

Affidavit of Hein Frey #6
affirmed: July 25, 2024

No: S238572
Vancouver Registry



IN THE SUPREME COURT OF BRITISH COLUMBIA

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

- AND -

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF
MYRA FALLS MINE LTD.

AFFIDAVIT

I, **HEIN FREY**, of the City of Paarl, Western Cape, South Africa, AFFIRM THAT:

1. I am the Head of North American Mining Operations of Myra Falls Mine Ltd. (referred to in this affidavit as the "**Company**" or "**MFM**"). I have been involved in the financial and operational management of the Company since May of 2023. As a result, I have personal knowledge of the matters to which I hereinafter depose save and except where I refer to matters based on information and belief, in which case I verily believe that information to be true.

2. Capitalized terms used in this affidavit and not otherwise defined herein have the meaning given to them in my fourth Affidavit, affirmed on June 17, 2024 or the Order of this Honourable Court granted on December 28, 2024 (the "**ARIO**").

Introduction and Relief Being Sought

3. On December 18, 2023, the Supreme Court of British Columbia (the "**CCAA Court**"), granted MFM an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), which provided for, among other things:

(a) the Stay Period in favour of MFM, until and including December 28, 2023;

- (b) the Administration Charge up to the maximum of \$350,000;
 - (c) the Directors' Charge up to the maximum of \$650,000;
 - (d) the Company's ability to borrow up to a maximum of \$4,000,000 under a debtor-in-possession credit facility (the "**DIP Facility**") pursuant to a DIP Term Sheet (the "**DIP Term Sheet**"), among MFM, as borrower and Trafigura US Inc., as interim lender (the "**Interim Lender**") and corresponding Interim Lender's Charge;
 - (e) that FTI Consulting Canada Inc. be appointed as Court-appointed monitor of the Company (in such capacity, the "**Monitor**"); and
 - (f) authority for the Company to pay the Initial Hardship Payment.
4. On December 28, 2023, the CCAA Court granted the ARIO, which, among other things:
- (a) extended the Stay Period up to and including February 29, 2024;
 - (b) authorized the Company to borrow up to \$21,000,000 from the Interim Lender under the DIP Facility, together with a corresponding increase in the amount of the Interim Lender's Charge;
 - (c) increased the amount of the Administration Charge to \$800,000;
 - (d) increased the amount of the Directors' Charge to \$1,200,000;
 - (e) granted the Interim Lender's Charge, the Administration Charge and the Directors' Charge priority ahead of secured creditors pursuant to ss. 11.2(2), 11.51(2) and 11.52(2) of the CCAA; and
 - (f) authorized the Company to, in its discretion, make a Supplemental Hardship Payment to terminated or temporarily laid off employees.
5. On February 27, 2024, the CCAA Court granted an Order (the "**SISP Order**"), which, among other things:
- (a) extended the Stay Period until June 30, 2024;

- (b) approved a sale and investment solicitation process for offers or proposals to purchase, or invest in, all or substantially all of the Property and Business of MFM (the “**SISP**”);
 - (c) approved the engagement letter dated as of February 2, 2024 between the Company and FTI Capital Advisors-Canada ULC (the “**Financial Advisor**”); and
 - (d) granted the Financial Advisor the benefit of the Administration Charge.
6. On March 7, 2024, the CCAA Court granted an Order (the “**Approval and Vesting Order**”) which, among other things, approved the sale of the Company’s interest in the Epiroc Lease (as defined in the Approval and Vesting Order) to Breakwater-Resources Ltd., pursuant to a sale and assignment agreement dated and effective as of February 28, 2024.
7. On June 28, 2024, the CCAA Court granted an Order (the “**KERP Order**”) which, among other things:
- (a) extended the Stay Period up to and including August 2, 2024;
 - (b) authorized the Company to borrow an additional \$5,500,000 from the Interim Lender pursuant to the DIP Facility for an aggregate principal amount of \$26,500,000, together with a corresponding increase in the amount of the Interim Lender’s Charge; and
 - (c) approved a KERP (as attached to, and defined in, the KERP Order) in respect of the Company’s Key Employees.
8. This affidavit is being filed in support of an application by the Company returnable August 2, 2024, for Orders in the forms to be filed with the CCAA Court, among other things:
- (a) extending the Stay Period up to and including October 31, 2024;
 - (b) authorizing MFM to retain the services of Grant Thornton LLP (“**Grant Thornton**”) for the purpose of providing the Report on Financial Information (as defined below);

- (c) authorizing the Company to enter into a transaction (the “**AMTI Transaction**”) contemplated by an Asset Purchase Agreement dated and effective as of July 25, 2024 (the “**AMTI Agreement**”) between MFM, as seller, and Amalgamated Mining & Tunnelling Inc. (“**AMTI**”), as purchaser, in respect of MFM’s rights, title and interest in the AMTI Equipment (as defined below), and vesting in AMTI all of MFM’s rights, title and interest in and to the AMTI Equipment (save and except for a 2016 Sandvik Loader) which shall be transferred to MFM, free and clear of all claims all in accordance with the AMTI Agreement;
- (d) authorizing the Company to enter into a transaction (the “**NTM Transaction**”) contemplated by a Sale and Assignment of Equipment Lease Agreement, substantially in the draft form attached as **Exhibit “A”** to this Affidavit (the “**NTM Agreement**”) between MFM, as seller, and Nyrstar Tennessee Mines – Strawberry Plains LLC (“**NTM**), an affiliate of MFM, as purchaser, in respect of MFM’s rights, title and interest in the Sandvik Lease (as defined below), and vesting in NTM all of MFM’s rights, title and interest in and to the Sandvik Lease, free and clear of all claims;
- (e) approving an equipment tender process (the “**Tender Process**”) in respect of certain of MFM’s equipment and parts inventory, and granting certain ancillary relief, all as described in detail below;
- (f) authorizing the Company to enter into a financing agreement (the “**CAFO Agreement**”) with CAFO Inc. (“**CAFO**”) with respect to the financing by CAFO of the premium payable by MFM in relation to its Property Insurance Policy, and granting CAFO a first-ranking priority Court-Ordered charge to the unearned premium of such Insurance Policy; and
- (g) authorizing MFM to borrow up to an additional amount of \$7,500,000 pursuant to the terms of the Amended DIP Term Sheet (as defined in the KERP Order), and granting an increase in the amount of the Interim Lender’s Charge to \$34,000,000 (plus accrued and unpaid interest, fees and expenses).

Update on the Proceedings

9. Since the Company last appeared before the CCAA Court on June 28, 2024, MFM has, in good faith and with diligence, continued its efforts to restructure its operations and assets, with a view to emerging from these CCAA Proceedings, as a viable entity. The Company's plan to restructure, and the steps it is taking in respect thereof, are described in the section titled "The Company's Restructuring" below.

10. The Company is also continuing to deal with various operational and legal matters that have arisen during the course of its care and maintenance operations and the CCAA Proceedings. With the assistance of its legal advisors or the Monitor as required, the Company has:

- (a) updated the Life of Mine schedule, to incorporate the most recent geological test results resulting in a higher confidence mine plan;
- (b) developed an updated mine plan that increases the life of the Mine and, subject to improvements in operating costs and external market factors, will increase the prospects of the reopening of the Mine;
- (c) started a detailed redesign of all potential mining areas as part of optimization with an anticipated completion date of end of Q3.;
- (d) advanced discussions with contract operators with interest in potentially operating the Mine in the short to medium term;
- (e) worked and continues to work cooperatively with representatives of the Canada Revenue Agency ("**CRA**") to provide CRA with information it requires to audit and otherwise review the Company's input tax credits;
- (f) sought and considered financing alternatives for the financing of its Insurance Policy premium;
- (g) communicated with many of its suppliers with respect to pre-filing payments owing to them;
- (h) developed information and prepared a presentation for the Union and advanced an agenda and proposed timelines for future and further negotiations;

- (i) held discussions at a virtual meeting with the national president of the Union and locally elected representatives (collectively, the “**Union Representatives**”);
- (j) negotiated an engagement letter with Grant Thornton for the purpose of providing the Report of Financial Information, which, at the present time, is anticipated to be finalized and executed in the following weeks;
- (k) exchanged drafts of a non-disclosure agreement with the Union, in order to allow the disclosure of summary performance information to the Union Representatives;
- (l) Communicated with the British Columbia Ministry of Labour, Employment Standards Branch with respect to claims commenced by former employees in breach of the ARIO;
- (m) developed the Tender Process and continues to prepare the information required for its launch;
- (n) with the input and assistance of the Monitor, developed the process by which the Sandvik Lease would be advertised for sale to third parties, prepared the materials required for such advertisement and made such advertisements for a period of two weeks all as described below;
- (o) negotiated and finalized the terms of the AMTI Agreement and executed the AMTI Agreement;
- (p) negotiated and drafted the term of the NTM Agreement, which execution is anticipated in the coming days;
- (q) discussed with, and obtained the consent of, the Interim Lender to the AMTI Transaction, the NTM Transaction and the Tender Process and confirmed the Interim Lender’s support for the further stay extension;
- (r) attended to the reporting required pursuant to the Amended DIP Term Sheet;
- (s) held weekly status update meetings with the Monitor, the Monitor’s advisors and the advisors to the Company;

- (t) continued work on reconciliation of underfunded amounts in the defined contribution pension plan, and addressed inquiries from the Union regarding same;
- (u) held meetings with the Wei Wai Kum First Nation and the We Wai Kai First Nation on general operational matters, potential service agreements, introduction to the new Impact Benefit Agreement representative and the life of mine committee meeting; and
- (v) with assistance of the Monitor, prepared updated cash flow forecast (the **“Updated Cash Flow Forecast”**).

The Company’s Restructuring

11. The SISP concluded in May 2024 without generating any Qualified Phase I Bids (as defined in the SISP).

12. The SISP confirmed that no third party was interested in operating the Mine as a going concern, including assuming the environmental obligations related to the Mine’s activities.

13. As a result, and in order to avoid a permanent shut down of the Mine, the Company, its parent Trafigura PTE Ltd (**“TPTE”**) and the Interim Lender (together with TPTE and their affiliates, the **“Trafigura Group”**), began discussing the circumstances under which the Trafigura Group would be prepared to continue supporting the operations of the Company in the future, including available transaction structures within the CCAA Proceedings to implement a restructuring of the Company.

14. The Company has been unprofitable for several years and could not operate without the financial support of the Trafigura Group.

15. The Trafigura Group is no longer willing to support the Company without significant cost-saving measures being implemented by the Company.

16. The Company, with the support of the Trafigura Group, has been developing a 5 to 7 year business plan following restart of operations at the Mine (the **“Restart Plan”**). The Restart Plan is based on certain assumptions including with respect to cost of labour, commodity

prices, negotiation of a potential contract with third party operators, and ongoing discussion and engagement with key stakeholders.

17. On July 4, 2024, the Company, its legal advisors, the Monitor, its counsel and the Union Representatives met virtually to discuss MFM's current situation and challenges.

18. At the meeting, the parties agreed to continue their discussions at an in-person meeting to be held the week of August 19, 2024. In addition, MFM agreed to provide certain financial information to the Union Representatives once a non-disclosure agreement has been put in place, and offered to retain the services of a third-party accounting firm who could provide independent confirmation regarding certain financial information of the Company (the "**Report on Financial Information**").

19. The collective bargaining agreement between the Company and the Union expired in the fall of 2023. At the time, the parties began negotiations for a new collective bargaining agreement, however, these negotiations were never completed. The Company's ability to reach a new agreement with the Union is a gating issue to implementing the Restart Plan.

20. The Company is in the process of finalizing an engagement with Grant Thornton for the purpose of providing the Report on Financial Information and is now seeking the CCAA Court's approval of such future engagement.

21. Management has spent considerable time reworking the mine's operational plan, including revisions and optimizations to mine design techniques employed and annual production targets. With these changes it is anticipated that life of mine can be extended from 4 to 7 years.

22. The company has also advanced discussions with contract operators with interest in potentially operating the Mine in the short to medium term. Given current commodity prices and the proposals for contract operations in conjunction with reduced production costs and improved productivity, management believes Myra Falls mine could be operated profitably.

AMTI Transaction

23. MFM and AMTI are parties to five financing leases (collectively the "**AMTI Financing Lease**") that are detailed in the Affidavit of Donald MacLellan filed in this matter on June 25, 2024 (the "**MacLellan Affidavit**") with respect to these five pieces of equipment. AMTI has

filed financing statements in the British Columbia Personal Property Registry ("**PPR**"). Other than the Charges ordered by the CCAA Court in these CCAA Proceedings, I am not aware of any other parties have filed financing statements in the PPR against this equipment.

24. Prior to the commencement of the CCAA Proceedings, one of the pieces of equipment financed by AMTI was irretrievably buried underground following a fall of ground (the "**Destroyed AMTI Equipment**"). The details of the remaining 4 pieces of equipment (the "**AMTI Equipment**") are contained in the AMTI Agreement attached as **Exhibit "B"** hereto and in the MacLellan Affidavit.

25. At various points during the CCAA Proceedings, MFM and AMTI discussed the return to AMTI, or buy out by MFM or one of its affiliates, of the AMTI Equipment. AMTI expressed a strong interest in the return of the AMTI Equipment.

26. Since the Mine is in care and maintenance at this time, MFM does not require the AMTI Equipment.

27. On May 28, 2024, AMTI's counsel on behalf of AMTI, delivered a non-binding offer to purchase the AMTI Equipment (the "**Initial AMTI Offer**") in exchange for a cancellation of the amounts owed to AMTI under the AMTI Financing Lease and a cash amount (the "**Cash Amount**"). The Initial AMTI Offer described AMTI's value assumptions for the AMTI Equipment.

28. On February 16, 2024, MFM had obtained an appraisal of the AMTI Equipment from Rouse Services Canada Ltd. (the "**AMTI Rouse Appraisal**"). The values ascribed to the AMTI Equipment in the Initial AMTI Offer and the AMTI Rouse Appraisal differed significantly. A copy of the AMTI Rouse Appraisal is attached as **Exhibit "C"** hereto.

29. To assist arriving at an agreed upon Cash Amount, a third appraisal was obtained from Allen Repairs & Appraisals Inc. (the "**Allen Appraisal**"). A copy of the Allen Appraisal is attached as **Exhibit "D"** hereto.

30. Following receipt of the Allen Appraisal, MFM and AMTI exchanged counter-offers and on July 25, 2024, entered into the AMTI Agreement. The AMTI Agreement includes a Cash Amount that is superior to that originally offered by AMTI in the AMTI Initial Offer.

31. Pursuant to the AMTI Agreement, AMTI agrees to: (i) release MFM of all amounts it owes under the AMTI Financing Lease, (ii) pay MFM a Cash Amount of \$295,000, and (iii) transfer title to the AMTI Destroyed Equipment to MFM, in exchange for which MFM agrees to sell the AMTI Equipment to AMTI and seek an approval and vesting order in respect of it.

32. I reviewed the terms of the AMTI Initial Offer, the AMTI Rouse Appraisal and the Allen Appraisal, and I am satisfied that the purchase price payable by AMTI under the AMTI Agreement is reasonable and reflects: (i) the appraised values of the AMTI Equipment, (ii) the secured position of AMTI vis-à-vis the AMTI Equipment, and (iii) the amounts owed to AMTI, including arrears under the AMTI Financing Lease. I believe that the AMTI Agreement is a reasonable settlement of all matters between AMTI and MFM.

33. I understand that the beneficiaries of the Court-Ordered Charges have consented to the release of their charges vis-à-vis the AMTI Equipment.

34. Prior to entering into the AMTI Agreement, MFM discussed the terms thereof with the Monitor and its counsel. I understand that the Monitor will file a report supporting the approval of the AMTI Agreement.

NTM Transaction

35. MFM and Sandvik Canada, Inc. (t/a Sandvik Customer Finance Canada) ("**Sandvik**") entered into a financial lease (the "**Sandvik Lease**") with respect to 4 pieces of equipment (the "**Sandvik Equipment**"). TPTE guaranteed MFM's obligations under the Sandvik Lease. Sandvik has registered financing statements in the PPR in respect of the Sandvik Equipment. Other than the Court-Ordered Charges in these CCAA Proceedings, I am not aware of any other secured creditor, other than Trafigura US, Inc., that has registered financing statements in the PPR against the Sandvik Equipment.

36. MFM does not require the Sandvik Equipment.

37. NTM owns and operates 3 zinc mines in Tennessee. Earlier in the CCAA Proceedings, NTM indicated an interest in purchasing the Sandvik Equipment. NTM has indicated that it would like to purchase the Sandvik Equipment immediately.

38. MFM obtained an appraisal of the Sandvik Equipment from Rouse (the "**Sandvik Rouse Appraisal**"). The Sandvik Rouse Appraisal revealed that MFM had significant equity in

the Sandvik Equipment. A copy of the Sandvik Rouse Appraisal has been attached as Exhibit "C" hereto.

39. MFM advertised the Sandvik Lease for sale with a view to ensuring that no arm's length party would be willing to enter into a transaction with respect to the Sandvik Lease that would yield a greater return to MFM than the NTM Transaction.

40. MFM, with the assistance of the Monitor, arranged for an advertisement (the "**Sandvik Lease Ad**") to be published in the weekly and daily electronic newsletters of the Northern Miner. The Northern Miner is a well-established and widely-distributed mining and exploration publication. I understand that the weekly edition of the Northern Miner is distributed to approximately 12,000 subscribers and there are 3,500 subscribers on the daily newsletter.

41. The Sandvik Lease Ad was published in the weekly newsletter on July 11 and July 18, 2024 and in the daily newsletter from July 15th to July 22nd. Copies of the Sandvik Lease Ad and information posted on the Monitor's Website in respect of the Sandvik Lease opportunity, which was linked to the Sandvik Lease Ad are attached, respectively, as **Exhibit "E"** and **Exhibit "F"** hereto.

42. I am advised by the Monitor that they received no expressions of interest regarding the assumption of the Sandvik Lease. As a result, NTM and MFM are expected to enter into the NTM Agreement, and Sandvik is expected to consent to such assignment.

43. The NTM Transaction contemplates that NTM will assume the lease for the Sandvik Equipment and the obligation to make ongoing lease payments and will also pay Sandvik certain arrears lease payments. In addition, NTM will pay MFM, in cash, the amount of \$2,000,000, which reflects the equity value of the lease for the Sandvik Equipment based on the fair market value described in the Sandvik Rouse Appraisal

44. The NTM Agreement fully recognizes MFM's equity in the Sandvik Equipment since the price NTM is paying to MFM is based on fair market value and not a reduced forced sale value.

45. Sandvik is agreeable to NTM assuming the Sandvik Lease and the beneficiaries of the Court-Order Charges, including the Interim Lender, are expected to consent to the release of their charges vis-à-vis these assets.

46. MFM has discussed the terms of the NTM Agreement with the Monitor and its counsel. I understand that the Monitor will file a report supporting the approval of the NTM Agreement.

Tender Process¹

47. As part of the review of its operations, MFM is identifying pieces of equipment and equipment parts it owns but no longer requires (the “**Inventory Classification**”) (collectively, the “**Tendered Assets**”).

48. With the assistance of the Monitor, MFM has developed a process pursuant to which, following the Company’s Inventory Classification, MFM will solicit offers for the Tendered Assets (the “**Tender Process**”).

49. MFM has currently identified thousands of pieces of equipment to categorize. It is anticipated that the Company will require until the end of September to complete the Inventory Classification to ensure accurate stock valuation and categorization. To expedite the process, the Company is in negotiations with a specialized company to support MFM to complete the Inventory Classification in an expedite manner.

50. The Tender Process is described in detail in the draft Tender Process Letter attached as **Exhibit “G”** hereto.

51. The most salient terms of the Tender Process are summarized below:

- (a) the Tender Process will be conducted by MFM under the supervision, and with the assistance, of the Monitor;
- (b) the Tender Process canvasses interest from Prospective Purchasers in some or all of the parcels of Tendered Assets;
- (c) MFM, with the assistance of the Monitor, will prepare a list of Prospective Purchasers to whom Invitation for Offers will be sent;
- (d) MFM, assisted by the Monitor, will populate a virtual data room (the “**VDR**”) containing details, and where available, pictures, of the Tendered Assets.

