

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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 OR ARRANGEMENT  
OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**Applicants**

**MOTION RECORD  
(re Approval of DIP Facility and Stay Extension)  
(Returnable January 27, 2012)**

January 20, 2012

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# TAB 1

**ONTARIO  
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**Applicants**

**NOTICE OF MOTION  
(re Approval of DIP Facility and Stay Extension)  
(Returnable January 27, 2012)**

Timminco Limited and Bécancour Silicon Inc. (together, the "**Timminco Entities**") will make a motion to a judge presiding over the Commercial List on Friday, January 27, 2012 at 10:00 a.m. or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:**

The motion is to be heard orally.

**THE MOTION IS FOR:**

1. An Order, substantially in the form attached to the Motion Record at Tab 3:
  - (a) approving the DIP Facility (as defined below) and granting a charge on the current and future assets, undertakings and properties of the Timminco Entities in favour of the DIP Lender (as defined below);
  - (b) extending the Stay Period (as defined below) until April 30, 2012; and
  - (c) such further and other relief as this Court deems just.

**THE GROUNDS FOR THE MOTION ARE:**

2. Timminco produces silicon metal through its 51%-owned production partnership with Dow Corning Corporation and produces solar grade silicon through Timminco Solar, an unincorporated division of BSI.
3. The Timminco Entities are facing severe liquidity issues, are unable to meet various financial covenants set out in their senior secured credit facility and do not have the liquidity needed to meet their ongoing payment obligations.
4. The Timminco Entities were granted protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") pursuant to the Initial Order.
5. The Initial Order provided, *inter alia*, that a stay of proceedings would apply with respect of the Timminco Entities up to and including February 2, 2012 or such later date as this Court may order (the "**Stay Period**").
6. In light of the Timminco Entities' precarious cash position, it was imperative that the Timminco Entities secure DIP financing as soon as possible after commencement of the CCAA proceeding. The Timminco Entities have successfully negotiated a DIP Agreement with QSI Partners Ltd. (the "**DIP Lender**") dated January 18, 2010 (the "**DIP Agreement**") pursuant to which the DIP Lender agreed to provide the Timminco Entities a DIP facility (the "**DIP Facility**") in the maximum amount of US\$4,250,000.
7. The DIP Agreement is conditional upon the issuance of a Court order approving the DIP Facility and granting the DIP Lender a priority charge in favour of the DIP Lender (the "**DIP Lender's Charge**") over all of the assets, property and undertaking of the Timminco Entities (the "**Property**"), including the Collateral (as defined in the DIP Agreement), ranking ahead of all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, the "**Encumbrances**") in favour of any person, notwithstanding the order of perfection

or attachment, including without limitation any deemed trust created under the Ontario *Pension Benefits Act*, or the Quebec *Supplemental Pension Plans Act* other than the Administration Charge and the KERP Charge (as granted by and defined in the Order of the Honourable Mr. Justice Morawetz dated January 16, 2012), and any valid purchase money security interests.

8. The Timminco Entities are seeking priority over the Encumbrances for the DIP Lender's Charge and will serve the parties listed in Schedule "A" to this Notice of Motion with the Motion Record and any ancillary materials. The personal information of certain of the pension committee members has been redacted due to privacy concerns.

9. The Timminco Entities have acted and continue to act in good faith and with due diligence.

10. An extension of the stay of proceedings until April 30, 2012 is necessary in order to give the Timminco Entities the time required to attempt to negotiate a stalking horse bid with the DIP Lender and complete a bidding procedure or, if a stalking horse bid cannot be negotiated, to complete a standalone sales process, negotiate binding agreements of purchase and sale, and return to Court for approval. The stability provided by the stay of proceedings is critical to the Timminco Entities in order to be able to continue their daily operations and restructuring efforts.

11. Section 11 and other provisions of the CCAA and the inherent and equitable jurisdiction of this Court.

12. Rules 2.03, 3.02 and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended and section 137 of the *Ontario Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended.

13. Such further and other grounds as counsel may advise and this court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

- 1) the Affidavit of Peter A.M. Kalins sworn January 20, 2012, and the exhibits attached thereto;
- 2) the Third Report of the Monitor, to be filed; and
- 3) such further and other materials as counsel may advise and this Court may permit.

January 20, 2012

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AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

Court File No. CV-12-9539-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**NOTICE OF MOTION**  
**(RETURNABLE JANUARY 27, 2012)**

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**TAB 1-A**

Court File No. CV-12-9539-00CL

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R.S.C. 1985, c. C-36, AS AMENDED

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OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**Applicants**

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<p><b>ONTARIO MINISTRY OF NORTHERN DEVELOPMENT, MINES AND FORESTRY</b> Rm. M2-24, Macdonald Block 900 Bay Street Toronto, ON M7A 1C3</p> <p>Ministry of Northern Development, Mines and Forestry 933 Ramsey Lake Road, B4, Sudbury, Ontario P3E 6B5</p>	<p><b>Ms. C. Blancher-Smith</b>, Director of Mine Rehabilitation TeL: (705) 670-5784</p>

# TAB 2

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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 OR ARRANGEMENT  
OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

(Applicants)

**AFFIDAVIT OF PETER A.M. KALINS  
(Sworn January 20, 2012 re Approval of DIP Facility and Stay Extension)**

I, PETER A.M. KALINS, of the City of Toronto, in the Province of Ontario,  
MAKE OATH AND SAY:

1. I am the President, General Counsel and Corporate Secretary of the Applicant Timminco Limited ("**Timminco**") and the President, General Counsel and Corporate Secretary, as well as a director of the Applicant Bécancour Silicon Inc. ("**BSI**" and, together with Timminco, the "**Timminco Entities**") and as such have knowledge of the matters to which I hereinafter depose, except where otherwise stated.
2. This affidavit is sworn in support of a motion brought by the Timminco Entities seeking an order, substantially in the form of the draft order included with the Motion Record, approving the DIP Facility (as defined below), extending the Stay Period (as defined below) until April 30, 2012, and certain ancillary relief.

**INTRODUCTION**

3. The Timminco Entities are facing severe cash constraints. Current cash flow projections forecast that without additional financing the Timminco Entities will be unable to continue operating past the third week of February and will not be able to complete a restructuring of the business, either through a sale or a plan, for the benefit of its stakeholders. The DIP Facility will provide Timminco with the requisite liquidity

and preserve the opportunity to obtain a going concern solution.

4. The Stay Period set forth in the Initial Order expires on February 2, 2012. The Timminco Entities require an extension of the stability provided by the stay of proceedings in order to continue their restructuring efforts.

## **BACKGROUND**

5. Timminco produces silicon metal through its 51%-owned production partnership with Dow Corning Canada, an indirect subsidiary of Dow Corning Corporation ("**Dow Corporation**"), for resale to customers in the chemical, aluminum, and electronics/solar industries. Timminco also produces solar grade silicon through Timminco Solar, an unincorporated division of Timminco's wholly-owned subsidiary BSI, for customers in the solar photovoltaic industry.

6. As described in greater detail in the affidavit (the "**Initial Order Affidavit**") sworn by me on January 2, 2012, in support of the Timminco Entities' application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the Timminco Entities are facing severe liquidity issues as a result of, among other things, a low profit margin realized on their silicon metal sales due to a high volume long-term supply contract at below market prices, a decrease in the demand and market price for solar grade silicon, failure to recoup their capital expenditures incurred in connection with development of their solar grade operations, and inability to secure additional funding. The Timminco Entities are also facing significant pension and environmental remediation legacy costs and financial costs related to large outstanding debts. A significant portion of the legacy costs are as a result of discontinued operations relating to Timminco's former magnesium business.

7. As a result, the Timminco Entities were unable to meet various financial covenants set out in their senior secured credit facility and did not have the liquidity needed to meet their ongoing payment obligations. Without the protection of the CCAA, a shut-down of operations was inevitable, which would be extremely



detrimental to the Timminco Entities' employees, pensioners, suppliers, and customers.

8. The Timminco Entities were granted protection from their creditors under the CCAA pursuant to the Initial Order of the Ontario Superior Court of Justice dated January 3, 2012 (the "**Initial Order**"). FTI Consulting Canada Inc. was appointed as monitor of the Timminco Entities (the "**Monitor**") in the CCAA proceedings. A copy of the Initial Order is attached hereto as **Exhibit "A"** and is available, together with all other filings in the CCAA proceedings, on the Monitor's website (the "**Monitor's Website**") at: <http://cfcanada.fticonsulting.com/timminco>.

9. Further details regarding the background to this CCAA proceeding are set out in the Initial Order Affidavit and, unless relevant to the present motion, are not repeated herein. Capitalized terms used herein but not otherwise defined have the meanings ascribed to them in the Initial Order Affidavit.

## **STATUS OF CCAA PROCEEDINGS**

### *Communications with Stakeholders*

10. As described in the Second Report of the Monitor dated January 11, 2012 (the "**Second Report**"), following the granting of the Initial Order, the Monitor, among other things:

- (a) established the Monitor's Website on which regular updates on the CCAA Proceedings are being posted, together with all Court materials filed in the CCAA Proceedings;
- (b) with the assistance of the Timminco Entities, sent a notice in the prescribed manner to every known creditor with a claim against the Timminco Entities of more than \$1,000 on January 6, 2012;
- (c) established contact numbers (416-649-8125 or 1-855-244-0020) and an email address ([timminco@fticonsulting.com](mailto:timminco@fticonsulting.com)) to allow stakeholders to

communicate directly with the Monitor in order to address any questions or concerns in respect of the CCAA Proceedings;

- (d) posted a list of creditors, other than names or addresses of individuals who are creditors, on the Monitor's Website; and
- (e) published the initial notice containing the information prescribed under the CCAA in the *Globe and Mail* (National Edition) and *La Presse* on January 9, 2012 and January 16, 2012.

11. Since the commencement of the CCAA Proceedings the Timminco Entities, the Monitor, and their respective counsel have had a number of meetings and discussions with Investissement Québec ("IQ"), Bank of America, N.A. ("Bank of America"), AMG Advanced Metallurgical Group N.V. ("AMG"), Dow Corning, suppliers and other creditors, major customers, potential lenders, and parties potentially interested in acquiring some or all of the business of the Timminco Entities.

12. The Timminco Entities and the Monitor have also endeavoured to ensure that there is open and ongoing communication with the Timminco Entities' employees and retirees. As described in the Second Report, following the issuance of the Initial Order, meetings were held for the head office staff in Toronto and the staff at the Becancour Facilities, including employees of QSLP and BSI. A "Frequently Asked Questions" document in English and French addressing common questions arising in respect of a CCAA proceeding was made available to employees and retirees and posted on the Monitor's Website. Employees and retirees were also informed of the Monitor's Website, hotline and mailbox in order that they could obtain additional information on the CCAA proceeding and contact the Monitor directly with any questions or concerns.

13. In addition, I am informed by Mr. Douglas A. Fastuca, the Chief Executive Officer of Timminco, by Mr. René Boisvert, the President and Chief Executive Officer of QSLP, and by Mr. Carl Rivard, the Director of Human Resources of QSLP, and do verily believe that:

- (a) there were three meetings held for QSLP employees on January 4, 2012 (referenced in paragraph 12 above);
- (b) a total of approximately 120 unionized and non-unionized employees of QSLP participated in the three QSLP employee meetings; and
- (c) representatives of the Communications, Energy and Paperworkers Union of Canada local 184, known locally as La Section Locale 184 De Syndicate Canadien des Communications, de L'Energie et du Papier (the "**Bécancour Union**"), including Mr. Jean Simoneau, President of the Bécancour Union, also participated in these meetings.

14. I am informed by Mr. Julian Crisnaire, General Manager of Timminco Solar, and do verily believe that:

- (a) there was one meeting held for the Timminco Solar employees on January 4, 2012 (referenced in paragraph 12 above);
- (b) a total of approximately 16 unionized and non-unionized employees of BSI and QSLP attended the meeting; and
- (c) representatives of the Bécancour Union, including Mr. Martin Lampron, the Vice-President of the Bécancour Union, also participated in this meeting.

15. I am informed by Mr. Rivard, and do verily believe that:

- (a) on January 11, 2012, a meeting was held for the pension committee of the Bécancour Non-Union Pension Plan and for the pension committee of the Bécancour Union Pension Plan;
- (b) the impact of the CCAA proceeding on such pension plans was discussed at this meeting; and

- (c) Mr. Gérald Brodeur, the former Secretary of the Bécancour Union, and Messrs. Luc Ducharme and Laurent Milette, each serving as representatives of the active and retired unionized employees of BSI on the pension committee of the Bécancour Union Pension Plan, participated in the meeting for the Bécancour Union Pension Plan pension committee.

16. I am informed by Mr. Rivard, and do verily believe, that on January 13, 2012 he contacted Mr. Simoneau (President of the Bécancour Union) to inform him, as representative of the Bécancour Union, of the suspension of post-retirement medical benefits for retirees of BSI.

17. I am further informed by Messrs. Boisvert and Rivard, and do verily believe that:

- (a) a meeting of the Labour Relations Committee of QSLP was held on January 17, 2012;
- (b) the impact of the CCAA proceeding on labour relations, including any potential sale of BSI's interest in QSLP on the pending negotiations in respect of proposed amendments to and an extension of the Collective Bargaining Agreement, were discussed at this meeting; and
- (c) Messrs. Simoneau (President of the Bécancour Union) and Lampron (Vice-President of the Bécancour Union), as well as Mr. Alain St-Hilaire, the former President of the Bécancour Union, Mr. Nicolas Habel, the Secretary of the Bécancour Union, and Mr. Steve Beaudry, the Treasurer of the Bécancour Union, participated in such meeting.

18. I am further informed by Messrs. Fastuca, Boisvert and Rivard, and do verily believe, that on January 18, 2012, they met with Messrs. Simoneau and Brodeur (former Secretary of the Bécancour Union) to discuss the suspension of post-retirement medical benefits for retirees of BSI.

19. I am further informed by Messrs. Boisvert and Rivard, and do verily believe, that meetings are currently scheduled with the executive members of the Bécancour Union, including Messrs. Simoneau, Lampron, St-Hilaire, Habel and Beaudry, for the purposes of continuing negotiations in respect of proposed amendments to and an extension of the Collective Bargaining Agreement, on each of January 24, 2012, February 14, 2012, February 21, 2012, March 12, 2012, and March 20, 2012.

*Suspension of Special Payments*

20. On January 12, 2012, the Timminco Entities brought a motion for an order, *inter alia*, suspending their obligations to make all contributions or payments (other than normal cost contributions, contributions to a defined contribution provision, and employee contributions deducted from pay) to their pension plans. On January 16, 2012, the Honourable Mr. Justice Morawetz released his Endorsement granting the Timminco Entities' request with Reasons for Decision to follow.

*Approval of KERPs*

21. On January 12, 2012, the Timminco Entities also sought approval of certain key employee retention plans ("KERPs"), a charge in favour of the KERP recipients (the "KERP Charge"), and the sealing of the Confidential Supplement to the First Report of the Monitor, which contained unredacted copies of the KERPs. In his Endorsement, Justice Morawetz granted the Timminco Entities' request for approval of the KERPs and the KERP Charge to secure the Timminco Entities' obligations thereunder, and sealed the Confidential Supplement pending release of his Reasons for Decision.

*Increase in Priority of Court-ordered Charges*

22. In their motion returnable January 12, 2012, the Timminco Entities also sought increased priority for the Administration Charge and the D&O Charge (as these terms are defined in the Initial Order). In particular, the Timminco Entities requested that those charges rank ahead in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, the "Encumbrances") in favour

of any person, notwithstanding the order of perfection or attachment, including without limitation any deemed trust created under the Ontario *Pension Benefits Act*, or the Quebec *Supplemental Pension Plans Act* in favour of any person. In his Endorsement, Justice Morawetz granted the increased priority for the Administration Charge and the D&O Charge, with the resulting ranking as between the Court-ordered charges being as follows:

- (a) First – the Administration Charge (to a maximum amount of \$1 million);
- (b) Second – the KERP Charge (to a maximum amount of \$269,000); and
- (c) Third – the D&O Charge (to a maximum amount of \$400,000).

### ***Solar Operations***

23. On January 12, 2012, the current stage of the ongoing research and testing of the efficiency of the Timminco Entities' solar technology was completed. On January 13, 2012, the Timminco Entities terminated the employment of seven Timminco Solar employees effective immediately and the employment of two additional Timminco Solar employees was terminated effective January 20, 2012. In addition, employment of two unionized employees was transferred to QSLP in accordance with provisions of the Collective Bargaining Agreement. As at the date of this affidavit, in addition to Mr. Crisnaire (General Manager of Timminco Solar), BSI has two remaining employees: one non-unionized employee serving as sales manager and one unionized employee overseeing the maintenance of the Solar Grade Silicon Production Facilities.

### ***Operation of Silicon Metal Business***

24. The silicon metal operations of BSI, including BSI's purchase of silicon metal from QSLP and resale of such material to BSI's customers, are continuing in the normal course of business without interruption. BSI has agreed to pay for its purchases of silicon metal from QSLP on COD terms, and the Timminco Entities' cash flows have assumed such payment terms.

### ***DIP Financing and Marketing Process***

25. The Timminco Entities attempted to secure DIP financing prior to commencing the CCAA proceeding, but were unable to do so. The Timminco Entities had approached their existing stakeholders and third party financing lenders in order to identify a suitable DIP facility. Bank of America, IQ, AMG and two third party lenders declined to advance any funds to the Timminco Entities. Negotiations with another third party lender failed to result in mutually agreeable terms for a DIP facility.

26. In light of the Timminco Entities' precarious cash position (as described in greater detail in the Initial Order Affidavit), it was imperative that the Timminco Entities secure DIP financing as soon as possible after commencement of the CCAA proceeding. In addition, in consultation with the Monitor, the Timminco Entities determined that it was in the best interests of the Timminco Entities and their stakeholders to commence a marketing process for the potential sale of all or substantially all of their assets forthwith. This intention was communicated to the Court during the hearing of the CCAA application.

27. Following the issuance of the Initial Order and the grant of the stay of proceedings, the Timminco Entities, with the assistance of the Monitor, expanded their efforts to secure DIP financing by contacting parties who could not be contacted in advance of the filing. In addition, a number of other parties contacted the Monitor and the Timminco Entities to inquire as to the possibility of purchasing some or all of the Timminco Entities' business and/or providing DIP financing.

28. The Timminco Entities pursued the arrangement of a DIP facility with each of these parties. Five parties submitted indicative terms for a DIP facility. Following further discussions and negotiations with these parties, the Timminco Entities have successfully negotiated a DIP Agreement with QSI Partners Ltd. ("**QSI**" or the "**DIP Lender**") dated January 18, 2010 (the "**DIP Agreement**"), a copy of which is attached hereto as **Exhibit "B"**.

29. The financial terms of the DIP Agreement are better than or not materially worse than those proposed in the competing term sheets. In addition, some of the other term

sheets provided for an inadequate amount of funding, contained other disadvantageous terms or would not be available in a timely manner. Considering each of the term sheets as a whole, in the opinion of management the DIP Agreement was the best available option. The Special Committee of the Timminco Board of Directors has approved execution of the DIP Agreement and seeking Court approval.

#### **DIP FACILITY AND DIP CHARGE**

30. Pursuant to the DIP Agreement, QSI will extend to the Timminco Entities a DIP facility (the “**DIP Facility**”) in the maximum amount of US\$4,250,000 (the “**Maximum Amount**”). The outstanding principal amount of all DIP Advances (as defined in the DIP Agreement) bears interest at an annual rate of Bank of Canada prime rate plus five percent (5%) (and upon an Event of Default (as defined in the DIP Agreement) at an annual rate of Bank of Canada prime rate plus seven percent (7%)) determined daily and calculated and payable monthly in arrears. In addition, the aggregate amount of the Maximum Amount in the Monitor Account (as defined below) available to be drawn bears interest at an annual rate of two percent (2%) calculated on a daily basis payable monthly in arrears. Under the DIP Agreement, QSI is entitled to a commitment fee in the amount of US\$100,000 (payable from the first drawdown following approval of the DIP Agreement by the Court) and reimbursement of all reasonable out of pocket expenses, including all reasonable legal expenses incurred by the DIP Lender in connection with the DIP Agreement and the transactions contemplated therein (C\$150,000 shall be remitted from the first drawdown following approval of the DIP Agreement by the Court in satisfaction of expenses incurred up to the date thereof and as a retainer to be credited towards the DIP Lender’s expenses incurred in the future, with the remainder to be credited against the DIP Obligations (as defined below)).

31. Pursuant to the DIP Agreement, within one business day of the entry of an order approving the DIP Facility and creating the DIP Lender’s Charge (as defined below), in form and substance satisfactory to the DIP Lender, the DIP Lender will deposit the Maximum Amount into a segregated interest bearing account of the Monitor (the



“**Monitor Account**”). The Monitor shall disburse DIP Advances under the DIP Facility from the Monitor Account on the second business day following delivery of the drawdown certificate in accordance with the provisions of the DIP Agreement, unless within one business day of delivery of such drawdown certificate the DIP Lender delivers to the Timminco Entities and the Monitor a notice of non-consent to such DIP Advance as a result of one or more of the conditions precedent not being met or the occurrence of an Event of Default that is continuing. The amount of each DIP Advance is limited to the amount shown on the cash flow projections provided to the DIP Lender pursuant to the DIP Agreement. The Weekly CCAA Cash Flow (as defined in the DIP Agreement) must be in form and substance satisfactory to the DIP Lender, which the DIP Lender confirmed on January 18, 2012.

32. The draft form of order agreed between the Timminco Entities and the DIP Lender for approval of the DIP Facility provides that in the event of any dispute between the Timminco Entities and the DIP Lender as to (a) whether an Event of Default has occurred, or (b) the entitlement of the Monitor to advance funds to the Timminco Entities, the Timminco Entities, the DIP Lender, or the Monitor may seek advice and directions from the Court with respect to such dispute on four days’ notice to the other parties during which time the Monitor shall continue to hold all funds in the Monitor Account.

33. The term of the DIP Facility is approximately five months, subject to there being an uncured Event of Default. The aggregate principal amount owing under the DIP Facility, all accrued and unpaid interest, prepayment penalties, if applicable, and all fees and expenses incurred by the DIP Lender in connection with the DIP Facility (the “**DIP Obligations**”) shall be repaid in full on the earlier of (a) the occurrence of any Event of Default which is continuing and has not been cured, and (b) June 20, 2012 (the “**Maturity Date**”). The Maturity Date may be extended at the request of the Timminco Entities and with the prior written consent of the DIP Lender, in its sole discretion, for

such period and on such terms and conditions as the Timminco Entities and the DIP Lender may agree.

34. The Timminco Entities may prepay the DIP Obligations at any time prior to the Maturity Date with prepayment penalties of (a) five percent (5%) of the outstanding principal under the DIP Facility if the voluntary prepayment occurs more than 60 days prior to the Maturity Date, (b) two and a half percent (2.5%) of the outstanding principal under the DIP Facility if the voluntary prepayment occurs between 30 and 60 days prior to the Maturity Date, and (c) one percent (1%) of the principal outstanding under the DIP Facility if the voluntary prepayment occurs within 30 days of the Maturity Date.

