKE: FREIGHTLINER MODEL: D12064ST V.I.N.: 1FUJAHAV82LJ51964 YEAR: 2002 MAKE: FREIGHTLINER MODEL: D12064ST V.I.N.: 1FUJAHAVX2LJ51965	AMENDMENT ADDED VEHICLES TO ORIGINAL REGISTRATION SECURED PRTY TRANSFER DUE TO AMALGAMATION
	8	863371134 20051104 1452 1530 5634 November 04, 2005				YEAR: 2000 MAKE: INTERNATIONAL MODEL: 9400 V.I.N.: 2HSFHAMR1YC050113	PARTIAL DISCHARGE
	9	863371134 20060914 1453 1530 7120 September 14, 2006				YEAR: 2001 MAKE: FREIGHTLINER MODEL: FLD120064ST V.I.N.: 1FUJAHAV51LH78526	PARTIAL DISCHARGE

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
	10	863371134 20070508 1405 1462 0068 May 08, 2007 3 years					RENEWAL

ACIER NOVA LTEE (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

NOVA STEEL LTD. ACIER NOVA LTEE (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

ACIER NOVA LTEE NOVA STEEL LTD. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

CRESSWELL INDUSTRIES INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

INDUSTRIES CRESSWELL INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

CRESSWELL INDUSTRIES INC. INDUSTRIES CRESSWELL INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

INDUSTRIES CRESSWELL INC. CRESSWELL INDUSTRIES INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

144463 CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

CRESSWELL ROLL FORMING INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

PROFILAGES CRESSWELL INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

CRESSWELL ROLL FORMING INC. PROFILAGES CRESSWELL INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

PROFILAGES CRESSWELL INC. CRESSWELL ROLL FORMING INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

NOVA TUBE ONTARIO INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	622257975 20060125 1702 1462 7678 January 25, 2006 6 years	NOVA TUBE ONTARIO INC. 2730 MEADOW PINE BLVD MISSISSAUGA ON L5N7K4	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. #100, 1235 NORTH SERVICE RD. WEST OAKVILLE ON L6M 2W2	O, MV, NFMD	ALL GOODS SUPPLIED BY THE SECURED PARTY PURSUANT TO A LEASE BETWEEN THE DEBTOR AND THE SECURED PARTY, TOGETHER WITH ALL PARTS AND ACCESSORIES THERETO AND ACCESSIONS THERETO AND ALL REPLACEMENTS OR SUBSTITUTIONS FOR SUCH GOODS AND PROCEEDS THEREOF (PROCEEDS AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ON)) AND ANY INSURANCE PROCEEDS RESULTING THERE FROM. YEAR: 2005 MAKE: TCM MODEL: FCG20-3HL V.I.N.: A47P00272 YEAR: 2005 MAKE: TCM MODEL: FCG20-3HL V.I.N.: A47P00273	

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
2	4	621871362 20060109 1815 7029 8674 January 09, 2006 5 years	NOVA TUBE ONTARIO INC. 2730 MEADOWPINE BLVD. MISSISSAUGA ON L5N 7K4	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. 100-1235 NORTH SERVICE RD W OAKVILLE ON L6M 2W2	E, O, MV	ALL GOODS SUPPLIED BY THE SECURED PARTY PURSUANT TO A LEASE BETWEEN THE DEBTOR AND THE SECURED PARTY, TOGETHER WITH ALL PARTS AND ACCESSORIES THERETO AND ACCESSIONS THERETO AND ALL REPLACEMENTS OR SUBSTITUTIONS FOR SUCH GOODS AND PROCEEDS THEREOF (PROCEEDS AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ON)) AND ANY INSURANCE PROCEEDS RESULTING THERE FROM. YEAR: 2005 MAKE: TCM MODEL: FCG30-3HL V.I.N.: A47P00270	

TUBE NOVA ONTARIO INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

NOVA TUBE ONTARIO INC. TUBE NOVA ONTARIO INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

TUBE NOVA ONTARIO INC. NOVA TUBE ONTARIO INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

