

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

N°: 500-11-060598-212

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
R.S.C. 1995, c. 36, as amended)

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

BLACKROCK METALS INC.

-and-

BLACKROCK MINING INC.

-and-

BRM METALS GP INC.

-and-

BLACKROCK METALS LP

Applicants

-and-

DELOITTE RESTRUCTURING INC.

Monitor

MOTION FOR A FIRST EXTENSION OF THE STAY OF PROCEEDINGS

INTRODUCTION

1. The Applicants are debtor companies identified in the Application for the issuance of (i) an Initial Order, (ii) an Amended and Restated Initial Order, and (iii) an Order approving a Sale and Investment Solicitation Process and approving a Stalking Horse Agreement of Purchase and Sale filed on December 22, 2021 (the "**Application**"), for which a First Day Initial Order under the *Companies' Creditors Arrangement Act* ("**CCAA**") was issued in this Court file on December 23, 2021 (the "**First Day Order**"), an Amended and Restated Initial Order (the "**A&R Initial Order**"), and an Order Approving a Sale and Investment Solicitation Process and Approving a Stalking Horse Agreement of Purchase and Sale (including the Procedures of the Sale and Investment Solicitation Process attached therein as Schedule "A" (the "**Bidding Procedures**")) (the "**Bidding Procedures Order**") were both issued in this Court file on January 7, 2022, as appears from the Court record.

2. The A&R Initial Order provides, *inter alia*, that all proceedings against the Applicants are stayed until March 4, 2022. The Applicants hereby request an extension of the stay of proceedings until March 25, 2022, for the reasons exposed hereinafter.

ACTIVITIES SINCE THE ISSUANCE OF THE A&R INITIAL ORDER AND THE BIDDING PROCEDURES ORDER

3. Since the issuance of, and pursuant to the Bidding Procedures Order, the Applicants undertook a sale and investment solicitation process (“**SISP**”) for the sale of their business, property, assets and undertakings (collectively, the “**Business**”), which is currently still being conducted by the Monitor for the Applicants in the manner set forth in the Bidding Procedures.
4. As appears from the Bidding Procures, the SISP is intended to solicit interest in, and opportunities for: (i) one or more sales or partial sales of all, substantially all, or certain portions of the Business; and/or (ii) for an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Applicants or their Business. Bids considered pursuant to the SISP may include one or more of an investment, restructuring, recapitalization, refinancing or other form of reorganization of the business and affairs of the Applicants as a going concern or a sale (or partial sales) of all, substantially all, or certain of the Business, or a combination thereof (the “**Opportunity**”).
5. To that effect, the Monitor has sent to potential bidders a letter describing the Opportunity (the “**Solicitation Letter**”) outlining the SISP and inviting recipients of the Solicitation Letter to express their interest pursuant to the SISP.
6. The Monitor has also made available to potential bidders a confidential virtual data room (the “**VDR**”) in relation to the Opportunity, provided that such potential bidders execute a non-disclosure agreement in form and substance satisfactory to the Monitor, in consultation with the Applicants (an “**NDA**”).
7. Pursuant to paragraph 13 of the Bidding Procedures, Phase 1 Qualified Bidders have until March 9, 2022, to submit their respective bids which must be delivered in the form of a non-binding letter of intent (an “**LOI**”) to the Monitor.

FINANCIAL SITUATION TO DATE AND PROJECTIONS

8. The details of the Applicants’ financial situation as of this day as well as the cashflow forecast for the period ending April 1, 2022, are presently being finalized and will be communicated to the Court and the service list before the hearing on the present motion.
9. That being said, the Applicants are able to report that their financial situation as of the date of the present motion is better than originally forecasted in the cashflow provided by the Monitor in support of its First Report to the Court, and that the Interim Facility provided for in the Interim Financing Agreement (exhibit P-23 of the Application) and described in paragraphs 27 and following of the A&R Initial Order will not be needed by the Applicants before April 1, 2022.

