

C A N A D A
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT No.: 500-11-061207-227
ESTATE No.: 41-2845803

SUPERIOR COURT
Commercial Division

IN THE MATTER OF THE BANKRUPTCY OF:

9468-4800 QUEBEC INC., a duly incorporated company having its principal place of business at 1606-1080 Côte du Beaver Hall, in the city and district of Montreal, province of Quebec, H2Z 1S8.

Bankrupt

- and -

DELOITTE RESTRUCTURING INC.

(Benoit Clouâtre, CPA, CA, CIRP, LIT, designated responsible person) a duly incorporated company having a place of business at 500-1190 Ave des Canadiens-de-Montréal, in the city and district of Montreal, province of Quebec, H3B 0M7.

Trustee

TRUSTEE'S PRELIMINARY REPORT TO CREDITORS

1. The *Bankruptcy and Insolvency Act*, a federal act in Canada (the "**Act**"), provides for a first meeting of creditors to discuss the creditors' collective interest in the administration of the Bankrupt's estate.

BACKGROUND

2. BlackRock Metals Inc. ("**BlackRock Metals**"), BlackRock Mining Inc. ("**BlackRock Mining**"), BlackRock Metals LP ("**BRM LP**") and BRM Metals GP Inc. ("**BRM GP**") (collectively known as "**BRM**") was a privately owned Canadian company developing a fully integrated, environmentally enhanced, metals and materials manufacturing business from its wholly owned vanadium and titanium bearing magnetite deposit in Chibougamau, located approximately 700 km north of Montreal, and with a metallurgical plant being an integral part of the project that would be strategically located at the Port of Saguenay.
3. On December 23, 2021, BRM, filed for court protection under the *Companies' Creditors Arrangement Act* ("**CCAA**"). Deloitte Restructuring Inc. was appointed monitor under the CCAA (in such capacity, the "**Monitor**").
4. Capitalized terms not otherwise defined in this report are as defined in the previous reports of the Monitor, the application under the CCAA or the Approval and Vesting Order.

5. As described in the Monitor's Fifth Report in the CCAA proceedings, BRM sought and obtained an Approval and Vesting Order in view of transferring its ownership to Investissement Quebec and OMF Fund II H Ltd. as purchasers (collectively, the "**Purchaser**"), which would pursue the operations of BRM.
6. On June 2, 2022, as per the Approval and Vesting Order and the related Purchase Agreement and following the reception of confirmations from the Applicants and the Purchaser, the Monitor issued the Monitor's Certificate confirming that the Closing had occurred.
7. 9468-4800 Quebec Inc. was created as part of the steps pertaining to the Closing of the Transactions authorized by the court in the proceedings under the CCAA initiated by BRM.
8. In accordance with the Transaction Steps, 9468-4800 Quebec Inc. subscribed for one common share for \$100 of 9468-4792 Quebec Inc., a newly created corporation under the Quebec Business Corporations Act ("**QBCA**"), which will not be immediately paid. BRM transferred its Excluded Assets (which for greater certainty does not include their cash on hand or other financial assets, other than an amount of \$37,500 in cash to be transferred by BlackRock Metals) to 9468-4792 Quebec Inc, while 9468-4800 Quebec Inc. (formerly known as BlackRock Metals) assumed the Excluded Obligations of BRM (which for greater certainty does not include any liabilities owing to the Purchaser).
9. Pursuant to the Amended and Restated Initial Order, the Monitor was empowered and authorized to assign 9468-4800 Quebec Inc. and 9468-4792 Quebec Inc. into bankruptcy as deemed appropriate in the circumstances by the Applicants and the Monitor.
10. On July 8, 2022, the Monitor assigned both 9468-4800 Quebec Inc. and 9468-4792 Quebec Inc. into bankruptcy.

TRUSTEE'S PRELIMINARY EVALUATION OF ASSETS AND LIABILITIES

11. Below is a summary of the Statement of Affairs as of July 8, 2022 of 9468-4800 Quebec Inc.. It includes the Statement of Financial Position as of July 8, 2022, the estimated net realization value of the assets of 9468-4800 Quebec Inc. (, as well as the estimated deficit following the distribution of the estimated proceeds from the liquidation of the assets to the creditors:

9468-4800 Quebec Inc.		
Statement of Affairs		
As at July 8, 2022 (unaudited)	Book Value	Estimate of net
<i>(expressed in Canadian dollars)</i>	<i>(Note 1)</i>	realization value
Assets		
Cash	37 500	37 500
	37 500	37 500
Liabilities		
Unsecured creditors		54 493 205
		54 493 205
Deficit (before professional fees)		(54 455 705)
Note 1 Creditors will have to prove their claims and only those claims that are proven will constitute valid claims and will receive a distribution if funds are available.		
Note 2 The information above has been updated with the most up-to-date information available to the Trustee.		

9468-4800 Quebec Inc.	
Unsecured creditors balance	
As at July 8, 2022 (unaudited)	
<i>(expressed in Canadian dollars)</i>	
Unsecured creditors	
Prosperity Materials Macao Commercial Offshore Limited	50 712 000
Others	<u>3 781 205</u>
Total debt	<u>54 493 205</u>

12. The \$54 million assumed by 9468-4800 Quebec Inc. is related to various amounts due to unsecured creditors, including \$51 million due to Prosperity Materials Macao Commercial Offshore Limited.

CONSERVATORY AND PROTECTIVE MEASURES

13. The Trustee implemented the following conservatory and protective measures:

- Opening of a trust bank account at the National Bank of Canada;
- Freezing of 9468-4800 Quebec Inc.'s bank account;
- Sending of notices to the creditors informing them about the bankruptcy and the first meeting of creditors; and,
- Publication of a notice to creditors in *La Presse+* and *The Globe and Mail* newspapers.

INFORMATION RELATING TO PROVABLE CLAIMS

14. As of the time of the preparation of this report, considering no proof of claim has been received to date, the Trustee is not able to determine if there will be a significant difference between the amount of claims declared by the Bankrupt and the amount of claims proven by the various creditors.

LEGAL PROCEEDINGS, TRANSFER AT UNDERVALUE, AND PREFERENCE PAYMENTS

15. The Trustee has not initiated any legal proceedings and has not identified any transfer at undervalue or preference payments to date.

PROJECTED DISTRIBUTION AND TRUSTEE'S COMMENTS ON ANTICIPATED ASSET REALIZATION

16. The Trustee estimates that there will not be any proceeds available for distribution to unsecured creditors as there are essentially no assets available for the unsecured creditors in the Bankrupt's estate.

OTHER MATTERS

17. None.

DATED AT MONTREAL, Quebec, this 22 day of July 2022.

DELOITTE RESTRUCTURING INC.

In its capacity as Trustee of the Estate of 9468-4800
Quebec Inc. (and not in its personal capacity).

A handwritten signature in black ink, appearing to read "Benoit Clouâtre". The signature is fluid and cursive, with the first name being more prominent.

Benoit Clouâtre, CPA, CA, CIRP, LIT
Vice-President