NOVA STEEL PROCESSING CENTRE LTD. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	614142693 20050412 1635 7029 3248 April 12, 2005 6 years	NOVA STEEL PROCESSING CENTRE LTD. 830 SOUTH SERVICE RD STONEY CREEK ON L8E 5M7	RICOH CANADA INC. #100, 1235 NORTH SERVICE RD. WEST OAKVILLE ON L6M 2W2	E, O	ALL GOODS SUPPLIED BY THE SECURED PARTY PURSUANT TO A LEASE BETWEEN THE DEBTOR AND THE SECURED PARTY, TOGETHER WITH ALL PARTS AND ACCESSORIES THERETO AND ACCESSION THERETO AND ALL REPLACEMENTS OR SUBSTITUTIONS FOR SUCH GOODS AND PROCEEDS THEREOF (PROCEEDS AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ON)) AND ANY INSURANCE PROCEEDS RESULTING THERE FROM.	

CENTRE DE TRAITEMENT ACIER NOVA LTEE (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

NOVA STEEL PROCESSING CENTRE LTD. CENTRE DE TRAITEMENT ACIER NOVA LTEE (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	614142693 20050412 1635 7029 3248 April 12, 2005 6 years	NOVA STEEL PROCESSING CENTRE LTD. 830 SOUTH SERVICE RD STONEY CREEK ON L8E 5M7	RICOH CANADA INC. #100, 1235 NORTH SERVICE RD. WEST OAKVILLE ON L6M 2W2	E, O	ALL GOODS SUPPLIED BY THE SECURED PARTY PURSUANT TO A LEASE BETWEEN THE DEBTOR AND THE SECURED PARTY, TOGETHER WITH ALL PARTS AND ACCESSORIES THERETO AND ACCESSION THERETO AND ALL REPLACEMENTS OR SUBSTITUTIONS FOR SUCH GOODS AND PROCEEDS THEREOF (PROCEEDS AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ON)) AND ANY INSURANCE PROCEEDS RESULTING THERE FROM.	

CENTRE DE TRAITEMENT ACIER NOVA LTEE NOVA STEEL PROCESSING CENTRE LTD. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

3419584 CANADA INC. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
1	2	642093831 20080117 1450 1530 0292 January 17, 2008 3 years	3419584 CANADA INC. 830 SOUTH SERVICE RD STONEY CREEK ON L8E 5M7	FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING COMPANY PO BOX 2400 EDMONTON AB T5J 5C7	E, O, MV	YEAR: 2008 MAKE: FORD MODEL: EDGE V.I.N.: 2FMDK49C48BA34268	
2	3	642064977 20080116 1450 1530 9401 January 16, 2008 4 years	NOVA STEEL PROCESSING 830 S SERVICE RD STONEY CREEK ON L8E 5M7	GMAC LEASECO CORPORATION 3250 BLOOR STREET WEST, 8TH FLOOR TORONTO ON M8X 2Y5	CG, E, O, MV, AS=$67373, NFMD	YEAR: 2008 MAKE: CADILLACE MODEL: SRX V.I.N.: 1GYEE437080142538	
	4	642064977 20080227 1452 1530 9128 February 27, 2008	3419584 CANADA INC. 830 SOUTH SERVICE RD STONEY CREEK ON L8E 5M7				AMENDMENT ADD NEW DEBTOR TO REGISTRATION NUBER 20080116 1450 1530 9401.

632421 N.B. LTD. (currency: September 07, 2009)

No.	Search Page No.	File No. Registration No. Registration Date Registration Period	Debtor(s) Name and Address	Secured Party(ies) Name and Address	Collateral Classification	General Collateral Description (and/or Motor Vehicle Description)	Purpose of Financing Change Statement
			NO REGISTRATIONS REPORTED.				

OSLER

Memorandum

To: File

Date: September 15, 2009

From: Tina Glassman

Ext: 5639

Subject: Quebec Search Report – Barzel Industries Canada Inc.

Matter No: 1118359

As requested, we have conducted searches against the names set out in Schedule A (the "Names Searched") in the public records and registration systems mentioned in the following Schedules:

Schedule	**Public Record or Register**
Schedule B	Register of Personal and Movable Real Rights (Quebec)
Schedule C	Bank of Canada (Quebec Agency)

The currency date and a summary of the results of such searches are indicated in the above-mentioned Schedules. We would be pleased to provide you with a copy of the complete search results containing all particulars of the registrations, at your request.

