

C A N A D A
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT

N°: 500-11-063053-231

Commercial Division
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
R.S.C., c. C-36, as amended)

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

STORNOWAY DIAMONDS (CANADA) INC.

-and-

11272420 CANADA INC.

Debtors

-and-

DELOITTE RESTRUCTURING INC.

Monitor

**APPLICATION FOR THE ISSUANCE OF
A SECOND AMENDED AND RESTATED INITIAL ORDER AND ANCILLARY RELIEF**
(*Companies' Creditors Arrangement Act*, R.S.C. (1985), ch. C-36, Sections 9, 10, 11,
11.02, 11.03, 11.51, 11.52 (hereinafter the **CCAA**))

**TO THE HONOURABLE KAREN M. ROGERS, J.S.C., OR ONE OF THE
HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN THE
COMMERCIAL DIVISION FOR THE DISTRICT OF MONTRÉAL, THE DEBTORS
RESPECTFULLY SUBMIT:**

I. INTRODUCTION

1. On October 27, 2023, this Court granted Stornoway Diamonds (Canada) Inc.'s (**SDCI**) and 11272420 Canada Inc.'s (**1127**, collectively with SDCI the **Debtors**) *Application for the Issuance of an Initial Order, an Amended Restated Initial Order and Ancillary Relief* (the **Initial Application**), and issued an Initial Order under the CCAA, valid until November 3, 2023 (the **Initial Order** and the **Stay Period**), as well as a Sale and Investment Solicitation Process Approval Order (the **SISP Order**) with respect to the implementation of a solicitation process (the **SISP**).

2. Pursuant to the Initial Order, Deloitte Restructuring Inc. (the **Monitor**) was appointed as Monitor to the Debtors.
3. On November 3, 2023, the Court issued a Restated Initial Order, thereby extending the Stay Period until November 13, 2023.
4. On November 13, 2023, the Honourable Karen M. Rogers, J.S.C., issued an Amended and Restated Initial Order (the **First ARIO**), notably extending the Stay Period until January 25, 2024.
5. For the reasons set out below, the Debtors hereby seek the issuance of a Second Amended and Restated Initial Order substantially in the form of the draft order communicated herewith as **Exhibit R-1** (the **Draft Second ARIO**) providing for, *inter alia*, the following relief:
 - a) Stay Extension: An extension of the Stay Period until **March 29, 2024** (the **Extended Stay Period**), namely to allow for the completion of the SISP or, alternatively, to initiate any appropriate and required steps for an orderly termination of the Debtors' operations as a going concern and the liquidation of their assets should the SISP not result in a successful bid and transaction;
 - b) KERP: An authorization for the Monitor to hold in trust (i) an amount of \$480,000, in lieu of the KERP Charge¹ previously granted by this Honourable Court, and (ii) an amount equal to the aggregate amount of retention bonuses payable to certain key officers of the Debtors as described in the relevant executive retention letters (the **Retention Letters**), communicated under seal, *en liasse*, as **Exhibit R-6** (collectively, the **KERP Trust**);
 - c) CCAA Charges: the cancellation of the KERP Charge, which shall be replaced by the deposit in the KERP Trust of an amount equal to such charge; and
 - d) Sealing Order: a sealing order with regards to certain exhibits filed in support of this Application.

¹ As defined in paragraph 37 of the First ARIO.

A copy of the redline documents comparing the Draft Second ARIO to the model CCAA Initial Order and to the First ARIO are respectively communicated herewith as **Exhibits R-2 and R-3**.

6. Moreover, the Debtors hereby seek, on a *de bene esse* basis, the issuance of a separate order confirming the approval of certain payments owed and payable to unaffected creditors since December 2023, substantially in the form of the draft order communicated herewith as **Exhibit R-4**, for the reasons set out below.
7. In support of this Application and the relief sought herein, the Monitor has prepared a report entitled *Third Report to the Court submitted by Deloitte Restructuring inc.* (the **Third Report**), a copy of which is communicated as **Exhibit R-5**.
8. It is respectfully submitted that issuing the sought orders is necessary and appropriate in the circumstances of this case and is in the best interest of the Debtors and all their stakeholders.