¹ All capitalized terms used in this section not otherwise defined herein are used as defined in the Tender Process Letter

Execution of a non-disclosure agreement will not be required in order to gain access to the VDR;

- (e) Offers for Tendered Assets must be (i) in the Form of Offer prepared by MFM and posted in the VDR (or if changes are made, accompanied by a comparison to the Form of Offer), (ii) received by the Company (with a copy to the Monitor) no later than 4PM (Pacific Time) on a day that is not later than 45 days following the date that the Invitation for Offers is sent to the Prospective Purchaser, and (iii) accompanied with a deposit equal to 10% of the purchase price offered for the Tendered Assets; and
- (f) if MFM receives one or more acceptable Offers, it will negotiate purchase agreements with Prospective Purchasers and, unless not required pursuant to the terms of the Omnibus Approval Order (as defined below) if granted by this Honourable Court, will seek the CCAA Court's approval of such agreements, and the vesting of the assets described therein to the purchaser party thereto free and clear of all claims.

52. The Tender Process allows Prospective Purchasers to make an Offer in respect of individual parcels of Tendered Assets. As such, the monetary value of some of the transactions arising out of the Tender Process may be relatively small (each, a "***De Minimis Transaction***").

53. In order to mitigate transaction costs in respect of *De Minimis Transactions* (if any), MFM is seeking an Order (the "**Omnibus Approval Order**"): (i) authorizing MFM, with the prior consent of the Monitor, to dispose of redundant or non-material assets up to \$1,000,000 for individual transactions, and up to \$4,000,000 in the aggregate, for all transactions arising from the Tender Process, notwithstanding the limits set out in the ARIO; (ii) providing a mechanism to advise the Service List and any creditors with financing statements registered in the PPR over the equipment to be sold of MFM's intention to complete a *De Minimis Transaction*, and (iii) if no Notice of Objection is received, allowing MFM to complete such transaction without the need to return to the CCAA Court. The Omnibus Approval Order, if granted, also contains a mechanism allowing purchased assets in *De Minimis Transactions* to vest in purchasers, free and clear of all claims, upon the filing of a Monitor's certificate.

CAFO Agreement

54. MFM is currently in discussions with CAFO concerning the arrangement for CAFO to finance the premium associated with MFM's property insurance policy. Such arrangement is consistent with MFM's historical approach.

55. As of the time of affirming this affidavit, the specifics of the CAFO Agreement are still under discussion and have yet to be determined.

Increasing the DIP Facility and the Interim Lender's Charge

56. On December 17, 2023, the Company entered into the DIP Term Sheet with the Interim Lender. The Initial Order approved the DIP Term Sheet, with a borrowing limit of up to \$4,000,000. The Initial Order also granted the Interim Lender's Charge to secure the obligations of the Company to the Interim Lender under the DIP Term Sheet to a maximum amount of \$4,000,000 (plus accrued and unpaid interest, fees and expenses).

57. The ARIO was granted on December 28, 2023, which, *inter alia*, approved an increase to the borrowing limit under the DIP Term Sheet up to the principal amount of \$21,000,000, and granted an increase to the Interim Lender's Charge accordingly.

58. The KERP Order increased the borrowing limit to \$26,500,000 and granted an increase to the Interim Lender's Charge accordingly.

59. The Company now seeks authority to increase its borrowing limit by \$7,500,000, for total aggregate borrowings under the Amended DIP Term Sheet of \$34,000,000, and a commensurate increase to the Interim Lender's Charge. The Company intends to utilize the funds from the Amended DIP Term Sheet in accordance with the Updated Cash Flow Forecast, a copy of which is attached to the Monitor's Fourth Report.

60. The Company will continue to require interim financing to fund its operations during the proposed extension of the Stay Period. Access to this additional interim financing is necessary to MFM's ongoing working capital requirements and the cost of these proceedings.

Stay Extension

61. The Company requires additional time to implement the Tender Process and continue its discussions with stakeholders, including the Union and the First Nations and continue

discussions with potential third party operators, on the Restart Plan. MFM is working in good faith to advance the Restart Plan and hopefully conclude a transaction that will see a restructured MFM resume mining operations.


62. MFM is asking this Honourable Court to extend the Stay Period until October 31, 2024. This relief is consistent with MFM's restructuring efforts, required to continue developing the Restart Plan and pursue a restructuring transaction, and in my view, is reasonable and appropriate in the circumstances and preferable to any alternative.

63. Should the Court approve the increased borrowing limit, MFM will have sufficient funds to discharge its obligations as per the Updated Cash Flow Statement.

Conclusion

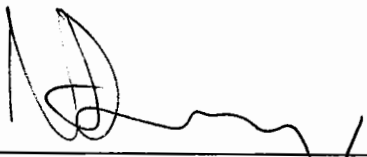
64. In conclusion, the Company's actions and efforts detailed herein reflect a deliberate and responsible approach to the Company's financial restructuring, guided by good faith and diligence. The Orders the Company seeks are vital to sustaining operations and the restructuring process, crucial for safeguarding the interests and value for all stakeholders.

AFFIRMED BEFORE ME in Vancouver,
British Columbia on July 25, 2024.



A Commissioner for taking Affidavits within
British Columbia.

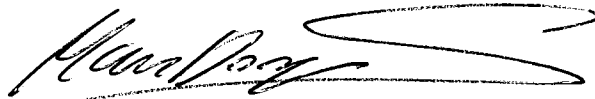
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HEIN FREY

MANUEL DOMINGUEZ
GOWLING WLG (CANADA) LLP
BARRISTER & SOLICITOR
550 BARRARD STREET - SUITE 2300
BENTALL 5 - VANCOUVER, B.C. V6C 2B5
TELEPHONE: (604) 891-2772

This is Exhibit "A" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia

SALE AND ASSIGNMENT OF EQUIPMENT LEASE

BETWEEN:

MYRA FALLS MINE LTD., a corporation existing under the laws of British Columbia

(the "Assignor")

- and -

NYRSTAR TENNESSEE MINES – STRAWBERRY PLAINS LLC, a corporation existing under the laws of •

(the "Assignee")

CONTEXT:

- A. **WHEREAS** the Assignor has agreed to sell and assign and the Assignee has agreed to buy and assume all rights and obligations under a master equipment lease agreement dated April 19, 2018 (the "**Lease**") between the Assignor and Sandvik Canada, Inc. (t/a Sandvik Customer Finance Canada) ("**Sandvik**") for certain equipment detailed on **Schedule A**. (the "**Equipment**"). The Assignee shall assume all obligations under the Lease including obligations to make outstanding lease payments as well as future lease payments all as detailed on **Schedule B**.
- B. **AND WHEREAS** on December 18, 2023, the Supreme Court of British Columbia granted the Assignor an initial order under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA Proceeding**") and thereafter, the Assignor placed the Myra Falls Mine on care and maintenance.
- C. **AND WHEREAS** the Assignee shall assume all obligations under the Lease including obligations to make outstanding lease payments, certain lease purchase option payments and future lease payments and the Assignee shall also be entitled to all benefits of the Lease including the right to use the Equipment according to the terms of the Lease and the right to acquire the Equipment under the lease purchase option.

THEREFORE, for good and valuable consideration as provided herein, the parties agree as follows:

1. Certain Rules of Interpretation

- 1.1 In this agreement (the "**Agreement**"), words signifying the singular number include the plural and vice versa, and words signifying gender include all genders.
- 1.2 The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- 1.3 References in this Agreement to a Section are to be construed as references to a Section of or to this Agreement unless otherwise specified.

2. Assignment

Effective from and after the effective date of this Agreement (the "**Closing Date**") and subject to satisfaction of the conditions set out herein, the Assignor sells, assigns, transfers and sets over to the Assignee for the sole use and benefit of the Assignee, all of the Assignor's right and title to and interest in the Lease together with the benefit of all covenants, guarantees and warranties under the Lease and all benefits and other advantages, if any, to be derived from the Lease.

3. Consideration

In consideration of the sale and assignment of the Lease by the Assignor to the Assignee, the Assignee shall pay the amount of \$2,000,000 Cdn to the Assignor together with GST / HST in the amount of \$100,000 if applicable (the "**Purchase Price**").

4. Assumption

The Assignee accepts the assignment as set out in Section 2 above, and effective from and after the effective date of this Agreement, the Assignee will assume all of the obligations, duties and liabilities of the Assignor arising from the Lease to the exclusion of the Assignor, and the Assignee shall indemnify and save harmless the Assignor from and against any and all claims made against the Assignor in respect of the Lease or the use of the Equipment from and after the effective date hereof.

5. Warranties

- 5.1 The Assignor represents and warrants to and in favour of the Assignee that: (a) the execution, delivery and performance by the Assignor of this Agreement has been duly authorized by all necessary corporate action on the part of the Assignor subject to the issuance of an approval and vesting order substantially in the form of **Schedule C** hereto (the "**Approval and Vesting Order**") by the Court in the CCAA Proceeding.
- 5.2 The Assignee represents and warrants to and in favour of the Assignor that: (a) this Agreement has been duly executed and delivered by the Assignee and constitutes a legal, valid and binding obligations of the Assignee, enforceable against it in accordance with its terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- 5.3 The Assignee acknowledges that this sale and assignment is done on an "As is; Where is" basis and the Assignor has made no representation or warranty as to the condition of the Equipment or the suitability of the Equipment for any specific purpose and the Assignee has had the opportunity to conduct such inspections and enquiries regarding the Equipment as necessary.
- 5.4 The Assignee has reviewed and is familiar with all of the terms and conditions of the Lease; and
- 5.5 The Assignee will have on the Closing Date, all funds on hand necessary to pay the Purchase Price.

6. Tax

The Assignor is registered under Subdivision (d) of Division V of Part IX of the ETA for the collection and remittance of goods and services tax and harmonized sales tax ("GST/HST") and its registration

number is 871209060 and such registration is in good standing and has not been varied, cancelled or revoked; and c) the Assignor shall remit to the appropriate governmental authority, all GST/HST which is payable under the ETA, in connection with the sale and transfer of the Lease, all in accordance with the ETA.

7. Conditions of Closing for the Mutual Benefit of the Parties

The obligations of either the Assignor or the Assignee to complete the assignment of the Lease are subject to the following conditions to be fulfilled or performed, on or before the Closing Date, which conditions are for the mutual benefit of each of the parties and may only be waived, in whole or in part, by agreement of the parties to this Agreement: (a) the Approval and Vesting Order shall have been issued and entered by the Court and shall not be subject to a stay; (b) receipt of an executed copy of this Agreement by the parties hereto, and consented to this assignment by Sandvik; (c) no legal proceeding shall be pending which attempts to enjoin, restrict or prohibit the assignment of the Lease contemplated hereby; and (d) FTI Consulting Canada Inc. in its capacity as monitor in the CCAA Proceedings shall have provided its consent to the transaction contemplated in this Agreement.

8. Governing Law

This sale and assignment is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable in that Province.

9. Further Assurances

Each party will, at that party's own cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting party to give effect to this Agreement.

10. Enurement

This Agreement enures to the benefit of, and is binding upon, the parties and their respective successors and permitted assigns.

11. Electronic Signatures and Delivery

This Agreement and any counterpart of it may be:

- 11.1 signed by manual, digital or other electronic signatures; and
- 11.2 delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission,

and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the parties.

12. Counterparts

This Agreement may be signed and delivered by the parties in counterparts, with the same effect as if each of the parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

DATED and Effective as of July 25, 2024.

MYRA FALLS MINE LTD.

Per: _____
Name:
Title:

.....**NYRSTAR TENNESSEE MINES – STRAWBERRY PLAINS LLC,**

Per: _____
Name:
Title:

CONSENT

Sandvik Canada, Inc. hereby consents to the sale and assignment of the Lease as described herein **provided that**

1. Upon the assignment of the Lease, the Assignee will pay the amount of \$837,903.98 in respect of arrears lease payments for the Equipment to the date hereof
2. Immediately after the Lease is so assigned, the Assignee shall exercise the purchase option in accordance with the terms and conditions under the Lease and purchase from Sandvik Canada, Inc.

NYRSTAR MYRA FALLS 47200332 - Sandvik TH540 Rebuild - \$100,000 plus GST
NYRSTAR MYRA FALLS 47200355 - Sandvik TH545i Rebuild - \$100,000 plus GST

3. The current guarantee issued by Trafigura Group Pte Ltd. shall continue in place until such time as the Lease is assigned to Nyrstar Tennessee Mines – Strawberry Plains LLC and a new parental guarantee acceptable to Sandvik Canada, Inc. is in place.

SANDVIK CANADA, INC.

Per: _____
Name:
Title:

Schedule A

Equipment

- (i) "Sandvik TH540 Rebuild" (Contract Number 47200332);
- (ii) "New Sandvik TH545i" (Contract Number 47202014);
- (iii) "Sandvik TH545i Rebuild" (Contract Number 47200355); and
- (iv) "New Sandvik DL432i" (Contract Number 47200358);

Schedule B
Lease Payments

(all figures Cdn)

ALL AMOUNTS SHOWN ARE IN CAD

NYRSTAR MYRA FALLS 47200332

| Period | Due Date | Pmt w/tax | |
|--------|------------|------------------|----------|
| 34 | 01/02/2024 | 23,847.39 | Past Due |
| 35 | 01/03/2024 | 23,847.39 | Past Due |
| 36 | 01/04/2024 | 23,847.39 | Past Due |
| | | <u>71,542.17</u> | |
| Buyout | 01/04/2024 | 100,000.00 | PLUS TAX |

NYRSTAR MYRA FALLS 47200355

| Period | Due Date | Pmt w/tax | |
|--------|------------|------------------|----------|
| 32 | 01/02/2024 | 29,532.06 | Past Due |
| 33 | 01/03/2024 | 29,532.06 | Past Due |
| 34 | 01/04/2024 | 29,532.06 | Past Due |
| 35 | 01/05/2024 | 29,532.06 | Past Due |
| 36 | 01/06/2024 | <u>29,532.06</u> | Past Due |
| | | 147,660.30 | |
| Buyout | 01/06/2024 | 100,000.00 | PLUS TAX |

NYRSTAR MYRA FALLS 47200358

| Period | Due Date | Pmt w/tax | |
|--------|------------|-------------------|----------|
| 31 | 15/01/2024 | 47,385.93 | Past Due |
| 32 | 15/02/2024 | 47,385.93 | Past Due |
| 33 | 15/03/2024 | 47,385.93 | Past Due |
| 34 | 15/04/2024 | 47,385.93 | Past Due |
| 35 | 15/05/2024 | 47,385.93 | Past Due |
| 36 | 15/06/2024 | 47,385.93 | Past Due |
| 37 | 15/07/2024 | 47,385.93 | Past Due |
| 38 | 15/08/2024 | 47,385.93 | |
| 39 | 15/09/2024 | 47,385.93 | |
| 40 | 15/10/2024 | 47,385.93 | |
| 41 | 15/11/2024 | 47,385.93 | |
| 42 | 15/12/2024 | 47,385.93 | |
| 43 | 15/01/2025 | 47,385.93 | |
| 44 | 15/02/2025 | 47,385.93 | |
| 45 | 15/03/2025 | 47,385.93 | |
| 46 | 15/04/2025 | 47,385.93 | |
| 47 | 15/05/2025 | 47,385.93 | |
| 48 | 15/06/2025 | 47,385.93 | |
| | | <u>852,946.74</u> | |
| Buyout | 15/06/2025 | 251,918.92 | PLUS TAX |

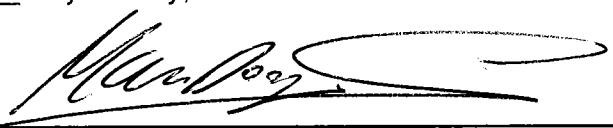
NYRSTAR MYRA FALLS 47202014

| Period | Due Date | Pmt w/tax | |
|--------|------------|-------------------|----------|
| 20 | 15/01/2024 | 41,000.00 | Past Due |
| 21 | 15/02/2024 | 41,000.00 | Past Due |
| 22 | 15/03/2024 | 41,000.00 | Past Due |
| 23 | 15/04/2024 | 41,000.00 | Past Due |
| 24 | 15/05/2024 | 41,000.00 | Past Due |
| 25 | 15/06/2024 | 41,000.00 | Past Due |
| 26 | 15/07/2024 | 41,000.00 | Past Due |
| 27 | 15/08/2024 | 41,000.00 | |
| 28 | 15/09/2024 | 41,000.00 | |
| 29 | 15/10/2024 | 41,000.00 | |
| 30 | 15/11/2024 | 41,000.00 | |
| 31 | 15/12/2024 | 41,000.00 | |
| 32 | 15/01/2025 | 41,000.00 | |
| 33 | 15/02/2025 | 41,000.00 | |
| 34 | 15/03/2025 | 41,000.00 | |
| 35 | 15/04/2025 | 41,000.00 | |
| 36 | 15/05/2025 | 41,000.00 | |
| | | <u>697,000.00</u> | |
| Buyout | 15/05/2025 | 216,117.00 | PLUS TAX |

TOTAL CURRENT PAST DUE (July 25, 2024) \$837,903.98 CAD INCLUDES TAXES

Schedule C

This is Exhibit "B" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia

ASSET PURCHASE AGREEMENT

BETWEEN:

MYRA FALLS MINE LTD., a corporation existing under the laws of British Columbia

("MFM")

- and -

AMALGAMATED MINING & TUNNELLING INC., a corporation existing under the laws of Alberta

("AMTI" and collectively with MFM the "**Parties**")

CONTEXT:

- A. **WHEREAS** on December 18, 2023, the Supreme Court of British Columbia (the "**Court**") granted MFM an initial order under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA Proceedings**") and thereafter, MFM placed the Myra Falls Mine on care and maintenance.
- B. **AND WHEREAS** MFM remains indebted to AMTI for amounts owing pursuant certain equipment leases.
- C. **AND WHEREAS** in accordance with the terms of this Agreement, AMTI has made a credit and cash bid in the CCAA Proceedings whereby certain of the assets and undertakings of MFM shall be transferred to AMTI for the consideration provided for in this Agreement.
- D. **AND WHEREAS** MFM, subject to approval by the Court, has agreed to sell, transfer and assign to AMTI, all of the right, title and interest of MFM in and to the Purchased Assets (as defined herein), and AMTI has agreed to purchase the Purchased Assets from MFM, on the terms and conditions set forth herein.
- E. **AND WHEREAS** AMTI, subject to approval by the Court, has agreed to sell, transfer and assign to MFM, all of the right, title and interest of AMTI in and to the 2016 Sandvik Loader (as defined herein), and MFM has agreed on the terms and conditions set forth herein.

THEREFORE, for good and valuable consideration as provided herein, the parties agree as follows:

1. **Certain Rules of Interpretation**

- 1.1 In this agreement (the "**Agreement**"), words signifying the singular number include the plural and vice versa, and words signifying gender include all genders.
- 1.2 The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- 1.3 References in this Agreement to a Section are to be construed as references to a Section of or to this Agreement unless otherwise specified.

- 2 -

1.4 All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

2. Purchase and Sale

2.1 MFM hereby agrees to sell, assign, transfer, convey and set over to AMTI, and AMTI hereby agrees to purchase from MFM, all right, title, estate and interest of MFM (whether absolute or contingent, legal or beneficial) in and to the assets and equipment as listed below (the "**Purchased Assets**"), subject to and in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order:

2.1.1 A 2023 Sandvik LH14 Loader bearing serial number SLHL514DKNA0A1038 ("**2023 Sandvik Loader**");

2.1.2 A 2023 Sandvik TH545i Truck bearing serial number T545DCPAOA0249 ("**2023 Sandvik Truck**");

2.1.3 A 2020 Getman EXC 4000 bearing serial number 100-10101 ("**2020 Getman**"); and

2.1.4 A 2021 Sandvik TH545i Truck bearing serial number T545DEMA0A0125 ("**2021 Sandvik**").

2.2 AMTI hereby agrees to sell, assign, transfer, convey and set over to MFM, and MFM hereby agrees to purchase from AMTI, all right, title, estate and interest of AMTI (whether absolute or contingent, legal or beneficial) in and to the 2016 Sandvik LH514 Loader bearing serial number L614D818 ("**2016 Sandvik Loader**"), subject to and in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order.