In preparing this report, we have relied on the currency and accuracy of the public records and registration systems that were consulted on-line and, where applicable, certificates of public officials.

The order or dates of the registrations relating to security indicated in any Schedule is not necessarily indicative of the rank or priority of such registration. Certain rights, such as pledges, do not require registration and will not appear in the public registers.

SCHEDULE A

NAMES SEARCHED

Period searched: From January 1, 1994 (date on which legislation creating the Register of Personal and Movable Real Rights (the "RPMRR") came into force) to 3:00 p.m. on September 14, 2009 inclusive (time and date of certification of the RPMRR).

BARZEL INDUSTRIES CANADA INC.
INDUSTRIES BARZEL CANADA INC.
NOVAMERICAN STEEL INC.
ACIER NOVAMERICAN INC.
NOVAMERICAN STEEL CANADA INC.
ACIER NOVAMERICAN CANADA INC.
NOVA STEEL LTD.
ACIER NOVA LTEE
CRESSWELL INDUSTRIES INC.
INDUSTRIES CRESSWELL INC.
144463 CANADA INC.
CRESSWELL ROLL FORMING INC.
PROFILAGES CRESSWELL INC.
NOVA TUBE ONTARIO INC.

Period searched: From January 1, 1994 (date on which legislation creating the RPMRR came into force) to 9:01 a.m. on September 15, 2009 inclusively (time and date of certification of the RPMRR).

TUBE NOVA ONTARIO INC.
NOVA STEEL PROCESSING CENTRE LTD.
CENTRE DE TRAITEMENT ACIER NOVA LTEE
3419584 CANADA INC.
632421 N.B. LTD.

SCHEDULE B

REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS (QUEBEC) ("RPMRR")

The purpose of a RPMRR search is to ascertain whether any holder has registered any movable hypothecs, rights of ownership under leasing contracts, rights under leases with a term of more than one year, reservations of ownership or rights of redemption, or any transfer thereof against the Names Searched.

We have searched the RPMRR and have found therein no entries with respect to the Names Searched, except for the following:

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
09-0091669-0001 February 23, 2009 – 12:30 p.m.	Change of name	Acier Novamerican Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (old names)	Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. - Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (new names)	N/A	N/A	N/A	Certificate of amendment dated February 13, 2009.
09-0080075-0002	Rights of	Acier Novamerican	Roynat Inc.	N/A	2012-02-02	1 1999 Genie Pod (*nacelle*),	Agreement executed

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
February 17, 2009 – 9:00 a.m.	ownership of the lessor (under a leasing contract or *crédit-bail*)	Canada Inc. (5675 De La Savane Place, St-Hubert, QC J3Y 8Y9) (lessee or *crédit-preneur*)	(Suite 300, 666 Burrard St., Vancouver, BC V6C 2X8) (lessor or *crédit-bailleur*)			Model Z-45/25, Serial number: Z4525-11526 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.	under private signature in the Province of Quebec on February 2, 2009.
08-0718676-0001 December 17, 2008 – 11:08 a.m.	Rights resulting from a lease	Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessee)	Location Chriscott (6001 Irwin Street, Lasalle, QC H8N 1A1) Logistiques Chriscott acting under the business name: Location Chriscott (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessors)	N/A	2011-04-01	A specific list of trailers or semi-trailers.	Agreement executed under private signature at Lasalle, Quebec on October 1, 2005.
08-0485310-0001	Reservation of ownership	Novamerican Steel	Security Chimneys	N/A	2013-08-19	All coils of aluminized steel, coils of galvanized steel, coils	Agreement executed under private signature

