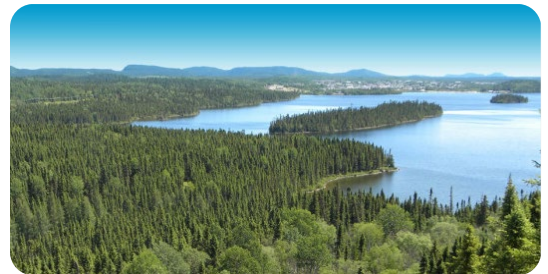


Strategic iron, vanadium, titanium mining and processing project in business-friendly Quebec (Canada)

Corporate Reorganization Opportunity

Overview

- BlackRock Metals (“BlackRock”) is a private Canadian company aiming to become one of the world’s leading, low cost miner and supplier of specialty metals with a low carbon footprint. It is about to start construction of a CA \$1.3 billion mine and metals processing facility in Quebec, Canada, namely Project Volt, which will produce high purity iron products (“HPI”), vanadium and titanium, using best-in-class industrial processes and sustainability characteristics.
- BlackRock has already reached key milestones necessary to start construction:
 - All necessary feasibility, engineering and market studies showing compelling project economics;
 - All key permits and regulatory approvals; and,
 - Comprehensive stakeholder support, including First Nations.
- Presently, BlackRock is pursuing a restructuring process. It has assets totaling approximately CA \$164M of which CA \$146M consists of accumulated exploration and evaluation costs, along with preliminary mining site preparation work.



Key Information about BlackRock Metals and Project Volt

- Following BlackRock’s construction of a fully integrated mine and metallurgical complex, it is expected that the Business will be in operation for an initial 41-year period, given presently identified mineral resources, with a potential to add an estimated 30-year period of production based on preliminary analysis.
- Completed full feasibility, including:
 - Mining claims package of 7,400 hectares, with M&I 429Mt in pit global resource;
 - Engineering and market studies showing resilient project economics;
 - Initial CAPEX of CA \$1.3B (including a contingency of over 15%); and,
 - Annual projected production of 536Ktpa HPPI, 121Ktpa Ti Slag, 5Ktpa V-Slag.
- BlackRock has had advanced, detailed discussions with capital providers (government agency, strategic investors, royalty providers, off-take partners) on potential financial structure to provide the required construction financing. A successful bidder could, subject to consents, potentially pursue discussions with these capital providers.
- Near “shovel ready” project with “Global CA” permits received from governmental authorities for both mine and processing plant.
- Major infrastructure in place or permitted such as rail and road transport, cheap and clean renewable power (Hydro-Quebec), deep seaport (Grande Anse), water source, natural gas pipeline (Energir).
- Access to skilled labor force locally in Chibougamau and Saguenay.
- Formal agreements in place with First Nations.
- Full support of business-friendly Quebec government, including a financial participation in the project.
- Experienced and seasoned executive team in place to manage project construction and operations.

Unique High Value Strategic Metals with Downstream Diversification

- Results for feasibility studies show potential low-cost producer status for High Purity Pig Iron (phase 1), FeV80 (phase 2), and commercial Ti Slag (phase 3). Strong economics and a risk mitigating phased expansion scenarios could expand volume and add end products for further value creation over time.

- Industry leading EnviroGreen process produces iron and steel alloys with minimal carbon footprint and little solid waste.
- Vanadium titanium magnetite deposit with excellent mineralogy results in high purity products; Vanadium, High Purity Pig Iron and Commercial Titanium Slag.
- Once constructed and operating, Project Volt could lead the way as an important contributor in the decarbonization of the steel industry. It would also be the only primary Vanadium mine in North America.

Market Dynamics

High Purity Iron

- HPI products, such as merchant pig iron (“MPI”) and high purity pig iron (“HPPI”) are high value inputs in steel making that command a premium price.
- Worldwide, most of those products are produced in China. Historically, the United States of America has been a net importer mainly from Brazil, Russia, Ukraine and South Africa. Becoming a producer in a safe North American jurisdiction could be highly strategic.
- Virgin steel required to dilute increased scrap metal usage, (scrap used to reduce green house gas but contaminated with alloys), to meet steel specifications.
- As a result, BlackRock is well positioned to provide high quality products with some of the most competitive market pricing.

Vanadium and Titanium co-products

- Presently, most of the worldwide vanadium consumption is destined for the steel production industry, for which developing nations are fueling growth. Still, it is expected that demand for vanadium redox flow batteries could significantly increase further market growth worldwide.
- China is also a very large producer compared to North America. Therefore, BlackRock also sees strategic value into potential supply diversification that Project Volt would provide.
- Titanium is a “quality-of-life product”, for which consumption per capita typically correlates with gross domestic product growth and disposable income increases. Global demand is expected to remain strong.

Sale and Investment Solicitation Process

Important notice

Non-binding letter of intent submission deadline is 5:00 p.m. (Eastern time) on March 9, 2022.

- On December 23, 2021, BlackRock commenced a restructuring under the Companies’ Creditors Arrangement Act (Canada) before the Superior Court of Québec (Commercial Division) in the District of Montréal (the “Court”) pursuant to an order granted by the Court on the same day, which was amended on January 7, 2022.
- On January 7, 2022, the Court also granted an order, authorizing the Debtors to undertake a sale and investment solicitation process (“SISP”) for the sale of their business, property, assets and undertaking (collectively, the “Business”). The SISP shall be conducted by the monitor, Deloitte Restructuring Inc., for the Debtors.
- The SISP is intended to solicit interest in, and opportunities for:
 - One or more sales or partial sales of all, substantially all, or certain portions of the Business; and/or,
 - For an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Debtors or its 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 of the Debtors as a going concern of a sale, or partial sale, of all, or certain of the Business or a combination thereof.

Inquiries and Contact Information

All inquiries regarding BlackRock and the potential sale, recapitalization, refinancing, or other financing transaction should only be directed to Deloitte’s BlackRock email listed below. Unless otherwise approved in advance by the Deloitte Restructuring Inc., prospective interested parties should under no circumstances communicate directly with BlackRock or its management, Board of Directors, Special Committee, shareholders, creditors, employees, suppliers and other constituencies as described more fully in the non-disclosure agreement.

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