II. THE CCAA PROCEEDINGS

9. Since the issuance of the Initial Order, the Debtors have taken and implemented the following actions and measures in collaboration with the Monitor:
 - a) the Debtors have put the Renard Mine into care and maintenance mode to reduce costs associated with its ongoing operations. Care and maintenance of the Renard Mine has since been provided by the Debtors' key employees;
 - b) the Debtors, with the assistance of the Monitor, have been in contact with key suppliers and other suppliers, creditors and stakeholders seeking information, advising them of (i) the *status quo* resulting from the First ARIO and (ii) the Debtors' ongoing care and maintenance operations, as well as discussing any necessary arrangements in order for the present restructuring to follow its course in an orderly manner;
 - c) the Debtors, in accordance with the SISP Order, have mandated Deloitte Corporate Finance Inc. (the **SISP Agent**) to implement and conduct the SISP;
 - d) concurrently with the implementation of the SISP, the Debtors, with the assistance of the Monitor and in consultation with its secured creditors, have been reviewing the status, scope and nature of the potential end-of-life

environmental obligations that may be incumbent on the Debtors depending on the outcome of the SISP; and

- e) the Debtors completed the sale of their remaining diamond inventory (the **Inventory Sales**), in accordance with the terms of the First ARIO;

the whole as appears from the Monitor's Report (Exhibit R-5).

- 10. Moreover, as appears from the Monitor's Third Report (Exhibit R-5), the Monitor, since the issuance of the First ARIO, has also:

- a) responded to inquiries received from various parties in respect of the restructuring process and the CCAA proceedings;
- b) posted a copy of the CCAA Proceedings' materials, the Second Report of the Monitor as well as the First ARIO on its website;
- c) published a second notice to creditors in La Presse+ (French version) and in the Globe and Mail National Edition (English version);
- d) issued a press release setting out the Notice of the SISP with Canada Newswire as provided for in the SISP Order;
- e) published the Notice of the SISP in La Presse+ (French version) and in the Globe and Mail National Edition (English version) as provided for in the SISP Order;
- f) assisted the Debtors in their discussions with their main suppliers and other key stakeholders; and,
- g) continued to work with the Debtors to develop and implement procedures to monitor the Debtors' activities, which include a daily review of their bank accounts' receipts and disbursements, as well as the preparation of revised cash-flow projections.

- 11. Finally, since the issuance of the Initial Order, the SISP Agent has been conducting the SISP, with the assistance of the Debtors and the Monitor, which SISP is still ongoing, as further described below.

- 12. The Debtors consider that, based on the expressions of interest received thus far in the SISP and the ongoing discussions with the potential investors/buyers, the Renard Mine should remain in care and maintenance mode until at least March 29, 2024, to the extent necessary to pursue the SISP, or otherwise to allow

for the implementation of an orderly liquidation and wind-down of the assets and operations of the Debtors if ever the SISP is not successful and is terminated prior to March 29, 2024.

13. Based on the projections, as set out in Appendix B of the Monitor's Third Report (Exhibit R-5, under seal) (the **January Projections**), and considering the current liquidities resulting from the Inventory Sales, the Debtors expect to have sufficient funding and liquidity to cover anticipated post-filing costs and expenses during the Extended Stay Period and to pay the December Payments (as this term is defined below) owed to the Streamers² and Diaquem Inc. (**Diaquem**).
14. The Debtors intend to continue to manage their affairs and remaining liquidities in a prudent and diligent manner during the Extended Stay Period, in the best interests of the Debtors and considering the interests of all its stakeholders and, as such, depending on the outcome of the SISP, may also defer to this Court's judgment with respect to the payments of amounts owing and payable to the Streamers and Diaquem (other than the December Payments), with each of these parties reserving their rights in this regard.

A. The SISP

15. On October 27, 2023, the Court issued the SISP Procedure Order, thereby approving the Bidding Procedures and naming the SISP Agent to, namely, assist the Debtors and the Monitor in implementing the SISP.
16. On November 3, 2023, the SISP Agent distributed the Solicitation Letter to potentially interested parties.
17. On January 19, 2024, date of the present Application, the delay for delivery of non-binding submissions by Phase 1 Qualified Bidders expired. The SISP Agent is currently having and will continue to have discussions with potential investors/buyers with respect to the non-binding submissions received, in consultation with the Debtors and its secured creditors, and will notify, by no later than January 26, 2024, the Phase 1 Qualified Bidder(s) as to whether their bid constitutes a Phase 1 Satisfactory Bid.