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
August 20, 2008 – 11:24 a.m.	(instalment sale) Global registration	Canada Inc. (2175 Hymus Boulevard, Dorval, QC H9P 1J8) (purchaser)	International Ltd. (2125 Monterey Street, Laval, QC H7L 3T6) (vendor)			of galvanneal steel, coils of alu-zinc steel, sheets of galvanneal steel, sheets of hot rolled steel, sheets of galvanized steel listed in the registration, and all replacements, additions and substitutions thereof; all returns, repossessions and exchanges thereof.	at 2125 Monterey Street, Laval, Quebec on August 18, 2008.
08-0277439-0001 May 15, 2008 – 9:00 a.m.	Rights resulting from a lease and the assignment thereof	Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessee)	Canon Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessor/assignor) CBSC Capital (100-1235 North Service Rd W, Oakville, ON L6M 2W2) (assignee)	N/A	2013-05-13	Trade-up Refinanced - Copier All goods supplied by the secured party to the debtor, together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing. Proceeds: goods, chattel paper, securities, accounts, inventory, documents of title, instruments, money, crops, licences and intangibles.	Agreement executed under private signature at Lasalle, Quebec on May 13, 2008. The assignment covers all rights. REF: (387105 / ONDLL1F7873-1 / 5295825)
08-0027366-0001 January 17, 2008 – 2:42 p.m.	Rights resulting from a lease and the assignment thereof	3419584 Canada Inc. (830 South Service Road, Stoney Creek, ON L8E 5M7) (lessee)	Mohawk Ford Sales (1996) Limited (930 Upper James Street, Hamilton, ON L9C 5S2) (lessor/assignor)	N/A	2011-01-16	2008 Ford Edge VIN: 2FMDK49C48BA34268	Agreement executed under private signature at Hamilton, Ontario on January 8, 2008. The assignment covers all rights. REF: (2YN011708174 / BCFC1F423477-1 /

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
			Ford Credit Canada Leasing, A Division Of Canadian Road Leasing Company (PO Box 2400, Edmonton, AB T5J 5C7) (assignee)				5072837)
08-0005600-0001 January 4, 2008 – 9:33 a.m.	Change of name	Novamerican Steel Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Acier Novamerican Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (old names)	Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Acier Novamerican Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (new names)	N/A	N/A	N/A	Certificate of amendment dated December 5, 2007.
07-0657287-0001 November 15, 2007 – 11:28 a.m.	Conventional hypothec without delivery	Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc.	BNY Trust Company of Canada (4 King Street West, Suite 1101, Toronto, ON M5H 1B6)	$400,000,000 (with interest thereon at the rate of 25% per annum)	2017-11-15	All corporeal and incorporeal movable and immovable property, assets, rights and undertakings of any nature and kind, now owned or hereafter acquired by Novamerican Steel Inc., excluding the Excluded Equity Interests (as defined in	Deed executed before Notary Pierre Venne at Montreal, Quebec on November 15, 2007 under his minute number 7467. The hypothec is granted

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
		(6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. - Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (as appears from (i) a change of name registered on February 23, 2009 under number 09-0091669-0001, (ii) a change of name registered on January 4, 2008 under number 08-0005600-0001), and (iii) a rectification registered on December 27, 2007 under number 07-0729526-0002)				the registration). (as appears from a rectification registered on December 27, 2007 under number 07-0729526-0002) By a voluntary reduction registered on March 26, 2009 under number 09-0156787-0001, the following property was released: All Purchased Assets (as defined in the registration) under that certain Purchase and Sale Agreement by and between Barzel Industries Canada Inc., Chriscott Properties Inc. and 4491220 Canada Inc., executed on or around February 27, 2009 and, for the purposes only of this reduction and partial discharge and release, the Current Computer System (as defined in the registration).	to secure the payment of bonds or other titles of indebtedness.
07-0657283-0001 November 15, 2007 – 11:22 a.m.	Conventional hypothec without delivery	Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1)	JPMorgan Chase Bank, National Association (200 Bay Street, Royal Bank Plaza,	$500,000,000 (with interest thereon at the rate of 25% per annum)	2017-11-15	The following property of Novamerican Steel Inc., now owned or hereafter acquired, wherever situate, and all renewals thereof, accretions thereto, replacements thereof	Deed executed before Notary Pierre Venne at Montreal, Quebec on November 15, 2007 under his minute