35. The DIP Agreement includes a number of negative covenants prohibiting the Timminco Entities from taking certain actions without the prior written consent of the DIP Lender or an Order of the Court, including disposing of assets outside the ordinary course of business or making any payment in respect of pre-filing obligations. In addition, the DIP Lender was specifically asked whether it would permit the DIP Facility to be used to make special payments or amortization payments, but the DIP Lender will not. Consequently, the DIP Agreement prohibits the Timminco Entities from making any special payments or amortization payments with respect to any of their pension plans, payments related to post-retirement benefits, solvency deficiencies or wind-up shortfalls in relation to any pension plan administered by the Timminco Entities. Failure to comply with any of the terms or covenants of the DIP Agreement constitutes an event of default entitling QSI to demand and seek, with leave of the Court, immediate payment of all amounts owing by the Timminco Entities.

36. The DIP Agreement is conditional upon the issuance of a Court order approving the DIP Facility and granting the DIP Lender a priority charge in favour of the DIP Lender (the "**DIP Lender's Charge**") over all of the assets, property and undertaking of the Timminco Entities (the "**Property**"), including the Collateral (as defined in the DIP Agreement), ranking ahead of all Encumbrances other than the Administration Charge

and the KERP Charge (as granted by and defined in the Order of the Honourable Mr. Justice Morawetz dated January 16, 2012, and any valid purchase money security interests. The DIP Lender was specifically asked whether it would advance under the DIP Facility if the DIP Lender's Charge is not granted priority over the Encumbrances (other than any valid purchase money security interests), including without limitation any deemed trust created under the Ontario *Pension Benefits Act*, or the Quebec *Supplemental Pension Plans Act*, and the DIP Lender will not. The DIP Lender's Charge will not secure obligations incurred prior to the CCAA proceeding.

37. The DIP Agreement provides for a period of exclusivity during which the Timminco Entities may not, directly or indirectly through any representative, solicit or entertain offers from, negotiate with or accept any proposal of any person other than the DIP Lender for the acquisition of substantially all of the assets of the Timminco Entities from the date hereof until January 31, 2012 (the "**Exclusivity Period**") in order to provide the DIP Lender with the opportunity to prepare a "stalking horse bid" for consideration by the Timminco Entities. If the DIP Lender submits a "stalking horse bid" on or prior to January 31, 2012, in form and substance that the Timminco Entities are willing to consider, acting reasonably, the Exclusivity Period shall be extended one week to February 7, 2012. The Timminco Entities are not obligated to accept any such bid and failure to execute an agreement in respect of any "stalking horse bid" will have no effect on the availability of the DIP Facility.

38. If the order approving the DIP Facility is not granted in form and substance satisfactory to the DIP Lender and the Timminco Entities or if the DIP Obligations are declared to be immediately due and payable in accordance with the provisions of this DIP Agreement, the Exclusivity Period shall immediately terminate.

39. The revised cash flow forecast filed with the Court in the Second Report show that the Timminco Entities become cash flow negative during the third week of February. Without additional funding, the Timminco Entities will be forced to cease operating in February. The cash flow projection attached to the DIP Agreement as

Schedule "A" projects that the Timminco Entities will have sufficient funding to continue operating until June 1, 2012.

40. I am informed by Mr. Taylor and do verily believe that Mr. Taylor contacted counsel to each of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Works International Union (the "USW") and the Bécancour Union on the morning of January 19, 2012, in order to inform them of the execution of the DIP Facility, the relevant terms of the DIP Agreement, and the timing of the motion to seek approval from the Court.

41. I am informed by Mr. Fastuca and do verily believe that on the morning of January 19, 2012, Mr. Fastuca, Mr. Taylor, and Mr. Nigel Meakin, on behalf of the Monitor, spoke to IQ, its counsel, and its financial advisor and informed them of the execution of the DIP Facility, its terms, and the upcoming motion.

42. On the morning of January 19, 2012, I spoke to Mr. John Tierney, Senior Counsel of Dow Corning, and informed him of the execution of the DIP Agreement, its terms, and the upcoming motion.

43. The DIP Facility is expected to provide sufficient liquidity to conduct an orderly marketing process of the Timminco Entities' business following expiry of the Exclusivity Period whether or not a "stalking horse bid" is in place.

44. I understand that the Monitor is supportive of the Timminco Entities DIP Facility and the DIP Lender's Charge.

#### **EXTENSION OF THE STAY PERIOD**

45. Since the commencement of the CCAA proceedings, the Timminco Entities have continued operating their business as a going concern.

46. As described above, with the assistance of the Monitor, the Timminco Entities have been communicating and dealing with their various stakeholders, suppliers, and employees and have negotiated the terms of the DIP Facility that should provide adequate funding of the Timminco Entities operations until June 1, 2012, and could

result in the negotiation of a “stalking horse bid” for all or some of the Timminco Entities’ businesses.

47. The Initial Order granted a stay of proceedings up to and including February 2, 2012, or such later date as this Court may order (the “**Stay Period**”).

48. The Timminco Entities continue to explore opportunities to maximize returns for creditors and to preserve ongoing operations for the benefit of their employees, suppliers, customers and other stakeholders.

49. An extension of the stay of proceedings until April 30, 2012 is necessary in order to give the Timminco Entities the time required to attempt to negotiate a “stalking horse bid” with the DIP Lender and complete a bidding procedure or, if a “stalking horse bid” cannot be negotiated, to complete a standalone sales process, negotiate binding agreements of purchase and sale, and return to Court for approval. The stability provided by the stay of proceedings is critical to the Timminco Entities in order to be able to continue their daily operations and restructuring efforts.

50. The Timminco Entities have acted and continue to act in good faith and with due diligence. I do not believe that any creditor will suffer any material prejudice if the Stay Period is extended as requested.

51. It is my understanding that IQ and the Monitor support the extension of the Stay Period to April 30, 2012.

#### **NOTICE OF MOTION**

52. I am informed by Ms. Kathryn Esaw of Stikeman Elliott LLP and do verily believe that this motion will be served on, among others: (a) IQ, Bank of America, Dow Corning, all registrants shown on searches of the personal property security and real property registers in Ontario and in Quebec; (b) the members of the pension plan committees for the Bécancour Union Pension Plan and the Bécancour Non-Union Pension Plan, FSCO; the Régie de rentes du Québec, the USW and the Bécancour Union;

and (c) various government entities, including Ontario and Quebec environmental agencies and federal and provincial taxing authorities.

53. This affidavit is sworn in support of the Timminco Entities' motion for the relief described in paragraph 2 hereof and for no improper purpose.

SWORN BEFORE ME at the City of Toronto, Province of Ontario, on January 20, 2012.

  
\_\_\_\_\_  
Commissioner for Taking Affidavits

  
\_\_\_\_\_  
Peter A.M. Kalins

Yusuf Yannick Katirai, a  
Commissioner etc., Province of Ontario,  
while a student-at-law.  
Expires April 12, 2013.

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**AFFIDAVIT OF PETER A.M. KALINS  
(SWORN JANUARY 20, 2012)**

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Lawyers for the Applicants

**TAB 2-A**



***THIS IS EXHIBIT "A", referred to in the Affidavit of Peter A. M. Kalin, sworn on January 20, 2012.***

  
\_\_\_\_\_  
***Commissioner for Taking Affidavits***

Yusuf Yannick Katirai, a  
Commissioner etc., Province of Ontario,  
while a student-at-law.  
Expires April 12, 2013.

Court File No. 12-CL- 9539-000L

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR.	)	TUESDAY, THE 3RD
	)	
JUSTICE MORAWETZ	)	DAY OF JANUARY, 2012

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 OR ARRANGEMENT OF  
TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**Applicants**

**INITIAL ORDER**

**THIS APPLICATION**, made by Timminco Limited ("**Timminco**") and Bécancour Silicon Inc. ("**BSI**" and, together with Timminco, the "**Timminco Entities**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Peter A.M. Kalins sworn January 2, 2012 and the Exhibits attached thereto (the "**Kalins Affidavit**"), and on being advised that Investissement Québec ("**IQ**") was given notice of this application, and on hearing the submissions of counsel for the Timminco Entities and FTI Consulting Canada Inc. and on reading the consent of FTI Consulting Canada Inc. to act as the Monitor (the "**Monitor**"),

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

**APPLICATION**

2. **THIS COURT ORDERS AND DECLARES** that the Timminco Entities are companies to which the CCAA applies.

**PLAN OF ARRANGEMENT**

3. **THIS COURT ORDERS** that one or both of the Timminco Entities shall have the authority to file and may, subject to further order of this Court, file with this Court a plan or plans of compromise or arrangement (hereinafter referred to as the "**Plan**").

**POSSESSION OF PROPERTY AND OPERATIONS**

4. **THIS COURT ORDERS** that the Timminco Entities shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Timminco Entities shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Timminco Entities shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, the "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Timminco Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the

Kalins Affidavit or replace it with another substantially similar central cash management system (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Timminco Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Timminco Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, notwithstanding anything to the contrary contained herein, the Timminco Entities are authorized and empowered to continue to negotiate discounts on their invoices with customers in exchange for early payment at discount rates consistent with rates previously provided by the Timminco Entities ~~of~~ <sup>and</sup> as approved by the Monitor or the Court and is authorized and empowered to continue to accept such discounted amounts in full satisfaction of the associated gross amount owing by such customer.

7. **THIS COURT ORDERS** that the Timminco Entities shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses, and similar amounts owed to any Assistants, payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- b) the fees and disbursements of any Assistants retained or employed by the Timminco Entities in respect of these proceedings, at their standard rates and charges.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Timminco Entities shall be entitled but not required to pay all reasonable expenses incurred by the Timminco Entities in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- b) payment for goods or services actually supplied to the Timminco Entities following the date of this Order.

9. **THIS COURT ORDERS** that the Timminco Entities shall remit, in accordance with legal requirements, or pay:

- a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Québec Pension Plan, and (iv) income taxes;
- b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Timminco Entities in connection with the sale of goods and services by the Timminco Entities, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the

date of this Order but not required to be remitted until on or after the date of this Order, and

- c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Timminco Entities.

10. **THIS COURT ORDERS** that until a real property lease or a lease with respect to use of a portable structure is assigned, disclaimed or resiliated in accordance with the CCAA, the Timminco Entities shall pay all amounts constituting rent or payable as rent under real property leases or a lease with respect to use of portable structure (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Timminco Entities and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Timminco Entities are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Timminco Entities to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

12. **THIS COURT ORDERS** that Québec Silicon Limited Partnership ("QSLP") and Québec Silicon General Partner Inc. ("QSGP") shall provide access to the Timminco Entities or permit the Timminco Entities to make, retain and take away copies of books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of QSLP, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "QSLP Records") and grant to the Timminco Entities unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 12 or in paragraph 13 of this Order shall require the delivery of QSLP Records, or the granting of access to QSLP Records, which may not be disclosed or provided to the Timminco Entities due to privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

13. **THIS COURT ORDERS** that QSLP and QSGP shall provide access to the Timminco Entities or permit the Timminco Entities to make, retain and take away copies of books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of BSI, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "BSI Records") and grant to the Timminco Entities unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 13 or in paragraph 12 of this Order shall require the delivery of BSI Records, or the granting of access to BSI Records, which may not be disclosed or provided to the Timminco Entities due to privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

14. **THIS COURT ORDERS** that if any QSLP Records or BSI Records are stored or otherwise contained on a computer or other electronic system of information storage,

whether by independent service provider or otherwise, all individuals, firms, corporations, or any other entities in possession or control of such QSLP Records or BSI Records shall forthwith give unfettered access to the Timminco Entities for the purpose of allowing the Timminco Entities to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Timminco Entities deem expedient, and shall not alter, erase or destroy any QSLP Records or BSI Records without the prior written consent of the Timminco Entities. Further, for the purposes of this paragraph, all Persons shall provide the Timminco Entities with all such assistance in gaining immediate access to the information in the records as the Timminco Entities may require including providing the Timminco Entities with instructions on the use of any computer or other system and providing the Timminco Entities with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **RESTRUCTURING**

15. **THIS COURT ORDERS** that the Timminco Entities shall, subject to such requirements as are imposed by the CCAA, have the right to:

- a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$1,000,000 in the aggregate,
- b) terminate the employment of such of its employees or Assistants or temporarily lay off such of its employees or Assistants as it deems appropriate, and
- c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,



- d) all of the foregoing to permit the Timminco Entities to proceed with an orderly restructuring of the Business (the "**Restructuring**").

16. **THIS COURT ORDERS** that the Timminco Entities shall provide each of the relevant landlords with notice of the Timminco Entities' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Timminco Entities' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Timminco Entities, or by further Order of this Court upon application by the Timminco Entities on at least two (2) days' notice to such landlord and any such secured creditors. If the Timminco Entities disclaim or resiliate the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Timminco Entities' claim to the fixtures in dispute.

17. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Timminco Entities and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Timminco Entities in respect of such lease or leased premises and such landlord shall be entitled to notify the Timminco Entities of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers

advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE TIMMINCO ENTITIES OR THE PROPERTY**

18. **THIS COURT ORDERS** that until and including February 2, 2012, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Timminco Entities or the Monitor, or affecting the Business or the Property, except with the written consent of the Timminco Entities and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Timminco Entities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

19. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Timminco Entities or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Timminco Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Timminco Entities to carry on any business which the Timminco Entities are not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.

20. **THIS COURT ORDERS** that, without limiting anything contained in paragraphs 19 and 21 hereof, any and all rights, remedies, modifications of existing rights and events deemed to occur pursuant to the QSLP Agreements (as defined in the paragraph 23 of the Kalins Affidavit) upon or as a result of (a) an Act of Insolvency (as

that term is used in the Kalins Affidavit) occurring with respect to BSI, (b) any default or non-performance by the Timminco Entities, (c) the making or filing of these proceedings, or (d) any allegation, admission or evidence in these proceedings, are hereby stayed and suspended except with the written consent of the Timminco Entities and the Monitor, or leave of this Court. Without limiting the foregoing, the operation of any provision of any QSLP Agreement that purports to (y) effect or cause a cessation of any rights of the Timminco Entities, or (z) to accelerate, terminate, discontinue, alter, interfere with, repudiate, cancel, suspend or modify such agreement or arrangement as a result of any default or non-performance by or the insolvency of the Timminco Entities, the making or filing of these proceedings, or any allegation, admission or evidence in these proceedings, is hereby stayed and restrained and any steps or actions purported to be taken by any counterparty to any of the QSLP Agreements and any event that is deemed to have occurred in respect of the QSLP Agreements shall be null and void and of no effect.

#### **NO INTERFERENCE WITH RIGHTS**

21. **THIS COURT ORDERS** that during the Stay Period, no Person having oral or written agreements with the Timminco Entities shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform or provide any right, renewal right, contract, agreement, licence, permit or access right in favour of or held by the Timminco Entities, including without limitation, access rights held by BSI with respect to the Quebec Silicon Real Property and the Becancour Properties (as these terms are defined in the Kalins Affidavit), except with the written consent of the Timminco Entities and the Monitor, or leave of this Court.

#### **CONTINUATION OF SUPPLY**

22. **THIS COURT ORDERS** that during the Stay Period, all Persons, including QSLP and QSGP, having oral or written agreements with the Timminco Entities or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services,

centralized banking services, payroll services, insurance, transportation services, utility, customs clearing or other services to the Business or the Timminco Entities, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Timminco Entities, and that the Timminco Entities shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Timminco Entities in accordance with normal payment practices of the Timminco Entities or such other practices as may be agreed upon by the supplier or service provider and each of the Timminco Entities and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

23. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Timminco Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

24. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Timminco Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Timminco Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or

arrangement in respect of the Timminco Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the Timminco Entities or this Court.

25. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors of QSGP serving as BSI's nominated or appointed representatives on the Board of Directors of QSGP or any of the former, current or future officers of the Timminco Entities also serving as officers of QSGP (collectively, the "QSGP/BSI Directors") with respect to any claim against the QSGP/BSI Directors that arose before the date hereof and that relates to any obligations of QSGP or QSLP whereby the QSGP/BSI Directors are alleged under any law to be liable in their capacity as directors or officers of QSGP for the payment or performance of such obligations, until a compromise or arrangement in respect of the Timminco Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the Timminco Entities or this Court.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

26. **THIS COURT ORDERS** that the Timminco Entities shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Timminco Entities after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

27. **THIS COURT ORDERS** that the directors and officers of the Timminco Entities shall be entitled to the benefit of and are hereby granted a charge (the "D&O Charge") on the Property, which charge shall not exceed an aggregate amount of \$400,000, as security for the indemnity provided in paragraph 26 of this Order. The D&O Charge shall have the priority set out in paragraphs 38 and 40 herein.

28. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the D&O Charge, and (b) the Timminco Entities' directors and officers shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 26 of this Order.

#### **APPOINTMENT OF MONITOR**

29. **THIS COURT ORDERS** that FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Timminco Entities with the powers and obligations set out in the CCAA or set forth herein and that the Timminco Entities and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Timminco Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

30. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Timminco Entities' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Timminco Entities in the development of the Plan and any amendments to the Plan;

- (d) assist the Timminco Entities, to the extent required by the Timminco Entities, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Timminco Entities, to the extent that is necessary to adequately assess the Timminco Entities' business and financial affairs or to perform its duties arising under this Order;
- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (g) hold and administer funds in connection with arrangements made among the Timminco Entities, any counter-parties, and the Monitor, or by Order of this Court; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

31. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

32. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or

other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Civil Code of Québec, the Québec *Environment Quality Act*, the Ontario *Mining Act*, the Ontario *Environmental Protection Act*, the Ontario *Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

33. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Timminco Entities with information provided by the Timminco Entities in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Timminco Entities is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Timminco Entities may agree.

34. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

35. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Timminco Entities shall be paid their reasonable fees and disbursements, in each



case at their standard rates and charges, by the Timminco Entities as part of the costs of these proceedings. The Timminco Entities are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Timminco Entities on a weekly basis and, in addition, the Timminco Entities are hereby authorized and directed to pay to the Monitor, counsel to the Monitor, and counsel to the Timminco Entities, retainers in the amounts of \$75,000, \$30,000 and \$100,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

36. **THIS COURT ORDERS** that ~~at the request of the Timminco Entities, any party of interest, or this Court,~~ the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

37. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, if any, and the Timminco Entities' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1 million, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

38. **THIS COURT ORDERS** that the priorities of the Administration Charge and the D&O Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First - the Administration Charge (to the maximum amount of \$500,000);

Second - the D&O Charge (to the maximum amount of \$400,000); and

Third - the Administration Charge (to the maximum amount of \$500,000) ranking behind all Encumbrances (as defined below) pending return of the Comeback Motion (as defined below).

39. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. **THIS COURT ORDERS** that, the Charges shall constitute a charge on the Property and the D&O Charge and the Administration Charge to a maximum amount of \$500,000 shall rank ahead in priority to the existing security interests of IQ, but behind all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, including any deemed trust created under the *Ontario Pension Benefits Act* or the *Quebec Supplemental Pension Plans Act* (collectively, the "**Encumbrances**") in favour of any Persons that have not been served with notice of this application. The Applicants and the beneficiaries of the Charges shall be entitled to seek priority ahead of the Encumbrances on notice to those parties likely to be affected by such priority (it being the intention of the Timminco Entities to seek priority for the Charges ahead of all such Encumbrances at the Comeback Motion).

41. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Timminco Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Timminco Entities also obtain the prior written consent of the Monitor and the beneficiaries of the D&O Charge and the Administration Charge, or further Order of this Court.

42. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the

Charges (collectively, the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Timminco Entities, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Timminco Entities of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Timminco Entities pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Timminco Entities' interest in such real property leases.

#### **SERVICE AND NOTICE**

44. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in *The Globe and Mail*, National Edition, and *La Presse*, in French, once a week for two weeks a notice containing the information prescribed under the CCAA, and (b) within five

business days after the date of this Order (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Timminco Entities of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the names and addresses of individuals who are creditors publicly available.

45. **THIS COURT ORDERS** that the Timminco Entities and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Timminco Entities' creditors or other interested parties at their respective addresses as last shown on the records of the Timminco Entities and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

46. **THIS COURT ORDERS** that the Timminco Entities, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at <http://cfcanada.fticonsulting.com/timminco>.

47. **THIS COURT ORDERS** that the Timminco Entities are authorized ~~to serve~~ their court materials <sup>i2/</sup> with respect to the comeback motion expected to be heard ~~the week of~~ January 9, 2012 (the "Comeback Motion") by forwarding a copy of this Order and any additional materials to be filed with respect to the Comeback Motion by electronic transmission, where available, or by courier to the parties likely to be affected by the

relief to be sought on the Comeback Motion at such parties' respective addresses as last shown on the records of the Timminco Entities as soon as practicable. The Timminco Entities shall serve the beneficiaries of the BSI Non-Union Pension Plan, the BSI Union Pension Plan and the Haley Pension Plan by serving in the manner described above the pension plan committees for the BSI Non-Union Pension Plan and the BSI Union Pension Plan, Financial Services Commission of Ontario, and the Régie Des Rentes Du Québec.

#### **GENERAL**

48. **THIS COURT ORDERS** that the Timminco Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Timminco Entities, the Business or the Property.

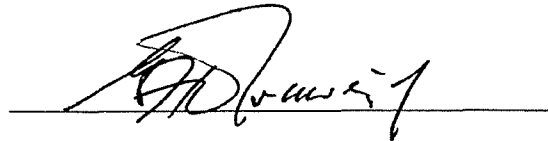
50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Timminco Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Timminco Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Timminco Entities and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Timminco Entities and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order

and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. **THIS COURT ORDERS** that any interested party (including the Timminco Entities and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



REGISTERED AT / INSCRIT À TORONTO  
DEPT / BOOK NO:  
LE / DANS LE REGISTRE NO.:

JAN 3 2012

P. S. PART:



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 OR ARRANGEMENT  
OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

Court File No. 12-22-9539-0001

(Applicants)

55

ONTARIO  
SUPERIOR COURT OF JUSTICE COMMERCIAL  
LIST

Proceeding commenced at Toronto

INITIAL ORDER

STIKEMAN ELLIOTT LLP  
Barristers & Solicitors  
5300 Commerce Court West  
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Lawyers for the Monitor

**TAB 2-B**



***THIS IS EXHIBIT "B", referred to in the Affidavit of Peter A. M. Kalin, sworn on January 20 , 2012.***

  
\_\_\_\_\_  
***Commissioner for Taking Affidavits***

Yusuf Yannick Katirai, a  
Commissioner etc., Province of Ontario,  
while a student-at-law.  
Expires April 12, 2013.

## DIP AGREEMENT

**Dated as of January 18, 2012**

WHEREAS the DIP Lender (as defined below) has agreed to provide funding in order to fund certain obligations of the Borrowers (as defined below) in the context of their proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), commenced on January 3, 2012 before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) pursuant to the initial order granted on January 3, 2012, as amended by the comeback order dated January 16, 2012 (the “**Initial Order**”) in accordance with the terms set out herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. **DIP BORROWERS:** Timminco Limited (“**Timminco**”) and Becancour Silicon Inc. (“**BSI**” and together with Timminco, the “**Borrowers**”).
2. **DIP LENDER:** QSI Partners Ltd. (the “**DIP Lender**”).
3. **PURPOSE:** As set out in Section 13(c) below.
4. **DIP FACILITY AND MAXIMUM AMOUNT** A super-priority credit facility (the “**DIP Facility**”) in the amount of US\$4,250,000.00 (the “**Maximum Amount**”). Within 1 business day following the entry of an order, in a form and substance satisfactory to the DIP Lender, authorizing the DIP Facility on the terms and conditions hereof and creating the DIP Charge (as defined below) with the priority contemplated herein (the “**DIP Order**”), the DIP Lender shall deposit the Maximum Amount into a segregated interest bearing Canadian Dollar account (the “**Monitor Account**”) of the Monitor (as defined below) with DIP Advances (as defined below) from the Maximum Amount to be advanced by the Monitor to the Borrowers in accordance with the terms hereof. DIP Advances (as defined below) shall be deposited into the Borrowers’ current account (the “**Borrower’s Account**”), and withdrawn by the Borrowers in accordance with the terms hereof.