2.3 The closing date of the transactions contemplated herein shall be the later of three business days following the date upon which all conditions set forth in Article 9 have been satisfied or waived by mutual consent of the Parties or any other date agreed upon in writing by the Parties (the "**Closing Date**").

3. Purchase Price and Payment

3.1 The aggregate consideration to be paid by AMTI to MFM for MFM's right, title and interest in and to Purchased Assets shall be \$3,828,750 (the "**Purchase Price**"), plus applicable GST, which shall be satisfied as follows:

Cancellation of Debt

3.1.1 the Parties agree that the purchase price of the 2023 Sandvik Loader is \$1,265,000, and the buyout value of this unit, when calculated in accordance with the terms of its lease agreement is \$1,414,223, such that the amount owing to AMTI exceeds the purchase price of this unit by \$149,223 (the "**2023 Loader Remaining Debt**"). Upon the conveyance of the 2023 Sandvik Loader to AMTI, AMTI shall confirm that all indebtedness owing by MFM with respect to such unit is indefeasibly paid in full, and AMTI shall waive and release MFM from any obligation to pay the 2023 Loader Remaining Debt;

3.1.2 the Parties agree that the purchase price of the 2023 Sandvik Truck is \$1,485,000, and the buyout value of this unit, when calculated in accordance with the terms of its

lease agreement is \$1,631,806, such that the amount owing to AMTI exceeds the purchase price of this unit by \$146,806 (the “**2023 Truck Remaining Debt**”). Upon the conveyance of the 2023 Sandvik Truck to AMTI, AMTI shall confirm that all indebtedness owing by MFM with respect to such unit is indefeasibly paid in full, and AMTI shall waive and release MFM from any obligation to pay the 2023 Truck Remaining Debt;

- 3.1.3 the Parties agree that the buyout value of the 2016 Sandvik Loader, when calculated in accordance with the terms of its lease agreement, is \$261,800 and such amount shall be credit bid against the cash amounts payable to MFM by AMTI for the 2020 Getman and the 2021 Sandvik such that the indebtedness owed shall be confirmed as indefeasibly paid in full and in consideration for the credit bid of the indebtedness, AMTI shall transfer the title of the 2016 Sandvik Loader from AMTI to MFM.

Cash Consideration

- 3.1.4 the Parties agree that the purchase price of the 2020 Getman is \$358,750, and the buyout value of this unit, when calculated in accordance with the terms of its lease agreement is \$86,350, such that the net cash amount payable to MFM will be \$272,400;
- 3.1.5 the Parties agree that the purchase price of the 2021 Sandvik Truck is \$720,000, and the buyout value of this unit, when calculated in accordance with the terms of its lease agreement is \$435,600, such that the net cash amount payable to MFM will be \$284,400; and
- 3.2 The Parties hereby acknowledge and agree that the Purchase Price set forth in this Section 3 accurately reflects and takes into proper account both the positive value of all of the Purchased Assets as well as the offsetting reductions in value for any outstanding indebtedness associated therewith and the absolute release of MFM of any and all responsibility or liability therefor as it relates to the Purchased Assets and to AMTI as it relates to the 2016 Sandvik Loader, respectively. For greater certainty and the avoidance of doubt, the Parties agree that the total cash consideration which shall be paid by AMTI to MFM on the Closing Date shall be \$295,000.

4. Assumption

- 4.1 On the Closing Date, each of the Parties shall execute and deliver to the other a general conveyance in respect of the assets being transferred to such party, substantially on the form attached hereto as Schedule “B”.

5. Termination of Leases

- 5.1 Effective upon closing of the transactions provided for herein, the Parties agree that as at the Closing Date each and every lease agreement listed below shall terminate and be of no further force or effect and each party shall be released from their covenants and obligations thereunder:
 - 5.1.1 Lease Contract Work Order #5662 dated October 12, 2021 between MFM and AMTI;
 - 5.1.2 Lease Contract Work Order #5674 dated December 20, 2021 between MFM and AMTI;
 - 5.1.3 Lease Contract Work Order #5503 dated June 16, 2022 between MFM and AMTI;

- 5.1.4 Lease Contract Work Order #5877 dated April 5, 2023 between MFM and AMTI; and
- 5.1.5 Lease Contract Work Order #U104 dated April 5, 2023 between MFM and AMTI.

6. Warranties

- 6.1 MFM represents and warrants to and in favour of AMTI that: (a) the execution, delivery and performance by MFM of this Agreement has been duly authorized by all necessary corporate action on the part of MFM subject to the issuance of an approval and vesting order substantially in the form of **Schedule "A"** hereto (the "**Approval and Vesting Order**") by the Court in the CCAA Proceedings; (b) MFM is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada); and (c) MFM is a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act* (the "**ETA**").
- 6.2 AMTI represents and warrants to and in favour of MFM that: (a) this Agreement has been duly executed and delivered by AMTI and constitutes legal, valid and binding obligations of AMTI, enforceable against it in accordance with its terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- 6.3 AMTI acknowledges that the sale and assignment of the Purchased Assets is being completed on as "As is; Where is" basis and MFM has made no representation or warranty as to the condition of the Purchased Assets or the suitability of the Purchased Assets for any specific purpose and AMTI has had the opportunity to conduct such inspections and enquiries regarding such Purchased Assets it deems necessary.
- 6.4 MFM acknowledges that the sale and assignment of the 2016 Sandvik Loader is being completed on as "As is; Where is" basis and AMTI has made no representation or warranty as to the condition of the 2016 Sandvik Loader or the suitability of the 2016 Sandvik Loader for any specific purpose and MFM has had the opportunity to conduct such inspections and enquiries regarding such 2016 Sandvik Loader it deems necessary.
- 6.5 AMTI will have on the Closing Date, all funds on hand necessary to pay the Purchase Price.

7. Waiver and Release

In consideration of the transactions contemplated herein and the agreement by other secured parties having priority claims in the CCAA Proceedings, AMTI hereby irrevocably waives and releases MFM from all claims (monetary or otherwise) that it has or may have, now or in the future, against MFM for any liability arising from, or in connection with, the lease of equipment to MFM, except for MFM's obligation to complete sale transactions described herein.

8. Tax

MFM is registered under Subdivision (d) of Division V of Part IX of the ETA for the collection and remittance of goods and services tax and harmonized sales tax ("**GST/HST**") and its registration number is 871209060 and such registration is in good standing and has not been varied, cancelled or revoked and MFM shall remit to the appropriate governmental authority, all GST/HST which is payable under the ETA, in connection with the sale and transfer of the Purchased Assets, all in accordance with the ETA.

9. Conditions of Closing for the Mutual Benefit of the Parties

The obligations of either MFM or AMTI to complete the transfer of the Purchased Assets and the 2016 Sandvik Loader are subject to the following conditions to be fulfilled or performed, on or before the Closing Date, which conditions are for the mutual benefit of each of the parties and may only be waived, in whole or in part, by agreement of the Parties hereto: (a) the Approval and Vesting Order shall have been issued and entered by the Court and shall not be subject to a stay; (b) receipt of an executed copy of this Agreement by the parties hereto; (c) the Parties have executed and delivered conveyance agreements substantially in the form set out as **Schedule "B"** hereto; (d) no legal proceeding shall be pending which attempts to enjoin, restrict or prohibit the assignment of the Purchased Assets or the 2016 Sandvik Loader contemplated hereby; and (e) FTI Consulting Canada Inc. in its capacity as monitor in the CCAA Proceedings shall have provided its consent to the transaction contemplated in this Agreement.

10. Governing Law

This Agreement shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of British Columbia. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of British Columbia and courts of appeal therefrom in respect of all matters arising out of this Agreement.

11. Further Assurances

All costs and expenses incurred by each party, including any resulting negotiations and agreements, including legal, accounting, broker, agent or finder charges will be borne by the party that incurs such expenses. Each party will, at that party's own cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting party to give effect to this Agreement.

12. Enurement

This Agreement shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

13. Electronic Signatures and Delivery

This Agreement and any counterpart of it may be:

- 13.1 signed by manual, digital or other electronic signatures; and
- 13.2 delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission,

and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the parties.

14. Counterparts

This Agreement may be signed and delivered by the parties in counterparts, with the same effect as if each of the parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

[Remainder of page deliberately left blank; Signature page follows]

DATED and Effective as of July ____, 2024.

MYRA FALLS MINE LTD.

Per: Hein Frey
Name: Hein Frey
Title: Head of North America Mining Assets

AMALGAMATED MINING & TUNNELLING INC.

Per: _____
Name:
Title:

CONSENT

FTI Consulting Canada Inc., LIT hereby consents to transaction as described herein

**FTI CONSULTING CANADA INC., LIT in its capacity as
the court-appointed Monitor of Myra Falls Mine Ltd.
and not in its personal or corporate capacity**

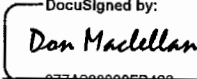
Per: [Signature]
Name: TOM POWELL
Title: SENIOR MANAGING DIRECTOR

DATED and Effective as of July 25th, 2024.

MYRA FALLS MINE LTD.

Per: _____
Name:
Title:

AMALGAMATED MINING & TUNNELLING INC.

Per:  _____
Name: Don MacLellan
Title: Chief Financial Officer

CONSENT

FTI Consulting Canada Inc., LIT hereby consents to transaction as described herein

**FTI CONSULTING CANADA INC., LIT in its capacity as
the court-appointed Monitor of Myra Falls Mine Ltd.
and not in its personal or corporate capacity**

Per: _____
Name:
Title:

Schedule "A"

Approval and Vesting Order

(See Attached)

IN THE SUPREME COURT OF BRITISH COLUMBIA

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 AND ARRANGEMENT OF
MYRA FALLS MINE LTD.

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE)
JUSTICE FITZPATRICK) AUGUST 2, 2024
)

THE APPLICATION of the Petitioner, coming on for hearing before me at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on the 2nd day of August, 2024; AND ON HEARING Jonathan B. Ross, counsel for the Petitioner and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the materials filed, including the Affidavit #6 of Hein Frey affirmed July 25, 2024 (the "**Frey Affidavit #6**"), and the Fourth Report of FTI Consulting Canada Inc. (in its capacity as court-appointed monitor of the Petitioner, the "**Monitor**") dated July [●], 2024; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the *British Columbia Supreme Court Civil Rules*, BC Reg 168/2009 and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

1. the sale transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement dated and effective as of July 25, 2024 (the "**AMTI Agreement**") between the Petitioner and Amalgamated Mining & Tunnelling Inc. (the "**Purchaser**"), a copy of which is attached as Exhibit [●] to the Frey Affidavit #6 is hereby approved, and the

AMTI Agreement is commercially reasonable. The execution of the AMTI Agreement by the Petitioner is hereby authorized and approved, and the Petitioner is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the AMTI Agreement (the "**Purchased Assets**");

2. upon delivery by the Monitor to the Purchaser of a certificate substantially in the form attached as **Schedule "B"** hereto (the "**Monitor's Certificate**"), all of the Petitioner's right, title and interest in and to the Purchased Assets described in the AMTI Agreement shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the ARIO dated December 28, 2024; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets;
3. upon delivery by the Monitor to the Purchaser of the Monitor's Certificate, all of the Purchaser's right, title and interest in and to the 2016 Sandvik LH514 Loader bearing serial number L614D818 (the "**2016 Sandvik Loader**") shall vest absolutely in the Petitioner in fee simple, free and clear of and from any Claims and Encumbrances of the Purchaser, and, for greater certainty, this Court orders that all of the Encumbrances of the Purchaser affecting or relating to the 2016 Sandvik Loader are hereby expunged and discharged as against the 2016 Sandvik Loader;
4. the Monitor is to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof;

5. the Petitioner shall not be required to hold the Purchase Price (as defined in the AMTI Agreement) in trust for the benefit of any Person but rather shall be entitled to use the funds comprising the Purchase Price in the ordinary course of its operations, subject to the ARIO and the other orders made in these proceedings;
6. notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Petitioner now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of the Petitioner,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioner and shall not be void or voidable by creditors of the Petitioner, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation;

7. the Petitioner or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order;
8. endorsement of this Order by counsel appearing on this application other than the counsel for the Petitioner is hereby dispensed with.

THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or Administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant

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representative status to the Monitor in any foreign proceeding, or to assist the Petitioner and the Monitor and their respective agents in carrying out the terms of this Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Jonathan B. Ross
Lawyer for the Petitioner

BY THE COURT

REGISTRAR

25

Schedule "A"

LIST OF COUNSEL

| COUNSEL NAME | PARTY REPRESENTED |
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Schedule "B"FORM OF MONITOR'S CERTIFICATE

No. S238572
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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 AND ARRANGEMENT OF
MYRA FALLS MINE LTD.

MONITOR'S CERTIFICATE**RECITALS:**

1. Pursuant to an Order of the Honourable Justice Fitzpatrick of the Supreme Court of British Columbia (the "**Court**") dated December 18, 2024, as subsequently amended and restated on December 28, 2024, FTI Consulting Canada Inc. was appointed as the monitor (the "**Monitor**") of Myra Falls Mine Ltd. (the "**Petitioner**").
2. Unless otherwise indicated herein, all capitalized terms in this Monitor's Certificate shall have the meaning ascribed to them in the AMTI Agreement dated July 25, 2024 among the Petitioner and Amalgamated Mining & Tunnelling Inc. All references to Purchaser shall include any assignee, if any, to the Purchaser.
3. Pursuant to an Order of the Court, dated August 2, 2024 (the "**Sale Approval Order**"), among other things, the Court approved the AMTI Agreement dated as of July 25, 2024 (the "**AMTI Agreement**") and provided for the vesting in the Purchaser of the Petitioner's right, title, and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate

confirming that the Monitor has been advised by the Petitioner that the sale transaction contemplated by the AMTI Agreement has occurred.

THE MONITOR CERTIFIES the following:

1. The Monitor has been advised by the Petitioner that the sale transaction contemplated by the AMTI Agreement has occurred.

This Monitor's Certificate was executed by the Monitor at Vancouver on **[insert date]**, 2024.

FTI CONSULTING CANADA INC., in its capacity as Court-appointed Monitor of Myra Falls Mine Ltd. and not in its personal or corporate capacity

By: _____
Authorized Signatory

Name: _____
Title: _____

No. S238572
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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 AND
ARRANGEMENT OF

MYRA FALLS MINE LTD.

ORDER
(Approval and Vesting Order)

GOWLING WLG (CANADA) LLP

Barristers & Solicitors
Bentall 5, Suite 2300,
550 Burrard Street
Vancouver, BC V6C 2B5

Attention: Jonathan B. Ross

Tel: 604.683.6498

Fax: 604.683.3558

File No. A172589

JBR/md/msh

Schedule "B"

GENERAL CONVEYANCE

THIS GENERAL CONVEYANCE made as of this _____ day of _____, 2024

BETWEEN:

MYRA FALLS MINE LTD., a corporation existing under the laws of British Columbia

("[Vendor or Purchaser]")

- and -

AMALGAMATED MINING & TUNNELLING INC., a corporation existing under the laws of Alberta

(the "[Vendor or Purchaser]" and collectively with "[Vendor or Purchaser]" the "Parties")

WHEREAS Vendor wishes to sell, and the Purchaser wishes to purchase, the **[Purchased Assets]** subject to and in accordance with the terms and conditions contained herein;

NOW THEREFORE for the consideration provided in the Asset Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

1. Definitions

In this General Conveyance, including the recitals hereto, the definitions set forth in the Asset Purchase Agreement are adopted herein by reference and, in addition:

"Asset Purchase Agreement" means that Asset Purchase Agreement dated **[date]** between Myra Falls Mine Ltd. and Amalgamated Mining & Tunnelling Inc.

2. Conveyance

- (a) Pursuant to and for the consideration provided for in the Asset Purchase Agreement, the Vendor hereby sells, assigns, transfers, conveys and sets over to the Purchaser the entire right, title, estate and interest of the Vendor in and to the **[Purchased Assets]**, to have and to hold the same absolutely, together with all benefit and advantage to be derived therefrom.
- (b) The Purchaser accepts the assignment as set out in the Asset Purchase Agreement, and effective from and after the Closing Date, the Purchaser will assume all of the obligations, duties and liabilities of the Vendor arising from the **[Purchased Assets]** to the exclusion of Vendor, and the Purchaser shall indemnify and save harmless the Vendor from and against any and all claims made against Vendor in respect of the **[Purchased Assets]** or the use of such equipment from and after the Closing Date.

3. Subordinate Document

This General Conveyance is executed and delivered by the Parties pursuant to the Asset Purchase Agreement and the provisions of the Asset Purchase Agreement shall prevail in the event of a conflict between the provisions of the Asset Purchase Agreement and the provisions of this General Conveyance.

4. No Merger

The covenants, representations, warranties and indemnities contained in the Asset Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of any covenant, representation, warranty or indemnity contained in the Asset Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

5. Governing Law

This General Conveyance shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of British Columbia. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of British Columbia and courts of appeal therefrom in respect of all matters arising out of this General Conveyance.

6. Enurement

This General Conveyance shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

7. Further Assurances

All costs and expenses incurred by each party, including any resulting negotiations and agreements, including legal, accounting, broker, agent or finder charges will be borne by the party which incurs such expenses. Each party will, at that party's own cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting party to give effect to this General Conveyance.

8. Counterpart Execution

This General Conveyance may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the Parties have executed this General Conveyance on the date first above written.

MYRA FALLS MINE LTD.

Per: _____
Name:
Title:

AMALGAMATED MINING & TUNNELLING INC.

Per: _____
Name:
Title:

[Signature page to General Conveyance Agreement]

This is Exhibit "C" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia



Mrya Falls Mine Ltd.

Desktop for the Equipment Fleet (CAD)

Prepared for Mrya Falls Mine Ltd.
by Rouse Services Canada Ltd.

Value Effective Date: January 2024
Submission Date: February 16, 2024



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35

Appraisal Team



Ryan Chesterton, ASA
Operations Director
(310) 363-7531
Ryan.Chesterton@rouseservices.com



Caroline Spitzer
Project Director
(310) 363-7508
Caroline.Spitzer@rouseservices.com



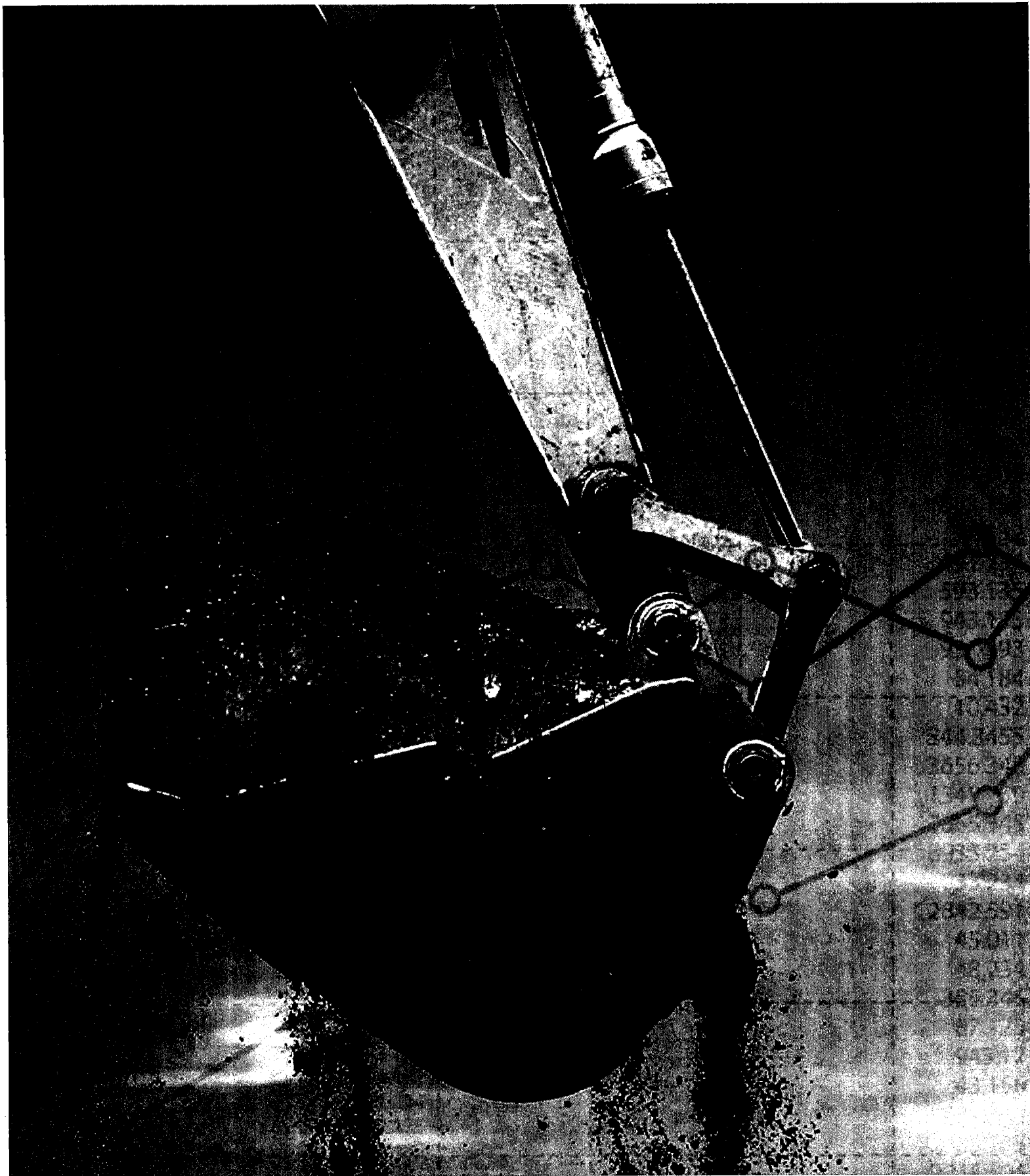
Mariam Botros
Project Manager
(562) 588-2466
Mariam.Botros@rouseservices.com



Noah M. Coleman III
Senior Analyst
(336) 972-9404
Noah.Coleman@rouseappraisals.com



Introduction



Introduction

Rouse Services Canada Ltd. ("Rouse") was engaged by Mrya Falls Mine Ltd. ("Company" or "Client") to provide an unbiased opinion of the estimated value of its equipment fleet ("Equipment").