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
		Barzel Industries Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. - Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (as appears from (i) a change of name registered on February 23, 2009 under number 09-0091669-0001, (ii) a change of name registered on January 4, 2008 under number 08-0005600-0001), and (iii) a rectification registered on December 27, 2007 under number 07-0729526-0001)	South Tower, 18th Floor, Toronto, ON M5J 2J2)			and substitutions therefor, as well as everything united thereto by accession (herein collectively referred to as the "Charged Property"): (a) the Claims (as defined in the registration); (b) the Inventory (as defined in the registration); (c) the Monies (as defined in the registration); (d) to the extent evidencing, governing, securing or otherwise related to the items referred to hereinabove in (a), (b) and (c), Documents of Title (as defined in the registration), Intangible Property (as defined in the registration) and Securities (as defined in the registration); (e) the Insurance (as defined in the registration); (f) the Records (as defined in the registration); and (g) the Proceeds (as defined in the registration). The Charged Property excludes any assets held in the "Intercompany Note Collateral	number 7466. The hypothec is granted to secure the payment of bonds or other titles of indebtedness. JPMorgan Chase Bank, National Association is acting through its Toronto Branch.

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
						Account" (as defined in the Canadian Collateral Agreement (as defined in the registration)) in accordance with the Indenture (as defined in the registration), as in effect on November 15, 2007. (as appears from a rectification registered on December 27, 2007 under number 07-0729526-0001) By a voluntary reduction registered on March 26, 2009 under number 09-0156790-0001, the following property was released: All Purchased Assets (as defined in the registration) under that certain Purchase and Sale Agreement by and between Barzel Industries Canada Inc., Chriscott Properties Inc. and 4491220 Canada Inc., executed on or around February 27, 2009 and, for the purposes only of this reduction and partial discharge and release, the Current Computer System (as defined in the registration).	
07-0393636-0086	Rights resulting from a lease and	Industries Cresswell Inc	Charland Chevrolet Cadillac	N/A	2011-06-29	2007 Chevrolet Avalanche	Agreement executed under private signature

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
July 10, 2007 – 2:50 p.m.	the assignment thereof	(553 Leon Harmel, Granby, QC J2G 8E4) (lessee)	Ltee (595 Boivin Blvd, Granby, QC J2G 2M1) (lessor/assignor) La Compagnie GMAC Location (3333 Cote-Vertu Boulevard Suite 900, Montreal, QC H4R 2N1) GMAC Leaseco Corporation (3333 Cote-Vertu Boulevard, Suite 900, Montreal, QC H4R 2N1) (assignees)			VIN: 3GNFK12307G296412 and all proceeds therefrom	at Granby, Quebec on June 29, 2007. The assignment covers all rights. REF: (319-9114-20358 / BCGM1F3522466-1 / 4748168)
05-0411166-0015 July 15, 2005 – 2:39 p.m.	Rights resulting from a lease	Acier Nova Ltee (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessee)	CBSC Capital Inc. (100-1235 North Service Road West, Oakville, ON L6M 2W2) (lessor)	N/A	2011-07-14	Copier IR5570 and IR2870, Fax LC9000 with all attachments, accessories and proceeds thereof including insurance proceeds and indemnities.	Agreement executed under private signature at Lasalle, Quebec and Oakville, Ontario on July 14, 2005. Lease term is 60 months with 20 payments of $2213.70 plus applicable taxes.

SCHEDULE C

BANK OF CANADA (QUEBEC AGENCY)

We have been advised by the Canadian Securities Registration Systems, the authorized Section 427 Bank Act Registrar, that it has searched for notices of intention to give security under the *Bank Act* registered in the Province of Quebec, and that, up to September 14, 2009 (inclusive), it found no entries with respect to the Names Searched.

OSLER

Memorandum

To:	File	**Date:**	September 15, 2009
From:	Tina Glassman	**Ext:**	5639
Subject:	Quebec Search Report – Barzel Industries Canada Inc.	**Matter No:**	1118359

As requested, we have conducted searches against the names set out in Schedule A (the "Names Searched") in the public records and registration systems mentioned in the following Schedules:

Schedule	**Public Record or Register**
Schedule B	Register of Personal and Movable Real Rights (Quebec)
Schedule C	Bank of Canada (Quebec Agency)

The currency date and a summary of the results of such searches are indicated in the above-mentioned Schedules. We would be pleased to provide you with a copy of the complete search results containing all particulars of the registrations, at your request.