NECESSITY TO EXTEND THE PROTECTION OF THE COURT

10. The Applicants request the extension of the Stay Period (as defined at paragraph 8 of the A&R Initial Order) by an additional three (3) week period, which, as the case may be and in accordance with the Bidding Procedures, shall be used as follows:
- a) Receive the Phase 1 Qualified Bids by no later than March 9, 2022, at 5:00 p.m.;
 - b) If any additional Phase 1 Qualified Bid is received (other than the Stalking Horse Bid), the Monitor shall provide notice to each additional Phase 1 Qualified Bidder in writing as to whether its bid constituted a Phase 1 Successful Bid by no later than March 14, 2022, and the Monitor will launch Phase 2 of the SISP;
 - c) If no additional Phase 1 Qualified Bids are received, the Applicants shall prepare and file an application seeking the approval of the Stalking Horse Agreement, which shall be presentable on or prior to March 25, 2022.

CONCLUSION

11. Considering the above facts, the Applicants submit that it is appropriate to extend the Stay Period until March 25, 2022.
12. The Applicants have conducted themselves in good faith since the issuance of the First Day Order, the A&R Initial Order and the Bidding Procedures Order.
13. The Applicants, with the assistance of the Monitor, intend to continue the SISP, the whole in the interest of all stakeholders and with the ultimate objective of selling their Business to the highest qualified bidder.
14. The extension sought will not negatively impact the creditors as the Applicants continue to pay their post filing obligations in the normal course of business.
15. The Monitor has verbally announced that he supports the extension sought herein and that he will file a report regarding same, along with the cashflow forecast for the period ending April 1, 2022, before the hearing.

FOR THESE REASONS, MAY IT PLEASE THE COURT TO:

GRANT the present *Motion for a first extension of the stay of proceedings* (the "**Motion**");

ABRIDGE the delays of presentation of the Motion;

EXTEND the Stay Period (as defined at paragraph 8 of the Amended and Restated Initial Order dated January 7, 2022) until March 25, 2022;

ORDER the provisional execution of the order to be rendered notwithstanding appeal;

THE WHOLE without costs, except if contested.

MONTREAL, February 17, 2022

Lavery De Billy

LAVERY, DE BILLY, L.L.P.

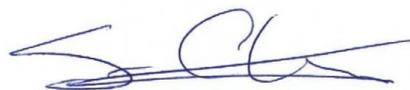
Lawyers for Applicants

AFFIDAVIT

I, the undersigned, SEAN CLEARY, CEO of BlackRock Metals Inc., BlackRock Mining Inc., BRM Metals GP Inc. and BlackRock Metals LP (collectively, the “**Applicants**”) having a place of business at 1606-1080, Beaver Hall Hill, in the city and judicial district of Montreal, Quebec, H2Z 1S8, solemnly affirm that:

1. I am the authorized representative of the Applicants;
2. All the facts alleged in the *Motion for a first extension of the stay of proceedings* are to my personal knowledge and true.

AND I HAVE SIGNED, IN OAKVILLE,
ONTARIO:



SEAN CLEARY

SOLEMNLY AFFIRMED before me on February 17, 2022 by videoconference Teams, in Montréal allowing me to recognize Sean Cleary, and witnessing him having read the motion and the sworn declaration and having signed it. The document transferred by email is the *Motion for a first extension of the stay of proceedings*.




Commissioner of Oaths for Province of
Quebec

NOTICE OF PRESENTATION

TO: **THE SERVICE LIST**

TAKE NOTICE that the present *Motion for a first extension of the stay of proceedings* will be presented for before the Honourable Justice Marie-Anne Paquette, S.C.J., **on February 24, 2022 at 9:30 a.m.** in a forum to be further announced to the Service List.

Any party wishing to object to this motion shall file a notice of objection **no later than February 21, 2022, at 4:00 p.m.**

If no one objects, judgment will be rendered without a hearing on February 24, 2022. If a notice of objection is filed, the coordinates will circulate for a hearing on February 24, 2022.

DO GOVERN YOURSELVES ACCORDINGLY.

MONTREAL, February 17, 2022



LAVERY, DE BILLY, L.L.P.
Lawyers for Applicants

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and

DELOITTE RESTUCTURING INC.

Monitor

**MOTION FOR A FIRST EXTENSION OF THE
STAY OF PROCEEDINGS,
AFFIDAVIT AND NOTICE OF PRESENTATION**

ORIGINAL

O/file: 125468-00005

BL 1332

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