The purpose of this appraisal is to arrive at a conclusion of Fair Market Value ("FMV"), Orderly Liquidation Value ("OLV") and Forced Liquidation Value ("FLV") for these items as of January 2024. These definitions of value are in accordance with those outlined by the American Society of Appraisers. For more details on the definitions, please see the Appendix – Key Definitions at the end of this report. We do not suggest that there could not be any fluctuation of values in the future. The fee for this report is for our expressed opinion as of the date of this report, with no warranties or guarantees of the outcome if values are tested at any future date.

This report is for use only by the Client listed above and is intended only for use in internal transfer of assets. Use of this report by others is not intended by the writer, nor is the report intended for any other use unless express written consent is further granted.

This report sets forth our findings and conclusions which are based upon an investigation of conditions affecting value and which are subject to the Statement of Limiting Conditions and Value Definitions in this report. Without reading the Statement of Limiting Conditions and Value Definitions, the report could be erroneously interpreted.

The reported property consists of primarily the following equipment types:

| Equipment Types | Units | Cost | Cost % |
|------------------------|----------|--------------------|---------------|
| Underground Dump Truck | 2 | \$2,906,140 | 41.2% |
| Underground Loader | 1 | \$1,849,002 | 26.2% |
| Drill Rig | 1 | \$1,693,407 | 24.0% |
| Emulsion Loader | 1 | \$600,000 | 8.5% |
| Total | 5 | \$7,048,549 | 100.0% |

Scope of Work



Scope of Work

This report provides FMV, OLV and FLV for the Company's Equipment as of January 2024. See appendix for value definitions. Our scope of work included:

Data Review

Rouse requested from the Company:

- List of Equipment

in large part on this data. The information accuracy was assumed, and the information was utilized throughout this report without independent verification or audit. The data was reviewed for completeness and to determine the information provided was reasonable. See below for the data provided by the Company:

| Data Requested | Data Received | Date Received |
|-----------------------------------|---------------|---------------|
| Listing of Equipment to be Valued | Yes | 2/2/2024 |

Interviews with Company Representatives

Rouse interviewed the following Company representatives regarding operations, policies and procedures, as well as to discuss the Equipment appraised:

| Name | Title | Location |
|------------|-----------------|----------------|
| Jan Majkut | Finance Manager | Myra Falls, BC |
| Frey Hein | General Manger | Myra Falls, BC |

Rouse additionally reviewed and confirmed with the company that the data was accurate and complete.

Inspections

In connection with this engagement, Rouse was not instructed to perform any physical inspections of the subject assets. As a result, no on-site inspections of equipment were performed for this report.

Valuation Analysis

Rouse assessed the market values for the assets by studying and reviewing the market data available as of the value effective date. In conducting this analysis Rouse considered several key factors, including but not limited to the following:

- Manufacturer, model, model year, and specification
- Where applicable, Rouse reviewed configuration, attachments and accessories, or modifications to the equipment, and usage
- Category mix, quantity, and composition of the asset register



Experience



Experience

Rouse was founded in 1920 as an auction and liquidation firm with a focus on construction equipment. Since the turn of the century, Rouse has transitioned to a leading information services company for the construction industry. Rouse's services include valuations, used equipment sales support and rental metric benchmarking. Rouse Appraisals provides up-to-date retail, orderly liquidation, and auction values to support financing, business transactions, and lease finance services. Rouse currently serves clients and tracks market values across three core geographies: United States, United Kingdom, and Canada.

Rouse's core focus is on machinery & equipment including which primarily covers the following product verticals:

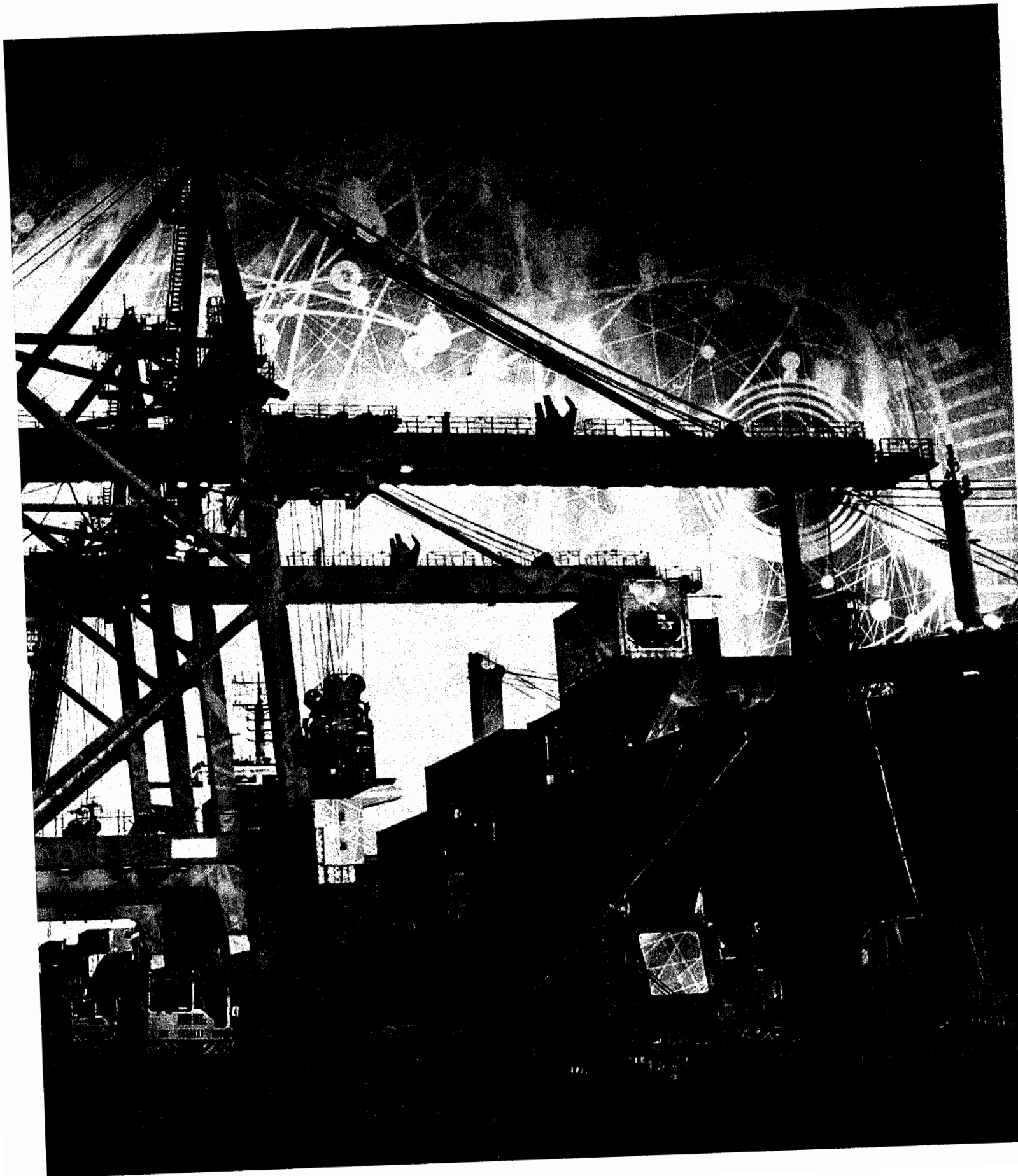
- **General rental:** aerial work platforms, telehandlers, compact earthmoving, construction support (light towers, generators, etc.)
- **Heavy earthmoving:** large excavators, dozers, wheel loaders, motor graders, etc.
- **Heavy lifting:** all-terrain cranes, crawler cranes, rough-terrain cranes, etc.
- **Transportation:** truck tractors, trailers
- **Material Handling:** forklift trucks, pallet trucks, etc.
- **Transportation:** truck tractors, trailers
- **Agricultural:** tractors, seeders, etc
- **Specialty:** vocational trucks, concrete pumping trucks, etc.

Rouse's appraisers come from an array of backgrounds including financial services, private equity, corporate finance, and traditional appraisals and carry significant experience in the auction, liquidation and appraisal of machinery and equipment.

Rouse appraisers currently appraise approximately \$45 billion of rental and construction equipment on an annual basis. Rouse provides appraisal services to an array of clients ranging from the largest equipment rental companies in North America to major regional equipment dealers such as Caterpillar.



Methodology



Methodology

Rouse receives over \$17 billion in equipment sales transaction data annually and applies it (on a monthly basis) at a make / model / spec / year level across approximately >70,000 standardized equipment models to develop values.

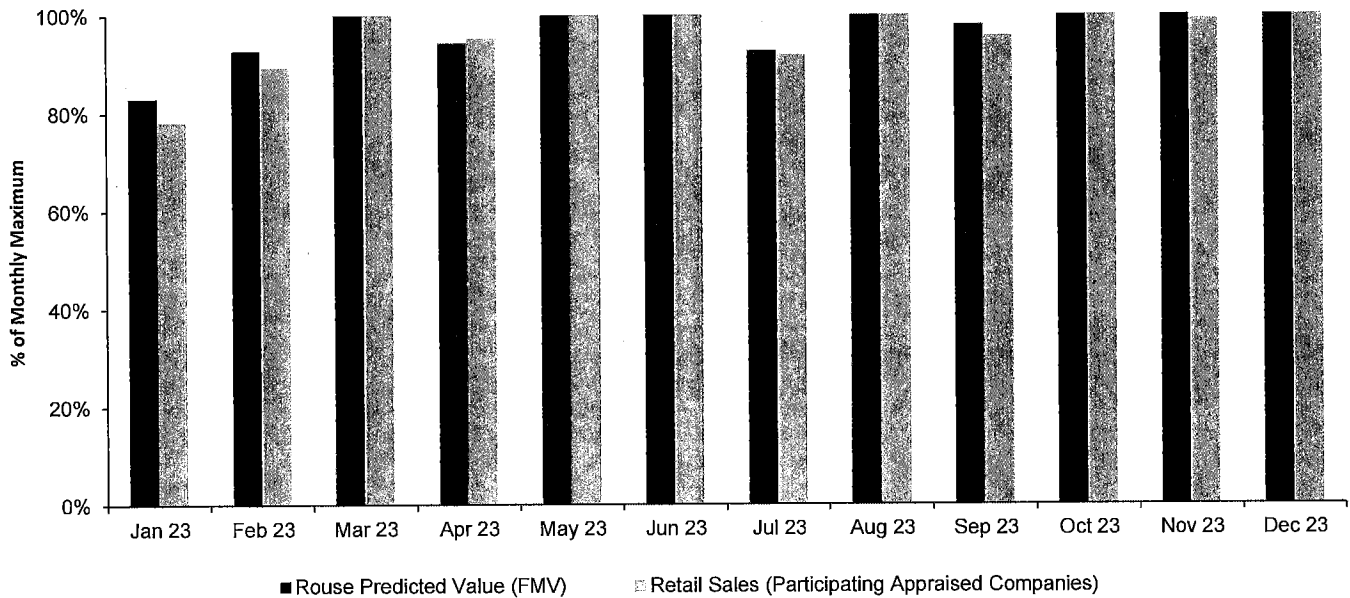
Rouse’s rental and dealer clients provide Rouse with detailed transaction data on all of the equipment they sell. This transaction data is updated generally nightly or when available within in Rouse’s database, providing a comparable-backed appraisal source for fair market and orderly liquidation values. For retail specifically, Rouse clients contribute an average of approximately \$1.2 billion in transaction data every month. Rouse tests its FMV values against these results on an ongoing basis.

Rouse also monitors every major auction of equipment, and updates its database with these auction sale comparables as these auction take place. As Rouse is owned by Ritchie Bros., Rouse tracks a direct feed of assets sold through RB or their other auction companies. Rouse appraisers collect an average of approximately \$250 million in North American auction sales every month.

This robust database enables the development of a market or comparable-based mass appraisals model whereby Rouse systematically provides a value that considers current market condition and secondary market trading levels. This model leverages multivariable nonlinear regression analysis which considers a number of factors including: asset type, specification, usage, configuration, geography, and physical condition and is dynamically updated as new criteria or variables which impact value emerge in the marketplace.

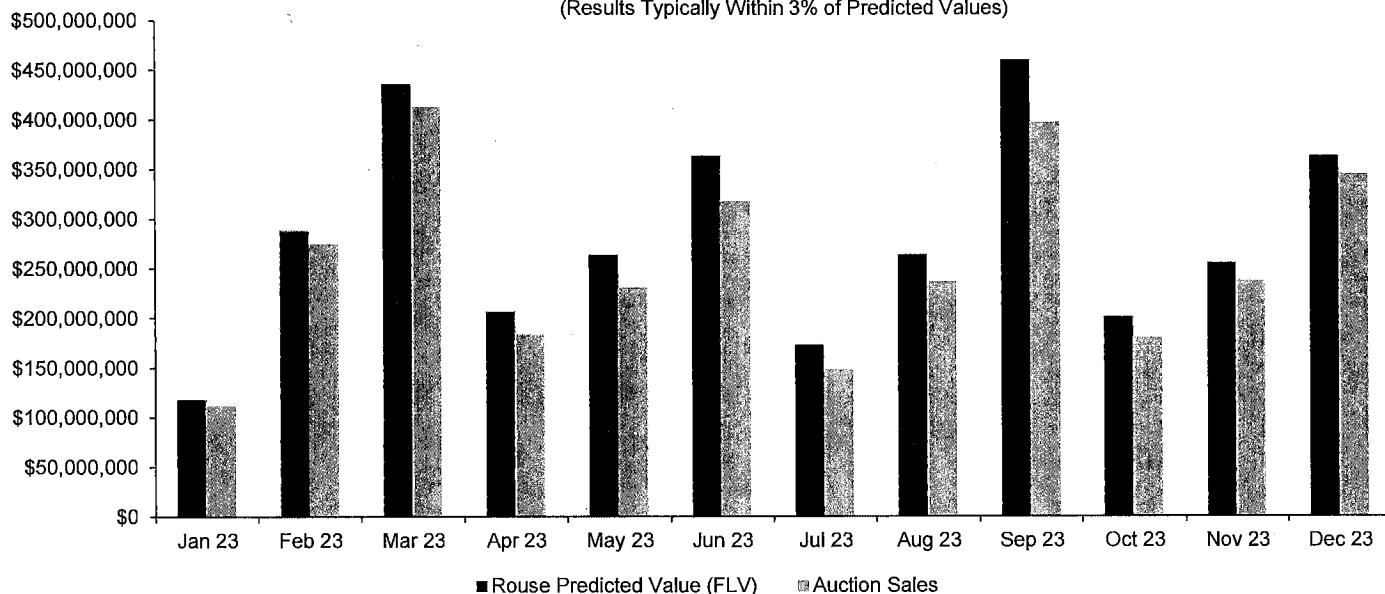
One of the core elements of Rouse’s approach is model testing and performance tuning whereby values are assessed vs. actual disposals on a monthly basis to determine where adjustments are needed. Typically Rouse values come within a 3% margin of market sales as seen in the charts below:

Rouse FMV Performance Against Market Retail Sales
(Results Typically Within 3% of Predicted Values)



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Rouse FLV Performance Against NA Auction Sales
(Results Typically Within 3% of Predicted Values)



Where supplemental data is needed Rouse appraisers analyze auction market comparables for like equipment from a variety of sources, including Machinery Trader, Truck Paper, Green Guide and Top Bid.

The three recognized approaches to value that are used in appraisal analyses are:

- Market Approach
- Cost Approach
- Income Approach

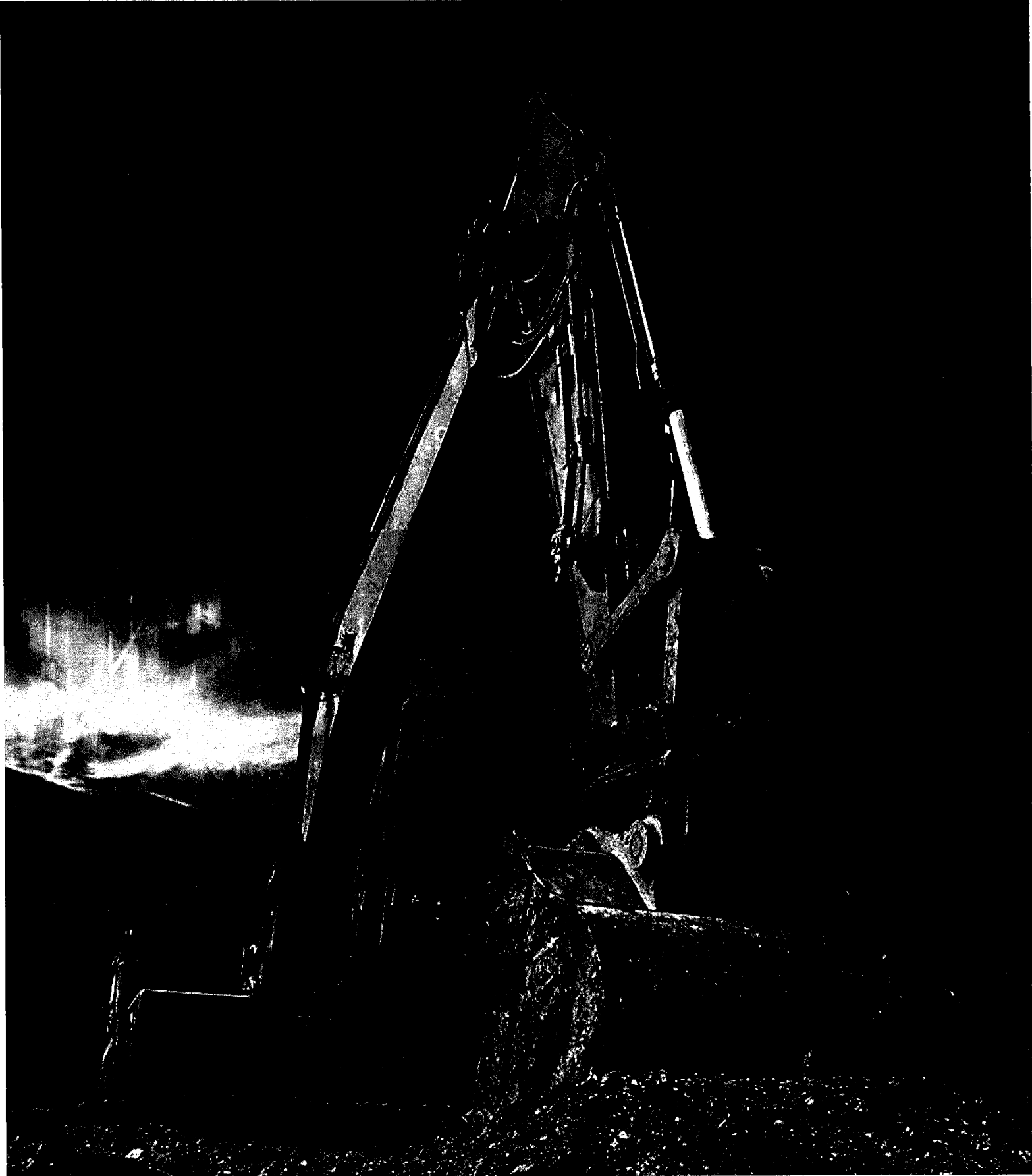
The market approach via Rouse’s appraisal model was primarily used to establish values for the Equipment contained within this appraisal. This approach is preferred as it’s the most reliable prediction of value as it’s based on actual transactions of like equipment. In rare instances where observable sales of like equipment are not available, the cost approach is relied upon. This is typical for fixed machinery that doesn’t trade in secondary markets and generally helpful for more unique illiquid asset types.