In preparing this report, we have relied on the currency and accuracy of the public records and registration systems that were consulted on-line and, where applicable, certificates of public officials.

The order or dates of the registrations relating to security indicated in any Schedule is not necessarily indicative of the rank or priority of such registration. Certain rights, such as pledges, do not require registration and will not appear in the public registers.

SCHEDULE A

NAMES SEARCHED

Period searched: From January 1, 1994 (date on which legislation creating the Register of Personal and Movable Real Rights (the "RPMRR") came into force) to 3:00 p.m. on September 14, 2009 inclusive (time and date of certification of the RPMRR).

BARZEL INDUSTRIES CANADA INC.
INDUSTRIES BARZEL CANADA INC.
NOVAMERICAN STEEL INC.
ACIER NOVAMERICAN INC.
NOVAMERICAN STEEL CANADA INC.
ACIER NOVAMERICAN CANADA INC.
NOVA STEEL LTD.
ACIER NOVA LTEE
CRESSWELL INDUSTRIES INC.
INDUSTRIES CRESSWELL INC.
144463 CANADA INC.
CRESSWELL ROLL FORMING INC.
PROFILAGES CRESSWELL INC.
NOVA TUBE ONTARIO INC.

Period searched: From January 1, 1994 (date on which legislation creating the RPMRR came into force) to 9:01 a.m. on September 15, 2009 inclusively (time and date of certification of the RPMRR).

TUBE NOVA ONTARIO INC.
NOVA STEEL PROCESSING CENTRE LTD.
CENTRE DE TRAITEMENT ACIER NOVA LTEE
3419584 CANADA INC.
632421 N.B. LTD.

SCHEDULE B

REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS (QUEBEC) ("RPMRR")

The purpose of a RPMRR search is to ascertain whether any holder has registered any movable hypothecs, rights of ownership under leasing contracts, rights under leases with a term of more than one year, reservations of ownership or rights of redemption, or any transfer thereof against the Names Searched.

We have searched the RPMRR and have found therein no entries with respect to the Names Searched, except for the following:

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
09-0091669-0001 February 23, 2009 – 12:30 p.m.	Change of name	Acier Novamerican Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (old names)	Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. - Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (new names)	N/A	N/A	N/A	Certificate of amendment dated February 13, 2009.
09-0080075-0002	Rights of	Acier Novamerican	Roynat Inc.	N/A	2012-02-02	1 1999 Genie Pod (*nacelle*),	Agreement executed

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
February 17, 2009 – 9:00 a.m.	ownership of the lessor (under a leasing contract or *crédit-bail*)	Canada Inc. (5675 De La Savane Place, St-Hubert, QC J3Y 8Y9) (lessee or *crédit-preneur*)	(Suite 300, 666 Burrard St., Vancouver, BC V6C 2X8) (lessor or *crédit-bailleur*)			Model Z-45/25, Serial number: Z4525-11526 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.	under private signature in the Province of Quebec on February 2, 2009.
08-0718676-0001 December 17, 2008 – 11:08 a.m.	Rights resulting from a lease	Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessee)	Location Chriscott (6001 Irwin Street, Lasalle, QC H8N 1A1) Logistiques Chriscott acting under the business name: Location Chriscott (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessors)	N/A	2011-04-01	A specific list of trailers or semi-trailers.	Agreement executed under private signature at Lasalle, Quebec on October 1, 2005.
08-0485310-0001	Reservation of ownership	Novamerican Steel	Security Chimneys	N/A	2013-08-19	All coils of aluminized steel, coils of galvanized steel, coils	Agreement executed under private signature