² The term "Streamers" refers to the Buyers under the *Second Amended and Restated Purchase and Sale Agreement* dated as of November 1, 2019 filed as Exhibit R-8 in support of the *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and Ancillary Relief*, dated October 26, 2023, and, when a decision or consent is to be provided by the Streamers pursuant to the terms of this Order, such consent or approval shall be provided in accordance with the required majority or support of the Buyers for such decision set forth in said *Second Amended and Restated Purchase and Sale Agreement* dated as of November 1, 2019.

18. Currently, considering the expressions of interest received so far and the ongoing discussions with potential investors/buyers, the Debtors believe it is reasonable to consider that the SISP may yield a favorable outcome involving a successful transaction preserving a going concern, although there can be no certainty in that regard until the SISP is brought to completion.

B. The Requested Stay of Proceedings

19. The Debtors request an extension of the Stay Period until March 29, 2024.
20. It is respectfully submitted that the requested extension of the Stay Period is required to provide sufficient time to, *inter alia*:
 - a) select a successful bidder in the context of the SISP, as applicable;
 - b) finalize the implementation of the SISP and, namely, apply to this Court for the issuance of an approval and vesting order, as applicable;
 - c) initiate or continue discussions with stakeholders of the Debtors, namely with respect to SDCI's environmental obligations and related implications, the whole depending on the evolution and results of the SISP; and
 - d) determine other appropriate steps to be implemented depending on the outcome of the SISP, including with respect to the extent of the care and maintenance program.
21. As such, the Monitor is of the view that the requested extension of the Stay Period is necessary and reasonable in the circumstances, namely based on the revised and extended cash-flow forecast appended to its Third Report (Appendix B, Exhibit R-5, under seal).
22. The Streamers and Diaquem, being the main secured creditors of the Debtors and unaffected creditors in the CCAA proceedings who are not affected by the stay of proceedings pursuant to the Initial Order and the First ARIO, support the requested extension.
23. The Debtors have acted and continue to act in good faith and with due diligence, and the extension sought is appropriate under the present circumstances.

C. The KERP Trust

24. Since the Initial Order, the Debtors, with the assistance of the Monitor and in consultation with the secured creditors, have considered the most appropriate way to continue to secure the obligations of the Debtors towards the employees and

officers that have been identified as being key to their restructuring efforts, notably in the context of the implementation of the SISP.

25. Indeed, the continued active implication of said officers of the Debtors, as well of its key employees already included in the KERP approved by this Court pursuant to the First ARIO, remains essential to the restructuring efforts of the Debtors.
26. As such, to ensure the availability of said amounts irrespective of the outcome of the SISP, the Debtors wish to guarantee and set aside an amount equal to the payments set out in the KERP Agreements³ (collectively, the **KERP Amount**) as well as an amount equal to the aggregate amount of retention bonuses provided for in the Retention Letters (**Exhibit R-6**, under seal) (collectively, the **Retention Amount**), which amounts shall be placed in trust with the Monitor pursuant to a trust agreement that will be entered into between the Debtors and the Monitor (i.e. the KERP Trust). A copy of the proposed KERP Trust Agreement is communicated under seal herewith as **Exhibit R-7**.
27. It is respectfully submitted that even if the Debtors are confident that the SISP will yield a successful result, the lack of certainty in that regard combined with the potential end-of-life environmental obligations that may be incumbent on the Debtors support and justify the use of the KERP Trust to definitively secure the payment of the KERP Amount and the Retention Amount, and in doing so, to ensure the achievement of the objectives of the KERP Charge with more certainty than solely relying on the KERP Charge.
28. Therefore, the Debtors also seek the cancellation of the KERP Charge, effective upon the implementation of the KERP Trust and the confirmation of the deposit of the KERP Amount and the Retention Amounts in it, such that the KERP Charge be replaced by the KERP Trust.
29. The Debtors respectfully submit that doing so is appropriate and reasonable in the circumstances.

³ A copy of the KERP Agreements was filed under seal as Exhibit R-20 in support of the *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and Ancillary Relief*, dated October 26, 2023.

D. Sealing of Confidential Documents

30. Certain exhibits filed in support of this Application contain commercially sensitive information related to the affairs of the Debtors.
31. It is respectfully submitted that the confidentiality of such information should be preserved and that it should be ordered that **Exhibits R-6 and R-7** to the Application and **Appendix B** to the Monitor's Third Report (**Exhibit R-5**) be kept confidential and filed under seal until further order of this Court.