The income approach is not used as it tends not to be a reliable prediction for value as the equipment can be used in a variety of applications and the income can be heavily impacted by it’s use case. A definition of these approaches can be seen below:

| | |
|------------------|---|
| Market Approach: | The market or sales comparison approach involves the comparison of recent sales (or offerings) to the subject asset in order to arrive at an indication of the most probably selling price (value) for the subject. Within this approach comparable sales should be adjusted based on marketplace conditions and the properties’ characteristics of value. |
| Cost Approach: | The cost approach estimates the current costs to reproduce or create a property with another of comparable use and marketability. This approach assumes the maximum value of an asset to a knowledgeable buyer is the amount currently required to construct a new asset of equal utility. If the subject asset is not new, the current cost new must be adjusted for all forms of depreciation attributable to the asset at the date of the appraisal. If the asset is not new, the current cost must be adjusted for all forms of depreciation attributable to the asset. |
| Income Approach: | The income approach considers value to be represented by the present worth of future benefits derived from ownership and is usually measured by capitalization of future benefits and / or specific levels of income. |



Company Profile



Company Profile



Myra Falls Mine Ltd. (Myra Falls) is a mining company located in Strathcona Provincial Park, BC. Myra Falls mines for commodities such as Zinc, Lead, Copper, Silver, and Gold. The asset base is composed of over \$6.85M Cost and \$5.0M OLV spread across the core equipment categories, outlined below.

Fleet Overview

Myra Falls Mine Ltd.'s fleet is composed of the following primary equipment types:

| | |
|------------------|--|
| Mining Equipment | This category is composed of the following equipment types: Underground Loaders, Haul Trucks, Anfo Loaders, Rock Bolters, Drill Rigs, Scissor Lifts, Ball Mills, Air Tuggers, Granulators, Underground Locomotives, Scoop Trams, Vertical Shaft Drills, Muckers, etc. This category is for all equipment used in mining. |
|------------------|--|

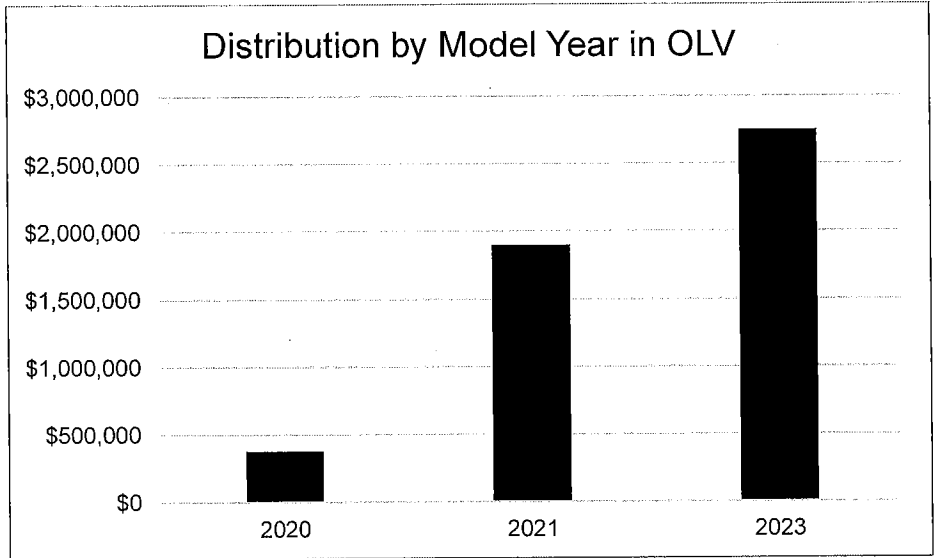
Summary by Category

A detailed breakdown of the categories of equipment can be seen below:

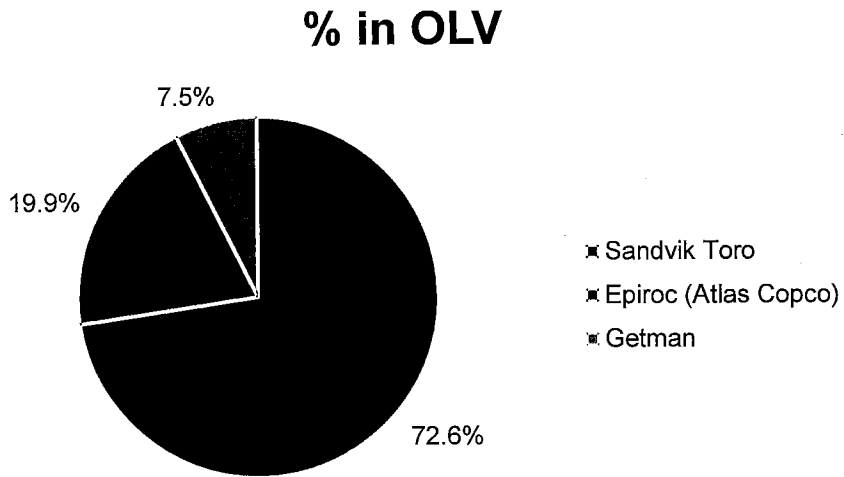
| Category | Units | FMV | Age (Months) |
|------------------------|----------|--------------------|--------------|
| Underground Dump Truck | 2 | \$2,906,140 | 34.8 |
| Underground Loader | 1 | \$1,849,002 | 9.2 |
| Drill Rig | 1 | \$1,693,407 | 31.3 |
| Emulsion Loader | 1 | \$600,000 | 43.3 |
| Total | 5 | \$7,048,549 | 118.5 |



Summary by Age



Summary by Make



Valuation Summary



Valuation Summary

Values

| Equipment Types | Units | Cost | FLV | OLV | FMV |
|------------------------|----------|--------------------|--------------------|--------------------|--------------------|
| Underground Dump Truck | 2 | \$2,906,140 | \$1,925,000 | \$2,400,000 | \$3,050,000 |
| Underground Loader | 1 | \$1,693,407 | \$1,000,000 | \$1,250,000 | \$1,550,000 |
| Drill Rig | 1 | \$1,849,002 | \$800,000 | \$1,000,000 | \$1,250,000 |
| Emulsion Loader | 1 | \$600,000 | \$300,000 | \$375,000 | \$460,000 |
| Total | 5 | \$7,048,549 | \$4,025,000 | \$5,025,000 | \$6,310,000 |



Market Conditions



Market Conditions

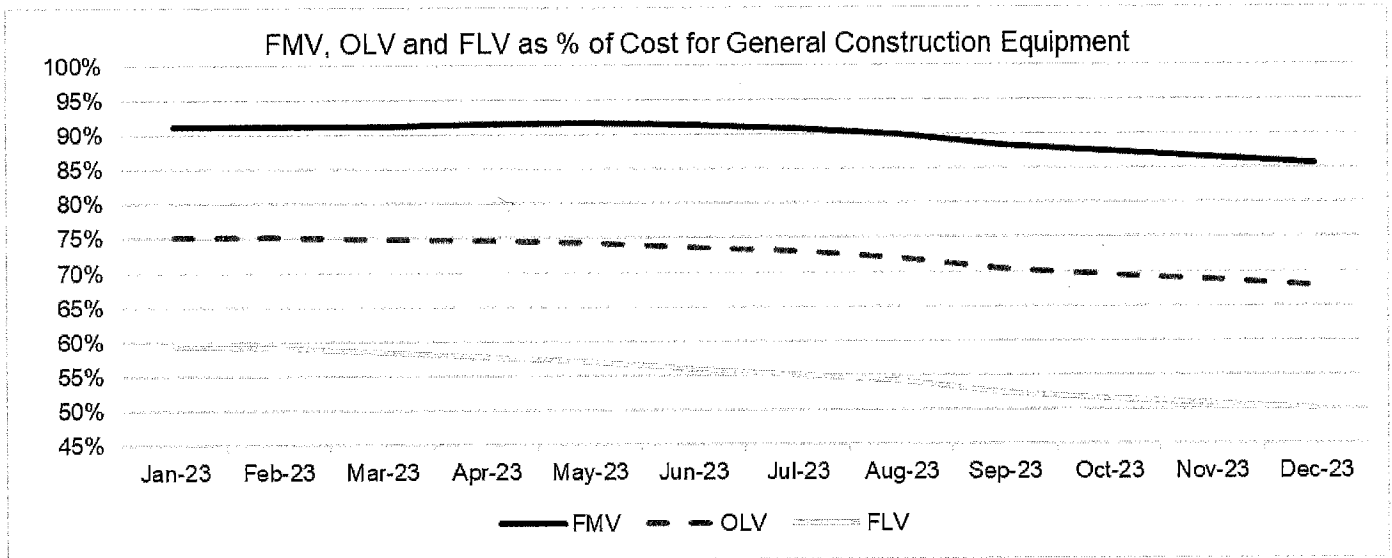
Market Overview and Recent Trends

Equipment values in the first half of 2023 have largely shown stability, however, in recent months have softened to varying degrees. Auction values, which often serve as a leading indicator for retail values, have experienced month-over-month declines through the middle part of the year. The decline in values is primarily driven by an increase in supply and moderate demand in end markets. It should be noted that values overall are still quite strong and above historic averages.

Values peaked in late 2022 primarily due to a combination of high demand and limited supply, which led OEMs to increase pricing and major equipment rental companies to keep their equipment longer, further restricting supply in the secondary market and causing secondary market values to soar beyond pre-pandemic levels. However, in late 2022 and the first half of 2023, values started to stabilize as production and supply chain conditions improved, enabling companies to acquire new equipment and sell their aging equipment in the secondary market. Demand remains healthy in 2023 primarily due to public investments in manufacturing and infrastructure but starting to level off as private sectors of the construction industry like offices, multifamily homes, and retail spaces are facing higher interest rates, tighter lending standards, and declining demand.

Over the 12-month period ending December 31, 2023, General Rental Equipment was down by 7.4%. Large Earth Moving was down by 1.2% followed by Small-Medium Earth Moving, which was down by 5.6%, and Support that was trending down 7.2%. Aerial Equipment was down 8.0%. Telehandlers and Forklifts were down by 8.7% and 9.1%, respectively. A broad group performance is reflected in those average percentages. Any brand, model, or vintage may exhibit varying degrees of impact.

The following chart illustrates the 12-month trend of FMV, OLV and FLV as a percentage of cost for General Construction Equipment. The index is intended to represent average recoveries where age is constant. Were an asset or entire fleet to age, values might decline even in flat to upward market conditions:



Notes:

- ^[1]Each monthly data point illustrated above represents the average recovery, as a percentage of cost, for ten different model years of equipment ranging from new to nine years old, with each year weighted equally
- ^[2]The categories contained within include, aerial equipment, telehandlers, support equipment, and small-medium earthmoving equipment, each having an equal impact.



The Dodge Momentum Index is a leading economic indicator that measures the initial planning activity of non-residential construction projects. It focuses on projects in the planning stage and provides insights into future construction spending for nonresidential buildings by a full year. The Dodge Momentum Index helps gauge the direction and momentum of construction activity and overall economic growth; whereas The Dodge Index serves as an indicator of current construction activity and market conditions by measuring the value of construction starts during a specific period. Construction starts are projects that have begun physical construction work, such as site preparation, foundation work, and structural construction.

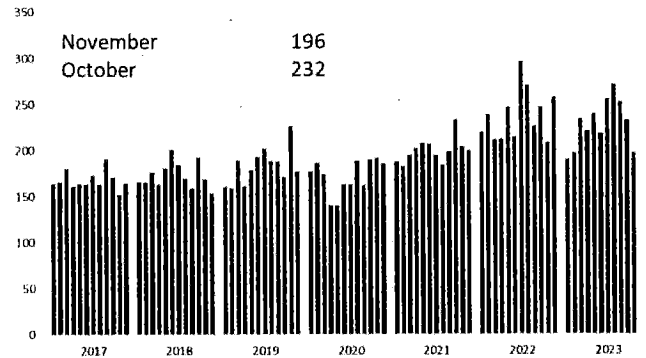
The Dodge Momentum Index saw an uptick in December primarily due to an increase in institutional planning. Year-to-date through November, construction starts were down 4% compared to the same period in 2022. This is primarily due to commercial activity declining as a result of increased interest rates and stricter lending.

DODGE MOMENTUM INDEX (2000=100, Seasonally Adjusted)



Source: Dodge Construction Network (December 2023)

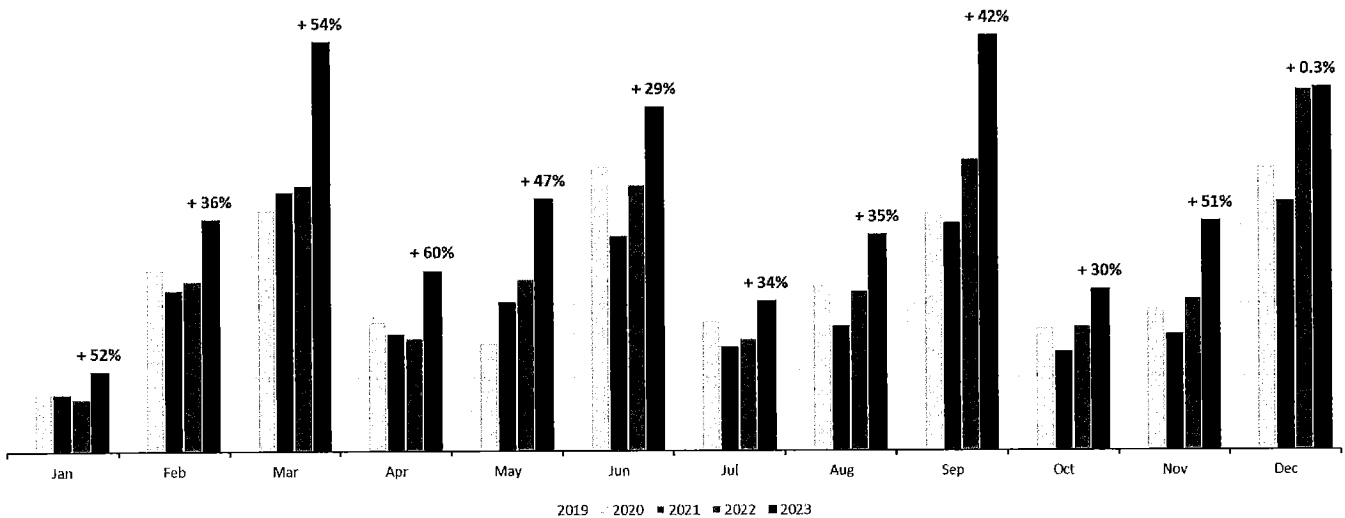
THE DODGE INDEX (2000=100, Seasonally Adjusted)



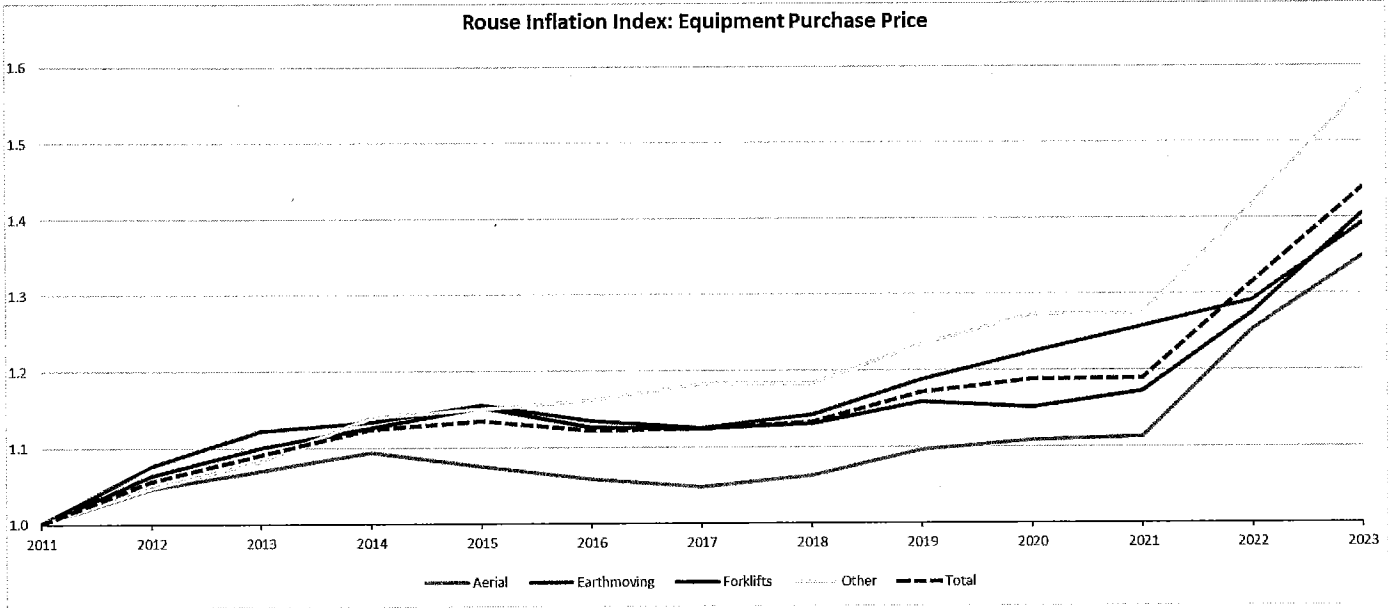
Source: Dodge Construction Network (November 2023)

In 2023, large rental companies continue to sell their accumulated ageing equipment in the secondary markets due to their ability to acquire new equipment from an improved supply chain, resulting in an increase in the supply of used equipment.

Units Sold at Auction (By Month) & % YoY Comparison



In 2022, Original Equipment Manufacturers began to raise their equipment prices and implement dynamic pricing models like surcharges as a response to increased input costs – such as commodities, logistics, and labor – and input shortages for new equipment that resulted from a disrupted supply chain.