DIP Advances shall be made to the Borrowers from the DIP Facility by the Monitor on the terms and conditions set out in this DIP Agreement after the entry of the DIP Order and upon satisfaction of, or waiver by the DIP Lender of the conditions set out under the paragraph below entitled “Availability under DIP Facility”. Each of the Borrowers shall be jointly and severally liable for all DIP Advances and all other amounts

owing hereunder.

**5. REPAYMENT:**

The aggregate principal amount owing under the DIP Facility, all accrued and unpaid interest, prepayment penalties, if applicable, and all fees and expenses incurred by the DIP Lender in connection with the DIP Facility (the “**DIP Obligations**”) shall be repaid in full on the earlier of (i) the occurrence of any Event of Default hereunder which is continuing and has not been cured, and (ii) June 20, 2012 (the “**Maturity Date**”). The Maturity Date may be extended at the request of the Borrowers and with the prior written consent of the DIP Lender, in its sole discretion, for such period and on such terms and conditions as the Borrowers and the DIP Lender may agree.

The commitment in respect of the DIP Facility shall expire on the Maturity Date and all DIP Obligations shall be repaid in full no later than the Maturity Date, without the DIP Lender being required to make demand upon the Borrowers or to give notice that the DIP Facility has expired and/or that the DIP Obligations are due and payable.

All payments received by the DIP Lender shall be applied first to any fees due hereunder, then to accrued and unpaid interest and then after all such fees and interest are brought current, to principle.

**6. CASH FLOW PROJECTIONS:**

The Borrowers, with assistance of FTI Consulting Canada Inc., in its capacity as court appointed monitor (the “**Monitor**”) in the CCAA Proceedings, shall have provided to the DIP Lender prior to the execution of this DIP Agreement, the cash flow projections in Schedule “A” hereto, which shall be in form and substance satisfactory to the DIP Lender, reflecting the projected cash requirements of the Borrowers from January 14, 2012 through the period ending June 22, 2012, calculated on a weekly basis (the “**Weekly CCAA Cash Flow**”).

The Borrowers, with the assistance of the Monitor, shall keep the DIP Lender apprised on a weekly basis of its cash flow requirements by providing subsequent cash flow projections together with actual cash flow results from the immediately preceding week, in form consistent with the Weekly CCAA Cash Flow and in substance satisfactory to the DIP Lender and the Monitor, in their reasonable discretion, by no later than 5:00 p.m. (Toronto time) on the Tuesday of each week (individually, as amended from time to time, a “**Cash Flow Projection**” and together with the Weekly CCAA Cash Flow, collectively, the “**Cash Flow Projections**”).

**7. AVAILABILITY UNDER  
DIP FACILITY:**

Advances under the DIP Facility (a “**DIP Advance**”) will be made from the Monitor Account on the second business day following delivery of the drawdown certificate in accordance with paragraph (c) below, unless within one business day of delivery of such drawdown certificate the DIP Lender delivers to the Borrowers and the Monitor a notice of non-consent to such DIP Advance as a result of one or more of the conditions precedent not being met or the occurrence of an Event of Default that is continuing and such notice shall include reasonable details outlining any such condition precedent or Event of Default. The DIP Lender may also consent to the making of a DIP Advance prior to the second business day following delivery of the drawdown certificate by providing its written consent to same, to the Monitor and the Borrowers.

The following conditions precedent shall be satisfied, or waived by the DIP Lender in its sole discretion, prior to each DIP Advance hereunder:

- (a) Each DIP Advance (together with all previous DIP Advances) must be no greater than the amount shown on the Cash Flow Projections, as reviewed by the Monitor, and in the aggregate shall not exceed the Maximum Amount and shall be subject to the terms and conditions hereof;
- (b) The Borrowers shall have provided not less than seven (7) days’ notice of the motion for the DIP Order to all parties identified for such service by the DIP Lender not less than nine (9) days prior to the return date for such motion;
- (c) Delivery to the DIP Lender with a copy to the Monitor of a drawdown certificate, in substantially the form set out in Schedule “**B**” hereto, executed by an officer on

behalf of BSI and Timminco, certifying, *inter alia*, that the drawdown is within the relevant Cash Flow Projections and that the Borrowers are in compliance with the Restructuring Court Orders (as defined below) and that no Event of Default has occurred or is continuing;

- (d) There is no Event of Default which has occurred and is continuing, nor will any such event occur as a result of the DIP Advance;
- (e) The DIP Order, in the form and substance substantially in the form attached hereto as Schedule “C” or otherwise as satisfactory to the DIP Lender acting reasonably, shall have been obtained;
- (f) Neither the Initial Order nor the DIP Order has been vacated, stayed or otherwise caused to become ineffective or is amended in a manner prejudicial to the DIP Lender and leave to appeal the DIP Order has not been granted;
- (g) No material adverse change in the financial condition or operation of the Borrowers on a consolidated basis shall have occurred after the date of the issue of the Initial Order;
- (h) There are no pending appeals, injunctions or other legal impediments relating to the closing of the DIP Facility, or pending litigation seeking to restrain or prohibit the closing of the DIP Facility;
- (i) The DIP Lender has received the Weekly CCAA Cash Flow in form and substance reasonably satisfactory to the DIP Lender;
- (j) The DIP Lender has received an officer’s certificate of each of the Borrowers attaching a true and correct copy of Schedule “D”, updated to the date of the DIP Order, which shall be deemed to be incorporated herein for the purposes of Section 12(j); and
- (k) Each of the representations and warranties made in this Agreement shall be true and correct as of the date made or deemed made (other than those representations and warranties that are not subject to a materiality threshold, which shall be true and correct in

all material respects as of the date made or deemed made).

The Borrowers may issue a drawdown certificate once each week with the amount of each drawdown to be a drawing of US\$50,000.00 or a multiple of US\$50,000.00, and for certainty, not be in an amount greater than the amount shown on the applicable Cash Flow Projections.

The Monitor shall deposit the proceeds of each DIP Advance into the Borrower's Account unless otherwise agreed by the DIP Lender, acting reasonably.

Notwithstanding the foregoing, to the extent that an emergency cash need arises in the Borrowers' business that is not contemplated in the Cash Flow Projections, the Borrowers may request a DIP Advance from the DIP Lender by providing written particulars relating to such emergency cash need to the DIP Lender and the Monitor, which DIP Advance shall only be permitted with the prior written consent of the DIP Lender delivered to the Borrowers and the Monitor, in its sole and absolute discretion. If such requested emergency DIP Advance is so consented to by the DIP Lender, such DIP Advance shall be made from the Monitor Account and deposited into the Borrower's Account.

**8. VOLUNTARY  
PREPAYMENTS:**

The Borrowers may prepay the DIP Obligations at any time prior to the Maturity Date with prepayment penalties at the following rates: (i) 5% of the outstanding principal under the DIP Facility if the voluntary prepayment occurs more than 60 days prior to the Maturity Date, (ii) 2.5% of the outstanding principal under the DIP Facility if the voluntary prepayment occurs more than 30 days but less than 60 days prior to the Maturity Date and (iii) 1% of the principal outstanding under the DIP Facility if the voluntary prepayment occurs within 30 days of the Maturity Date. Notwithstanding the foregoing, any prepayment that is made in connection with a sale of all or substantially all of the assets of the Borrowers will not be subject to a prepayment penalty.

**9. INTEREST RATE:**

The outstanding principal amount of all DIP Advances shall bear interest at a rate per annum of Bank of Canada prime rate plus five percent (5%), and upon the occurrence and during the continuance of an Event of Default at a rate per annum of Bank of Canada prime rate plus seven percent (7%), determined daily and calculated and payable monthly in

arrears.

Interest on each DIP Advance shall accrue from day to day and shall be calculated from and after the date of advance of such DIP Advance to the applicable Borrower to, but excluding, the date of repayment, as well as after as before maturity, demand and default and before and after judgment and shall be calculated on a daily basis on the principal amount of such DIP Advance and any overdue interest remaining unpaid from time to time and on the basis of the actual number of days elapsed in a year of 365 days.

For the purposes of the *Interest Act* (Canada), the annual rates of interest referred to in this DIP Agreement calculated in accordance with the foregoing provisions of this DIP Agreement, are equivalent to the rates so calculated multiplied by the actual number of days in a calendar year and divided by 365.

From the date of receipt of the Maximum Amount in the Monitor Account, until the date on which there are no Maximum Amount funds remaining in the Monitor Account, the aggregate amount of the Maximum Amount in the Monitor Account available to be drawn hereunder shall bear interest at a rate of two (2%) per annum and be payable by the Borrowers monthly in arrears on the last day of each month. Interest on the outstanding Maximum Amount in the Monitor Account shall accrue from day to day and shall be calculated from and after the date that the Maximum Amount is deposited into the Monitor Account to, but excluding, the date that the Maximum Amount is fully advanced or returned to the DIP Lender, as well as after as before maturity, demand and default and before and after judgment and shall be calculated on a daily basis on the aggregate Maximum Amount in the Monitor Account remaining from time to time and on the basis of the actual number of days elapsed in a year of 365 days.

If any provision of this Agreement or any ancillary document in connection with this Agreement would obligate the Borrowers to make any payment of interest or other amount payable to the DIP Lender in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the DIP Lender of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)) then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as

would not be so prohibited by law or so result in a receipt by the DIP Lender of interest at a criminal rate and any such amounts actually paid by the Borrowers in excess of the adjusted amount shall be forthwith refunded to the Borrowers.

**10. DIP SECURITY:**

All obligations of the Borrowers under or in connection with the DIP Facility and this DIP Agreement shall be secured by a super priority Court-ordered charge (the "**DIP Charge**"), over all present and after-acquired property, assets and undertakings of the Borrowers (including for greater certainty and without limitation, insurance proceeds, any tax refunds and those assets set forth on the financial statements of the Borrowers), including all proceeds therefrom and all causes of action of the Borrowers (collectively, the "**Collateral**"), and ranking in priority to all other creditors, interest holders, lien holders and claimants of any kind whatsoever (including for greater certainty all holders of Permitted Encumbrances other than Permitted Encumbrances that are Priority Charges (as defined below)) except for (i) a court ordered administration charge to secure payment of professional fees in a principal amount not to exceed C\$1,000,000.00 (the "**Administration Charge**"), (ii) a charge securing payment of amounts owing by the Borrowers under a key employee retention plan in a principal amount not to exceed C\$269,000.00 (the "**KERP Charge**") and (iii) any purchase money security interests (collectively purchase money security interests, the Administration Charge and the KERP Charge, the "**Priority Charges**").

**11. MANDATORY REPAYMENTS:**

Subject to any Order of the Court, the first C\$1,269,000 (the "**Priority Charge Reserve**") of any net cash proceeds (for greater certainty, net of reasonable costs and closing adjustments, as applicable) payable to the Borrowers arising from (i) any sale of Collateral out of the ordinary course of business (including for greater certainty, any sale of all or substantially all of the Collateral of either of the Borrowers) or (ii) insurance proceeds in respect of any of the Collateral of either of the Borrowers (collectively the "**Net Sale Proceeds**") shall be paid to the Monitor. The Administration Charge and KERP Charge shall attach to the Priority Charge Reserve. The Priority Charge Reserve will be held by the Monitor in a segregated account. Subject to the further Order of the Court, upon payment of all outstanding amounts secured by the Administration Charge and the KERP Charge following the termination of the CCAA Proceedings, the remaining balance of the Priority Charge Reserve shall be paid (i) forthwith



firstly, to the DIP Lender to the extent of any outstanding DIP Obligations, and (ii) secondly, to the Borrowers or such other Persons entitled thereto in accordance with applicable law.

Once the Priority Charge Reserve has been fully funded, unless otherwise consented to in writing by the DIP Lender and subject to any further Order of the Court, the Borrowers shall be required to make mandatory repayment of the DIP Obligations to the extent of 100% of all Net Sale Proceeds. Such mandatory repayment amount shall be applied as a permanent reduction of the DIP Facility. For greater certainty, any mandatory repayments shall not be subject to any premium or penalty.

## **12. REPRESENTATIONS AND WARRANTIES:**

Each of the Borrowers represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this DIP Agreement, that subject to the entry of the DIP Order:

- (a) Each of the Borrowers is a corporation duly incorporated, and validly existing under the laws of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary, except where the failure to have such qualification, license or registration would not have a material adverse effect (a "Material Adverse Effect") on (i) the financial condition, business or assets of the Borrowers on a consolidated basis or (ii) the ability of the Borrowers to comply with their obligations hereunder or under any Restructuring Court Order;
- (b) Each of the Borrowers has all requisite corporate power and authority to (i) own and operate its properties and assets and to develop, own and operate its business; and (ii) to enter into and perform its obligations under this Agreement;
- (c) The execution and delivery of this DIP Agreement by the Borrowers and the performance by the Borrowers of its respective obligations hereunder have been duly authorized by all necessary corporate action and no authorization under any applicable law, and no registration, qualification, designation, declaration or filing with any governmental body, is or was necessary therefor, other than filings which may be made to

register or otherwise record the DIP Charge;

- (d) This DIP Agreement has been duly executed and delivered by each of the Borrowers and constitutes a legal, valid and binding obligation of each of the Borrowers, enforceable against it in accordance with its terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally; and (ii) the discretion that a court may exercise in the granting of equitable remedies;
- (e) The execution and delivery of this DIP Agreement by the Borrowers and the performance by the Borrowers of its respective obligations hereunder and compliance with the terms, conditions and provisions hereof, will not conflict with or result in a breach of (i) its constating documents or by-laws or (ii) any applicable law;
- (f) The business operations of each of the Borrowers have been and will continue to be conducted in compliance with all laws of each jurisdiction in which business has been or is being carried on, except where the failure to comply would not have a Material Adverse Effect;
- (g) The Borrowers have obtained all licenses and permits required for the operation of its business, which licenses and permits remain in full force and effect, except where the failure to obtain any such licenses or permits would not have a Material Adverse Effect. No proceedings have been commenced or threatened to revoke or amend any of such licenses or permits which have not been stayed pursuant to the CCAA Proceedings;
- (h) Cash Flow Projections include all payments that, if not paid, could result in statutory liens ranking in priority to the DIP Charge except for the Special Payments (as defined below) and purchase money security interests;
- (i) All representations and warranties made by the Borrowers in this DIP Agreement are true and correct as of the date such representations and warranties are made or deemed to be made;

- (j) As at the dates indicated in the summaries set out in Exhibit "A" of Schedule "D" attached hereto, the Borrowers have good and marketable title to all of the Collateral free from any liens except for (i) Permitted Encumbrances (as defined on Schedule "D" attached hereto) and (ii) title defects or irregularities that do not, individually or in the aggregate, materially affect the operation of the business of the Borrowers. As at the date of the CCAA Proceeding, the Borrowers have good and marketable title to all of the Collateral free from any liens except for (i) Permitted Encumbrances (as defined on Schedule "D", as amended with the consent of the DIP Lender, acting reasonably) and (ii) title defects or irregularities that do not, individually or in the aggregate, materially affect the operation of the business of the Borrowers.
- (k) Each of the Borrowers has filed or cause to be filed all tax returns and reports which are required to have been filed and has paid or caused to be paid all taxes required to have been paid by it, except taxes that are being contested in good faith by appropriate proceedings;
- (l) There are no actions, suits or proceedings (including any tax-related matter) by or before any arbitrator or governmental authority or by any other person pending against or, to the knowledge of the Borrowers, threatened against or affecting the Borrowers that could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect which have not been stayed pursuant to the CCAA Proceedings;
- (m) The Borrowers maintain insurance policies and coverage which (i) is sufficient for compliance with law and all material agreements to which any Borrower is a party and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons engaged in the same or similar business to the assets and operations of the Borrowers;
- (n) The only subsidiaries of the Borrowers are set out in the corporate structure chart attached as Exhibit "A" to the Affidavit of Peter A.M. Kalins sworn on January 2,

2012 in support of the CCAA Proceedings; and

- (o) All factual information provided by or on behalf of each of the Borrowers to the DIP Lender for the purposes of or in connection with this DIP Agreement or any transaction contemplated herein, is true and accurate in all material respects on the date as of which such information is dated or certified and remains true as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided.

**13. AFFIRMATIVE  
COVENANTS:**

Each of the Borrowers covenants and agrees to do the following until such time as the DIP Obligations are repaid in full:

- (a) Keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrowers except for any confidential information reasonably designated by the Borrowers as Sensitive Confidential Information pursuant to the addendum to the confidentiality and standstill agreement dated January 11, 2012 between Timminco and the DIP Lender (the “**Confidentiality Addendum**”), *provided that* any information with respect to any Event of Default or any event which, with the passing of time or the giving of notice could be an Event of Default, shall not be considered to be Sensitive Confidential Information;
- (b) Deliver to the DIP Lender (i) the Cash Flow Projections as set out herein, (ii) as soon as practicable after the filing thereof with the Court, each report of the Monitor to the Court, and (iii) such other reporting and other information from time to time reasonably requested by the DIP Lender except for any confidential information reasonably designated by the Borrowers as Sensitive Confidential Information pursuant to the Confidentiality Addendum;
- (c) Use the proceeds of the DIP Facility only for the purpose of funding (i) transaction costs and expenses incurred by the DIP Lender in connection with the DIP Facility, (ii) professional fees and expenses incurred by the Borrowers and the Monitor in respect of the DIP

Facility and the CCAA Proceedings, and (iii) the Borrowers' operating costs, expenses and liabilities (including, without limitation, wages, bonuses, vacation pay, active employee benefits and current service contributions to all registered pension plans, but specifically excluding any special payments or amortization payments in respect of pension plans and payments relating to post-retirement benefits) in accordance with the Cash Flow Projections;

- (d) Comply with the provisions of the court orders made in connection with the CCAA (collectively, the **"Restructuring Court Orders"** and each a **"Restructuring Court Order"**);
- (e) Preserve, renew and keep in full force its respective corporate existences and its respective material licenses, permits, approvals, etc. required in respect of its business, properties, assets or any activities or operations carried out therein;
- (f) Maintain the insurance, in existence of the date hereof, with respect to the Collateral subject to the DIP Charge;
- (g) Conduct all activities in accordance with the Cash Flow Projections reviewed by the Monitor and the credit limits established under the DIP Facility as set out hereunder;
- (h) Forthwith notify the DIP Lender and the Monitor of the occurrence of any Event of Default, or of any event or circumstance that may constitute an Event of Default or a material adverse change from the Cash Flow Projections;
- (i) Forthwith notify the DIP Lender and the Monitor of the commencement of any action, suit, investigation, litigation or proceeding before any court, governmental department, board, bureau, agency or similar body affecting any Borrower;
- (j) Promptly after the same is available, provide copies to the DIP Lender of all pleadings, motions, applications, judicial information, financial information and other documents filed by or on behalf of any of the

Borrowers within the CCAA Court;

- (k) Subject to the Restructuring Court Orders, comply in all material respects with all applicable laws, rules and regulations applicable to their businesses, including, without limitation, environmental laws; and
- (l) Except where a stay of proceedings applies and except for the Special Payments, the Borrowers shall pay when due all statutory liens, trust and other Crown claims including employee source deductions, GST, HST, PST EHT and work place safety and insurance premiums but only with respect to those priority payments which rank ahead of the DIP Charge or with respect to the Borrowers' post CCAA filing obligations in all cases in accordance with the Cash Flow Projections.

**14. NEGATIVE COVENANTS:**

Each of the Borrowers covenants and agrees not to do the following while any DIP Obligations remain outstanding, other than with the prior written consent of the DIP Lender or an Order of the Court:

- (a) Transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking except for (i) dispositions in the ordinary course of business and (ii) the sale of any of the assets of the Borrowers which results in the repayment of the DIP Obligations in accordance with the provisions herein under the paragraph entitled "Mandatory Repayments";
- (b) Make any payment of principal or interest in respect of any indebtedness outstanding on January 2, 2012 ("**Existing Indebtedness**") other than as may be permitted by a Restructuring Court Order;
- (c) Create or permit to exist indebtedness for borrowed money other than (i) Existing Indebtedness, (ii) debt contemplated by this DIP Facility, (iii) post-filing trade payables in the ordinary course of business and (iv) intercompany loans by one of the Borrowers to the other Borrower to pay for operating costs, expenses and liabilities of such other Borrower in accordance

with Cash Flow Projections;

- (d) Permit any new Liens to exist on any of its properties or assets other than the Liens in favour of the DIP Lender as contemplated by this DIP Agreement;
- (e) Create or permit to exist any other Lien which is senior to or *pari passu* with the DIP Charge, other than the Priority Charges;
- (f) Change its name, amalgamate, consolidate with or merge into, or enter into any similar transaction with any other entity or make any changes to its organizational documents which would be adverse to the DIP Lender;
- (g) Make any acquisitions, investments or loans to any party or guarantee the obligations of any party except for intercompany loans by one of the Borrowers to the other Borrower to pay for operating costs, expenses and liabilities of such other Borrower in accordance with Cash Flow Projections;
- (h) Enter into any transaction with any affiliate other than any transaction on terms and conditions at least as favourable to the Borrowers as could reasonably be obtained in an arms-length transaction; and
- (i) Pay any dividends, distributions, advances and/or management bonus or similar payments, except for management bonuses relating to the year ended December 31, 2011 approved by the Board of Directors of Timminco and contemplated in Cash Flow Projections or pursuant to the KERP approved by the Court.

Notwithstanding anything to the contrary in this DIP Agreement, no DIP Advances shall be used to make any payment in respect of any special payment or amortization payment, including without limitation, in respect of pension plans, payment related to post-retirement benefits, solvency deficiencies or wind up shortfalls in relation to any pension plan administered by either Borrower as of the date hereof (collectively, "Special Payments").

## 15. INDEMNITY AND

The Borrowers agree, on a joint and several basis, to indemnify and hold harmless the DIP Lender and each of its

**RELEASE:**

directors, officers, employees, agents, attorneys, advisors and affiliates (all such persons and entities being referred to hereafter as “**Indemnified Persons**”) from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from any bankruptcy or insolvency proceedings, this DIP Agreement and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding (including, without limitation, any inquiry or investigation) or claim (whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise); provided, however, the Borrowers shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent (i) it resulted from the gross negligence or wilful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction or (ii) it arose in connection with any stalking horse bid or transaction with the Borrowers other than the DIP Facility.

The indemnities granted under this DIP Agreement shall survive any termination of the DIP Facility.