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
August 20, 2008 – 11:24 a.m.	(instalment sale) Global registration	Canada Inc. (2175 Hymus Boulevard, Dorval, QC H9P 1J8) (purchaser)	International Ltd. (2125 Monterey Street, Laval, QC H7L 3T6) (vendor)			of galvanneal steel, coils of alu-zinc steel, sheets of galvanneal steel, sheets of hot rolled steel, sheets of galvanized steel listed in the registration, and all replacements, additions and substitutions thereof; all returns, repossessions and exchanges thereof.	at 2125 Monterey Street, Laval, Quebec on August 18, 2008.
08-0277439-0001 May 15, 2008 – 9:00 a.m.	Rights resulting from a lease and the assignment thereof	Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessee)	Canon Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessor/assignor) CBSC Capital (100-1235 North Service Rd W, Oakville, ON L6M 2W2) (assignee)	N/A	2013-05-13	Trade-up Refinanced - Copier All goods supplied by the secured party to the debtor, together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing. Proceeds: goods, chattel paper, securities, accounts, inventory, documents of title, instruments, money, crops, licences and intangibles.	Agreement executed under private signature at Lasalle, Quebec on May 13, 2008. The assignment covers all rights. REF: (387105 / ONDLL1F7873-1 / 5295825)
08-0027366-0001 January 17, 2008 – 2:42 p.m.	Rights resulting from a lease and the assignment thereof	3419584 Canada Inc. (830 South Service Road, Stoney Creek, ON L8E 5M7) (lessee)	Mohawk Ford Sales (1996) Limited (930 Upper James Street, Hamilton, ON L9C 5S2) (lessor/assignor)	N/A	2011-01-16	2008 Ford Edge VIN: 2FMDK49C48BA34268	Agreement executed under private signature at Hamilton, Ontario on January 8, 2008. The assignment covers all rights. REF: (2YN011708174 / BCFC1F423477-1 /

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
			Ford Credit Canada Leasing, A Division Of Canadian Road Leasing Company (PO Box 2400, Edmonton, AB T5J 5C7) (assignee)				5072837)
08-0005600-0001 January 4, 2008 – 9:33 a.m.	Change of name	Novamerican Steel Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Acier Novamerican Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (old names)	Novamerican Steel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Acier Novamerican Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (new names)	N/A	N/A	N/A	Certificate of amendment dated December 5, 2007.
07-0657287-0001 November 15, 2007 – 11:28 a.m.	Conventional hypothec without delivery	Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc.	BNY Trust Company of Canada (4 King Street West, Suite 1101, Toronto, ON M5H 1B6)	$400,000,000 (with interest thereon at the rate of 25% per annum)	2017-11-15	All corporeal and incorporeal movable and immovable property, assets, rights and undertakings of any nature and kind, now owned or hereafter acquired by Novamerican Steel Inc., excluding the Excluded Equity Interests (as defined in	Deed executed before Notary Pierre Venne at Montreal, Quebec on November 15, 2007 under his minute number 7467. The hypothec is granted

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
		(6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. - Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (as appears from (i) a change of name registered on February 23, 2009 under number 09-0091669-0001, (ii) a change of name registered on January 4, 2008 under number 08-0005600-0001), and (iii) a rectification registered on December 27, 2007 under number 07-0729526-0002)				the registration). (as appears from a rectification registered on December 27, 2007 under number 07-0729526-0002) By a voluntary reduction registered on March 26, 2009 under number 09-0156787-0001, the following property was released: All Purchased Assets (as defined in the registration) under that certain Purchase and Sale Agreement by and between Barzel Industries Canada Inc., Chriscott Properties Inc. and 4491220 Canada Inc., executed on or around February 27, 2009 and, for the purposes only of this reduction and partial discharge and release, the Current Computer System (as defined in the registration).	to secure the payment of bonds or other titles of indebtedness.
07-0657283-0001 November 15, 2007 – 11:22 a.m.	Conventional hypothec without delivery	Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1)	JPMorgan Chase Bank, National Association (200 Bay Street, Royal Bank Plaza,	$500,000,000 (with interest thereon at the rate of 25% per annum)	2017-11-15	The following property of Novamerican Steel Inc., now owned or hereafter acquired, wherever situate, and all renewals thereof, accretions thereto, replacements thereof	Deed executed before Notary Pierre Venne at Montreal, Quebec on November 15, 2007 under his minute