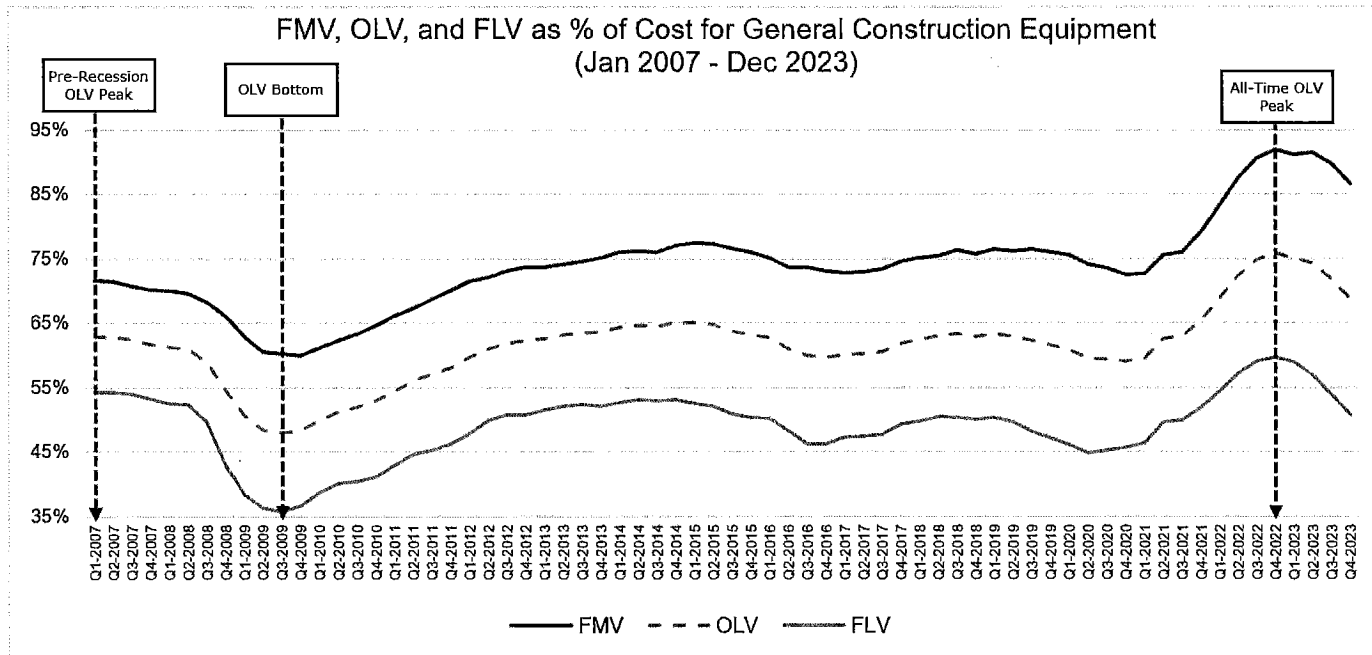
Historic Performance

Relative values in the used equipment marketplace for construction and general rental equipment were at 10-year historic highs across most of the major equipment categories at the beginning of 2007, and values reached their peak in the middle of 2007. Shortly thereafter, the housing market crashed, which led to decreased demand for earthmoving equipment, and values in earthmoving equipment started to decline. Subsequently, non-residential construction began to slow, which caused equipment demand and values in categories more closely linked with non-residential activity to decline beginning in the middle of 2008.

In September 2008, we experienced the beginning of the Global Financial Crisis; we saw major financial institutions collapse or be taken over, and the government created the bailout package to rescue the financial systems. Credit markets essentially froze – and the stock markets around the globe began to tumble. The housing and non-residential construction slowdown, lack of credit availability, and consumer confidence all played a part in propelling equipment values downward to historic lows.

April of 2009 proved to be the inflection point and used equipment values increased at a meaningful rate from April of 2009, month-over-month through the first half of 2012, which also marked a narrowing in the gap between retail and auction values. While the pace of value increases was more moderate, relative values continued to increase for the next two years, plateauing during 2014 just above the prior peak. Relative values stayed mostly flat through the end of 2014 and then remained relatively steady through the first nine months of 2015 but finished out that year with some softening that saw values decline through mid-2016. Values in 2017-18 rebounded, driven by a strengthening auction market and moderate improvements on the retail side. 2019 demonstrated a level-off in the growth and softness through the back half of the year and into 2020 as COVID-19 impacted secondary markets. Rouse observed a notable dip in equipment values and a trough in recoveries in the mid to late part of the year. In the late part of 2020 and 2021 values have strengthened as uncertainty declined and normal economic activity resumed. Relative values saw a sharp rise in 2022 and reached an all-time high in the latter part of the year, driven by a constrained supply chain and robust demand from end markets. Values began to stabilize in late 2022 and the first half of 2023 primarily due to an increase in the supply of used equipment in the secondary markets and moderate demand in end markets.

The following chart illustrates the trend of FMV, OLV and FLV from 2007 through 2023 as a percentage of cost[1] for General Construction Equipment. The index is intended to represent average recoveries where age is constant. Were an asset or entire fleet to age, values might decline even in flat to upward market conditions:

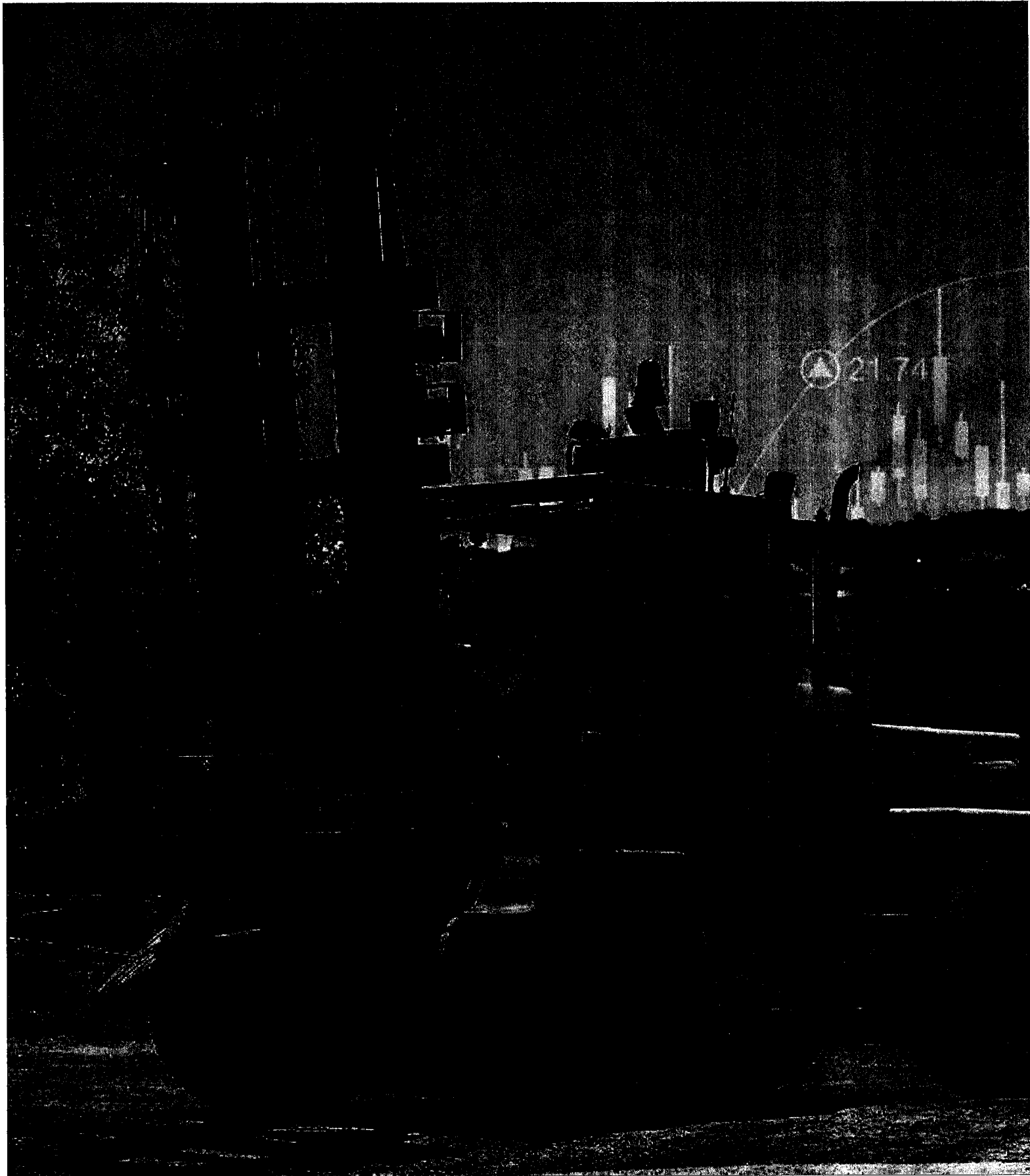


Notes:

- [1] Each monthly data point illustrated above represents the average recovery, as a percentage of cost, for ten different model years of equipment ranging from new to nine years old, with each year weighted equally
- [2] The categories contained within include, aerial equipment, telehandlers, support equipment, and small-medium earthmoving equipment, each having an equal impact



Valuation Considerations



Valuation Considerations

Fleet Profile

Myra Falls Mine Ltd.'s fleet primarily consists of underground mining machinery including Underground Articulating Dump Trucks, Dump Trucks, Emulsion Loaders, Scoop Loaders, and Long Hole Drill Rigs. The type and mix of machinery are very consistent with underground mining operations across North America. This equipment is made by well-known manufacturers Sandvik-Toro, Epiroc, and Getman. In the event of a liquidation, most of this equipment would be desirable due brand mix and versatility throughout the Mining Industry.

Location of Assets

All these assets are located remotely in a provincial park. The removal of these assets from their remote location would be a painstaking process. Some of the assets such as the large Dump Trucks may have to be disassembled, placed on trucks, hauled away, and reassembled, which could be costly.

Liquidation Scenario

In a hypothetical liquidation scenario, these assets would need a specific buyer, such as another mining company or operation. Most of these assets are very large capacity and not all companies would require machines of this size. If this is not the case, return values could be low. Ideally, all these assets would be purchased by a single buyer who is taking over the operation, which would likely result in the highest return values. Rouse's values reflect these scenarios.

Extraordinary Assumptions

Usage: If no meter reading is provided for an asset, Rouse assumes the industry average usage for the asset. The industry average usage is tracked at the Rouse Subcategory level and is based on annualized usage.

Age: With regard to age calculation, if no acquisition date is provided for an asset, Rouse calculates the age by using the midpoint of the model year as the starting point. Similarly, if an asset has been purchased "used," Rouse calculates the age by using the midpoint of the model year as the starting point.

Condition: Rouse assumes all units are in a "rental-ready" (i.e. Good) condition, unless otherwise designated by physical inspections.

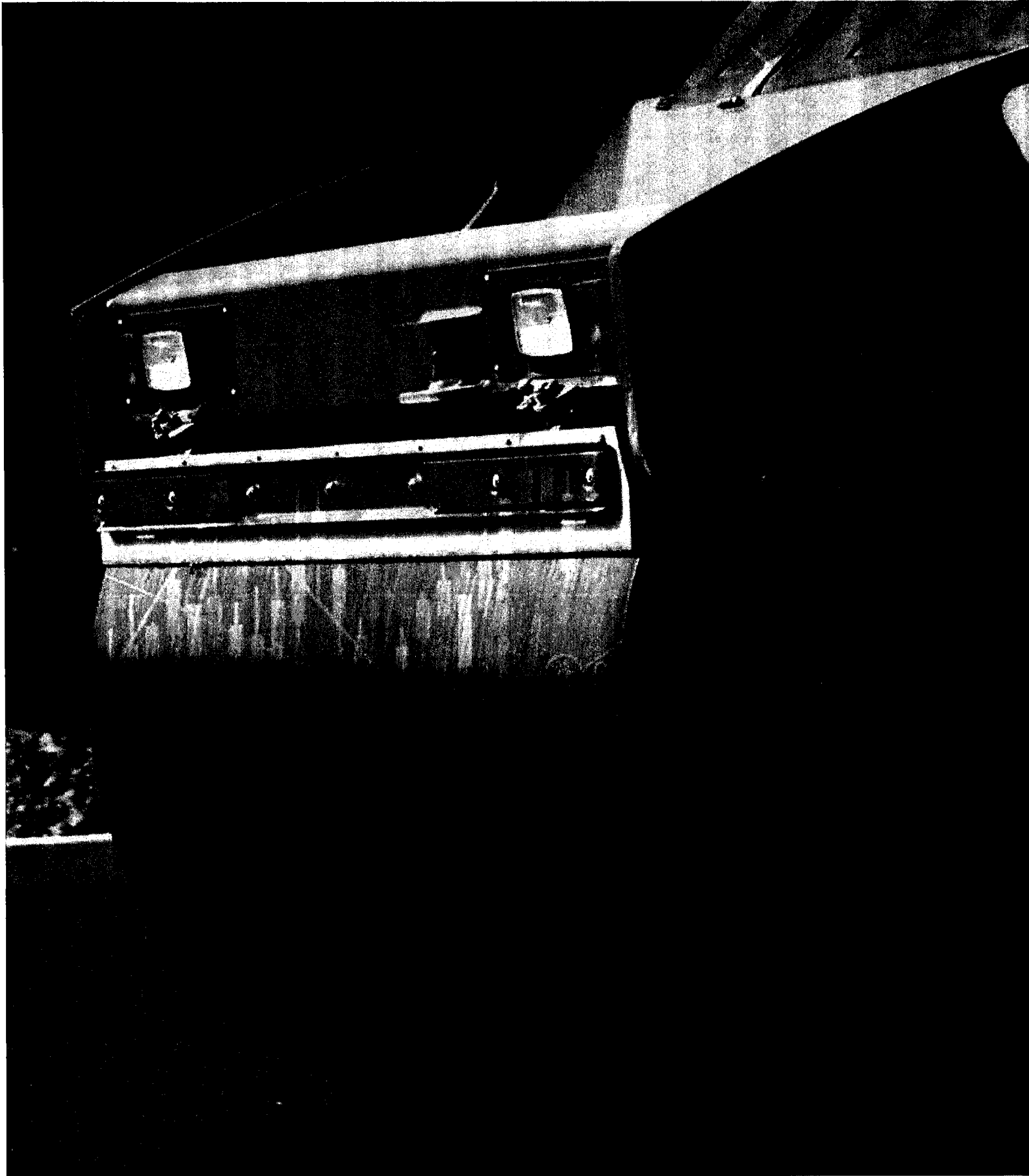
Configuration: For any asset types where Rouse tracks configuration, if no configuration detail is provided, Rouse assumes industry average configuration. The industry average configuration is tracked at the Subcategory and Make levels.

Ownership: Unless otherwise noted, Rouse assumes all assets are entirely owned and clear of any liens.

Impact of Proprietary Technology

The Equipment that is the subject of this appraisal is not characterized by any special proprietary technology or custom designs that might have an impact on its recovery.

Statement of Limiting Conditions ⁵⁷



Statement of Limiting Conditions

ROUSE's Role and Use of the Valuation Report

Any report delivered under the terms of the engagement (a "Valuation Report") between the ROUSE entity specified in the engagement letter ("ROUSE", "us", "we" or "our") and you, the addressee, incorporates by reference this Statement of Limiting Conditions. By engaging ROUSE, you are also accepting this Statement of Limiting Conditions. If you do not accept this Statement of Limiting Conditions in its entirety, the Valuation Report must be immediately returned to us, and any copies destroyed.

Neither the appraiser nor any other employee of ROUSE has any financial interest in the assets appraised. Our Valuation Report is an unbiased expression of professional opinion. The fees payable to us are not contingent nor dependent whatsoever on the values provided.

Unless prior arrangements have been made or we are compelled by valid subpoena, court order or applicable law, the appraiser is not required to give testimony, be present in any court of law, or appear before any commission or board by reason of preparing a Valuation Report.

All analysis and conclusions set out in a Valuation Report are true and accurate to the best of the appraiser's knowledge and belief. We reserve the right to recall all copies of a Valuation Report to correct any omission or error.

The opinions expressed in a Valuation Report are valid only for the express and stated purpose of providing information and assistance to the parties to whom the report is specifically addressed. The values are not in any way, implied or expressed, to be construed, used, circulated, quoted, relied upon, or otherwise referred to for any other purpose without ROUSE's prior written permission.

Estimation Only; No Guarantee

Values assigned in a Valuation Report are amounts our appraiser would recommend to a prospective buyer as a fair price to pay under the prevailing circumstances specified in the Valuation Report, and within the parameters of the defined value concepts used in the Valuation Report, unaffected by personal interest, bias or prejudice. Those values are the appraiser's opinion based on the facts and data specified in the Valuation Report and are not a warranty or representation of fact, nor a determination of probability. As such, the reported values are estimates only. ROUSE makes no guarantees as to the actual value realizable from the sale of the assets or the price at which the assets may be purchased. ROUSE assumes no responsibility for any inability, nor has any obligation, to sell or purchase the assets at the values provided. ROUSE does not enter into in any transactions involving the disposition or financing of appraised assets.

Value Determination

The values attributed to assets in a Valuation Report are valid as of the effective date of the report. Changes in the status of the assets, the composition of the assets or changes in the market could have significant effects on values. ROUSE has not undertaken, and is under no obligation, to update, revise, reaffirm, or withdraw the Valuation Report, except as may be otherwise agreed in writing.

Where on-site inspections were performed and photographs of assets included in a Valuation Report, the photographs represent a sampling of assets viewed, were not selected based on any specific criteria and may or may not include all the photographs taken. Appraisers do not rely on the photographs to appraise assets. Photographs are used only as a visual aid to confirm or provide a general sense of condition relative to an inspector's assessment. Unless otherwise indicated in writing in the Valuation Report, only equipment assets that were present at the locations visited by ROUSE inspectors were inspected. No inspections of equipment assets that were on rent or otherwise out of the yard were performed.



As part of the engagement, Rouse has not:

- Investigated title to any of the assets. All assets are assumed to be the property of the subject organization and physically available in order to consummate the sales transaction in a timely manner;
- Considered if any liens or other encumbrances are registered against the assets other than those specified in the Valuation Report, if any;
- Considered any possible environmental or safety hazards impacting the assets;
- Determined whether the assets conform to all statutes, regulations, standards and codes that might relate to or impact their use, sale, or other disposition;
- Attributed any value to any intangibles, such as patents, trademarks, copyright, industrial designs, rights to manufacture or distribute, goodwill, and/or trade secrets; nor
- Investigated the free transferability of any software or hardware powering telematics or similar devices installed within the assets.

In general, the values assigned are based on the following:

1. The value definition(s) specified in the Valuation Report.

Where OLV is attributed to an asset in the Valuation Report, the value has been determined by the appraiser as a percentage of the FLV and FMV values of the subject asset based on the appraiser's experience and judgment. The reported OLV is not necessarily representative of the actual liquidation proceeds that may be realized from the sale of the asset.

Where NFLV, and/or NOLV or NLV, is expressed for an asset in the Valuation Report, the value is based on the disposition scenario that is described in the body of the Valuation Report and ROUSE does not express any opinion on possible proceeds that may be realized from the sale under any other form of disposition method.

2. Asset lists and other information provided by the subject organization, its representative(s) and/or lender(s). Unless otherwise indicated in writing in the Valuation Report, we have not investigated the accuracy of the information or verified the quantities of assets provided to us, nor do we have any responsibility to do so. If any information supplied to us is incorrect, then assets may receive inaccurate appraisal values. In instances where we have endeavored to independently verify the information provided, we have subjected the information to such tests as we determined, in good faith, to be appropriate and reliable to confirm its accuracy.
3. All equipment assets being in Rental Ready or Project Ready condition unless otherwise specifically noted. If assets are not considered Rental Ready or Project Ready, ROUSE may assess the value of those assets differently from equivalent Rental Ready or Project Ready assets. For our purposes, "Rental Ready" or "Project Ready" means that an equipment asset: (i) performs and operates as intended by its manufacturer; (ii) does not have any known mechanical defects; (iii) is clean; and (iv) has been subject to all safety and required manufacturer inspections and maintenance.
4. Any non-rental equipment assets are assumed to be in similar condition to equivalent rental assets.
5. All procedures necessary to preserve the value of the assets have been followed by the subject organization and/or its representative(s).
6. Certain adjustments in value, even for similar or identical assets, due to differences in required installation or removal of assets, local market demand or supply, asset condition, and other appropriate factors relating to the sale.

Any other applicable conditions, assumptions, and/or limitations affecting the values provided in this Valuation Report are defined and individually set out within the Valuation Report where such conditions, assumptions, and/or limitations are applicable.