**16. EVENTS OF DEFAULT:**

The occurrence of any one or more of the following events, without the prior written consent of the DIP Lender, shall constitute an event of default (“**Event of Default**”) under this DIP Agreement:

- (a) The issuance of an order terminating the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit the enforcement of any security against either of the Borrowers, or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against either of the Borrowers;
- (b) The issuance of an order granting a Lien equal or superior status to that of the DIP Charge, other than the Priority Charges;



- (c) The issuance of an order staying, reversing, vacating or otherwise modifying the DIP Charge or, any Restructuring Court Order in a manner which adversely impacts the rights and interests of the DIP Lender or the issuance of any order by the Court directing the Borrowers to pay any special payment or amortization payment in respect to pension plans, payments relating to post-retirement benefits, solvency deficiencies or wind-up shortfalls in relation to any pension plan administered by the Borrowers as of the date hereof, provided, however, that any such order which provides for payment in full of all of the obligations of the Borrowers under the DIP Facility shall not constitute an Event of Default;
- (d) If (i) the DIP Order is varied without the consent of the DIP Lender in a manner adverse to the DIP Lender or (ii) the stay of proceedings contained in any Restructuring Court Orders is terminated or is lifted to allow an action adverse to the DIP Lender;
- (e) Failure of the Borrowers to pay any principal, interest, fees or any other amounts, in each case when due and owing hereunder;
- (f) Failure of the Borrowers to comply with the Cash Flow Projections in all material respects which shall include, without limitation, the occurrence of any negative variance in "Net Cash Flow" as shown on the Cash Flow Projections that is greater than 10% in any given week;
- (g) Any representation or warranty by the Borrowers herein or in any certificate delivered by the Borrowers to the DIP Lender shall be incorrect or misleading in any material respect as of the date made or deemed made;
- (h) A Court order is made, a liability arises or an event occurs, including any change in the business, assets, or conditions, financial or otherwise, of the Borrowers, that will have a Material Adverse Effect;
- (i) Any material violation or breach of any Restructuring Court Order upon receipt by the Borrowers of notice from the DIP Lender of such violation or breach; and

- (j) Failure of the Borrowers to perform or comply with any other term or covenant under this DIP Agreement and such default shall continue unremedied for a period of three (3) business days.

**17. REMEDIES:**

Upon the occurrence of an Event of Default, whether or not there is availability under the DIP Facility, without any notice or demand whatsoever, the right of the Borrowers to receive any DIP Advance or other accommodation of credit shall be terminated, subject to any applicable notice provision in any Order (as the case may be) in the case of remedies against Collateral (which notice provisions shall be acceptable to the DIP Lender). Without limiting the foregoing, upon the occurrence of an Event of Default and with the leave of the Court, the DIP Lender shall have the right to exercise all other customary remedies, including, without limitation, the right to realize on all Collateral and to apply to the court for the appointment of a court appointed receiver. No failure or delay by the DIP Lender in exercising any of its rights hereunder or at law shall be deemed a waiver of any kind, and the DIP Lender shall be entitled to exercise such rights in accordance with this DIP Agreement at any time.

**18. COMMITMENT FEE:**

The Borrowers shall pay the DIP Lender a US\$100,000.00 commitment fee, which is payable from the first drawdown following approval by the Court of this DIP Agreement.

**19. LEGAL FEES:**

The Borrowers shall pay all reasonable out-of-pocket expenses, including all reasonable legal expenses, incurred by the DIP Lender in connection with this DIP Agreement and the transactions contemplated herein (but, for greater certainty excluding any expenses incurred in connection with the stalking horse bid or any transaction with the Borrowers other than the DIP Facility) including those with any respect to any enforcement of the terms hereof or of the DIP Charge or otherwise incurred in connection with the DIP Facility. Subject to Court approval, the Borrowers shall remit from the first drawdown following approval by the Court of this DIP Agreement a payment to the DIP Lender of C\$150,000.00 in satisfaction of expenses incurred as of the date thereof and as a retainer to be credited towards the DIP Lender's expenses to be incurred in the future, with any remainder to be credited against the DIP Obligations.

**20. DIP LENDER APPROVALS:**

Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by any written instrument, including by way of electronic mail, by the

DIP Lender pursuant to the terms hereof.

**21. TAXES:**

All payments by the Borrowers under the DIP Agreement to the DIP Lender, including any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country, but excluding any reduction for any amount required to be paid by the Borrowers under subsection 224(1.2) of the *Income Tax Act* (Canada) or a similar provision of that or any other taxation statute (collectively “**Taxes**”).

**22. FURTHER ASSURANCES:**

The Borrowers shall, at their expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents and things as the DIP Lender may reasonably request for the purpose of giving effect to this DIP Agreement. Without limiting the foregoing, the Borrowers agree that if so requested by the DIP Lender, acting reasonably, they shall promptly execute and return to the DIP Lender any general security agreement or other security documents securing the obligations of the Borrowers to the DIP Lender hereunder in forms customary for debtor in possession financings, provided however that the execution of any such security document shall not be a condition precedent to funding the Maximum Amount or DIP Advances hereunder.

**23. ENTIRE AGREEMENT; CONFLICT:**

This DIP Agreement, including the schedules hereto constitutes the entire agreement between the parties relating to the subject matter hereof.

**24. AMENDMENTS, WAIVERS, ETC.:**

No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this DIP Agreement. Any amendment to the terms of the DIP Agreement shall be made in writing and signed by the parties hereto.

**25. EXCLUSIVITY PERIOD FOR STALKING HORSE BID:** The Borrowers shall not, directly or indirectly through any representative, solicit or entertain offers from, negotiate with or accept any proposal of any person other than the DIP Lender for the acquisition of substantially all of the assets of BSI and Timminco from the date hereof until January 31, 2012 (the “**Exclusivity Period**”) in order to provide the DIP Lender with the opportunity to prepare a “stalking horse bid” for consideration by the Borrowers who shall be under no obligation to accept any such bid, provided that if the DIP Order is not granted in form and substance satisfactory to the DIP Lender and the Borrowers on the return date of the motion for the granting of the DIP Order, or if the DIP Obligations are declared to be immediately due and payable in accordance with the provisions of this DIP Agreement, the Exclusivity Period shall immediately terminate. Notwithstanding the foregoing, if the DIP Lender submits a “stalking horse bid” to the Borrowers on or prior to January 31, 2012 in a form and substance that the Borrowers are prepared to consider, acting reasonably and subject to negotiation of the definitive transaction documents, the Exclusivity Period shall be extended one week to February 7, 2012.

Notwithstanding any other provision herein, neither the DIP Lender nor its advisors, agents or representatives shall be entitled to receive any information reasonably considered to be confidential by the Borrowers or the Monitor relating to the sale or marketing of their respective business and assets, including, without limitation, any confidential bid, offer or expressions of interests by any potential purchaser for such business or assets, in whole or in part.

**26. ASSIGNMENT:** The DIP Lender may assign this DIP Agreement and its rights and obligations hereunder, in whole or in part, to any party acceptable to the DIP Lender in its sole and absolute discretion (subject to providing the Monitor with reasonable evidence that such assignee has the financial capacity to fulfill the obligations of the DIP Lender hereunder). Neither this DIP Agreement nor any right and obligation hereunder may be assigned by the Borrowers.

**27. SEVERABILITY:** Any provision in this DIP Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

**28. COUNTERPARTS AND  
FACSIMILE SIGNATURES:**

This DIP Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this DIP Agreement by signing any counterpart of it.

**29. NOTICES**

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by fax or electronic mail to the attention of the person as set forth below:

In the case of each Timminco Limited and Becancour Silicon Inc.:

150 King Street West, 2401  
Toronto, Ontario  
M5H 1J9

**Attention: Peter Kalins**  
**President, General Counsel and Corporate Secretary**

Fax: (416) 364-3451  
Email: PKalins@timminco.com

With a copy to:

Stikeman Elliott LLP  
5300 Commerce Court West, 199 Bay Street  
Toronto, Ontario  
M5L 1B9

**Attention: Daphne MacKenzie**  
Fax: (416) 947-0866  
Email: DMacKenzie@stikeman.com

With a copy to the Monitor:

FTI Consulting Canada Inc.

TD Waterhouse Tower, Suite 2010  
79 Wellington Street  
Toronto, Ontario  
M5K 1G8

**Attention: Nigel Meakin**

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Fax: (416) 649-8101  
Email: [nigel.meakin@fticonsulting.com](mailto:nigel.meakin@fticonsulting.com)

With a copy to:

Blake, Cassels & Graydon LLP  
199 Bay Street  
Suite 4000, Commerce Court West  
Toronto ON  
M5L 1A9

**Attention: Linc Rogers**  
Fax: (416) 863-2653  
Email: [Linc.Rogers@blakes.com](mailto:Linc.Rogers@blakes.com)

In the case of the QSI Partners Ltd.:

QSI Partners Ltd  
1<sup>st</sup> Floor – Windward 1  
Regatta Office Park  
PO BOX 10338  
Grand Cayman KY1-1003  
Cayman Islands

**Attention: Desiree Mercer**  
Fax: (345) 949-7230  
Telephone: (345) 949-7232

And a copy to:

Torys LLP  
79 Wellington Street East  
Suite 3000  
Toronto, Ontario  
M5K 1N2

**Attention: David Bish**  
Fax: (416) 865-7380  
Email: [dbish@torys.com](mailto:dbish@torys.com)

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 EST or on a day other than a business day, in which case the notice shall be

deemed to be received the next business day. Either party may request notices be sent to additional recipients so long as, in the case of notices to the DIP Lender, such recipient is subject to the confidentiality provisions contained in the Confidentiality Agreement.

**30. GOVERNING LAW AND JURISDICTION:**

This DIP Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

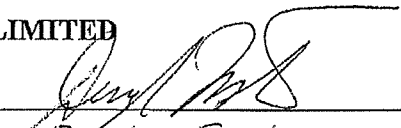
IN WITNESS HEREOF, the parties hereby execute this DIP Agreement as at the date first above mentioned.

**TIMMINCO LIMITED**

Per: \_\_\_\_\_

Name:

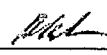
Title:

  
*Douglas Fastuca*  
*Chief Executive officer.***BECANCOUR SILICON INC.**

Per: \_\_\_\_\_

Name:

Title:

  
*Peter A. M. Kalins*  
*President, General Counsel and*  
*Corporate Secretary***QSI PARTNERS LTD.**

Per: \_\_\_\_\_

Name:

Title:



IN WITNESS HEREOF, the parties hereby execute this DIP Agreement as at the date first above mentioned.

**TIMMINCO LIMITED**

Per: \_\_\_\_\_  
Name:  
Title:

**BECANCOUR SILICON INC.**

Per: \_\_\_\_\_  
Name:  
Title:

**QSI PARTNERS LTD.**

Per: \_\_\_\_\_  
Name: *[Signature]*  
Title: *Authorized Representative*

**SCHEDULE "A"**  
**Weekly CCAA Cash Flow**

See attached.

Timminco Limited & Becancour Silicon Inc.  
CASH FLOW FORECAST  
CAN  
in 000s

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Forecast Week 3 20-Jan	Forecast Week 4 27-Jan	Forecast Week 5 3-Feb	Forecast Week 6 10-Feb	Forecast Week 7 17-Feb	Forecast Week 8 24-Feb	Forecast Week 9 2-Mar	Forecast Week 10 9-Mar	Forecast Week 11 16-Mar	Forecast Week 12 23-Mar	Forecast Week 13 30-Mar	Forecast Week 14 6-Apr	Forecast Week 15 13-Apr	Forecast Week 16 20-Apr	Forecast Week 17 27-Apr	Forecast Week 18 4-May	
																Beginning Cash Position
<b>Receipts</b>																
Sales and receivables	1,195	1,351	2,291	187	175	1,014	1,944	921	1,039	885	987	1,555	831	871	871	935
Government and other receivables	-	-	-	-	-	-	-	-	700	-	-	-	-	-	700	-
<b>Total Receipts</b>	1,195	1,351	2,291	187	175	1,014	1,944	921	1,039	1,585	987	1,555	831	871	1,571	935
<b>Disbursements</b>																
Materials	(2,559)	(199)	(149)	(1,043)	(1,558)	(895)	(1,532)	(1,017)	(1,017)	(1,013)	(1,140)	(1,140)	(1,140)	(1,140)	(1,075)	(1,007)
OSI/DCC obligation	(847)	(318)	(171)	(312)	(291)	(348)	(336)	(209)	(211)	(177)	(596)	(261)	(174)	(231)	(394)	(236)
Operating Expenses	(450)	(125)	(125)	(176)	(25)	(25)	(87)	(87)	(25)	(90)	(67)	(25)	(25)	(50)	(25)	(87)
Restructuring Expenses	-	-	-	-	(250)	-	(8)	-	-	-	(14)	-	-	-	-	(16)
DIP Interest and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Disbursements</b>	(3,856)	(642)	(445)	(1,533)	(2,224)	(1,294)	(1,900)	(1,314)	(1,253)	(1,244)	(1,647)	(1,488)	(1,339)	(1,421)	(1,493)	(1,348)
<b>Net Cash Flows</b>	(2,661)	709	1,846	(1,346)	(2,049)	(279)	44	(392)	(214)	340	(660)	67	(507)	(550)	76	(413)
Plus: DIP Facility Borrowings	-	-	-	-	450	300	-	350	250	-	300	-	450	550	-	300
Less: DIP Facility Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Cash Position</b>	590	1,299	3,145	1,799	200	221	265	223	259	599	239	306	249	248	326	212
DIP Facility Availability b/f	-	-	4,250	4,250	3,800	3,500	3,500	3,500	3,150	2,900	2,900	2,600	2,600	2,150	1,600	1,600
Less: Outstanding DIP Facility Borrowings	-	-	-	-	450	300	-	350	250	-	300	-	450	550	-	300
DIP Facility (Borrowings)/Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>DIP Facility Availability e/f</b>	-	4,250	4,250	4,250	3,800	3,500	3,500	3,150	2,900	2,900	2,600	2,600	2,150	1,600	1,600	1,300

**Notes:**

- 1) The purpose of this cash flow projection is to determine the liquidity requirements of Timminco during the forecast period.
- 2) Receipts from operations have been forecast based on current payment terms, historical trends in collections, and the sales forecast. The sales forecast for the period has been determined based on scheduled orders from BSI customers, taking into consideration the OSIP production schedules and the anticipated allocation of such production to each of OSIP's customers.
- 3) Materials purchases are based on OSIP production schedules and the anticipated allocation of such production to each of OSIP's customers.
- 4) Operating Expenses in respect of BSI have been forecast based on costs to support shipment of materials, solar related expenses, shared service support costs, and overhead and insurance costs.
- 5) Payroll and benefits costs included in Operating Expenses are based on actual payroll funding in the period leading up to the forecast period and include adjustments for increased sourced deductions beginning in 2012.
- 6) Corporate costs included in Operating Expenses have been forecast based on known recurring historical costs and expected future costs.
- 7) The cash flow does not include interest charges for amounts owing under Timminco's and BSI's current debt obligations.
- 8) Restructuring Expenses include legal and professional fees based on estimates provided by the current legal and financial advisors.

Timminco Limited & Becancour Silicon Inc.  
CASH FLOW FORECAST  
CAN  
in 000s

	Week Ending on Friday											Forecast Total
	Forecast Week 19: 11-May	Forecast Week 20: 18-May	Forecast Week 21: 25-May	Forecast Week 22: 1-Jun	Forecast Week 23: 8-Jun	Forecast Week 24: 15-Jun	Forecast Week 25: 22-Jun	Forecast Week 26: 29-Jun	Forecast Week 27: 6-Jul	Forecast Week 28: 13-Jul	Forecast Week 29: 20-Jul	
Beginning Cash Position	212	257	252	570	202	(52)	(445)	(752)				3,251
Receipts												
Sales and receivables	875	875	815	757	799	1,271	1,329	1,268				25,040
Government and other receivables	-	-	700	-	-	-	-	700				2,800
Total Receipts	875	875	1,515	757	799	1,271	1,329	1,968				27,840
Disbursements												
Materials	(1,007)	(938)	(873)	(833)	(1,369)	(1,434)	(1,366)	(163)				(25,581)
QSLP/DCC obligation	-	-	-	-	-	-	-	-				-
Operating Expenses	(189)	(191)	(298)	(160)	(259)	(181)	(169)	(360)				(6,929)
Restructuring Expenses	(25)	(50)	(25)	(108)	(25)	(60)	(100)	(400)				(2,222)
DIP Interest and Fees	-	-	-	(25)	-	-	-	(27)				(842)
Other	-	-	-	-	-	-	-	-				-
Total Disbursements	(1,230)	(1,180)	(1,196)	(1,125)	(1,653)	(1,685)	(1,635)	(949)				(35,073)
Net Cash Flows	(355)	(305)	318	(368)	(854)	(394)	(306)	1,019				(7,233)
Plus: DIP Facility Borrowings	400	300	-	-	600	-	-	-				4,250
Less: DIP Facility Repayment	-	-	-	-	-	-	-	-				-
Ending Cash Position	257	252	570	202	(52)	(445)	(752)	267				267
DIP Facility Availability b/f	1,300	900	600	600	600	-	-	-				-
Less: Outstanding DIP Facility Borrowings	400	300	-	-	600	-	-	-				4,250
DIP Facility (Borrowings)/Repayments	-	-	-	-	-	-	-	-				-
DIP Facility Availability e/f	900	600	600	600	600	-	-	-				-

Notes:

- 1) The purpose of this cash flow projection is to determine the liquidity requirement for operations.
- 2) Receipts from operations have been forecast based on current payment terms and the sales forecast for the period has been determined based on scheduled orders and the anticipated allocation of such production to each of QSLP's customers.
- 3) Materials purchases are based on QSLP production schedules and the anticipated production of QSLP.
- 4) Operating Expenses in respect of QSLP have been forecast based on costs to produce and overhead and insurance costs.
- 5) Payroll and benefits costs included in Operating Expenses are based on actual costs for increased sourced deductions beginning in 2012.
- 6) Corporate costs included in Operating Expenses have been forecast based on actual costs.
- 7) The cash flow does not include interest charges for amounts owing under the DIP Facility.
- 8) Restructuring Expenses include legal and professional fees based on estimates.

**SCHEDULE "B"**

**Form of Drawdown Certificate**

**DRAWDOWN CERTIFICATE**

TO: **QSI PARTNERS LTD.** (the "**DIP Lender**")

FROM: Timminco Limited and Becancour Silicon Inc. (collectively, the "**Borrowers**")

DATE: •

1. This certificate is delivered to you, as DIP Lender, in connection with a request for a DIP Advance pursuant to the DIP agreement made as of January 18, 2012 between the Borrowers and the DIP Lender, as amended, supplemented, restated or replaced from time to time (the "**DIP Agreement**"). All defined terms used, but not otherwise defined, in this certificate shall have the respective meanings set forth in the DIP Agreement, unless the context requires otherwise.
2. The Borrower hereby requests a DIP Advance as follows:
  - (a) Date of DIP Advance: \_\_\_\_\_
  - (b) Aggregate amount of DIP Advance (US\$): \_\_\_\_\_
3. All of the representations and warranties of the Borrowers as set forth in the DIP Agreement are true and accurate in all material respects as at the date hereof, as though made on and as of the date hereof (except for any representations and warranties made as of a specific date, which shall be true and correct as of the specific date made).
4. All of the covenants of the Borrowers contained in the DIP Agreement and all other terms and conditions contained in the DIP Agreement to be complied with by the Borrowers, and not properly waived in writing by or on behalf of the DIP Lender, have been fully complied with.
5. In addition to the foregoing, the Borrowers are in compliance with the Restructuring Court Orders.
6. The DIP Advance hereby requested is within the relevant Cash Flow Projections approved by the DIP Lender and reviewed by the Monitor.

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7. No Default or Event of Default has occurred and is continuing nor will any such event occur as a result of the DIP Advance hereby requested.

**TIMMINCO LIMITED**

Per: \_\_\_\_\_  
Name:  
Title:  
I have authority to bind the corporation.

**BECANCOUR SILICON INC.**

Per: \_\_\_\_\_  
Name:  
Title:  
I have authority to bind the corporation.

Cc: FTI Consulting Canada Inc. in its capacity as the Court-appointed monitor of the Borrowers in the CCAA Proceeding.

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**SCHEDULE "C"**

**DIP Order**

See attached.

Court File No. 12-CL- 9539-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR.	)	
	)	DAY, THE
JUSTICE MORAWETZ	)	DAY OF JANUARY, 2012

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 OR ARRANGEMENT OF  
TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**Applicants**

**DIP ORDER**

**THIS MOTION**, made by Timminco Limited ("**Timminco**") and Bécancour Silicon Inc. ("**BSI**" and, together with Timminco, the "**Timminco Entities**"), for an order approving the DIP Agreement and granting the DIP Lender's Charge (as these terms are defined below), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Peter A.M. Kalins sworn January ●, 2012 and the Exhibits attached thereto (the "**January ● Affidavit**"), the [Third/Fourth] Report of FTI Consulting Canada Inc. in its capacity as the Court-appointed Monitor of the Timminco Entities (the "**Monitor**"), and on being advised that those parties disclosed on the Service List attached to the Notice of Motion as Schedule "A", including, Investissement Québec ("**IQ**") and Bank of America, N.A., and (b) the members of the pension plan committees for Bécancour Non-Union Pension Plan and the Bécancour Union Pension Plan (as these terms are defined in the **January ● Affidavit**), La Section Locale 184 De



Syndicat Canadien des Communications, de l'Énergie et du Papier ("CEP"), the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW"), the Financial Services Commission of Ontario ("FSCO"), and the Régie Des Rentes Du Québec, were served with the Notice of Motion and Motion Record, and on hearing the submissions of counsel for the Timminco Entities, the Monitor, IQ, the DIP Lenders (as defined below) [CEP, USW, and FSCO], no one appearing for any other person on the service list, although duly served as appears from the affidavits of service of ● sworn January ●, 2012, filed,

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

### **DIP AGREEMENT & DEFINITIVE DOCUMENTS**

2. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and empowered to obtain and borrow under a credit facility (the "DIP Facility") from QSI Partners Ltd. (the "DIP Lender") for the purposes set out in the DIP Agreement (as defined below), provided that principal borrowings under such credit facility shall not exceed US\$4,250,000 (the "Maximum Amount") unless permitted by further Order of this Court.

3. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Agreement between the Timminco Entities and the DIP Lender dated as of January [●], 2012 (the "DIP Agreement"), filed.

4. **THIS COURT ORDERS** that within one business day of the date of this Order, the DIP Lender shall send by wire transfer to the Monitor the Maximum Amount, to be deposited by the Monitor into a segregated, interest-bearing account of the Monitor (the "Monitor Account"). Subject to any applicable bank fees or charges in connection with

the opening, operating and/or maintenance of the Monitor Account (the “**Bank Fees**”), unless and until funds are advanced by the Monitor to the Timminco Entities in accordance with the DIP Agreement, all funds in the Monitor Account, including interest earned thereon, are the sole property of the DIP Lender, and no lien, encumbrance, court-ordered charge, security interest, or hypothec in or on, or other claims to or interests in, the assets, undertaking, property or business of the Timminco Entities shall encumber, attach to or be admitted as a claim against the funds in the Monitor Account.

5. **THIS COURT ORDERS** that the Monitor shall disburse DIP Advances (as defined in the DIP Agreement) under the DIP Facility from the Monitor Account subject to and in accordance with the terms of the DIP Agreement, including without limitation DIP Advances will be made from the Monitor Account on the second business day following delivery of the drawdown certificate in accordance with the DIP Agreement, unless within one business day of delivery of such drawdown certificate the DIP Lender delivers to the Timminco Entities and the Monitor a notice of non-consent to such DIP Advance as a result of one or more of the conditions precedent not being met or the occurrence of an Event of Default (as defined in the DIP Agreement) that is continuing which notice shall include reasonable details of any such condition precedent not being met or Event of Default. The DIP Lender may also consent to the making of a DIP Advance prior to the second business day following delivery of the drawdown certificate by providing its written consent to same, to the Monitor and the Timminco Entities

6. **THIS COURT ORDERS** that in the event of any dispute between the Timminco Entities and the DIP Lender as to (a) whether an Event of Default has occurred; or (b) the entitlement of the Monitor to advance funds to the Timminco Entities, each of the Timminco Entities, the DIP Lender, and the Monitor shall be entitled to seek advice and directions from the Court with respect to such dispute, on at least four (4) days’ notice to the other parties, and the Monitor shall retain any amounts in the Monitor Account at the time the dispute arose, pending further Order of the Court or agreement by the

Timminco Entities, the DIP Lender, and the Monitor; provided that while such dispute is outstanding and unresolved, no further funds in the Monitor Account shall be advanced by the Monitor to the Timminco Entities without the consent of the DIP Lender.