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
		Barzel Industries Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) Barzel Industries Canada Inc. - Industries Barzel Canada Inc. (6001 Irwin Street, Lasalle, QC H8N 1A1) (as appears from (i) a change of name registered on February 23, 2009 under number 09-0091669-0001, (ii) a change of name registered on January 4, 2008 under number 08-0005600-0001), and (iii) a rectification registered on December 27, 2007 under number 07-0729526-0001)	South Tower, 18th Floor, Toronto, ON M5J 2J2)			and substitutions therefor, as well as everything united thereto by accession (herein collectively referred to as the "Charged Property"): (a) the Claims (as defined in the registration); (b) the Inventory (as defined in the registration); (c) the Monies (as defined in the registration); (d) to the extent evidencing, governing, securing or otherwise related to the items referred to hereinabove in (a), (b) and (c), Documents of Title (as defined in the registration), Intangible Property (as defined in the registration) and Securities (as defined in the registration); (e) the Insurance (as defined in the registration); (f) the Records (as defined in the registration); and (g) the Proceeds (as defined in the registration). The Charged Property excludes any assets held in the "Intercompany Note Collateral	number 7466. The hypothec is granted to secure the payment of bonds or other titles of indebtedness. JPMorgan Chase Bank, National Association is acting through its Toronto Branch.

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
						Account" (as defined in the Canadian Collateral Agreement (as defined in the registration)) in accordance with the Indenture (as defined in the registration), as in effect on November 15, 2007. (as appears from a rectification registered on December 27, 2007 under number 07-0729526-0001) By a voluntary reduction registered on March 26, 2009 under number 09-0156790-0001, the following property was released: All Purchased Assets (as defined in the registration) under that certain Purchase and Sale Agreement by and between Barzel Industries Canada Inc., Chriscott Properties Inc. and 4491220 Canada Inc., executed on or around February 27, 2009 and, for the purposes only of this reduction and partial discharge and release, the Current Computer System (as defined in the registration).	
07-0393636-0086	Rights resulting from a lease and	Industries Cresswell Inc	Charland Chevrolet Cadillac	N/A	2011-06-29	2007 Chevrolet Avalanche	Agreement executed under private signature

REGISTRATION NUMBER AND DATE	TYPE	GRANTOR(S)	SECURED PARTY(IES)	AMOUNT	REGISTRATION EXPIRATION DATE	DESCRIPTION OF PROPERTY (summary form – complete description available, upon request)	REMARKS (including reference to document creating registered rights)
July 10, 2007 – 2:50 p.m.	the assignment thereof	(553 Leon Harmel, Granby, QC J2G 8E4) (lessee)	Ltee (595 Boivin Blvd, Granby, QC J2G 2M1) (lessor/assignor) La Compagnie GMAC Location (3333 Cote-Vertu Boulevard Suite 900, Montreal, QC H4R 2N1) GMAC Leaseco Corporation (3333 Cote-Vertu Boulevard, Suite 900, Montreal, QC H4R 2N1) (assignees)			VIN: 3GNFK12307G296412 and all proceeds therefrom	at Granby, Quebec on June 29, 2007. The assignment covers all rights. REF: (319-9114-20358 / BCGM1F3522466-1 / 4748168)
05-0411166-0015 July 15, 2005 – 2:39 p.m.	Rights resulting from a lease	Acier Nova Ltee (6001 Irwin Street, Lasalle, QC H8N 1A1) (lessee)	CBSC Capital Inc. (100-1235 North Service Road West, Oakville, ON L6M 2W2) (lessor)	N/A	2011-07-14	Copier IR5570 and IR2870, Fax LC9000 with all attachments, accessories and proceeds thereof including insurance proceeds and indemnities.	Agreement executed under private signature at Lasalle, Quebec and Oakville, Ontario on July 14, 2005. Lease term is 60 months with 20 payments of $2213.70 plus applicable taxes.

SCHEDULE C

BANK OF CANADA (QUEBEC AGENCY)

We have been advised by the Canadian Securities Registration Systems, the authorized Section 427 Bank Act Registrar, that it has searched for notices of intention to give security under the *Bank Act* registered in the Province of Quebec, and that, up to September 14, 2009 (inclusive), it found no entries with respect to the Names Searched.

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

AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.

Court File No: 09-8363-00CL

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

THIRD REPORT OF THE MONITOR

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