Certification



Certification

We certify that:

1. No on-site inspections of equipment were performed.
2. The statements contained in this appraisal and upon which the opinions expressed herein are true and correct to the best of our knowledge and belief, subject to the limiting conditions set forth;
3. To the best of our knowledge and belief, no pertinent information has been overlooked or withheld; and
4. We have no interest either presently or contemplated in the property appraised or in any proceeds to be derived there from.
5. Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
6. We have not conducted a previous assignment of this machinery and equipment that is the subject of this appraisal report within the three-year period preceding acceptance of this assignment.
7. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
8. Our analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. No person or persons other than those stated below provided significant professional input for this appraisal report.

| Name | Role |
|----------------------|---------------------|
| Ryan Chesterton, ASA | Operations Director |
| Caroline Spitzer | Project Director |
| Noah Coleman | Senior Analyst |
| Mariam Botros | Project Manager |

ROUSE SERVICES CANADA LTD.

I hereby certify that I reviewed this appraisal.

Ryan Chesterton

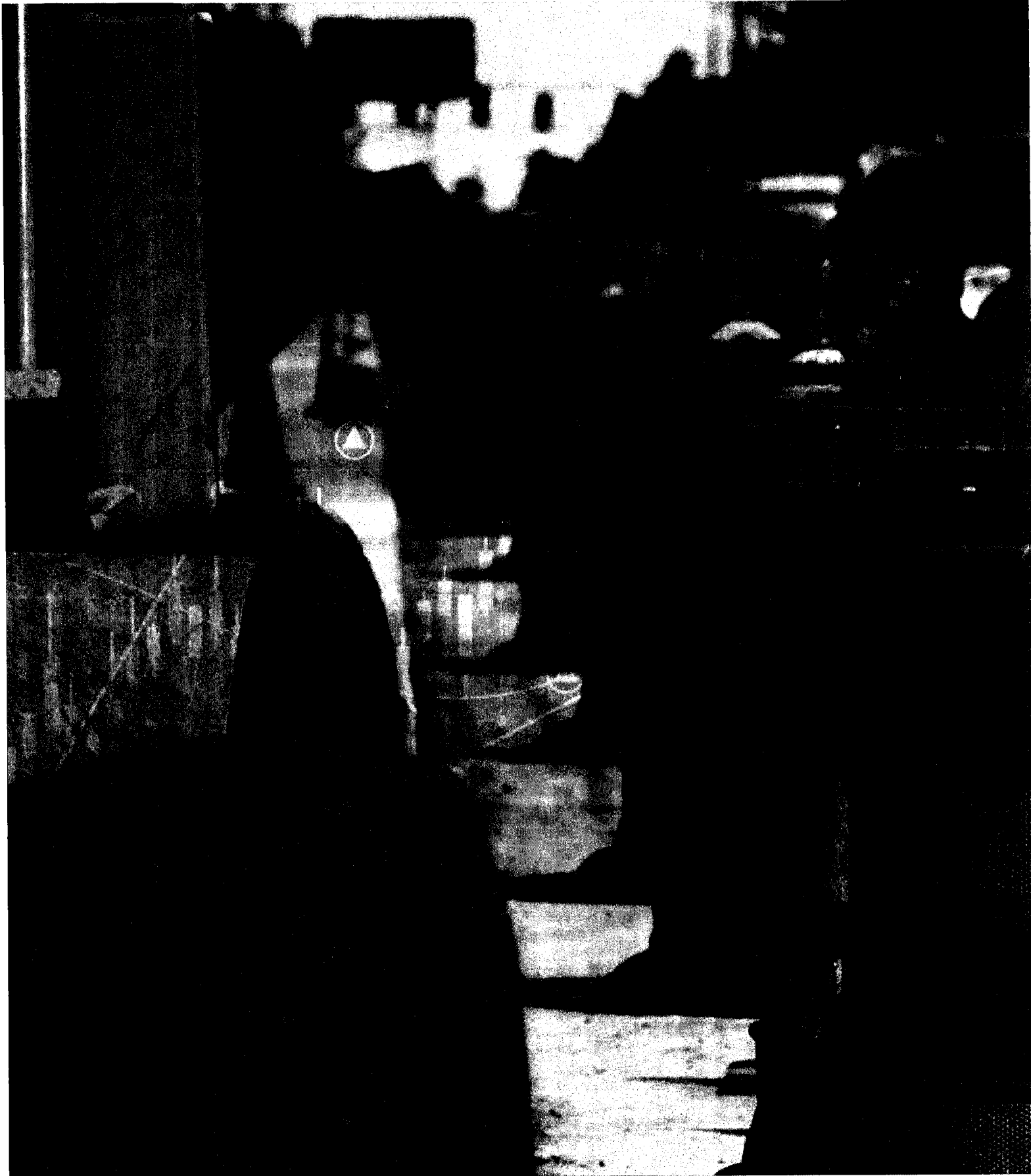
Ryan Chesterton, ASA
Operations Director

Noah M. Coleman III

Noah M. Coleman III
Senior Appraisal Analyst



Appendix – Key Definitions



Appendix – Key Definitions

Value Definitions

| | |
|---------------------------|--|
| Fair Market Value | A professional opinion of the estimated most probable price expressed in terms of money to be realized for property in an exchange between a willing buyer and a willing seller, with equity to both, neither being under any compulsion to buy or sell, and both parties fully aware of all relevant facts as of the effective date of this report. Additionally, this value is not discounted for assembling, cleaning, security, advertising, brokerage, or other disposal costs, if any. |
| Orderly Liquidation Value | The estimated gross amount expressed in terms of money that the Equipment will typically realize at a privately negotiated sale, properly advertised and professionally managed by an experienced seller of property of the kind and type being sold where the liquidation sale is to take place over a reasonable time period. All Equipment to be sold piecemeal "as is where is" with the purchaser being responsible for removal of the assets at its own risk and expense. |
| Forced Liquidation Value | The estimated gross amount expressed in terms of money that the Equipment will typically realize at a properly conducted public auction when the seller is compelled to sell with a sense of immediacy as of a specific date. This amount does not account for Equipment make ready costs or transportation of the Equipment to the auction site. All Equipment to be sold piecemeal, "as is where is" with the purchaser being responsible for removal of the assets at purchaser's own risk and expense. |

Bibliography

Appraisal Standards Board. Uniform Standards of Professional Appraisal Practice 2020-2021. Washington, DC: The Appraisal Foundation, 2019 (extended through December 31, 2022).



Experience Summary



Experience Summary

Ryan Chesterton, ASA
Operations Director

Ryan has been with Rouse Appraisals since 2017 and currently serves as a Director focusing on the valuation of machinery and equipment. His current responsibilities are focused on the management and execution of appraisals that are complete, accurate, and delivered on time. Ryan has a strong background in valuation, data analysis, strategic consulting, relationship management, and project management.

Ryan has experience performing and reviewing appraisals for lending institutions, private equity firms, and equipment owners worldwide ranging from single unit valuations to multi-billion dollar appraisals.

Ryan is an Accredited Senior Appraiser (ASA) with a focus Machinery and Technical Specialties (MTS). Prior to joining Rouse, Ryan began his career at KPMG and graduated from Villanova University with degrees in Finance and Accounting.

Caroline Spitzer
Project Director

Caroline Spitzer is a Director of Project Management at Rouse Appraisals with approximately 10 years of experience as a Project Manager. Caroline has been in the Construction Industry for about 4 years. Caroline has taken and passed the USPAP exam. She has worked closely with the appraisers to ensure the appraisals are completed on time. She also handles the contracts, client communication, planning the inspections, and billing. Caroline's prior background includes financing and tax credits. Caroline graduated with a B.B.A. in Business Administration and Management.

Noah Coleman
Senior Analyst

Noah Coleman is a Senior Appraisal Analyst with Rouse Appraisals with five years of experience appraising machinery and equipment. He graduated from Appalachian State University and began his machinery and equipment appraisal career with Gordon Brothers. His experience includes financial and asset valuation, data analysis, project management, and equipment inspections. His appraisal expertise is in machinery and equipment where he has appraised a wide array of assets ranging from heavy construction equipment to manufacturing equipment and his responsibilities include the valuation and analysis of appraisal projects.

Mariam Botros
Project Manager

Mariam Botros is a Project Manager at Rouse Appraisals with seven years of experience in the construction equipment industry. Prior to joining Rouse Appraisals, Mariam worked for Quinn Caterpillar, where she gained extensive knowledge regarding machinery specification and application. She works closely with the appraisers to ensure that projects are completed on time and efficiently. In addition, she is responsible for managing contracts, client communication, as well as planning inspections. Mariam earned her B.A. from the University of California San Diego.



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Sell on our 24/7 online marketplace and we'll help you sell faster



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The industry's deepest metrics and data for equipment pricing, benchmark valuations, market trends, and more.



INDUSTRY INSIGHTS

ROUSE EQUIPMENT INSIGHTS

ROUSE RENTAL INSIGHTS

Services

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RITCHIE BROS. FINANCIAL SERVICES

RITCHIE BROS. INSPECTIONS

RITCHIE BROS. LOGISTICS

RITCHIE BROS. REFURBISHING

LISTING SERVICES



ROUSE APPRAISALS

ROUSE FLEET MANAGER



SmartEquip Catalog

SmartEquip e-Commerce

SmartEquip Procurement



VERITREAD TRANSPORT

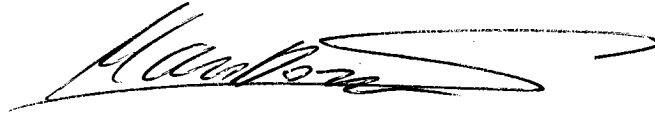


XCIRA AUCTION MANAGEMENT

Contact your local representative today.



This is Exhibit "D" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia

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Appraisal Report

of

Amalgamated Mining Group Equipment

Prepared for:

Don MacLellan, CPA

Chief Financial Officer

Amalgamated Mining Group

6932 Roper Rd NW

Edmonton, AB T6B 3H9

Member in good Standing of the Canadian Personal Property Appraisers Group



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Summary

On June 12, 2024 Don McLellan CPA, and Chief Financial Officer of the Amalgamated Mining Group contacted Mark Allen of Allen Repair and Appraisals Inc. requesting an appraisal of Mining Equipment that was owned by Amalgamated Mining Group and located at the Myra Falls project on Vancouver Island. A list of equipment complete with photos was sent by Colin Elson VP Amalgamated Mining Group on June 14, 2024. The engagement letter was sent out and signed on June 18, 2024 by Don MacLellan of AMG. The following attached list of equipment was given on June 14, 2024.

Valuation

Fair Market Value

The fair market value for the following assuming that the units are complete and in working order.

| | Equipment | Hours | Fair Market Value | |
|----|---|--------------|--------------------------|----|
| 1. | 2023 Sandvik LH 514 s/n LHL514DKNA0A1038 | 1,474 | \$ 1,320,000. Cnd. | |
| 2. | 2023 Sandvik TH545i s/n LHT545DCPA0A0249 | 2,211 | \$ 1,275,000. Cnd. | |
| 3. | 2021 Sandvik TH545i s/n LHT545DEMA0A0125 | 7,962.7 | \$ 650,000. Cnd. | |
| 4. | 2016 Sandvik LH514 s/n L614D818 | 3-4000 Est. | \$ 720,000. Cnd. | \$ |
| | <p>Note: This unit is presently buried underground, no photos are available. Unit was delivered to mine as rebuilt. Hours of usage reported are estimated @ 3 - 4,000.</p> | | | |
| 5. | 2020 Getman EXC 4000 s/n 100-10101 | 1,064 | \$ 260,000. Cnd. | |

Note: This is not the Appraisal Report. The Appraisal Report must be read in its entirety.



Conditions and Limitation of Appraisal Report

Opinions and conclusions made in this report reflect my professional judgement based on facts and conditions available to me at the time of this report.

The intended use of this report being provided are to establish a Fair Market Value only based on the information supplied by Amalgamated Mining Group and the O.E.M.'s. This report is to be used in its entirety only and is not intended for any other use other than Amalgamated Mining Groups use.

Any subsequent work to this report will be billed separately.

Certification of Report

All facts and data set forth in this report are true and accurate to the best of the appraiser's knowledge and belief.

Mark Allen of Allen Repair and Appraisals Inc. has not performed any services, as an appraiser or in any other capacity, regarding the property that is subject to this report preceding the acceptance of this assignment. The appraiser has no personal interest or bias with respect to the parties involved.

I have not done a personal inspection of the equipment in the report however, photo's and information provided to me by the Amalgamated Mining Group and the O.E.M.'s are adequate for evaluation.

My compensation is not contingent upon reporting of a specific predetermined value or direction of value.

I am an accredited member in good standing in 2024 of the Canadian Personal Property Appraisers Group and have prepared this report in compliance with their standards and practices.

This report is subject to review by the Canadian Personal Appraisers Group or their duly authorized committee.

By:

For:

Effective:



Purpose of the Report

The intended use of this report is to provide a fair market valuation for the equipment listed in this report.

Definition of Value

Fair Market Value:

The price at which the property would change hands between a willing buyer and a willing seller, neither being under compulsion to buy or compulsion to sell and both having reasonable knowledge of relevant facts.



Basis of Appraisal

Date of Appraisal

The date of valuation for determining the value estimation is June 20, 2024

Methods of Valuation

The method of evaluation for determining the value estimation will be Fair Market Value The value has been determined by the use of comparables, information supplied by the O.E.M.'s and by my experience as an appraiser and equipment rebuilder.

Description of Assets

- 1. 2023 Sandvik LH 514 s/n LHL514DKNA0A1038 SMU Hours 1,474
- 2. 2023 Sandvik TH545i s/n LHT545DCPA0A0249 SMU Hours 2,211
- 3. 2021 Sandvik TH545i s/n LHT545DEMA0A0125 SMU Hours 7,962.7
- 4. 2016 Sandvik LH514 s/n L614D818 SMU Hours 3 – 4,000

Note: This unit is presently buried underground,
no photos are available.
Unit was delivered to mine as rebuilt.
Hours of usage reported are estimated @ 3,000.

- 5. 2020 Getman EXC 4000 s/n 100-10101 SMU Hours 1,064



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Factors Effecting Value

Age and Condition

These units are considered late model with relatively low hours, the highest hours of usage are the 2021 Sandvik TH545i s/n LHT545DEMA0A0125 with 7,962.7 hours which represents approximately 30% of its overall life before a rebuild is required under normal conditions and proper maintenance.

Fair Market value takes in depreciation of the units however sometimes does not represent the true cost or replacement costs of the units as equipment prices have increased and low availability with long deliveries on new or remanufactured unit's effects pricing.

As well it does not consider repair cost to bring the unit back into rentable or saleable condition.

Features:

Standard Units, mine ready for the province of BC.

Location:

Myra Falls Project, Campell River BC.

Market Conditions

The overall present mining and construction markets are currently slow but stable and show signs of improvement. O.E.M. equipment inventories however are low and lead times for new equipment are very long which makes these units desirable and in higher demand by end users. The overall condition of the equipment "appears" to be good making them desirable in the used market once they are ready to rent or sell.

Conclusion

The late model and low hours of these units along with the low inventory levels and long order time and related pricing for new equipment make these units desirable to end users.



Valuation

The **Fair Market Value** for the following for units complete and in working order.

| Equipment | Hours | Fair Market Value |
|---|--------------|--------------------------|
| 6. 2023 Sandvik LH 514 s/n LHL514DKNA0A1038 | 1,474 | \$ 1,320,000. Cnd. |
| 7. 2023 Sandvik TH545i s/n LHT545DCPA0A0249 | 2,211 | \$ 1,275,000. Cnd. |
| 8. 2021 Sandvik TH545i s/n LHT545DEMA0A0125 | 7,962.7 | \$ 650,000. Cnd. |
| 9. 2016 Sandvik LH514 s/n L614D818 | 3 – 4,000 | \$ 720,000 Cnd. |
| <p>Note: This unit is presently buried underground, no photos are available. Unit was delivered to mine as rebuilt. Hours of usage reported are estimated @ 3 – 4,000</p> | | |
| 10. 2020 Getman EXC 4000 s/n 100-10101 | 1,064 | \$ 260,000. Cnd. |

Appraisers Qualifications

Appraisers Qualifications

Mark Allen, CPPA

252 Donnelly Drive, Garson, Ontario, Canada P3L 1L6

Education:

Canadian Personal Property Appraisers Group, London, Ontario.
Personal Property Accreditation Program, September 2013.

Graduate Northern College of Applied Arts and Technology, South Porcupine, Ontario 1976.

Licensed Heavy Equipment Mechanic since 1982.

Memberships:

Canadian Personal Property Appraisers Group, member in good standing from 2013 to 2024.

Work Experience:

51 years experience in Mining, Contracting, Manufacturing, Rebuilding, Equipment Design, Plant construction and Power Center installations. 1973 - 2024.

McIntyre Mines 1973-1975

Canadian Mine Enterprises Mechanic - 1976 -1979, Lead Hand 1979 - 1981, Shop Foreman 1981 - 1983, Shop Manager -1984.

Co - owner Canadian Mine Development Hillsborough, Plant and Equipment Manager 1984 – 1995.

Owner - President Driftech Inc. 1995 – 2006.

President Driftech Inc. The underground division of McDowell Bros. 2006 - 2015.

President and Owner of Allen Repair and Appraisals Inc. 2015 - Present.

President and Co-Owner Interim Staffing Solutions 2015 - Present.

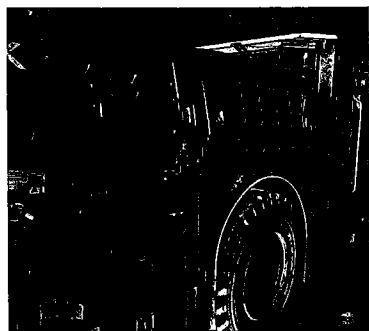


This is Exhibit "E" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia

Mining Equipment – Invitation for Offers



Background

On December 18, 2023, Myra Falls Mine Ltd. ("MFM") sought and obtained an initial order (the "Initial Order") from the Supreme Court of British Columbia (the "Court") under the Companies' Creditors Arrangement Act R.S.C. 1985, c. C-36, as amended ("CCAA"). Pursuant to the Initial Order FTI Consulting Canada Inc. was appointed monitor (the "Monitor") of MFM.

The Monitor is assisting MFM in seeking offers to assign MFM's right, title and interest in certain mining equipment (the "Sandvik Equipment") leased by Sandvik Canada Inc. ("Sandvik").

Asset Description

The Sandvik Equipment is comprised of the following:

- 2021 Sandvik Underground Development Drill Rig (model DL432i)
- 2021 Sandvik Underground Haul Truck (model TH545)
- 2021 Sandvik Underground Haul Truck (model TH545)
- 2022 Sandvik Underground Haul Truck (model TH545i)

Offer Process for the Equipment

Any interested party may request access to an electronic data room including photographs of the Sandvik Equipment, equipment hours and other details.

Site visits to inspect the Sandvik Equipment can be arranged upon request to the Monitor.

The timeline for the process is as follows:

- July 10 to July 18, 2024 – access to the electronic data room and due diligence
- **July 19, 2024 (4pm Pacific Daylight Time) – deadline for submitting offers**
- July 20, 2024 to July 22, 2024 – finalize a binding lease assignment
- August 2, 2024 – anticipated Court approval
- August 14, 2024 – closing of lease assignment

MFM may at any time extend, alter or modify the time periods set out herein in its sole discretion. MFM reserves its right not to accept any offers and may withdraw from the process altogether without ascribing any reason thereto and without any liability to any interested party.

Required Terms and Conditions

In order for an offer to be considered by MFM, the following terms and conditions must be included:

- assumption of the current lease or execution of a new lease in respect of the Sandvik Equipment
- minimum payment of \$2,000,000 to Myra Falls Mine Ltd. by guaranteed funds at closing (Aug. 14, 2024)
- payment of all outstanding lease arrears to Sandvik
- payment of buyout amounts due to Sandvik
- a guarantee acceptable to Sandvik, in its discretion, sufficient to release the current guarantee provided by Trafigura
- all equipment shall be acquired “as-is / where-is” and must be removed from the MFM yard at the Myra Falls Mine site at the purchasers expense by August 15, 2024
- any purchaser must pay legal fees associated with the transaction
- all offers are subject to Court approval

A summary of the estimated amounts owed by lease is below, subject to a true-up of any further accrued amounts and applicable taxes owing to Sandvik:

| Sandvik Equipment Summary | | | | | |
|---------------------------|-----------------|----------------------|-----------------------|----------------------|------------------|
| Equipment Description | Contract Number | Lease Arrears | Ongoing Lease Payment | Buyout Amount | Lease Expiry |
| Sandvik DL432i | 47200358 | \$ 331,701.51 | \$ 47,385.93 | \$ 215,918.92 | 6/15/2025 |
| Sandvik TH545 | 47200332 | 71,542.17 | N/A | 100,000.00 | Expired 4/1/2024 |
| Sandvik TH545 | 47200355 | 147,660.30 | N/A | 100,000.00 | Expired 6/1/2024 |
| Sandvik TH545i | 47202014 | 287,000.00 | 41,000.00 | 216,117.00 | 5/15/2025 |
| Total | | \$ 837,903.98 | \$ 88,385.93 | \$ 632,035.92 | |

Inquiries or requests for information relating to the Sandvik Equipment should be directed to the Monitor at the contact details at the bottom of this page.