7. **THIS COURT ORDERS** that subject to paragraph 6 the Monitor shall return to the DIP Lender the balance of the Maximum Amount held by the Monitor in the Monitor Account, together with any interest earned thereon and less any Bank Fees incurred, as of the date of transfer, by initiating a wire transfer to an account designated in writing by the DIP Lender and delivered to the Monitor in accordance with the notice provisions provided for in the DIP Agreement forthwith upon the Maturity Date (as defined in the DIP Agreement).

8. **THIS COURT ORDERS** that the Monitor shall not be liable to the Timminco Entities, the DIP Lender or any other person for any error in judgement or for any act or omission on its part in respect of the operation of the Monitor Account or the making of, or failure to make, the DIP Advances or any of them therefrom, unless such error in judgement, act or omission is made in bad faith or with gross negligence.

9. **THIS COURT ORDERS** that, with respect to mandatory repayments of the DIP Advances from Net Sale Proceeds (as defined in the DIP Agreement), the Monitor shall be entitled to hold in a segregated trust account the first \$1,269,000 of any Net Sale Proceeds (the "**Priority Charge Reserve**") and the Administration Charge and KERP Charge (as granted and defined in the Initial Order dated January 3, 2012 (the "**Initial Order**") and modified by the Order dated January 16, 2012 (the "**Comeback Order**") shall attach to the Priority Charge Reserve in the same rank and priority that such charges have as against the Property (as defined in the Initial Order) as set out in the Comeback Order. Subject to further Order of the Court, upon payment of all outstanding amounts secured by the Administration Charge and the KERP Charge following the termination of the CCAA Proceedings, the remaining balance of the Priority Charge Reserve shall be paid forthwith (a) firstly, to the DIP Lender to the

extent of any outstanding DIP Obligations, and (b) secondly, to the Timminco Entities or such other Persons entitled thereto in accordance with applicable law.

10. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, security agreements, pledge agreements, guarantees and other security documents and definitive documents (collectively the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Timminco Entities are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order or any prior Order of this Honourable Court in these proceedings.

11. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and directed to not, directly or indirectly through any representative, solicit or entertain offers from, negotiate with or accept any proposal of any person other than the DIP Lender for the acquisition of substantially all of the assets of the Timminco Entities from the date hereof until the end of the Exclusivity Period (as defined in, and as may be extended in accordance with, the DIP Agreement) in order to provide the DIP Lender with the opportunity to prepare a "stalking horse bid" for consideration by the Timminco Entities who shall be under no obligation to accept any such bid, provided that if the DIP Obligations (as defined in the DIP Agreement) are declared to be immediately due and payable in accordance with the provisions of the DIP Agreement, the Exclusivity Period shall immediately terminate.

#### **DIP LENDER'S CHARGE**

12. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, including, for greater certainty, the Collateral (as defined in the DIP Agreement), to secure the DIP Obligations, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made.

13. **THIS COURT ORDERS** that the DIP Lender’s Charge shall constitute a charge on the Property and rank ahead in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise, including, for greater certainty, the Permitted Encumbrances (as defined in the DIP Agreement), other than any valid purchase money security interests (collectively, the “**Encumbrances**”) in favour of any person, notwithstanding the order of perfection or attachment, including without limitation any deemed trust created under the Ontario Pension Benefits Act, or the Quebec Supplemental Pension Plans Act in favour of any person and shall rank subordinate only to the Administration Charge in the amount of \$1,000,000, the KERP Charge in the amount of \$269,000, and any valid purchase money security interest.

14. **THIS COURT ORDERS AND DECLARES** that the DIP Lender, in its capacity as DIP Lender and with respect to any claims arising from the Definitive Documents shall be treated as unaffected in any plan of arrangement or compromise filed by the Timminco Entities under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), or any proposal filed by the Timminco Entities under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), with respect to any amounts owing to the DIP Lender by the Timminco Entities pursuant to the DIP Agreement and the Definitive Documents.

15. **THIS COURT ORDERS** that the filing, registration or perfection of the DIP Lender’s Charge shall not be required, and that the DIP Lender’s Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the DIP Lender’s Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

16. **THIS COURT DECLARES** that as a result of the doctrine of paramountcy of the CCAA, the DIP Lender's Charge has super-priority that overrides the provincial statutory-deemed trust or other charges or liens provided for under any pension benefits legislation.

17. **THIS COURT DECLARES** that the purpose of the Timminco Entities' CCAA proceeding would be frustrated if deemed trusts or charges created under pension benefits legislation had priority to the DIP Lender's Charge.

18. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Timminco Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the DIP Lender's Charge, save and except for the Administration Charge in the amount of \$1,000,000 and the KERP Charge in the amount of \$269,000, unless the Timminco Entities also obtain the prior written consent of the DIP Lender.

19. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents and the Timminco Entities shall take all reasonable steps to cooperate and assist in the same;
- (b) upon the occurrence of an event of default under the DIP Agreement, Definitive Documents or the DIP Lender's Charge, the DIP Lender shall be entitled to, and to instruct the Monitor to, cease making advances to the Timminco Entities and set off and/or consolidate any amounts owing by the DIP Lender to the Timminco Entities against the obligations of the Timminco Entities to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices and upon seven (7) days' notice to the Timminco

Entities and the Monitor and with leave of the Court, may exercise any and all other rights and remedies against the Timminco Entities or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Lender's Charge, including without limitation, apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Timminco Entities and for the appointment of a trustee in bankruptcy of the Timminco Entities; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Timminco Entities or the Property.

20. **THIS COURT ORDERS** that the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Timminco Entities, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the DIP Lender's Charge shall not create or be deemed to constitute a breach by the Timminco Entities of any Agreement to which it is a party;

- (b) the DIP Lender shall have no liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the DIP Lender's Charge; and
- (c) the payments made by the Timminco Entities pursuant to this Order and the granting of the DIP Lender's Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

21. **THIS COURT ORDERS** that the DIP Lender's Charge over leases of real property in Canada shall only be a charge in the Timminco Entities' interest in such real property leases.

22. **THIS COURT DECLARES** that this Order and the DIP Lender's Charge are binding upon all creditors of the Timminco Entities, all entitlements of pension benefit beneficiaries and a trustee in bankruptcy of the Timminco Entities, receiver, receiver-manager or other officer of the Court.

#### **GENERAL**

23. **THIS COURT ORDERS** that the Timminco Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder and/or the DIP Agreement.

24. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Timminco Entities, the Monitor, the DIP Lender and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Timminco Entities and to the Monitor, as an officer of this Court, as may be necessary or



desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Timminco Entities and the Monitor and their respective agents in carrying out the terms of this Order.

25. **THIS COURT ORDERS** that each of the Timminco Entities and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

26. **THIS COURT ORDERS** that any motion to vary or amend the DIP Lender's Charge must be brought and be returnable no later than February ●, 2012 and on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order. Notwithstanding the foregoing, any DIP Advances made from the Monitor Account, prior to the date of any motion to vary or amend the DIP Lender's Charge shall be unaffected by any such motion, including, without limitation, its rights to receive reimbursement for its legal fees incurred prior to the date thereof.

27. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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## SCHEDULE "D"

### Permitted Encumbrances

"Permitted Encumbrances" means:

- (i) liens or hypothecs for taxes, assessments or governmental charges incurred in the ordinary course of business that are not yet due and payable or the validity of which is being actively and diligently contested in good faith by either of the Borrowers or in respect of which the applicable Borrower has established on its books reserves considered by it and its auditors to be adequate therefor;
- (ii) construction, mechanics', carriers', warehousemen's and materialmen's liens or hypothecs and liens or hypothecs in respect of vacation pay, workers' compensation, unemployment insurance or similar statutory obligations, provided the obligations secured by such liens are not yet due and payable and, in the case of construction liens, which have not yet been filed or for which either of the Borrowers has not received written notice of a lien;
- (iii) deposits to secure public or statutory obligations or in connection with any matter giving rise to a lien described in (ii) above;
- (iv) any liens, security interests, encumbrances, hypothecs or other charges in favour of the DIP Lender;
- (v) any lien or hypothec, other than a construction lien, payment of which has been provided for by deposit with a bank of an amount in cash, or the obtaining of a surety bond or letter of credit satisfactory to the DIP Lender, sufficient in either case to pay or discharge such lien or upon other terms satisfactory to the DIP Lender;
- (vi) normal and customary rights of setoff or compensation upon deposits in favour of depository institutions, and liens of a collecting bank on cheques and other payment items in the course of collection;
- (vii) existing liens shown on Exhibit "A" to this is Schedule "D";
- (viii) liens given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that person in the ordinary course of its business;
- (ix) liens arising from: (A) operating leases, conditional sales agreements and financing leases and the precautionary PPSA or equivalent financing statement filings or similar registrations in respect thereof; and (B) equipment or other materials which are not owned by the Borrowers located on the premises of the either of the Borrowers from

time to time in the ordinary course of business of the applicable Borrower and the precautionary PPSA or equivalent financing statement filings or similar registrations in respect thereof;

- (x) liens securing the repayment of indebtedness owing to Investissement Quebec;
- (xi) liens securing the repayment of indebtedness owing to AMG Advanced Metallurgical Group N.V.;
- (xii) liens securing amounts owing to Bank of America, N.A.;
- (xiii) the Administrative Charge, the KERP Charge and the directors' and officers' charge created under the Restructuring Court Orders;
- (xiv) any critical supplier charge created under any order of the Court in the CCAA Proceeding;
- (xv) any other lien or hypothec which the DIP Lender approves in writing as a Permitted Encumbrance;
- (xvi) any limitation to the right of ownership associated with the nominee agreement between BSI and Québec Silicon General Partner Inc. relating to the HP2 property located at 6400 Yvon-Trudeau, Bécancour, Québec;
- (xvii) undetermined or inchoate liens and charges incidental to construction or repairs or operations which have not at such time been filed pursuant to law against the Borrowers or which relate to obligations not due or delinquent;
- (xviii) the right reserved to or vested in any municipality or government, or to any statutory or public authority, by the terms of any lease, license, franchise, grant or permit acquired by the Borrowers or any statutory provision to terminate any such lease, license, franchise, grant or permit, or to require annual or other periodic payments as a condition to the continuance thereof;
- (xix) the reservations, limitations, provisos and conditions (if any) expressed in any original grant from the Crown; and
- (xx) servitudes, easements, rights of way or similar rights in land granted to or reserved by other persons.

**EXHIBIT "A"**

See attached.

EXHIBIT "A"

Register of personal and movable real rights

- I. A. Names Searched : Bécancour Silicon Inc.  
Silicium Bécancour Inc.
- B. Currency of Search : 1995-01-03 3:00 p.m. for renewal registrations under transitional rules  
2011-11-29 3:00 p.m. for all other registrations

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
03-0441026-0001 2003-08-22 2:46 p.m.	Rights Resulting From a Lease	PRODAIR CANADA LTÉE (Lessor)	2 ÉVAPORATEURS MODÈLE VAI-872-FL23 VALEUR: 51625.00 \$	N/A	N/A
Date of Constituting Act: 2003-07-21		SILICIUM BÉCANCOUR INC. (Lessee)	1 PHOTOCOPIEUR RICOH-2 ÉVAPORATEURS MODÈLE VAI-872-FL23 VALEUR: 51625.00 \$		
Date registration ceases to be effective: 2013-07-21					

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
06-0156193-0001	Rights of Ownership of the Lessor	SERVICES FINANCIERS CIT LTÉE (Lessor)	Please see below or next page(s): "Property"	N/A	N/A
2006-03-28 9:00 a.m.		SILICIUM BÉCANCOUR INC. (Lessee)			
Date of Constituting Act: 2006-03-15		BÉCANCOUR SILICON INC. (Lessee)			
Date registration ceases to be effective: 2012-09-15					

**PROPERTY**

1. (Registration number: 06-0156193-0001)

LES BIENS CI-APRÈS DÉCRIT PEUVENT ÊTRE SITUÉS AU 6500, YVON TRUDEAU, BÉCANCOUR (QUÉBEC) G9H 2V8 OÙ À TOUT AUTRE

ENDROIT:

- 1 PHOTOCOPIEUR RICOH AFICIO 3228C, N/S K5250800294
- ARDF-82, N/S K5757904342
- PS-590, N/S K0650900731
- PT-460 MULTI BIN, N/S PT4600011
- FAX TYPE 3245, N/S K5550900525
- IEE I/P BD TYPE A, N/S IE12840026
- 1 PHOTOCOPIEUR RICOH AFICIO 1045, N/S H7026200840
- OPTION FAX TYPE 1045, N/S H8051200020
- ARDF-70, N/S H7627404144
- PS-360, N/S A7739092402

PONT TYPE 1045, N/S H7917001795  
IMP./SCANNER 1045, N/S IMS10450036  
128 MB MEM TYPE B, N/S 12800148  
NIB TYPE 1045, N/S C10450079  
1 PHOTOCOPIEUR RICOH AFICIO 270  
1 PHOTOCOPIEUR RICOH AFICIO 270  
1 PHOTOCOPIEUR RICOH AFICIO 450

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
07-0171528-0001 2007-04-03 2:00 p.m.  Date of Constituting Act: 2007-03-23  Date registration ceases to be effective: 2013-09-23	Rights of Ownership of the Lessor	SERVICES FINANCIERS CIT L TÉE (Lessor)  SILICIUM BÉCANCOUR INC. (Lessee)  BÉCANCOUR SILICON INC. (Lessee)	Please see below or next page(s) "Property"	N/A	N/A

**PROPERTY**

2. (Registration number: 07-0171528-0001)

1 RICOH AFICO 1045, N/S H7116400016  
 COMPOSANTES:  
 ARDF-70 #H617602908, ALIMENTEUR AUTOMATIQUE ARDF-70  
 PS-360 #2B30120165, MAGASIN PS-360 AFICO 350/450  
 PONT TYPE 1045 #H7916304637, PONT TYPE 1045  
 SR-720 #1B41040946, UNITÉ DE FINITION SR-720  
 I/F IMP/SCANNER 1045 #IMS0051, SCANNER IMP. DIMM TYPE 1045  
 128MB MEM TYPE B #128005, MÉMOIRE 128MB TYPE B  
 I/F RÉSEAU 1045 #C1035001, CARTE RÉSEAU TYPE 1045  
 FAX OPTION 1045 #H8011200519, CARTE FAX TYPE 1045

1 RICOH AFICO 1045, N/S H7117201077



COMPOSANTES:

ARDF-70 #H7627304013, ALIMENTEUR AUTOMATIQUE ARDF-70  
PONT TYPE 1045 #H7917202978, PONT TYPE 1045  
SR-720 #1B41030382, UNITÉ DE FINITION SR-720  
I/F IMP/SCANNER 1045 #HMS00135, SCANNER IMP. DIMM TYPE 1045  
128MB MEM TYPE B #1280017, MÉMOIRE 128MB TYPE B  
I/F RÉSEAU 1045 #C10450012, CARTE RÉSEAU TYPE 1045  
FAX OPTION 1045 #H8060100026, CARTE FAX TYPE 1045  
RT-36 #1B61080005, CASSETTE GRANCE CAPACITÉ RT-36  
CABINET AFICIO 1035 #CAB3500028, CABINET 1035/1045

1 RICOH AFICO 1045, N/S H7136100892

COMPOSANTES:

ARDF-70 #H7637600910, ALIMENTEUR AUTOMATIQUE ARDF-70  
I/F IMP/SCANNER 1045 #HMS00176, SCANNER IMP. DIMM TYPE 1045  
128MB MEM TYPE B #12800107, MÉMOIRE 128MB TYPE B  
I/F RÉSEAU 1045 #C10450078, CARTE RÉSEAU TYPE 1045  
FAX OPTION 1045 #BURA10450045, CARTE FAX TYPE 1045  
PS-360 #1B31010878, MAGASIN PS-360 AFICIO 350/450

1 PHOTOCOPIEUR NUMÉRIQUE AFICIO 1035, N/S H7016801081

COMPOSANTES:

ARDF-70 #H7617905461, ALIMENTEUR AUTOMATIQUE ARDF-70  
I/F IMP/SCANNER 1045 #HMS00175, SCANNER IMP. DIMM TYPE 1045  
128MB MEM TYPE B #12800106, MÉMOIRE 128MB TYPE B  
I/F RÉSEAU 1045 #C10450077, CARTE RÉSEAU TYPE 1045  
FAX OPTION 1045 #H8010401599, CARTE FAX TYPE 1045  
PS-360 #A7731090787, MAGASIN PS-360 AFICIO 350/450

1 PHOTOCOPIEUR RICOH AFICIO 3030 REFINANCÉ

1 PHOTOCOPIEUR RICOH AFICIO 3228 COULEUR REFINANCÉ

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
07-0563868-0001 2007-10-02 9:00 a.m. Date of Constituting Act: 2007-09-28 Date registration ceases to be effective: 2012-10-01	Rights Resulting from a Lease	GE VFS CANADA LIMITED PARTNERSHIP (Lessor)  SILICIUM BECANCOUR INC. (Lessee)	Please see below or next page(s): "Property"	N/A	This Rights Resulting from a Lease is subject to the following registration:  # 10-0685079-0001 Modification of a Published Right (see below)

**PROPERTY**

3. (Registration number: 07-0563868-0001)

ALL GOODS WHICH ARE

G3272B AGILENT 7500CX ICP-MS,  
S# JP51202130  
S# USK022109

G3150A AGILENT 7500 ICP-MS CHEMSTATION  
S# 2UA7281DRR  
S# CNN7220XJR  
S# CND1D45921

G3286A ASX-500 SERIES AUTOSAMPLER  
S# 060778A520

G1879B HEAT EXCHANGER  
S# CO7400494

TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, SECURITIES, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE LEASE NO. 8332999-001)

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Modification	Amount and Interest Rate	Other Particulars
10-0685079-0001 2010-09-30 2:40 p.m.  Date of Constituting Act: N/A  Date registration ceases to be effective: N/A	Modification of a Published Right	GE VFS CANADA LIMITED PARTNERSHIP (Lessor)  SILICIUM BECANCOUR INC. (Lessee)  QUÉBEC SILICON LIMITED PARTNERSHIP (Lessee)	TO ADD ADDITIONAL LOCATAIRE TO THE REGISTRATION: QUÉBEC SILICON LIMITED PARTNERSHIP	N/A	REF: 8474598001  This Modification of a Published Right relates to the following registration:  # 07-0563868-0001 Rights Resulting from a Lease (see above)

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
07-0688294-0001 2007-11-30 2:26 p.m.	Rights of Ownership of the Lessor	LES SERVICES FINANCIERS CATERPILLAR LIMITEE (Lessor)  SILICIUM BECANCOUR INC. (Lessee)	NEUF 2008 CHARGEUSE SUR PNEUS CATERPILLAR MODELE 966H N/S CAT0966HJA6D01358	N/A	N/A
Date of Constituting Act: 2007-11-20					
Date registration ceases to be effective: 2017-11-20					

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
09-0010080-0001 2009-01-09 9:00 a.m.  Date of Constituting Act: 2009-01-08  Date registration ceases to be effective: 2016-01-07	Rights Resulting From a Lease	SERVICES FINANCIERS DE LAGE LANDEN CANADA INC (Lessor)  SILJICIUM BÉCANCOUR INC. (Lessee)	ALL GOODS SUPPLIED BY THE SECURED PARTY TO THE DEBTOR, TOGETHER WITH ALL ATTACHMENTS, ACCESORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING. PROCEEDS: GOODS, CHATTEL PAPER, SECURITIES, MONEY, CROPS, LICENCES AND INTANGIBLES.	N/A	N/A

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
<p>09-0048984-0001                      2009-01-30 10:54 a.m.                       Date of Constituting Act:                      2009-01-22                       Date registration ceases to be effective:                      2013-01-29</p>	<p>Rights Resulting From a Lease and Assignment of Rights</p>	<p>AUTOMOBILES VIEILLES FORGES LTEE (Lessor)                       DCFS CANADA CORP. Acting under the business name: SERVICES FINANCIERS MERCEDES-BENZ (Assignee)                       SILICIUM BÉCANCOUR INC. (Lessee)</p>	<p>Road Vehicle                       Cat: 01                      Identification Number: Recreational Vehicle WDDGF87X79F291580                       Year:2009                       Description: MERCEDES C350W4M                       ALL ATTACHMENTS, ACCESSORIES, ADDITIONS, ALTERATIONS AND REPLACEMENT PARTS (WHETHER PRESENT OR FUTURE) TO THE VEHICLE DESCRIBED ABOVE, TOGETHER WITH ALL CASH AND NON-CASH PROCEEDS OF THE VEHICLE DESCRIBED ABOVE.</p>	<p>N/A</p>	<p>REF: (9F291580 / PQQMZ1F35945-1 / 5768869)                       . Transfer of all rights.                       This Rights Resulting from a Lease and Assignment of Rights is subject to an Assignment of Rights. Details are available upon request</p>

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
<p>10-0794497-0002</p> <p>2010-11-11 9:00 a.m.</p> <p>Date of Constituting Act: N/A</p> <p>Date registration ceases to be effective: N/A</p>	<p>Rectification of Registration</p>	<p>AUTOMOBILES VIEILLES FORGES L'TEE (Lessor)</p> <p>DCFS CANADA CORP. Acting under the business name: SERVICES FINANCIERS MERCEDES-BENZ (Assignee)</p> <p>SILICIUM QUEBEC SEC (Lessee)</p>	<p>PLEASE DELETE DEBTOR SILICIUM BECANCOUR INC. PLEASE ADD DEBTOR SILICIUM QUEBEC SEC</p>	<p>N/A</p>	<p>REF: (9F291580 / PQQMZ1C35945-2 / 6890851)</p> <p>This Rectification of Registration relates to the following registration: # 09-0048984-0001 Rights Resulting from a Lease and Assignment of Rights (see above)</p>



Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
<p>09-0386225-0002 2009-06-26 2:34 p.m.</p> <p>Date of Constituting Act: 2009-06-26</p> <p>Date registration ceases to be effective: 2015-06-26</p>	<p>Reservation of Ownership and Assignment of Reservation</p>	<p>AGRITEX CENTRE QUEBEC INC. (Seller)</p> <p>JOHN DEERE LIMITED. (Assignee)</p> <p>SILICIUM BÉCANCOUR INC. (Purchaser)</p>	<p>THREE (3) JOHN DEERE GATORS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR A LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.</p>	<p>N/A</p>	<p>Transfer of all rights.</p> <p>This Reservation of Ownership and Assignment of Reservation is subject to the following registration: # 10-0713043-0001 Modification of a Published Right (see below)</p>

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Modification	Amount and Interest Rate	Other Particulars
10-0713043-0001 2010-10-13 9:00 a.m.	Modification of a Published Right	AGRITEX CENTRE QUEBEC INC. (Seller)	ADDITION OF DEBTORS	N/A	This Modification of a Published Right relates to the following registration: # 09-0386225-0002 Reservation of Ownership and Assignment of Reservation (see above)
Date of Constituting Act: N/A		JOHN DEERE LIMITED (Assignee)			
Date registration ceases to be effective: N/A		SILICIUM BECANCOUR INC. (Purchaser)			
		SILICIUM QUEBEC SOCIETE EN COMMANDITE (Purchaser)			
		QUEBEC SILICON LIMITED PARTNERSHIP (Purchaser)			