III. DE BENE ESSE APPLICATION FOR THE ISSUANCE OF AN ORDER APPROVING CERTAIN PAYMENTS TO UNAFFECTED CREDITORS

32. Moreover, the Debtors seek *de bene esse* authorization to make certain payments owed and payable to unaffected creditors since December 2023 which were previously: (i) approved and ordered to be paid by this Court in the First Ario and (ii) projected to be paid when due in December 2023 as part of the November Projections, which were also approved by this Court in the First ARIO.
33. The Debtors consider that it remains appropriate to proceed with the December Payments that are currently owed and payable and that had been authorized by this Court under the First ARIO, and are hereby seeking a new authorization from this Court to do so, on a *de bene esse* basis and for transparency, for the reasons mentioned below.

A. Context

34. In 2018, SDCI submitted a rehabilitation and restoration plan to the *Ministère des Ressources naturelles et des forêts (MNR)* (formerly known as the *Ministère de l'Énergie et des Ressources naturelles*), which was approved on May 5, 2021 (the **Approved Plan**). This plan sets out the total estimated cost of restoration of the Renard Mine to be \$21,456,939. A copy of the Approved Plan is communicated herewith as **Exhibit R-8**.
35. As required by the *Mining Act*⁴ and as indicated in the Initial Application, a financial guarantee for an equivalent amount was issued by XL Specialty Insurance Company (**XL Insurance**) on February 23, 2023, in the form of a guarantee in

⁴ CQLR, c M-13.1.

favor of MNRF (the **Guarantee**),⁵ to cover the anticipated cost of completing the work required under the Approved Plan.

36. On February 17, 2023, a general indemnity agreement was entered into between the Debtors and XL Insurance (the **Indemnity Agreement**). Under the Indemnity Agreement, the Debtors agreed to indemnify XL Insurance for any damages arising from the Guarantee or any claim relating thereto.
37. As indicated in the Initial Application, XL Insurance benefits from a hypothec over a cash deposit in an amount of \$5,364,234.75 currently held in a bank account of XL Insurance, as well as a hypothec encumbering certain assets of the Debtors, excluding Caterpillar vehicles and certain other equipment. As per the table included in the Initial Application, this latter hypothec ranks behind those of Diaquem and the Streamers on these same assets, and XL Insurance does not benefit from any cession of rank from Diaquem or the Streamers.
38. A revised rehabilitation and restoration plan dated June 2023 was submitted by the Debtors to the MNRF, with revised total restoration costs estimated at \$25,005,863 (the **Revised Plan**), a copy of which is communicated herewith as **Exhibit R-9**. As at the date hereof, the Revised Plan has not yet been approved by the MNRF.
39. As per section 232.4 of the *Mining Act*, when the Revised Plan is approved, SDCI will then have to provide an additional guarantee to cover any increase in the estimated restoration costs, whether by amending the Guarantee or otherwise.
40. The term of the Guarantee is set to automatically renew on February 23, 2024. In the case of the non-renewal, termination, revocation or cancellation of the Guarantee, XL Insurance shall notify the MRNF at least 60 days before the date fixed for the expiry, termination, revocation or cancellation of the Guarantee. No such notice has been issued by XL Insurance as of the date of this Application.
41. Also, in the case of case of the non-renewal, termination, revocation or cancellation of the Guarantee XL Insurance shall remain liable, where the requirements of sections 232.1 to 232.10 of the *Mining Act* are not met, for the payment of the cost of the work involved in mining operations carried out before the date of expiry,

⁵ A copy of the guarantee policy and General Agreement of Indemnity was filed as Exhibit R-7 in support of the *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and Ancillary Relief*, dated October 26, 2023.

termination, revocation or cancellation up to the amount covered by the Guarantee (i.e. \$21,456,939).

42. As mentioned before, the Debtors believe it is reasonable to consider that the SISP may lead to a going concern transaction based on the ongoing discussions with potential investors/buyers and the expressions of interest submitted so far in the SISP. That said, in the event that the SISP does not result in a going concern transaction, the Debtors would have to proceed with the eventual full termination of its mining operations, which may in turn trigger SDCI's environmental rehabilitation and restoration obligations, as further described in the Approved Plan or the Revised Plan.
43. Considering the end-of-life environmental obligations of the Debtors in such a scenario, the Debtors have indicated to Diaquem and the Streamers that, out of an abundance of caution and transparency, they would seek a *de bene esse* authorization from this Court, prior to making the December Payments owing to the unaffected creditors that were previously authorized and ordered under the First ARIO.