Records relating to the CCAA proceedings can be found on the Monitor’s website (<http://cfcanada.fticonsulting.com/myrafalls>).



FTI Consulting Canada Inc.
701 W Georgia St #1450, Vancouver, BC V7Y 1B6

Tessa Chiricosta
 myrafallsmine@fticonsulting.com
 +1.833.516.8999

This is Exhibit "F" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia

[Click here to view browser version](#)

 **Myra Falls Mine**
A Trifigura Group Company

INVITATION FOR OFFERS - LEASE ASSIGNMENT
3 SANDVIK UNDERGROUND TRUCKS
1 SANDVIK UNDERGROUND DRILL RIG

Friday, July 12th, 2024

 The Northern Miner

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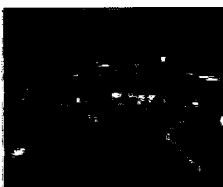
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BHP halts Western Australia nickel mines on weak prices, glut

 **[BHP halts Western Australia nickel mines on weak prices, glut](#)**

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This is Exhibit "G" referred to in the Affidavit of **HEIN FREY**, affirmed before me at Vancouver, BC, this 25 day of July, 2024.



A Commissioner for taking Affidavits in British Columbia

TENDER PROCESS LETTER

Myra Falls Mine Ltd.

Introduction

Myra Falls Mine Ltd. ("**MFM**" or the "**Company**") is a private company that owns and operates the Myra Falls Mine (the "**Mine**") in Strathcona Provincial Park, approximately 90 kilometers southwest of Campbell River, British Columbia.

On December 18, 2023, MFM commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Supreme Court of British Columbia in the City of Vancouver (the "**Court**") pursuant to an order granted by the Court on the same day (as amended and restated by an order of the Court made December 28, 2023, and as may be further amended or amended and restated from time to time, the "**Initial Order**").

Pursuant to the Initial Order, FTI Consulting Canada Inc., a licensed insolvency trustee, was appointed as monitor in the CCAA Proceedings (in such capacity, the "**Monitor**").

Pursuant to an order made on August 2, 2024 (the "**Tender Process Order**"), MFM was authorized to undertake a tender process (the "**Tender Process**") for the sale of various mining equipment and parts (the "**Assets**") located at the Mine. All offers must be received by the Company, with a copy to the Monitor, no later than by **4 PM Pacific Time on the day that is not later than 45 days following the date that the Invitation for Offers is sent to the Prospective Purchaser.**

The Assets available for sale are listed in the virtual data room ("**VDR**"). The rules of, and timeline for, the Tender Process are described below.

Notice of Tender Process

1. As soon as reasonably practicable after MFM's inventory classification is completed:
 - (a) MFM, in consultation and with the assistance of the Monitor, will prepare a list of prospective purchasers (the "**List of Prospective Purchasers**"), including (i) parties that have approached MFM or the Monitor indicating an interest in any of the Assets, (ii) parties suggested by MFM's creditors or their advisors, and (iii) strategic parties and auctioneers of commercial equipment, whom MFM or the Monitor believe may be interested in any of the Assets;
 - (b) MFM shall provide information and documentation to the Monitor to allow the Monitor to create a VDR with respect to the Assets available for sale to prospective purchasers (the "**Prospective Purchasers**");

- (c) MFM, in consultation and with the assistance of the Monitor, will prepare a Tender Process summary (the "**Invitation for Offers**") outlining the process and inviting prospective purchasers (the "**Prospective Purchasers**") to provide an offer pursuant to the Tender Process;
- (d) MFM, with the assistance of the Monitor, will arrange for the Invitation for Offers to be distributed to the parties on the List of Prospective Purchasers;
- (e) MFM, in consultation and with the assistance of the Monitor, may, but is not required to, cause a notice regarding this Tender Process (the "**Tender Process Notice**"), to be published in one or more trade, industry or other publications as may be considered appropriate; and
- (f) copies of the Invitation for Offers, Tender Process Order, Form of Offer (as defined below), Additional Terms and Conditions of Sale (as defined below), and any other relevant information that the Monitor, in consultation with MFM, considers appropriate, will be published by the Monitor on the Monitor's website at: <http://cfcanada.fticonsulting.com/myrafalls/>.

Offer Submission

2. Offers by Prospective Purchasers in respect of Assets (the "**Offers**") must be submitted by Prospective Purchasers in the form of offer attached as **Schedule "1"** (the "**Form of Offer**") to the additional terms of conditions of sale attached as **Schedule "A"** hereto (the "**Additional Terms and Conditions of Sale**") with any amendments noted by way of blackline to the Form of Offer.
3. All Offers must be received by the Company, with a copy to the Monitor, no later than **by 4 PM Pacific Time on the day that is not later than 45 days following the date that the Invitation for Offers is sent to the Prospective Purchaser** (the "**Bid Deadline**").
4. All submitted Offers are subject to the Additional Terms and Conditions of Sale attached as **Schedule "A"** hereto.
5. Offers must be accompanied by a non-refundable good faith cash deposit (the "**Deposit**") equal to 10% of the purchase price contained in the Offer, which Deposit shall be paid to the Monitor and held in trust in a non-interest-bearing trust account. The treatment of the Deposits is outlined in the Additional Terms and Conditions of Sale.
6. If one or more acceptable Offers are received, the Company, in consultation and with the assistance of the Monitor, will negotiate a purchase and sale agreement with one or more Prospective Purchasers, and if required pursuant to the Tender Process Order, the Company will bring an application to the Court for an order approving the transaction(s) contemplated by such purchase and sale agreement(s) and vesting the

applicable Assets in the applicable purchaser(s), free and clear of all claims (an "AVO").

Inspection of Assets

7. In addition to receiving access to the VDR, Prospective Purchasers shall be permitted to inspect the Assets prior to submitting Offers. To schedule an inspection, Prospective Purchasers shall contact the Monitor at:

Tessa Chiricosta, Consultant
Email: tessa.chiricosta@fticonsulting.com
Phone: 1.416.649.8109

-or-

Mike Clark
Managing Director
Email: Mike.clark@fticonsulting.com
Phone: 1.604.484.9537

8. MFM, the Monitor, and their respective employees, officers, directors, agents, legal counsel other representatives and their respective advisors make no representation, warranty, condition or guarantee of any kind, nature or description as to the conditions of the Assets or the information made available in connection with the Tender Process. Prospective Purchaser must rely solely on their own independent review, investigation and/or inspection of the Assets and information in connection with their participation in the Tender Process.

Communication Protocol

9. Each Prospective Purchaser is prohibited from communicating with any other Prospective Purchaser and their respective affiliates, legal and financial advisors regarding their Offer during the term of the Tender Process, without the written consent of MFM after consultation with the Monitor.
10. To the extent that any interested Prospective Purchaser wishes to engage, discuss, or communicate with any party with an existing contractual relationship with MFM in relation to this Tender Process or the Assets, such parties may only do so after advising MFM and the Monitor and obtaining MFM and the Monitor's consent. In considering such requests, MFM and the Monitor shall impose such restrictions or conditions as they deem appropriate.

Terms and Conditions of Sale

11. Offers must be submitted according to the Form of Offer, must be accompanied by a Deposit and must be received by the Company, with a copy to the Monitor, no later than the Bid Deadline. Offers are subject to the Additional Terms and Conditions of Sale attached as **Schedule "A"** hereto, and by submitting an Offer, each Prospective Purchaser acknowledges and agrees that its Offer is subject to the terms of this Tender Process Letter and the attached Additional Terms and Conditions of Sale. Prospective Purchasers shall be permitted to make amendments to the Form of Offer provided any amendments are noted by way of blackline to the Form of Offer, however, the nature of such amendments may result in a rejection of such Offer.
12. The Assets are offered to Prospective Purchasers on an "as-is, where-is" basis without surviving representations or warranties of any kind, nature, or description by MFM or the Monitor, or their respective advisors or agents, except to the extent otherwise provided under any definitive sale agreement with the Prospective Purchaser executed by MFM. None of MFM or the Monitor, or their advisors or agents, make any representation or warranty as to the information contained in the Invitation for Offers, the Tender Process Notice, the Tender Process or the VDR, except to the extent otherwise provided under any definitive sale agreement with the Prospective Purchaser executed by MFM.
13. Each Prospective Purchaser is deemed to acknowledge and represent that:
 - a. it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its Offer;
 - b. it has relied solely on its own independent review, investigation, and/or inspection of the Assets or any document related to the Assets in making its Offer; and
 - c. it did not rely on any written or oral statements, representations, promises, warranties, conditions or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Assets, or the completeness of any information provided in connection therewith, except to the extent otherwise provided under any definitive sale agreement executed by MFM.
14. Offers are considered irrevocable and binding upon submission until formally accepted or rejected by the Company.
15. Offers for parcels of Assets must be separate unless indicated as an *en bloc* offer, and Prospective Purchasers may bid on individual or multiple parcels of Assets, specifying the price for each.

16. Failure to comply with the terms and condition in the Tender Process Letter, including the stated Bid Deadline and the Additional Terms and Conditions of Sale, may result in rejection.
17. Prospective Purchasers shall not be entitled to any breakup fee, termination fee, expense reimbursement, or similar type of payment or reimbursement.
18. Neither MFM, Trafigura US Inc. (the "**Interim Lender**") nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transaction contemplated under the Tender Process arising out of any agreement or arrangement entered into by the parties that submitted a successful Offer.

Assessment of Offers

19. Following the Bid Deadline, MFM in consultation with the Monitor, will assess the Offers received by the Bid Deadline and determine whether such Offers constitute an Offer which complies with the terms and condition of this Tender Process Letter ("**Qualified Offer**").
20. MFM, in consultation with, and with the consent of, the Monitor, may waive strict compliance with any one or more of the requirements specified in the Tender Process Letter, including the Additional Terms and Conditions of Sale and deem such non-compliant Offer to be a Qualified Offer.
21. Offers may not be modified, amended, or withdrawn after the Bid Deadline without the written consent of MFM and the consent of the Monitor, except for proposed amendments to increase the purchase price or otherwise improve the terms of the Offer.
22. MFM, in consultation with, and with the consent of, the Monitor, may reject any Offer if it is determined that such Offer does not constitute a Qualified Offer, is otherwise inadequate or insufficient, or is otherwise contrary to the best interest of the Interim Lender or MFM and its creditors and other stakeholders. Notwithstanding anything else herein, any such rejected Offer will be deemed not to be a Qualified Offer.

Evaluation of Qualified Offers

23. Following the Bid Deadline, MFM, in consultation with the Monitor and the Interim Lender, will review the Qualified Offers. In performing such review and assessment, the following non-exhaustive list of factors may be considered:
 - a. the purchase price and net value (including assumed liabilities and other obligations to be performed by the Prospective Purchaser);
 - b. the claims likely to be created by such Offer in relation to other Offers;

- c. the counterparties to the transaction;
- d. the terms of transaction documents;
- e. the closing conditions
- f. factors affecting the value of the transaction;
- g. the parcels of Assets included or excluded from the Offer;
- h. any restructuring costs that would arise from the Offer;
- i. the likelihood and timing of consummating the transaction;
- j. whether the Interim Lender supports the Offer; and
- k. any other factors that MFM or the Monitor may deem relevant in their sole discretion.

24. The Company is not bound to accept the highest or any specific Offer.

25. Following evaluation of the Qualified Offers, MFM may, with the consent of the Interim Lender and the Monitor, undertake one or more of the following steps:

- (g) accept one or more of the Qualified Offers (each a "**Successful Offer**", and each offeror making such a Successful Offer, a "**Successful Offeror**") and take such steps as may be necessary to finalize definitive transaction documents for Successful Offers with Successful Offerors;
- (h) continue negotiations with Prospective Purchasers who have submitted Qualified Offers with a view to finalizing acceptable terms with one or more Prospective Purchasers that submitted Qualified Offers; or
- (i) terminate the Tender Process without consummating a transaction.

Court Approval

26. Unless not required pursuant to the terms of the Tender Process Order, the acceptance of Offers and the completion of any transactions, are all subject to Court approval under the CCAA.

General

27. The terms of this Tender Process, including the requirements, criteria and timelines set out herein may be amended, extended or waived by MFM, with the consent of the Monitor, providing such amendments, extensions or waivers are, in the judgment of

the Monitor, necessary or useful in order to give effect to the substance and purpose of the Tender Process and the Tender Process Order.

28. The Monitor shall supervise the Tender Process as outlined herein. In the event that there is a disagreement, or clarification is required, as to the interpretation or application of this Tender Process, the responsibilities of the Monitor or MFM hereunder, the Court will have jurisdiction to hear such matter and provide advice and directions, upon application of the Monitor or MFM or any other interested party with a hearing which shall be scheduled on not less than three (3) business days' notice.

Schedule "A" to Tender Process Letter

Additional Terms and Conditions of Sale

1. Terms capitalized but not otherwise defined in these Additional Terms and Conditions of Sale shall have the meaning set out in the Tender Process Letter to which these Additional Terms and Conditions of Sale are attached.
2. Offers must be submitted by Prospective Purchasers according to the Form of Offer attached as **Schedule "1"** hereto (or, if in a revised form, with a blackline to the Form of Offer), and must be received by the Company, with a copy to the Monitor, no later than by **4 PM Pacific Time on day that is not later than 45 days following the date that the Invitation for Offers is sent to the Prospective Purchaser** (the "**Bid Deadline**").
3. By submitting an Offer, each Prospective Purchaser acknowledges that it has inspected the parcels of Assets to which the Offer pertains and that the Assets are sold on an "as-is, where-is" basis and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, merchantability, quantity, condition, cost, or quality thereof or compliance of any parcel of assets with or in respect of anything whatsoever. Without limitation, all Assets are specifically offered as they exist on the date of closing of the applicable transaction (the "**Closing Date**") with no adjustments to be allowed to any Prospective Purchaser for changes in conditions, qualities or quantities of such Assets from the Closing Date. The Prospective Purchaser shall be deemed to have relied entirely on its own inspection and investigation of any Assets to satisfy the Prospective Purchaser as to the effects of any laws, regulations or requirements upon any assets or the transfer by MFM to the Prospective Purchaser of any Assets. It shall be the Prospective Purchaser's sole responsibility to obtain, at its own expense, any consent to such transfer and any further documents of assurances which are necessary or desirable in the circumstances.
4. MFM shall not be required to produce any tax certificate, clearance certificate, abstract of title or documents or copies thereof or any evidence as to title, other than those in its actual possession.
5. MFM shall remain in possession of the applicable Assets until the Closing Date and receipt of the full purchase price in respect thereof (which shall be paid in trust to the Monitor).

6. All Offers must include a fully completed Form of Offer (attached as **Schedule "1"** hereto). Supplemental information must be in written form, signed by a duly authorized officer of the entity making the Offer.
7. All Offers must be accompanied by a bank draft or certified cheque payable to "FTI Consulting Canada Inc. – in Trust" in an amount equal to 10% of the purchase price contained in the Offer. If the Offer is accepted, this draft or cheque shall be deemed a non-refundable cash deposit and shall be forfeited to MFM on account of liquidated damages if the contemplated sale is not completed by the Prospective Purchaser by reason of the Prospective Purchaser's default.
8. If one or more acceptable Offers are received, the Company, in consultation and with the assistance of the Monitor, will negotiate a purchase and sale agreement with one or more Prospective Purchasers, and if required pursuant to the Tender Process Order, will bring an application to the Court for an approval and vesting order.
9. In consideration of MFM making available to Prospective Purchasers these Terms and Conditions of Sale, any other information, and the opportunity of inspection, and/or in consideration of receiving and considering any Offer to be submitted hereunder, each Prospective Purchaser agrees that its Offer is irrevocable and cannot be retracted, withdrawn, varied or countermanded prior to acceptance or rejection thereof.
10. MFM may, in consultation with the Interim Lender and the Monitor, call upon Prospective Purchasers to re-submit any Offer made to MFM for its reconsideration. Each Prospective Purchaser agrees that the re-submission contemplated under this section is a fair and reasonable manner of proceeding.
11. Offers may be made for all or any parcel of Assets. Offers submitted for more than one parcel of Assets must specifically allocate a separate price for each parcel and will be considered as a separate Offer for each parcel unless otherwise indicated as an *en bloc* offer.
12. Offers to liquidate the Assets must contain a net minimum guaranteed return to MFM and will be subject to the liquidator and MFM entering into an auction services agreement on terms satisfactory to MFM, the Interim Lender and the Monitor.

13. Where a Prospective Purchaser withdraws its Offer after the Bid Deadline and before the date on which the party receives notification of the decision made regarding the Offers, the Deposit shall be forfeited on account of liquidated damages by the party to MFM.
14. Cheques or drafts accompanying Offers that are not accepted by MFM shall be returned by the Monitor to the party by pre-paid registered mail, addressed to the party at the address set forth in its Offer.
15. The balance of the purchase price shall be paid on the Closing Date.
16. The Prospective Purchaser shall pay to MFM on closing, in addition to the balance of the purchase price, all applicable federal and provincial taxes, unless the applicable exemption certificates are presented to MFM on or before the Closing Date.
17. The Prospective Purchaser shall be solely responsible for costs of removing the purchased Assets.
18. The Prospective Purchaser shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the purchased Assets and the use thereof by the Prospective Purchaser.
19. The submission of an Offer to the Company shall constitute an acknowledgement and an acceptance by the Prospective Purchaser of these Additional Terms and Conditions of Sale.
20. The validity and interpretation of these Additional Terms and Conditions of Sale shall be governed by the laws of the Province of British Columbia and the Supreme Court of British Columbia shall have exclusive jurisdiction with respect to any dispute arising out of these Additional Terms and Conditions of Sale or any transaction documents entered into pursuant hereto.
21. All stipulations as to time are strictly of the essence.

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Schedule "1" to Additional Terms and Conditions of Sale

Form of Offer

To: Myra Falls Mine Ltd. – Attention: Jeff May (email: jeff.may@myrafallsmine.com)

1. _____
(Name of Purchaser issuing offer)

2. _____
(Address of Purchaser)

3. _____
(Phone Number)

4. _____
(Contact Person)

5. The total amount hereby offered is: \$_____

6. The amount offered for each parcel of Assets is as follows:

7. Additional details of the Offer, if any:

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8. This offer must be considered as an *en bloc* offer (yes/no) _____

9. This offer is irrevocable. We acknowledge and confirm that this Offer is governed by the tender process and omnibus approval and vesting order issued by the Supreme Court of British Columbia in the City of Vancouver on August 2, 2024 (the "**Tender Process Order**"), and the Tender Process and Additional Terms and Conditions of Sale attached to the Tender Process Order.

10. Enclosed is a [**bank draft/certified cheque**] payable to FTI Consulting Canada Inc.-in Trust as a deposit in the amount of \$ _____, representing 10% of the total amount of the Offer submitted herein.

Dated at _____, this _____ day of _____, 2024.

(Full legal name of Purchaser)

(Signature of Authorized Representative)

(Name of Authorized Representative of Purchaser)

No. S238572
Vancouver Registry

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

- AND -

IN THE MATTER OF THE PLAN OF COMPROMISE AND
ARRANGEMENT OF MYRA FALLS MINE LTD

AFFIDAVIT OF HEIN FREY #6

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
Bentall 5, Suite 2300,
550 Burrard Street
Vancouver, BC V6C 2B5

Attention: Jonathan B. Ross

Tel: 604.683.6498 Fax: 604.683.3558

File No. A172589