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
09-0420851-0001	Conventional Movable Hypothec without Delivery	INVESTISSEMENT QUÉBEC (Holder)	Please see below or next page(s) "Property"	30 000 000 \$ avec intérêt au taux de 2.5% par année à compter du 10 juillet 2009.	Le Débiteur pourra percevoir les Créances et les loyers faisant partie des Biens hypothéqués, tant que le Créancier ne lui en aura pas retiré l'autorisation.
2009-07-13 9:36 a.m.		BÉCANCOUR SILICON INC. (Grantor)			This Conventional Movable Hypothec without Delivery is subject to the following registrations: # 10-0696351-0001 Voluntary Reduction (see below)
Date of Constituting Act: 2009-07-10		SILICIUM BÉCANCOUR INC. (Grantor)			# 10-0696351-0002 Voluntary Reduction (see below)
Date registration ceases to be effective 2019-07-13					# 10-0880624-0001 Cession of Rank (see below)

**PROPERTY**

4. (Registration number: 09-0420851-0001)

L'universalité de biens, meubles et immeubles de SILICIUM BÉCANCOUR INC. (le "Débiteur"), présents et à venir, corporels et incorporels, de quelque nature qu'ils soient et où qu'ils puissent être situés (ci-après appelés les "Biens hypothéqués"). Sans limiter la généralité de ce qui précède, cette hypothèque affecte notamment le bail minier plus amplement décrit à l'Appendice A ci-dessous (le "Bail Minier"), ainsi que les immeubles décrits ci-après (collectivement, les "Immeubles"), les loyers présents et à venir de ces Immeubles et des autres immeubles du Débiteur, de même que les indemnités payables en vertu des contrats

d'assurance couvrant ces loyers :

#### DESCRIPTION DES IMMEUBLES

Un immeuble situé en la ville de Bécancour, province de Québec, connu et désigné comme étant composé des lots suivants :

- a) Le lot UN de la subdivision officielle du lot originaire DEUX CENT TRENTE-TROIS (233-1), au cadastre officiel de la Paroisse de Saint-Édouard-de-Gentilly, circonscription foncière de Nicolet (Nicolet 2);
- b) Le lot UN de la subdivision officielle du lot originaire DEUX CENT TRENTE-CINQ (235-1), au cadastre officiel de la Paroisse de Saint-Édouard-de-Gentilly, circonscription foncière de Nicolet (Nicolet 2);
- c) Le lot UN de la subdivision officielle du lot originaire DEUX CENT CINQUANTE-DEUX (252-1), au cadastre officiel de la Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour, circonscription foncière de Nicolet (Nicolet 2); et
- d) Le lot UN de la subdivision officielle du lot originaire DEUX CENT CINQUANTE-TROIS (253-1), au cadastre officiel de la Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour, circonscription foncière de Nicolet (Nicolet 2);

Avec toutes les bâtisses et autres structures et équipement dessus érigés portant le numéro civique 5355, rue du Chemin-de-Fer, en la ville de Bécancour, province de Québec, G9H 2X7;

Un immeuble situé en la ville de Bécancour, province de Québec, connu et désigné comme étant composé des lots suivants :

- a) Le lot numéro TROIS MILLIONS DEUX CENT QUATRE-VINGT-QUATORZE MILLE CINQUANTE-QUATRE (3 294 054), au cadastre du Québec, circonscription foncière de Nicolet (Nicolet 2); et
- b) Le lot numéro QUATRE MILLIONS CENT DIX MILLE CINQ CENT QUATRE-VINGT-DIX-HUIT (4 110 598), audit cadastre;

Avec toutes les bâtisses et autres structures et équipement dessus érigés portant le numéro civique 5500, rue Yvon-Trudeau, en la ville de Bécancour, province de Québec, G9H 0G1;

Un immeuble situé en la ville de Bécancour, province de Québec, connu et désigné comme étant le lot TROIS MILLIONS DEUX CENT QUATRE-VINGT-QUATORZE MILLE CINQUANTE-CINQ (3 294 055), au cadastre du Québec, circonscription foncière de Nicolet (Nicolet 2).

Avec toutes les bâtisses et autres structures et équipement dessus érigés portant le numéro civique 6500, rue Yvon-Trudeau, en la ville de Bécancour, province de Québec, G9H 2V8.

Tel que le tout se trouve présentement, avec toutes les servitudes continues ou discontinues, apparentes ou non apparentes y attachées, sans aucune exception ni réserve.

Avec tout ce qui est ou sera incorporé, attaché, réuni ou uni par accession à ces immeubles et qui est considéré être immeuble en vertu de la loi.

APPENDICE A

DESCRIPTION DU BAIL MINIER

"Mining Lease #674 issued on January 13, 1976 by the "Ministère des richesses naturelles" to ELECTRO-MÉTALLURGIE S.K.W. CANADA LTÉE for a term of twenty (20) years commencing on January 13, 1976 and ending on January 12, 1996 (the "Lease"). By Notice of Renewal of Lease Agreement dated October 5, 1995, the "Ministère des ressources naturelles" has renewed the Lease for an additional period of ten (10) years commencing on January 13, 1996 and ending on January 12, 2006. The name of the Lessee appearing on the said Notice of renewal is "SKW CANADA INC." By a further Notice of Renewal of Lease Agreement dated July 10, 2006, the "Ministère des ressources naturelles et de la faune" has renewed the lease for an additional ten (10) years commencing on January 13, 2006 and ending on January 12, 2016. The name of the Lessee on the said notice is SILICIUM BÉCANCOUR INC.

The Lease entitles the Lessee to extract all mineral substances owned by the Crown but does not extend to oil, gas, sand, gravel or brine. The Lease does not permit the use of underground tanks to store up or accumulate mineral substances or industrial waste.

The Lease covers an area of 81.47 hectares (approximately 33 acres). A cadastral description of the leased premises was prepared by Gilbert Simard, Québec Land Surveyor, on April 29, 1975 (plan #842) ("Cadastral Description"). The Cadastral Description is as follows:

DESCRIPTION

"Un certain bloc A du bassin de la rivière Malbaie en territoire non arpenté de la carte SNRC 21M15 (lac des Martres), circonscription foncière de Charlevoix 2. Le bloc A forme un polygone irrégulier dont le point 20 est rattaché par une ligne dont la distance calculée est de 433.11 mètres et ayant direction astronomique de 35 degrés 19'9" à un poteau situé sur la ligne arpentée en 1941 par H. Bélanger, arpenteur-géomètre (plan 460-32D). La superficie du bloc est de 81.47 hectares dont les tenants et aboutissants sont les suivants :

Ligne	Nature	Direction	Longueur (m)	Limite
20-2	Droite	274 degrés 42'4"	338.15	Sud
2-4	Droite	15 degrés 27'6"	219.58	Ouest
4-3	Droite	261 degrés 17'7"	262.18	Sud
3-6	Droite	6 degrés 34'1"	414.80	Ouest
6-7	Droite	93 degrés 42'1"	75.23	Nord
7-8	Droite	13 degrés 39'1"	428.88	Ouest
8-9	Droite	98 degrés 44'4"	352.96	Nord
9-10	Droite	340 degrés 53'7"	350.81	Ouest

10-12	Droite	84 degrés 54'6"	441.85	Nord
12-13	Droite	168 degrés 41'1"	406.01	Est
13-14	Droite	190 degrés 32'9"	436.64	Est
14-15	Droite	277 degrés 16'1"	131.06	Sud
15-18	Droite	185 degrés 19'4"	351.67	Est
18-19	Droite	274 degrés 58'1"	137.28	Sud
19-20	Droite	197 degrés 33'1"	201.05	Est

Le tout conforme au plan et à la description de l'arpenteur-géomètre Gilbert Simard en date du 29 avril 1975 (plan #842)."

The Lease and its renewals are registered at the "Registre des droits réels d'exploitation de ressources de l'État" of the Registry Office of Charlevoix 2 (land file 12-A-1).

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened (article 3034 of the Civil Code of Québec)."

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0696351-0001 2010-10-05 11:38 a.m.	Voluntary Reduction	SILICIUM BÉCANCOUR INC. (Grantor)	Please see below or next page(s): "Property"	N/A	This Voluntary Reduction relates to the following registration: # 09-0420851-0001 Conventional Movable Hypotheque without Delivery (see above)
Date of Constituting Act: N/A					
Date registration ceases to be effective: N/A					

**PROPERTY**

5. (Registration number: 10-0696351-0001)

Voluntary Reduction of registration # 09-0420851-0001 on the following property:

All right, title and interest in and to all of the assets that are held by Bécancour Silicon Inc. and used primarily in connection with the Business, in each case wherever located and free and clear of all liens other than Permitted Liens, including furniture, fixtures, equipment, contracts, licenses, Leases, permits, authorizations, Real Property (and improvements thereon, including the Facility, but excluding the HP2 Property, in each case as more fully described in Schedule "A" below and related rights, rights to insurance claims for losses related to the Business (other than losses related to Excluded Assets (as defined below) or the assets transferred pursuant to the Business Transfer Agreement and copies of books and records to the extent they concern the assets transferred pursuant to the Business Transfer Agreement, except for any Excluded Assets.

For the purposes hereof the following definitions apply:

"Business" means the silicon metal production operations (excluding solar grade silicon purification operations) currently owned and operated by Bécancour

Silicon Inc. at the Facility.

"Business Transfer Agreement" means the Business Transfer Agreement entered into by and among Bécancour Silicon Inc. and Québec Silicon Limited Partnership dated September 30, 2010.

"Cadastral Operation" means the cadastral operation to be registered with the Land Register, to divide Lot 3 294 055 into two (2) separate and distinct lots corresponding to the Facility and the HP2 Property, respectively, and to attribute separate lot numbers thereto.

"Contribution" means all assets used primarily in connection with the Business held by Bécancour Silicon Inc. or any of its affiliates;

"Excluded Assets" means:

- i. trade accounts receivable and other receivables of the Business;
- ii. cash and cash equivalents, bank accounts, bank deposits and accrued interest thereon;
- iii. finished silicon metal inventory, including materials in transit;
- iv. finished silicon product capitalized variances related to item (iii) above;
- v. finished silicon product capitalized production costs related to item (iii) above;
- vi. finished silicon product reserves related to item (iii) above;
- vii. silica fume ponds, existing and emptied;
- viii. future income tax assets;
- ix. deferred charges;
- x. receivables from Timminco Limited or any of its affiliates;
- xi. contracts with customers for the supply of silicon metal;
- xii. assets under the applicable trusts of the BSI Pension Plans (as defined in Annex B of the Framework Agreement), except as provided in Annex B of the Framework Agreement;
- xiii. other excluded contracts; e.g., the Bécancour Silicon Inc. collective bargaining agreement, except as required by law in respect of Transferred Employees (as defined in the Framework Agreement);



- xiv. losses, loss carry-forwards and rights to receive refunds, credits and loss carry-forwards with respect to any Taxes attributable to periods (or portions thereof) ending on or prior to the date of the Contribution;
  - xv. all insurance plans and policies, but, without prejudice, to the right of Québec Silicon Limited Partnership to make claims thereunder;
  - xvi. the HP2 Property and assets thereon relating to the solar-grade silicon purification operations, the HP1 facility located at 5500, rue Yvon-Trudeau, Bécancour, Quebec, and the property located at 5355, rue du Chemin-de-Fer, Bécancour, Quebec;
  - xvii. all documents relating primarily to an Excluded Asset or Excluded Liability (as defined in the Framework Agreement);
  - xviii. minute books, stock records and corporate seal of Bécancour Silicon Inc.;
  - xix. personnel records that Bécancour Silicon Inc. is required by law to retain in its possession;
  - xx. all rights of Bécancour Silicon Inc. under the Business Transfer Agreement; and
  - xxi. original book and records.
- "Facility" means the immovable property owned by Bécancour Silicon Inc. prior to the Restructuring Transactions (as defined in the Framework Agreement) and Québec Silicon Limited Partnership following the Restructuring Transactions, located at 6500, Yvon-Trudeau Street, Bécancour, Quebec, consisting of a part of Lot 3 294 055 and being the immovable property set forth below in Schedule A, including all buildings and improvements thereon, including all buildings and improvements thereon, and which will be known and designated by a separate lot number of the Cadastre of Québec following the completion of the Cadastral Operation. For greater certainty, the term "Facility" shall not include in any way by reference or otherwise (i) the silica fume disposal site, located at 5355, rue du Chemin-de-Fer, Bécancour, Quebec, (ii) the HP1 facility, located at 5500, rue Yvon-Trudeau, Bécancour, Quebec, and (iii) the HP2 Property.

"Framework Agreement" means the Framework Agreement entered into by and among Bécancour Silicon Inc., Timmimco Limited and Dow Corning Corporation dated August 10, 2010.

"Governmental Authority" means any nation or government, any state, province or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or regulation, including any domestic (federal, state or local), foreign or supranational governmental or regulatory authority, agency, department, board, commission, administration or instrumentality, any court, tribunal or arbitral body or any self-regulatory or quasi-governmental organization.

"HP2 Facility" means the HP2 facility, located at 6500, Yvon-Trudeau Street, Bécancour, Quebec, which is part of Lot 3 294 055 as of the date of the Framework Agreement.

"HP2 Property" means that portion of Lot 3 294 055 on which the HP2 Facility is located, as more fully shown outlined below in Schedule A, including the

HP2 Facility and all other buildings and improvements thereon, and which will be known and designated by a separate lot number of the Cadastre of Québec following the completion of the Cadastral Operation.

"Mining Property" means the immovable property located in Charlevoix Region, Province of Québec, leased by Bécancour Silicon Inc. from the Québec Ministry of Natural Resources and Wildlife pursuant to mining lease #674 renewed on January 13, 2006.

"Land Register" means the Québec Land Registry Office for the applicable registration division.

"Leased Real Property" means the Mining Property.

"Leases" means any lease, sublease, license or other occupancy agreement related to the Leased Real Property, together with all amendments, modifications, renewals or supplements thereto.

"Owned Real Property" means the immovable properties owned by Bécancour Silicon Inc.

"Permitted Liens" has the meaning ascribed thereto in the Framework Agreement.

"Real Property" means the Leased Real Property together with the Owned Real Property.

"Taxes" means all federal, state, provincial, territorial, county, municipal, local or foreign taxes, duties, imposts, levies, assessments, tariffs and other charges imposed, assessed or collected by a Governmental Authority including (i) any gross income, net income, gross receipts, business, royalty, capital, capital gains, goods and services, harmonized sales, value added, severance, stamp, franchise, occupation, premium, capital stock, sales and use, real property, land transfer, personal property, ad valorem, transfer, licence, profits, windfall profits, environmental, payroll, employment, employer health, pension plan, anti-dumping, countervail, excise, severance, stamp, occupation, or premium tax, (ii) all withholdings on amounts paid to or by the relevant person, (iii) all employment insurance premiums required under any applicable law and any other pension plan contributions or premiums, (iv) any fine, penalty, interest, or addition to tax, (v) any tax imposed, assessed, or collected or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency, or fee, and (vi) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract or by operation of law.

Schedule "A"

Legal Description of the Facility

An immovable situated in the City of Bécancour, Province of Québec, known and designated as being lot number THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND AND FIFTY-FIVE (3 294 055) of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2).

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 6500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 2V8.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appurtenant or belonging thereto,

**SAVE AND EXCEPT:**

A parcel of land of irregular figure, situated in the City of Bécancour, Province of Québec, known and designated as being a part of lot THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND AND FIFTY-FIVE (Pt. 3 294 055) of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2), which land can be described as follows:

**Attachment:**

Starting at point 851, which point is located at the intersection of the division lines between the Yvon Trudeau Street (lot 3 417 006 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)) and Arthur Sicard Boulevard (lot 3 416 998 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)); from said point 851, following a direction of 56 degrees 13'45" for a distance of 444,00 meters to point 875; from point 875, following a direction of 326 degrees 13'45" for a distance of 190,72 meters to point 868, which is the starting point of said parcel of land which can be described as follows:

**Boundaries and measurements:**

Bounded towards the South-West by another part of said lot 3 294 055;

Bounded towards the North-West by another part of said lot 3 294 055;

Bounded towards the North by another part of said lot 3 294 055;

Bounded towards the North-East by another part of said lot 3 294 055;

Bounded towards the South-East by another part of said lot 3 294 055;

and

**Measuring:**

Boundaries	Pts	Pts	Line	Direction	Distance (meters)
South-West	868	857	Straight	326 degrees 13'45"	65,38
North-West	857	858	Straight	56 degrees 13'45"	169,53
North	858	859	Straight	101 degrees 15'37"	4,27
North-East	859	860	Straight	146 degrees 16'28"	81,33
South-East	860	861	Straight	236 degrees 16'28"	2,27
North-East	861	862	Straight	146 degrees 13'45"	22,27
South-East	862	863	Straight	236 degrees 13'45"	18,32
North-East	863	649	Straight	146 degrees 13'45"	22,96
South-East	649	505	Straight	236 degrees 13'45"	11,53
North-East	505	864	Straight	146 degrees 13'45"	18,47

South-East	864	865	Straight	236 degrees 13'45"	54,16
South-West	865	866	Straight	326 degrees 13'45"	23,78
South-West	866	867	Straight	293 degrees 18'04"	70,17
South-East	867	868	Straight	236 degrees 13'45"	48,10

Having a superficial area of 18 412,8 square meters.

As shown on a plan bearing number D-5111-3 prepared by René Beaudoin, Québec Land Surveyor, on September 27, 2010, under number 3870 of his minutes and B 5111 of his files.

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 6500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 2V8.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appurtenant or belonging thereto.

Legal Description of the HP2 Property

A parcel of land of irregular figure, situated in the City of Bécancour, Province of Québec, known and designated as being a part of lot THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND AND FIFTY-FIVE (Pt. 3 294 055) of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2), which land can be described as follows:

Attachment:

Starting at point 851, which point is located at the intersection of the division lines between the Yvon Trudeau Street (lot 3 417 006 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)) and Arthur Sicard Boulevard (lot 3 416 998 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)); from said point 851, following a direction of 56 degrees 13'45" for a distance of 444,00 meters to point 875; from point 875, following a direction of 326 degrees 13'45" for a distance of 190,72 meters to point 868, which is the starting point of said parcel of land which can be described as follows:

Boundaries and measurements:

- Bounded towards the South-West by another part of said lot 3 294 055;
- Bounded towards the North-West by another part of said lot 3 294 055;
- Bounded towards the North by another part of said lot 3 294 055;
- Bounded towards the North-East by another part of said lot 3 294 055;
- Bounded towards the South-East by another part of said lot 3 294 055;

and

Measuring :

Boundaries	Pts	Pts	Line	Direction	Distance (meters)
South-West	868	857	Straight	326 degrees 13'45"	65,38
North-West	857	858	Straight	56 degrees 13'45"	169,53
North	858	859	Straight	101 degrees 15'37"	4,27
North-East	859	860	Straight	146 degrees 16'28"	81,33
South-East	860	861	Straight	236 degrees 16'28"	2,27
North-East	861	862	Straight	146 degrees 13'45"	22,27
South-East	862	863	Straight	236 degrees 13'45"	18,32
North-East	863	649	Straight	146 degrees 13'45"	22,96
South-East	649	505	Straight	236 degrees 13'45"	11,53
North-East	505	864	Straight	146 degrees 13'45"	18,47
South-East	864	865	Straight	236 degrees 13'45"	54,16
South-West	865	866	Straight	326 degrees 13'45"	23,78
South-West	866	867	Straight	293 degrees 18'04"	70,17
South-East	867	868	Straight	236 degrees 13'45"	48,10

Having a superficial area of 18 412,8 square meters.

As shown on a plan bearing number D-5111-3 prepared by René Beaudoin, Québec Land Surveyor, on September 27, 2010, under number 3870 of his minutes and B 5111 of his files.

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 6500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 2V8.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appurtenant or belonging thereto.

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0696351-0002 2010-10-05 11:38 a.m.  Date of Constituting Act: N/A  Date registration ceases to be effective: N/A	Voluntary Reduction	SILICIUM BÉCANCOUR INC. (Grantor)	Please see below or next page(s): "Property"	N/A	This Voluntary Reduction relates to the following registration:  # 09-0420851-0001 Conventional Movable Hypothec without Delivery (see above)

**PROPERTY**

6. (Registration number: 10-0696351-0002)

Voluntary Reduction of registration # 09-0420851-0001 on the following property:

Tous ses droits, titres et intérêts concernant le bail minier plus amplement décrit ci-dessous, ainsi que l' immeuble décrit ci-après :

DESCRIPTION DU BAIL MINIER

DÉSIGNATION

"Mining Lease #BM 674 issued on January 13, 1976 by the "Ministère des richesses naturelles" to "ELECTRO-MÉTALLURGIE S.K.W. CANADA LTÉE" for a term of twenty (20) years commencing on January 13, 1976 and ending on January 12, 1996 (the "Lease"). By Notice of Renewal of Lease Agreement dated October 5, 1995, the "Ministère des richesses naturelles" has renewed the Lease for an additional period of ten (10) years commencing on January 13, 1996 and ending on January 12, 2006. The name of the Lessee appearing on the said Notice of Renewal is "SKW CANADA INC.". By a further Notice of Renewal of

Lease Agreement dated July 10, 2006, the "Ministère des ressources naturelles et de la faune" has renewed the Lease for an additional period of ten (10) years commencing on January 13, 2006 and ending on January 12, 2016. The name of the Lessee appearing on the said Notice of Renewal is "SILICIUM BÉCANCOUR INC."

The Lease entitles the Lessee to extract all mineral substances owned by the Crown but does not extend to oil, gas, sand, gravel or brine. The Lease does not permit the use of underground tanks to store up or accumulate mineral substances or industrial waste.

The Lease covers an area of 81.47 hectares (approximately 201.33 acres). A cadastral description of the Leased Premises was prepared by Gilbert Simard, Québec Land Surveyor, on April 29, 1975 (plan #842). The cadastral description is as follows:

DESCRIPTION

«Un certain bloc A du bassin de la rivière Malbaie en territoire non arpenté de la carte SNRC 2IM15 (lac des Matres), circonscription foncière de Charlevoix 2. Le bloc A forme un polygone irrégulier dont le point 20 est rattaché par une ligne dont la distance calculée est de 433.11 mètres et ayant direction astronomique de 35 degrés 19'9" à un poteau situé sur la ligne arpentée en 1941 par H. Bélanger, arpenteur-géomètre (plan 460-32-D). La superficie du bloc est de 81.47 hectares dont les tenants et aboutissants sont les suivants :

Ligne	Nature	Direction	Longueur (m)	Limite
20-2	Droite	274 degrés 42'4"	338.15	Sud
2-4	Droite	15 degrés 27'6"	219.58	Ouest
4-3	Droite	261 degrés 17'7"	262.18	Sud
3-6	Droite	6 degrés 34'1"	414.80	Ouest
6-7	Droite	93 degrés 42'1"	75.23	Nord
7-8	Droite	13 degrés 39'1"	428.88	Ouest
8-9	Droite	98 degrés 44'4"	352.96	Nord
9-10	Droite	340 degrés 53'7"	350.81	Ouest
10-12	Droite	84 degrés 54'6"	441.85	Nord
12-13	Droite	168 degrés 41'1"	406.01	Est
13-14	Droite	190 degrés 32'9"	436.64	Est
14-15	Droite	277 degrés 16'1"	131.06	Sud
15-18	Droite	185 degrés 19'4"	351.67	Est
18-19	Droite	274 degrés 58'1"	137.28	Sud
19-20	Droite	197 degrés 33'1"	201.05	Est

Le tout conforme au plan et à la description de l'arpenteur-géomètre Gilbert Simard en date du 29 avril 1975 (plan #842). »

The Lease and its renewals are registered at the « Registre des droits réels d'exploitation de ressources de l'État » of the Registry Office of Charlevoix 2 (land

file 12-A-1).