B. Payments for which approval is sought

44. The payments of "Senior Debts" owing to Streamers and Diaquem (including the December Payments), as contemplated in the November Projections submitted to and approved by the Court, were a key consideration for the unaffected creditors to support the Debtors' restructuring plan at the time of their Initial Application. Some of these payments have been made in accordance with the November Projections (i.e. the payments referenced in the line "Payment to Streamers"), as more fully described in the Third Report (**Exhibit R-5**).
45. Pursuant to paragraph 30 of the First ARIO, the Streamers and Diaquem, subject to the terms of their respective contracts, agreements and arrangements entered with the Debtors, were declared to be unaffected creditors throughout the CCAA Proceedings and the Court ordered the Debtors to continue to make the payments owing to them, as contemplated by the November Projections (as referenced in the lines "Royalties to IQ" (payable to Diaquem, further to the Inventory Sales that took place since the Initial Order), "Senior Loan Interest" (payable to Diaquem) and "Cash Sweep 2022" (payable to Diaquem and to the Streamers in accordance with the agreements between them and the Debtors), filed as Appendix C to the Monitor's Second Report, dated November 9, 2023, totalling approximately \$ 14.5M (the **December Payments**), the whole as more fully described in the Third Report (Exhibit R-5).

46. Pursuant to paragraphs 31 and 32 of the First ARIO, and based on the evidence presented to the Court at the initial and comeback hearings, the November Projections were approved by the Court and the Debtors were ordered to comply with same, including with respect to payments to be made to the Streamers and Diaquem pursuant to their respective contracts, which include the December Payments.
47. In December 2023, following the Inventory Sales and the payments made to the Streamers and other payments made in accordance with the November Projections, and the resulting availability of liquidities, the Debtors, in light of the ongoing SISP and review and consideration of potential environmental remediation and restoration obligations, advised the Streamers and Diaquem that they had decided to temporarily postpone the December Payments and seek a confirmation from the Court on *de bene esse* basis that they could indeed make such payments out of an abundance of caution.
48. The Debtors now seek such confirmation from the Court on a *de bene esse* basis and submit that such confirmation should be provided, namely considering the following:
 - a) The December Payments were approved by the Court, as contemplated in the November Projections (also approved by the First ARIO) and the Debtors were ordered by this Court to proceed with such payments;
 - b) The December Payments are now included in the January Projections, given the postponement of such payments, and the payment thereof will not negatively affect the Debtors' ability to continue financing their care and maintenance operations and their restructuring efforts under the CCAA, as more fully set out in the Monitor's Third Report (**Exhibit R-5**);
 - c) As indicated above, discussions remain ongoing with potential investors or purchasers. This being said, and notwithstanding the expressions of interest received thus far, the Debtors cannot disregard the possibility that the SISP may not lead to a going concern outcome. In such an eventuality, the treatment of the end-of-life environmental obligations should be addressed, taking into account, *inter alia*, the proceeds that are expected to be generated by the liquidation of their assets, the XL Guarantee, and the

then remaining liquidities of the Debtors, if any, subject to the rights of the unaffected creditors;

- d) The January Projections do not include any other payments owing to the Streamers and Diaquem, pending further authorization from this Court, with Diaquem and the Streamers' rights in this regard being fully preserved;
 - e) The December Payments are necessary in order to continue the SISP and these CCAA proceedings with the support of the unaffected creditors, the whole as agreed at the outset thereof, as described in paragraph 44 above; and
 - f) The Monitor supports the authorization sought herein to proceed with the December Payments.
49. The Debtors note that, if the SISP does not result in a transaction allowing the continuity of the Debtors' mining operations and the Debtors have to maintain dry and care and maintenance for the Renard Mine until the end of March 2024 while pursuing other potential expressions of interest or a winding-down of the operations, there is no certainty that the proceeds of the liquidation of their assets and their remaining liquidities would be available in full or in part or sufficient to address the end-of-life environmental obligations, and reliance on the XL Guarantee would likely be required to address the cost of the Renard Mine's rehabilitation and restoration. During the Extended Stay Period, and subject to the final outcome of the SISP, the Debtors intend to continue to discuss and plan ahead for all scenarios with secured creditors and other stakeholders.
50. However, as mentioned above, the Debtors believe that, based on the expressions of interest received and the ongoing discussions with potential purchasers or investors, a successful outcome of the SISP with a transaction preserving the going concern activities of the Debtors is a realistic and reasonable possibility.
51. Considering the foregoing, the Monitor supports the relief sought herein by the Debtors.
52. Therefore, the Debtors submit that it is appropriate and reasonable for the Court to confirm that the Debtors are authorized to make the December Payments to the Streamers and Diaquem, as per the November Projections, the First ARIO and the January Projections.

FOR THESE REASONS, MAY IT PLEASE THE COURT TO:

GRANT the present *Application for a Second Amended and Restated Initial Order and Ancillary Relief*,

RENDER a Second Amended and Restated Initial Order substantially in the form of the draft order communicated herewith as Exhibit R-1;

RENDER an Order Approving Certain Payments to Unaffected Creditors substantially in the form of the draft order communicated herewith as Exhibit R-4;

THE WHOLE without costs, save and except in case of contestation.

Montréal, January 19, 2024

Norton Rose Fulbright Canada LLP

NORTON ROSE FULBRIGHT CANADA LLP

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Me Guillaume Michaud

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Me Noah Zucker

Me Charlotte Dion

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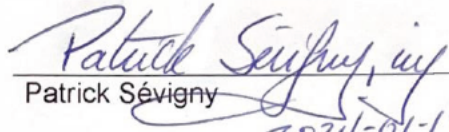
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AFFIDAVIT

I, the undersigned, Patrick Sévigny, President and Chief Executive Officer, duly authorized director of the Debtors, having my professional domicile at 1111 Blvd. Saint-Charles W., Suite 400, Longueuil, province of Québec, J4K 5G4, solemnly declare that all the facts alleged in the present *Application for the Issuance of a Second Amended and Restated Initial Order and Ancillary Relief* are true.

AND I HAVE SIGNED


Patrick Sévigny
2024-01-19

SOLEMNLY DECLARED before me by technological means, this January 19, 2024. The Affiant is in the city of Candiac and the Commissioner of Oaths is in the city of Varennes.

Commissioner of Oaths for the Province of Québec

NOTICE OF PRESENTATION

TO: The Service List

TAKE NOTICE that the present “*Application for a Second Amended and Restated Initial Order and Ancillary Relief*” will be presented for adjudication before the Honourable Justice Karen M. Rogers of the Superior Court of Québec in the Montréal Courthouse located at 1, Notre-Dame Street East, Montréal, Québec, on **January 24, 2024, at 9:30 a.m., in room 6.61.**

6.61	<p>Rejoindre la réunion Microsoft Teams +1 581-319-2194 Canada, Quebec (Numéro payant) (833) 450-1741 Canada (Numéro gratuit) ID de conférence : 234 968 896# Numéros locaux Réinitialiser le code confidentiel En savoir plus sur Teams Options de réunion Rejoindre à l'aide d'un dispositif de vidéoconférence teams@teams.justice.gouv.qc.ca ID de la conférence VTC : 1166172534 Autres instructions relatives à la numérotation VTC</p>
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DO GOVERN YOURSELF ACCORDINGLY.

Montréal, January 19, 2024

Norton Rose Fulbright Canada LLP

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CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT

N°: 500-11-063053-231

Commercial Division
(Sitting as a court designated pursuant to the
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**IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED:**

STORNOWAY DIAMONDS (CANADA) INC.

-&-

11272420 CANADA INC.

Debtors

-&-

DELOITTE RESTRUCTURING INC.

Monitor

**LIST OF EXHIBITS
IN SUPPORT OF THE APPLICATION FOR THE ISSUANCE OF A SECOND
AMENDED AND RESTATED INITIAL ORDER AND ANCILLARY RELIEF**

- Exhibit R-1:** Proposed Second Amended and Restated Initial Order;
- Exhibit R-2:** Redline document comparing the Proposed Second Amended and Restated Initial Order to the model CCAA initial order;
- Exhibit R-3:** Redline document comparing the Proposed Second Amended and Restated Initial Order to the First Amended and Restated Initial Order;
- Exhibit R-4:** Proposed Order Approving Certain Payments to Unaffected Creditors;
- Exhibit R-5:** Third Report to the Court submitted by Deloitte Restructuring inc. (Appendix B **UNDER SEAL**);
- Exhibit R-6:** *En liasse*, executive retention letters (**UNDER SEAL**)
- Exhibit R-7:** Proposed KERP Trust Agreement (**UNDER SEAL**);

- Exhibit R-8:** Rehabilitation and restoration plan, dated June 2018; and
Exhibit R-9: Rehabilitation and restoration plan, dated June 2023.

Montréal, January 19, 2024

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