The Immovable described hereinabove corresponds wholly to the immovable for which the land file was opened (article 3034 of the Civil Code of Québec)."

DESCRIPTION DE L'IMMEUBLE

Un immeuble situé en la Ville de Bécancour, province de Québec, connu et désigné comme étant le lot TROIS MILLIONS DEUX CENT QUATRE-VINGT-QUATORZE MILLE CINQUANTE-CINQ (3 294 055) du Cadastre du Québec, circonscription foncière de Nicolet (Nicolet 2).

Avec toutes les bâtisses et autres structures et équipement dessus érigés portant le numéro civique 6500, rue Yvon-Trudeau, en la ville de Bécancour, province de Québec, G9H 2V8.

Tel que le tout se trouve présentement, avec toutes les servitudes continues ou discontinues, apparentes ou non apparentes y attachées, sans aucune exception ni réserve.

Avec tout ce qui est ou sera incorporé, attaché, réuni ou uni par accession à cet immeuble et qui est considéré être immeuble en vertu de la loi,

SAUF ET À DISTRAIRE LA PARTIE DUDIT LOT DÉCRITE CI-DESSOUS:

A parcel of land of irregular figure, situated in the City of Bécancour, Province of Québec, known and designated as being a part of lot THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND AND FIFTY-FIVE (Pt. 3 294 055) of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2), which land can be described as follows:

Attachment:

Starting at point 851, which point is located at the intersection of the division lines between the Yvon Trudeau Street (lot 3 417 006 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)) and Arthur Sicard Boulevard (lot 3 416 998 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)); from said point 851, following a direction of 56 degrees 13'45" for a distance of 444,00 meters to point 875; from point 875, following a direction of 326 degrees 13'45" for a distance of 190,72 meters to point 868, which is the starting point of said parcel of land which can be described as follows:

Boundaries and measurements:

Bounded towards the South-West by another part of said lot 3 294 055;  
Bounded towards the North-West by another part of said lot 3 294 055;  
Bounded towards the North by another part of said lot 3 294 055;  
Bounded towards the North-East by another part of said lot 3 294 055;  
Bounded towards the South-East by another part of said lot 3 294 055;  
and



## Measuring:

Boundaries	Pts	Pts	Line	Direction	Distance (meters)
South-West	868	857	Straight	326 degrees 13'45"	65,38
North-West	857	858	Straight	56 degrees 13'45"	169,53
North	858	859	Straight	101 degrees 15'37"	4,27
North-East	859	860	Straight	146 degrees 16'28"	81,33
South-East	860	861	Straight	236 degrees 16'28"	2,27
North-East	861	862	Straight	146 degrees 13'45"	22,27
South-East	862	863	Straight	236 degrees 13'45"	18,32
North-East	863	649	Straight	146 degrees 13'45"	22,96
South-East	649	505	Straight	236 degrees 13'45"	11,53
North-East	505	864	Straight	146 degrees 13'45"	18,47
South-East	864	865	Straight	236 degrees 13'45"	54,16
South-West	865	866	Straight	326 degrees 13'45"	23,78
South-West	866	867	Straight	293 degrees 18'04"	70,17
South-East	867	868	Straight	236 degrees 13'45"	48,10

Having a superficial area of 18 412,8 square meters.

As shown on a plan bearing number D-5111-3 prepared by René Beaudoin, Québec Land Surveyor, on September 27, 2010, under number 3870 of his minutes and B 5111 of his files.

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 6500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 2V8.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appurtenant or belonging thereto.

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0880624-0001 2010-12-15 9:00 a.m.	Cession of Rank	INVESTISSEMENT QUÉBEC (Assignor)  BANK OF AMERICA, N.A. (acting through its Canada branch) (Assignee)	N/A	N/A	This Cession of Rank relates to the following registrations:  # 09-0420851-0001 Conventional Movable Hypothec without Delivery (see above)
Date of Constituting Act: 2010-12-15		BÉCANCOUR SILICON INC. (Grantor)			#10-0880624-0002 Conventional Movable Hypothec without Delivery (see below)
Date registration ceases to be effective: N/A		SILICIUM BÉCANCOUR INC. (Grantor)			

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
<p>10-0118577-0002</p> <p>2010-03-03 9:00 a.m.</p> <p>Date of Constituting Act: 2010-03-02</p> <p>Date registration ceases to be effective: 2017-03-01</p>	<p>Rights Resulting from a Lease</p>	<p>DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. (Lessor)</p> <p>SILICIUM BECANCOUR INC. (Lessee)</p> <p>SERVICES FINANCIERS DE LAGE LANDEN CANADA INC. (Lessor)</p>	<p>COPIERS AND ALL GOODS SUPPLIED BY THE SECURED PARTY TO THE DEBTOR, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING. PROCEEDS: GOODS, CHATTEL PAPER, SECURITIES, MONEY, CROPS, LICENCES AND INTANGIBLES.</p>	<p>N/A</p>	<p>REF: (440786 / ONDLL1F18592-1 / 6437581)</p>

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0763732-0001 2010-11-01 9:00 a.m. Date of Constituting Act: 2010-10-29 Date registration ceases to be effective: 2020-11-01	Conventional Movable Hypothec without Delivery	INVESTISSEMENT QUÉBEC (Holder) SILICIUM QUÉBEC COMMANDITÉ INC. (Grantor) QUÉBEC SILICON GENERAL PARTNER INC. (Grantor) SILICIUM BÉCANCOUR INC. (Grantor) BÉCANCOUR SILICON INC. (Grantor)	Please see below or next page(s): "Property"	30 000 000 \$ avec intérêt au taux de 25% par année à compter du 29 octobre, 2010.	La somme de l'hypothèque comprend l'hypothèque principale au montant de 25 000 000 \$ et une hypothèque additionnelle de 5 000 000 \$. Le Constituant pourra percevoir les loyers faisant partie des Biens hypothéqués, tant que le Créancier ne lui en aura pas retiré l'autorisation.  This Conventional Movable Hypothec without Delivery is subject to the following registration: # 10-0880626-0002 Cession of Rank (see below)

**PROPERTY**

7. (Registration number: 10-0763732-0001)

1.1 l'immeuble décrit ci-après avec tous les ouvrages, constructions et dépendances y afférents, présents et à venir ("Immeuble");

1.2 les loyers présents et à venir de cet Immeuble, de même que les indemnités payables en vertu des contrats d'assurance couvrant ces loyers; et

1.3 tous les biens corporels et incorporels qui, relativement à l'immeuble ci-dessus hypothéqué, sont visés par les articles 901, 902, 903 ou 904 du Code civil du Québec.

(collectivement, les "Biens hypothéqués").

**DESCRIPTION DE L'IMMEUBLE**

"A parcel of land of irregular figure, situated in the City of Bécancour, Province of Québec, known and designated as being a part of lot THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND AND FIFTY-FIVE (Pt. 3 294 055) of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2), which land can be described as follows:

**Attachment:**

Starting at point 851, which point is located at the intersection of the division lines between the Yvon Trudeau Street (lot 3 417 006 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)) and Arthur Sicard Boulevard (lot 3 416 998 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)); from said point 851, following a direction of 56 degrés 13'45" for a distance of 444,00 meters to point 875; from point 875, following a direction of 326 degrés 13'45" for a distance of 190,72 meters to point 868, which is the starting point of said parcel of land which can be described as follows:

**Boundaries and measurements:**

Bounded towards the South-West by another part of said lot 3 294 055;  
 Bounded towards the North-West by another part of said lot 3 294 055;  
 Bounded towards the North by another part of said lot 3 294 055;  
 Bounded towards the North-East by another part of said lot 3 294 055;  
 Bounded towards the South-East by another part of said lot 3 294 055;  
 and

**Measuring:**

Boundaries	Pts	Pts	Line	Direction	Distance (meters)
South-West	868	857	Straight	326 degrés 13'45"	65,38
North-West	857	858	Straight	56 degrés 13'45"	169,53
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North-East	859	860	Straight	146 degrés 16'28"	81,33
South-East	860	861	Straight	236 degrés 16'28"	2,27
North-East	861	862	Straight	146 degrés 13'45"	22,27
South-East	862	863	Straight	236 degrés 13'45"	18,32

North-East	863	649	Straight	146 degrés 13'45"	22,96
South-East	649	505	Straight	236 degrés 13'45"	11,53
North-East	505	864	Straight	146 degrés 13'45"	18,47
South-East	864	865	Straight	236 degrés 13'45"	54,16
South-West	865	866	Straight	326 degrés 13'45"	23,78
South-West	866	867	Straight	293 degrés 18'04"	70,17
South-East	867	868	Straight	236 degrés 13'45"	48,10

Having a superficial area of 18 412,8 square meters.

As shown on a plan bearing number D-5111-3 prepared by René Beaudoin, Québec Land Surveyor, on September 27, 2010, under number 3870 of his minutes and B 5111 of his files.

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 6500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 2V8.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appurtenant or belonging thereto."

Tel que le tout se trouve présentement, avec toutes les servitudes continues ou discontinues, apparentes ou non apparentes y attachées, sans aucune exception ni réserve.

Avec tout ce qui est ou sera incorporé, attaché, réuni ou uni par accession à ces immeubles et qui est considéré être immeuble en vertu de la loi.

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0880626-0002 2010-12-15 9:00 a.m.	Cession of Rank	INVESTISSEMENT QUÉBEC (Assignor)	N/A	N/A	This Cession of Rank relates to the following registration: # 10-0763732-0001 Conventional Movable Hypothec without Delivery (see above)
Date of Constituting Act: 2010-12-15		BANK OF AMERICA, N.A. (acting through its Canada branch) (Assignee)			# 10-0880626-0001 Conventional Movable Hypothec without Delivery (see below)
Date registration ceases to be effective: N/A		QUÉBEC SILICON GENERAL PARTNER INC. (Grantor)			
		SILICIUM QUÉBEC COMMANDITÉ INC. (Grantor)			
		BÉCANCOUR SILICON INC. (Grantor)			
		SILICIUM BÉCANCOUR INC. (Grantor)			

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0867561-0001 2010-12-09 2:42 p.m. Date of Constituting Act: 2010-11-26 Date registration ceases to be effective: 2014-11-26	Rights Resulting from a Lease and Assignment of Rights	3566072 CANADA INC. (Lessor) TOYOTA CREDIT CANADA INC. (Assignee) SILICIUM BÉCANCOUR INC. (Lessee)	Road Vehicle: Cat.: 01 Identification Number: 4T3BK3BB8AU037927 Year: 2010 Description: TOYOTA VENZA	N/A	Transfer of all rights. REF: (5L0001197139 / ONTCIFI532955-1 / 6930644)



Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0880624-0002 2010-12-15 9:00 a.m.  Date of Constituting Act: 2010-12-15  Date registration ceases to be effective: 2020-12-15	Conventional Movable Hypothec without Delivery	BANK OF AMERICA, N.A. (acting through its Canada branch) (Holder)  BÉCANCOUR SILICON INC. (Grantor)  SILICIUM BÉCANCOUR INC. (Grantor)	Please see below or next page(s): "Property"	CDN\$25,000,000.00 bearing interest at the rate of 25% per annum from the date hereby published, compounded annually.	Please see below or next page(s): "Other Particulars"

**PROPERTY**

9. (Registration number: 10-0880624-0002)

The universality of all of the Grantor's property, movable and immovable, present and future, corporeal and incorporeal, of whatsoever nature or kind and wheresover situated, including without limitation (hereinafter collectively called the "Hypothecated Property"):

1. Universality of Movables

The universality of all of the Grantor's movable property, present and future, corporeal and incorporeal, of whatsoever nature and kind and wheresover situated, including, without limitation the property consisting of:

All tools and equipment pertaining to the enterprises of the Grantor, all claims and customer accounts, all securities (including, without limitation, those issued or which will be issued by the corporations and other entities listed below in Schedule I, or by any corporation or entity successor thereto pursuant to an amalgamation or any other reorganization), all patents, trademarks and other intellectual property rights (including, in particular, and without limiting the generality of the foregoing, the intellectual property rights described below in Schedule II, all rights, title and interest in and to that certain nominee agreement

dated September 30, 2010 between the Grantor and Québec Silicon General Partner Inc. in respect of the property referred to therein as the HP2 Property bearing civic number 6500 Yvon-Trudeau, Bécancour, Québec, and all corporeal movables included in the assets of any of the Grantor's enterprises kept for sale, lease or processing in the manufacture or transformation of property intended for sale, for lease or for use in providing a service.

## 2. Universality of Immovables

2.1 All the immovable properties of the Grantor described below in Schedule III together with the universality of property consisting of all other immovable property and rights of the Grantor, present and future, (any immovable property acquired by the Grantor in the future shall be specifically hypothecated upon the publication of a notice or summary, as the case may be, at the appropriate registry office, the whole at the Grantor's expense) along with all property permanently physically attached or joined thereto or united thereto by accession (including the heating and air conditioning apparatus and watertanks) and which become immovable by the effect of law, and all real rights relating to or attaching to any such immovables (collectively, hereinafter referred to as the "Immovables").

2.2 The present and future rents (the "Rents") produced by the Immovables under current or future leases therefore (including amounts payable for any right of emphyteusis, use or occupancy) and all indemnities paid under the insurance contracts covering such Rents.

2.3 All documents, contracts, books and records with regard to the Immovables and the Rents.

2.4 All reimbursements of taxes, rates, assessments, levies, surtaxes and any other impositions which may be assessed on or payable in respect of any of the Hypothecated Property.

2.5 All insurance proceeds and expropriation indemnities with respect to the foregoing.

## 3. Leases

All rights of the Grantor, as tenant, under all leases entered into by the Grantor.

The whole of the above without the Agent being required to register or re-register any notice whatsoever, the object of the Hypothec being a universality of present and future property.

For the purposes hereof, the following definitions apply:

"Agent" means Bank of America, N.A. (acting through its Canada branch) as agent for the Lenders under the Loan and Security Agreement.

"Grantor" means Bécancour Silicon Inc. / Silicium Bécancour Inc.

"Lenders" has the meaning ascribed thereto in the Loan and Security Agreement.

"Loan and Security Agreement" means the agreement entered into among, inter alia, the Grantor, as borrower, Timminco Limited, as guarantor, the lenders

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party thereto and the Agent, dated on or about the date of the deed hereby published (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented, replaced or otherwise modified).

"Secured Parties" has the meaning ascribed thereto in the Loan and Security Agreement.

Unless otherwise defined, all capitalized words and expressions when used herein shall have the meaning as ascribed thereto in the Loan and Security Agreement.

SCHEDULE I

Securities

Issuer	Number and Type of Shares/Units	Share/Unit Certificate No(s) Shares/Units	Percentage of Issued and Outstanding
Québec Silicon Limited Partnership	51,000 Units	2	51%
Québec Silicon General Partner Inc.	51 Class A Shares	CA-1 CA-2	51%

SCHEDULE II

Intellectual Property

Part 1 - Canada

OWNER	TITLE	FILING NO.	FILING DATE	ISSUANCE NO.	ISSUANCE DATE
Becancour Silicon Inc./ Silicon Becancour	ELECTRODE TYPE SODERBERG FOR MAKING	2,286,658	1998/04/27	2,286,658	2006/01/24

Inc.	SILICON ALLOYS AND SILICON METAL					
Silicium Bécancour Inc.	Process for the production of medium and high purity silicon from metallurgical grade silicon	2,695,393 PCT/CA/ 000492	2008/03/13	n/a	n/a	n/a
Silicium Bécancour Inc.	Process and PCT/ apparatus for purifying low-grade silicon material	2,660,386 CA2007/ 001646	2007/09/13	n/a	n/a	n/a
Silicium Bécancour Inc.	A METHOD FOR EVALUATING UMG SILICON COMPENSATION	2,673,621	2009/07/21	n/a	n/a	n/a
Silicium Bécancour Inc.	METHOD FOR THE DETERMINATION OF DOPANT DISTRIBUTION AND	2,686,753	2009/12/01	n/a	n/a	n/a

RESISTIVITY  
IN MULTI-  
CRYSTALLINE  
SILICON  
INGOT MADE  
WITH  
COMPENSATED  
SILICON

Part 2 - United States of America

OWNER	TITLE	FILING NO.	FILING DATE	ISSUANCE NO.	ISSUANCE DATE
SKW Canada Inc.	Electrode for silicon alloys and silicon metal	958,323	1997/10/27	5,854,807	1998/12/29
Silicium Becancour Inc.	Process for the production of medium and high purity silicon from metallurgical grade silicon	12/047,913	2008/03/13	7,727,502	2010/06/01
Silicium Becancour Inc.	Process and apparatus for purifying low-grade silicon material	11/901,146	2007/09/13	n/a	n/a

**SCHEDULE III**

**Immovables**

**DESCRIPTION**

An immovable situated in the City of Bécancour, Province of Québec, known and designated as being composed of the following lots, namely:

1.1.1 lot number THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND and FIFTY-FOUR (3 294 054) of the Cadastre of Québec, registration division of Nicolet (Nicolet 2); and

1.1.2 lot number FOUR MILLION ONE HUNDRED AND TEN THOUSAND FIVE HUNDRED and NINETY-EIGHT (4 110 598) of said cadastre and registration division;

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 5500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 0G1.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appartenant or belonging thereto.

**OTHER PARTICULARS**

10. (Registration number: 10-0880624-0002)

Except for claims consisting of securities pledged to the Agent (for itself and on behalf of the Lenders and other Secured Parties), the Grantor is authorized to collect payments of interest and repayments of capital made on the claims included in the Hypothecated Property hypothecated in favour of the Agent (for itself and on behalf of the Lenders and the other Secured Parties), as they fall due. The Agent may withdraw this authorization by written notice.

The Grantor is authorized to collect all Rents; however, the Grantor shall not collect more than three months' rent in advance nor shall it renounce to the payment of more than one month's rent. Such authorization may be revoked by the Agent by written notice.

Bank of America, N.A. (acting through its Canada branch) is herein acting (i) for its own benefit as Lender, as Issuing Bank and as Agent for the other present and future Lenders and other Secured Parties, and (ii) as solidary creditor of such other present and future Lenders and other Secured Parties, and any successors thereto in such capacities.

This Conventional Movable Hypothec without Delivery is subject to the following registration:

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#10-0880624-0001  
Cession of Rank  
(see above)

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
10-0880626-0001 2010-12-15 9:00 a.m.  Date of Constituting Act: 2010-12-15  Date registration ceases to be effective: 2020-12-15	Conventional Movable Hypothec without Delivery	BANK OF AMERICA, N.A. (acting through its Canada branch) (Holder)  QUÉBEC SILICON GENERAL PARTNER INC. (Grantor)  SILICIUM QUÉBEC COMMANDITÉ INC. (Grantor)  BÉCANCOUR SILICON INC. (Grantor)  SILICIUM BÉCANCOUR INC. (Grantor)	Please see below or next page(s): "Property"	CDN\$25,000,000.00 bearing interest at the rate of 2.5% per annum from the date hereby published, compounded annually.	Please see below or next page(s): "Other Particulars"

**PROPERTY**

11. (Registration number: 10-0880626-0001)

The Grantors' property hereinafter described (collectively, the "Hypothecated Property"):

I. The Immovable

I.1 All the immovable property of the Grantors described below in Schedule I along with all property permanently physically attached or joined thereto or united thereto by accession (including the heating and air conditioning apparatus and water tanks) and which become immovable by the effect of law, and all



real rights relating to or attaching to any such immovables (collectively, hereinafter referred to as the "Immovable").

1.2 The present and future rents (the "Rents") produced by the Immovable under current or future leases therefore (including amounts payable for any right of emphyteusis, use or occupancy) and all indemnities paid under the insurance contracts covering such Rents.

1.3 All documents, contracts, books and records with regard to the Immovables and the Rents.

1.4 All reimbursements of taxes, rates, assessments, levies, surtaxes and any other impositions which may be assessed on or payable in respect of any of the Hypothecated Property.

1.5 All insurance proceeds and expropriation indemnities with respect to the foregoing.

## 2. Leases

All rights of the Grantors, as tenants, under all leases entered into by the Grantors.

For the purposes hereof, the following definitions apply:

"Agent" means Bank of America, N.A. (acting through its Canada branch) as agent for the Lenders under the Loan and Security Agreement.

"Grantors" means Québec Silicon General Partner Inc. / Silicium Québec Commandité Inc. and Bécancour Silicon Inc. / Silicium Bécancour Inc.

"Lenders" has the meaning ascribed thereto in the Loan and Security Agreement.

"Loan and Security Agreement" means the agreement entered into among, inter alia, Bécancour Silicon Inc., as borrower, Timminco Limited, as guarantor, the lenders party thereto and the Agent, dated on or about the date of the deed hereby published (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented, replaced or otherwise modified).

"Secured Parties" has the meaning ascribed thereto in the Loan and Security Agreement.

Unless otherwise defined, all capitalized words and expressions when used herein shall have the same meaning as ascribed thereto in the Loan and Security Agreement.

Schedule I

Immovable

**Description**

A parcel of land of irregular figure, situated in the City of Bécancour, Province of Québec, known and designated as being a part of lot THREE MILLION TWO HUNDRED NINETY-FOUR THOUSAND AND FIFTY-FIVE (Pt. 3 294 055) of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2), which land can be described as follows:

**Attachment:**

Starting at point 851, which point is located at the intersection of the division lines between the Yvon Trudeau Street (lot 3 417 006 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)) and Arthur Sicard Boulevard (lot 3 416 998 of the Cadastre of Québec, Registration Division of Nicolet (Nicolet 2)); from said point 851, following a direction of 56 degrees 13'45" for a distance of 444,00 meters to point 875; from point 875, following a direction of 326 degrees 13'45" for a distance of 190,72 meters to point 868, which is the starting point of said parcel of land which can be described as follows:

**Boundaries and measurements:**

Bounded towards the South-West by another part of said lot 3 294 055;  
 Bounded towards the North-West by another part of said lot 3 294 055;  
 Bounded towards the North by another part of said lot 3 294 055;  
 Bounded towards the North-East by another part of said lot 3 294 055;  
 Bounded towards the South-East by another part of said lot 3 294 055;  
 and

**Measuring:**

Boundaries	Pts	Pts	Line	Direction	Distance (meters)
South-West	868	857	Straight	326 degrees 13'45"	65,38
North-West	857	858	Straight	56 degrees 13'45"	169,53
North	858	859	Straight	101 degrees 15'37"	4,27
North-East	859	860	Straight	146 degrees 16'28"	81,33
South-East	860	861	Straight	236 degrees 16'28"	2,27
North-East	861	862	Straight	146 degrees 13'45"	22,27
South-East	862	863	Straight	236 degrees 13'45"	18,32
North-East	863	649	Straight	146 degrees 13'45"	22,96
South-East	649	505	Straight	236 degrees 13'45"	11,53
North-East	505	864	Straight	146 degrees 13'45"	18,47
South-East	864	865	Straight	236 degrees 13'45"	54,16
South-West	865	866	Straight	326 degrees 13'45"	23,78

South-West	866	867	Straight	293 degrees 18'04"	70,17
South-East	867	868	Straight	236 degrees 13'45"	48,10

Having a superficial area of 18 412,8 square meters.

As shown on a plan bearing number D-5111-3 prepared by René Beaudoin, Québec Land Surveyor, on September 27, 2010, under number 3870 of his minutes and B 5111 of his files.

With the buildings and all other structures, fixtures, equipment and ancillary improvements located thereon, including the building bearing the civic address 6500 Yvon-Trudeau Street, City of Bécancour, Province of Québec, G9H 2V8.

As said immovable now subsists, with all its rights, members and appurtenances, without exception or reserve of any kind, and together with and subject to any servitudes, rights-of-way or privileges appurtenant or belonging thereto.

**OTHER PARTICULARS**

12. (Registration number: 10-0880626-0001)

Except for claims consisting of securities pledged to the Agent (for itself and on behalf of the Lenders and other Secured Parties), the Grantors are authorized to collect payments of interest and repayments of capital made on the claims included in the Hypothecated Property hypothecated in favour of the Agent (for itself and on behalf of the Lenders and the other Secured Parties), as they fall due. The Agent may withdraw this authorization by written notice.

The Grantors are authorized to collect all Rents; however, they shall not collect more than three months' rent in advance nor shall they renounce to the payment of more than one month's rent. Such authorization may be revoked by the Agent by written notice.

Bank of America, N.A. (acting through its Canada branch) is herein acting (i) for its own benefit as Lender, as Issuing Bank and as Agent for the other present and future Lenders and other Secured Parties, and (ii) as solidary creditor of such other present and future Lenders and other Secured Parties, and any successors thereto in such capacities.

This Conventional Movable Hypothec without Delivery is subject to the following registration:

#10-0880626-0002  
Cession of Rank  
(see above)

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
11-0869515-0001 2011-11-10 12:47 p.m.	Rights of Ownership of the lessor	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. (Lessor)	ALL GOODS SUPPLIED BY THE SECURED PARTY TO THE DEBTOR, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE FOREGOING. PROCEEDS: GOODS, CHATTEL PAPER, SECURITIES, MONEY, CROPS, LICENCES AND INTANGIBLES.	N/A	REF: (495256002 / ONDLL1F38268-1 / 7438829)
Date of Constituting Act: 2011-11-10		SILICIUM BÉCANCOUR INC. (Lessee)			
Date registration ceases to be effective: 2018-11-09					

2. A. Names Searched : Silicium Bécancour

B. Currency of Search : 1995-01-03 3:00 p.m. for renewal registrations under transitional rules  
 2011-11-29 3:00 a.m. for all other registrations

Registration Number and Date/Hour/Minute	Nature of Right	Parties	Property	Amount and Interest Rate	Other Particulars
07-0004266-0001 2007-01-04 10:30 a.m.  Date of Constituting Act: 2006-10-18  Date registration ceases to be effective: 2016-10-18	Rights Resulting from a Lease	SILICIUM BÉCANCOUR (Lessor)  PRODAIR CANADA L'TÉE (Lessee)	Please see below or next page(s): "Property"	N/A	N/A

**PROPERTY**

13. (Registration number: 07-0004266-0001)

RÉSERVOIR CRYOGÉNIQUE D'UNE CAPACITÉ DE 6,000 GALLONS

ID: 600M-250-392

SÉRIE: 1544

NB: 27620

VALEUR: 107,693.63\$CAD

RÉSERVOIR CRYOGÉNIQUE D'UNE CAPACITÉ DE 6,000 GALLONS

ID: 600M-250-278

SÉRIE: 1411  
NB: 12363  
VALEUR: 107,693.63\$CAD

ÉVAPORATEUR AMBIANTS (4)  
MODÈLE: VAI-872-FXL12  
SÉRIE: 48700-1-70, 48700-1-71, 49321-1-1, 48700-1-174  
VALEUR: 14,692.00\$/CHACUN

ÉVAPORATEUR BÂTISSEUR DE PRESSION  
MODÈLE: JK WELDING  
VALEUR: \$3872.00\$

TÉLÉMÉTRIE

**SEARCH CONDUCTED AGAINST**

Becancour Silicon Inc.

Silicium Becancour Inc.

**CURRENCY:** November 29, 2011

**PERSONAL PROPERTY SECURITY ACT (ONTARIO)**

<u>File No.</u>	<u>Registration #</u>	<u>Debtor(s)</u>	<u>Secured Party</u>	<u>Collateral/Description</u>
1. 666500949	20101210 1501 1590 3240 Reg. 5 years	Becancour Silicon Inc./Silicium Becancour Inc. Silicium Becancour Inc./Becancour Silicon Inc. Becancour Silicon Inc. Silicium Becancour Inc.	Bank of America, N.A., as agent	I, E, A, O, MVI Unspecified

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastre :</b>	Cadastre du Québec	<b>Droits :</b> 2011-12-06 15:00
<b>Lot :</b>	3 294 054	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>	2008-02-01 09:00	Soumis à l'article 19 de la Loi sur le cadastre
<b>Plan :</b>	<a href="#">Liste des plans</a>	
<b>Concordance :</b>	Lot(s) <u>708-32</u> Paroisse de Notre-Dame-de-la-Nativité-de-Béancour.	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2009-01-19	<u>15 900 915</u>	Hypothèque légale (construction)	Créancier Débiteur	KEMTECH-LAJOIE SOMEC SILICIUM BÉCANCOUR INC.	3 100 000,00 \$		<u>I 15 949 692</u>
2009-02-16	<u>15 956 922</u>	Hypothèque légale (construction)	Créancier	CENTRE ÉLECTRIQUE MAURICHIEN INC. SILICIUM BÉCANCOUR INC.	484 150,45 \$	<u>6 451 247</u>	<u>I 15 984 027</u>
2009-03-09	<u>16 001 537</u>	Hypothèque légale (construction)	Créancier Débiteur	LAR MACHINERIE INC. SILICIUM BÉCANCOUR INC.	1 600 000,00 \$		<u>I 16 061 325</u>
<del>2009-04-27</del>	<del><u>16 110 874</u></del>	<del>Hypothèque légale (construction)</del>	<del>Créancier Débiteur</del>	<del>B.B.L. CONSTRUCTION INC. SILICIUM BÉCANCOUR INC. Propriétaire</del>	<del>244 197,18 \$</del>		
	Inscription 16 110 874 du 2009-04-27 raturée et modifiée le 2009-05-01 à 14:58						
2009-04-27	<u>16 110 874</u>	Hypothèque légale (construction)	Créancier Débiteur	B.B.L. CONSTRUCTEUR INC. SILICIUM BÉCANCOUR INC. Propriétaire	214 197,18 \$		<u>I 16 176 665</u>
	Inscription 16 110 874 du 2009-04-27 modifiée le 2009-05-01 à 14:58 (Parties)						
2009-05-01	Inscription 16 110 874 du 2009-04-27 modifiée à 14:58						
2009-05-22	<u>16 186 125</u>	Hypothèque légale (construction)	Créancier Débiteur	PAPILLON & FILS LTÉE SILICIUM BÉCANCOUR INC. propriétaire	1 021 618,61 \$		<u>I 16 313 955</u>
2009-05-22	<u>16 186 136</u>	Hypothèque légale (construction)	Créancier Débiteur	PAPILLON & FILS LTÉE SILICIUM BÉCANCOUR INC. propriétaire	15 136,46 \$		<u>I 16 313 956</u>
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Silicium Bécancoeur inc.	25 000 000,00 \$	<u>6 019 971</u>	
2010-12-15	<u>17 791 003</u>	Hypothèque Universalité d'immeubles	Créancier Constituant	BANK OF AMERICA, N.A. BÉCANCOUR SILICON INC. / SILICIUM BÉCANCOUR INC.	25 000 000,00 \$	<u>6 030 605</u>	
2010-12-15	<u>17 791 003</u>	Cession de rang hypothécaire	Cédant Cessionnaire	INVESTISSEMENT QUÉBEC BANK OF AMERICA, N.A.	Réf. : 16 368 865		



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## MESSAGE «»

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastré :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b> 2011-12-06 15:00
<b>Lot :</b>	708-32	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<u>Liste des plans</u>	
<b>Concordance :</b>		

Date de présentation d'inscription	Numéro d'inscription	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
	Voir section numérisée pour les inscriptions antérieures à 2002-08-19						
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce Becancour Silicon Inc.	30 000 000,00 \$	<u>6 024 316</u>	<u>I 12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Débiteur	Laurentian Bank of Canada Becancour Silicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	<u>I 12 244 311</u>
2005-04-14	<u>12 212 449</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	BANK OF AMERICA, N.A. BÉCANCOUR SILICON INC./SILICIUM BÉCANCOUR INC.	95 000 000,00 \$		<u>I 17 836 064</u>
2005-04-28	<u>12 249 641</u>	Correction d'une référence à un avis d'adresse	Créancier	BANK OF AMERICA, N.A.	Ref. : 12 212 449	<u>6 187 689</u>	<u>I 17 836 064</u>
2005-08-19	<u>12 608 941</u>	Amendement acte de vente	1re part 2e part	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR SILICIUM BÉCANCOUR INC./BÉCANCOUR SILICON INC.	Ref. : 94 002		
2006-03-07	<u>13 194 111</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Aid International LLC Bécancour Silicon inc. / Silicium Bécancour inc.	2 000 000,00 \$	<u>6 253 692</u>	
2006-03-07	<u>13 104 111</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Aid International LLC Bécancour Silicon inc. / Silicium Bécancour inc.	2 000 000,00 \$ US\$	<u>6 253 692</u>	<u>I 17 430 085</u>
2006-03-10	<u>13 104 111</u>	Inscription 13 104 111 du 2006-03-07 raturée et modifiée le 2006-03-10 à 09:16					
	<u>13 104 111</u>	Inscription 13 104 111 du 2006-03-07 modifiée le 2006-03-10 à 09:16					
	<u>13 104 111</u>	Inscription 13 104 111 du 2006-03-07 modifiée à 09:16					

2006-08-31	13 611 797	Hypothèque Universalité d'immeubles	Créancier Débiteur	Safeguard International Fund, L.P. Bécanour Silicon inc. / Silicium Bécanour inc.	3 000 000,00 \$ US	6 291 355	I 17 430 084
2007-04-11	14 128 781	Hypothèque Universalité d'immeubles	Créancier Débiteur	ALD INTERNATIONAL LLC BÉCANOUR SILICON INC./SILICIUM BECANOUR INC.	4 500 000,00 \$	6 327 129	I 17 430 085
2008-01-22	A 09:00. Début de la période d'interdiction : Réforme cadastrale.						
2008-02-01	A 09:00. Ce lot est rénové, voir nouveau(x) lot(s) 3 294 054 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)						

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Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour - 708-32

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
157 999			I 10 581 758

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastre :</b>	Cadastre du Québec	<b>Droits :</b> 2011-12-06 15:00
<b>Lot :</b>	4 110 598	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>	2008-02-01 09:00	Soumis à l'article 19 de la Loi sur le cadastre
<b>Plan :</b>	<u>Liste des plans</u>	
<b>Concordance :</b>	Lot(s) 708-40 Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour.	

Date de présentation d'inscription	Numéro d'inscription	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2009-01-19	<u>15 900 915</u>	Hypothèque légale (construction)	Créancier Débiteur	KEMTECH-LAJOIE SOMECSILICIUM BÉCANCOUR INC.	3 100 000,00 \$		I <u>15 949 692</u>
2009-02-16	<u>15 956 922</u>	Hypothèque légale (construction)	Créancier Débiteur	CENTRE ÉLECTRIQUE MAURICIEN INC.SILICIUM BÉCANCOUR INC.	484 150,45 \$	<u>6 451 247</u>	I <u>15 984 027</u>
2009-03-09	<u>16 001 537</u>	Hypothèque légale (construction)	Créancier Débiteur	LAR MACHINERIE INC.SILICIUM BÉCANCOUR INC.	1 600 000,00 \$		I <u>16 061 325</u>
2009-04-09	<u>16 074 675</u>	Hypothèque légale (construction)	Créancier Débiteur	LES ENTREPRISES N.G.A. INC.SILICIUM BÉCANCOUR INC.	628 713,75 \$	<u>6 240 461</u>	I <u>16 108 454</u>
<del>2009-04-27</del>	<del><u>16 116 674</u></del>	<del>Hypothèque légale (construction)</del>	<del>Créancier Débiteur</del>	<del>B-B-L-CONSTRUCTION-SILICIUM-BÉCANCOUR INC. Propriétaire</del>	<del>214 197,10 \$</del>	-	-
Inscription 16 110 874 du 2009-04-27 raturée et modifiée le 2009-05-01 à 14:58							
2009-04-27	<u>16 110 874</u>	Hypothèque légale (construction)	Créancier Débiteur	B.B.L. CONSTRUCTEUR INC.SILICIUM BÉCANCOUR INC.	214 197,18 \$		I <u>16 176 665</u>
Inscription 16 110 874 du 2009-04-27 modifiée le 2009-05-01 à 14:58 (Parties)							
Inscription 16 110 874 du 2009-04-27 modifiée à 14:58							
2009-05-22	<u>16 186 125</u>	Hypothèque légale (construction)	Créancier Débiteur	PAPILLON & FILS LTÉE SILICIUM BÉCANCOUR INC. propriétaire	1 021 618,61 \$		I <u>16 313 955</u>
2009-05-22	<u>16 186 136</u>	Hypothèque légale (construction)	Créancier Débiteur	PAPILLON & FILS LTÉE SILICIUM BÉCANCOUR INC. propriétaire	15 136,46 \$		I <u>16 313 956</u>
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Silicium Bécancour inc.	25 000 000,00 \$	<u>6 019 971</u>	
2010-12-15	<u>17 791 003</u>	Hypothèque Universalité d'immeubles	Créancier Constituant	BANK OF AMERICA, N.A. BÉCANCOUR SILICON INC./ SILICIUM BÉCANCOUR INC.	25 000 000,00 \$	<u>6 030 605</u>	
2010-12-15	<u>17 791 003</u>	Cession de rang hypothécaire	Cédant Cessionnaire	INVESTISSEMENT QUÉBEC BANK OF AMERICA, N.A.	Ref. : 16 368 865		

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## MESSAGE « »

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancoeur) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancoeur) - CF d'origine : Nicolet (chef-lieu Bécancoeur).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastre :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancoeur	<b>Droits :</b> 2011-12-06 15:00
<b>Lot :</b>	708-40	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<a href="#">Liste des plans</a>	
<b>Concordance :</b>		

Date de présentation d'inscription	Número	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce Bécancoeur Silicon Inc.	30 000 000,00 \$	<u>6 024 316</u>	<u>I 12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Débiteur	Laurentian Bank of Canada Bécancoeur Silicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	<u>I 12 244 311</u>
2005-04-14	<u>12 212 449</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	BANK OF AMERICA, N.A. BÉCANCOUR SILICON INC./SILICIUM BÉCANCOUR INC.	95 000 000,00 \$		<u>I 17 836 064</u>
2005-04-28	<u>12 249 641</u>	Correction d'une référence à un avis d'adresse	Créancier	BANK OF AMERICA, N.A.	Ref. : 12 212 449	<u>6 187 689</u>	<u>I 17 836 064</u>
2005-08-19	<u>12 608 941</u>	Amendement acte de vente	1re part 2e part	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR SILICIUM BÉCANCOUR INC./BÉCANCOUR SILICON INC.	Ref. : 94 002		
2006-03-07	<u>13 104 111</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Aid International LLC. Bécancoeur Silicon inc. / Silicium Bécancoeur inc.	2 000 000,00 \$	<u>6 253 692</u>	<u>I 17 430 085</u>
2006-03-10	<u>13 104 111</u>	Inscription 13 104 111 du 2006-03-07 raturée et modifiée le 2006-03-10 à 09:16					
		Inscription 13 104 111 du 2006-03-07 modifiée le 2006-03-10 à 09:16					
		Inscription 13 104 111 du 2006-03-07 modifiée le 2006-03-10 à 09:16					

2006-08-31	<u>13 611 797</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Safeguard International Fund, L.P. Bécanour Silicon inc. / Silicium Bécanour inc.	3 000 000,00 \$ US	<u>6 291 355</u>	<u>I 17 430 084</u>
2007-04-11	<u>14 128 781</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	ALD INTERNATIONAL LLC BÉCANOUR SILICON INC./SILICIUM BÉCANOUR INC.	4 500 000,00 \$	<u>6 327 129</u>	<u>I 17 430 085</u>
2008-01-22	À 09:00. Début de la période d'interdiction : Réforme cadastrale.						
2008-02-01	À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) 4 110 598 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). <u>Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)</u>						

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Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancoeur - 708-40

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
Acte au long 157 999			T 10 581 758

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**MESSAGE**

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancoeur) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancoeur) - CF d'origine : Nicolet (chef-lieu Bécancoeur).

<b>Circoscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastré :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancoeur	<b>Droits :</b> 2011-12-06 15:00
<b>Lot :</b>	708	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<a href="#">Liste des plans</a>	
<b>Concordance :</b>		

Date de présentation d'inscription	Número	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-04-28							
À 09:00, Partie de ce lot est subdivisée, voir lot(s) <u>708-129</u> . Voir plan(s) : 3365							
2003-09-16	<u>10 718 988</u>	Vente	Vendeur Acheteur	Société du Parc Industriel et Portuaire de Bécancoeur Transcanada Energy Ltd	259 072,00 \$ payé		
2004-06-08							
À 09:00, Partie de ce lot est subdivisée, voir lot(s) <u>708-130</u> . Voir plan(s) : 3426							
2004-06-15	<u>11 427 806</u>	Ouverture	Titulaire	Junex inc.			
2005-03-17							
À 09:00, Partie de ce lot est subdivisée, voir lot(s) <u>708-131</u> . Voir plan(s) : 3485							
2005-08-23	<u>12 617 816</u>	Servitude	Cédant Cessionnaire	Société du Parc Industriel et Portuaire de Bécancoeur Société en Commandite Gaz Métro			
2005-08-23	<u>12 617 817</u>	Servitude	Cédant Cessionnaire	Société du Parc Industriel et Portuaire de Bécancoeur Hydro-Québec			
2006-07-12	<u>13 482 693</u>	Hypothèque	Créancier Constituant	La Caisse populaire de Ste-Angèle-de-Laval 9158-1207 Québec Inc.	204 000,00 \$	<u>6 010 891</u>	<u>I 14 139 461</u>
2006-07-12	<u>13 482 735</u>	Vente	Vendeur Acheteur	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR 9158-1207 QUÉBEC INC.	75 808,44 \$		
2006-07-12	<u>13 482 735</u>	Hypothèque	Créancier	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR	75 808,44 \$	<u>6 245 783</u>	<u>I 17 804 575</u>



2006-07-12	<u>13 482 735</u>	Droit de résolution	Débiteur	9158-1207 QUÉBEC INC. SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR 9158-1207 QUÉBEC INC.		<u>6 245 783</u>	I <u>17 804 575</u>	
2006-07-12	<u>13 482 735</u>	Cession de rang hypothécaire	Acheteur	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR Caisse Populaire de Ste-Angèle-de-Laval				
2006-09-01	<u>13 614 083</u>	Acte de concession	Cédant	SA MAJESTÉ LA REINE DU CHEF DU CANADA Cessionnaire LA SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR				
2007-03-07	<u>14 047 320</u>	Hypothèque	Créancier	BANQUE DE DÉVELOPPEMENT DU CANADA	400 000,00 \$	<u>6 000 349</u>		
2007-03-30	<u>14 106 942</u>	Hypothèque	Débiteur	N. SIMARD ET FRÈRES INC.		<u>6 010 891</u>		
2007-03-30	<u>14 106 942</u>	Cession de rang hypothécaire	Créancier	La Caisse populaire de Ste-Angèle-de-Laval	755 000,00 \$			
2007-03-30	<u>14 106 942</u>		Constituant	9158-1207 QUÉBEC INC.				
2007-05-04	<u>14 197 681</u>	Vente	Cédant	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR Cessionnaire La Caisse populaire de Ste-Angèle-de-Laval	Ref. : 13 482 735			
2007-08-06	<u>14 197 681</u>		Vendeur	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR	93 416,40 \$ Payé			
2007-08-06	<u>14 197 681</u>		Acheteur	N. SIMARD ET FRÈRES INC.				
2008-01-22			À 09:00. Partie de ce lot est subdivisée, voir lot(s) 708-132. Voir plan(s) : 3687					
2008-02-01			À 09:00. Début de la période d'interdiction : Réforme cadastrale. À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) <u>3 294 833</u> , <u>3 294 014</u> , <u>3 294 019</u> , <u>3 294 026</u> , <u>3 294 082</u> , <u>3 416 965</u> , <u>3 293 755</u> , <u>3 416 992</u> , <u>3 294 005</u> , <u>3 294 025</u> , <u>3 294 032</u> , <u>3 294 036</u> , <u>3 294 038</u> , <u>3 294 037</u> , <u>3 294 057</u> , <u>3 294 058</u> , <u>3 294 066</u> , <u>3 294 089</u> , <u>3 294 088</u> , <u>3 417 115</u> , <u>3 417 113</u> , <u>3 417 114</u> , <u>3 294 056</u> , <u>3 551 570</u> et <u>3 775 651</u> Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot. (La liste des propriétaires affichée n'a aucune valeur légale.)					

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Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Béancour - 708

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
142 344			I 10 753 345
144 368			I 10 753 345
155 940			I 12 942 020

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadastre :</b>	Cadastre du Québec	<b>Droits :</b>	2011-12-07 10:48
<b>Lot :</b>	3 539 503	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>	2009-09-18 09:00		
<b>Plan :</b>	<a href="#">Liste des plans</a>		
<b>Concordance :</b>	Lot(s) <u>252-1</u> et <u>253-1</u> Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour et <u>233-1</u> et <u>235-1</u> Paroisse de Saint-Édouard-de-Gentilly.		

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2010-07-21					À 09:00, Modification(s) : Limites (position relative). Mesures. Voir plan(s) et/ou document joint : 950880		

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastre :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b> 2011-12-07 10:48
<b>Lot :</b>	252-1	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<u>Liste des plans</u>	
<b>Concordance :</b>		

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce Becancour Silicon Inc.	30 000 000,00 \$	<u>6 024 316</u>	I <u>12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Débiteur	Laurentian Bank of Canada Becancour Silicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	I <u>12 244 311</u>
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Silicium Bécancour inc.	25 000 000,00 \$	<u>6 019 971</u>	
2009-09-08							
À 09:00. Début de la période d'interdiction : Réforme cadastrale.							
2009-09-18							
À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) 3 539 503 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)							

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Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour - 252-1

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
157 999			I 10 581 758

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**MESSAGE**

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadaastre :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b>	2011-12-07 10:48
<b>Lot :</b>	252	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>			
<b>Plan :</b>	<a href="#">Liste des plans</a>		
<b>Concordance :</b>			

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2009-09-08	A 09:00.	Début de la période d'interdiction : Réforme cadastrale.			Voir section numérisée pour les inscriptions antérieures à 2002-08-19		
2009-09-18	A 09:00.	Ce lot est rénové, voir nouveau(x) lot(s) 3.540-430 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)					

**Index des immeubles**

Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Béancour - 252

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
Aucune entrée n'a été effectuée dans cette section à ce jour. Voir section numérisée.			

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastre :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b> 2011-12-07 10:48
<b>Lot :</b>	253-1	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<u>Liste des plans</u>	
<b>Concordance :</b>		

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce Becancour Sillicon Inc.	30 000 000,00 \$	<u>6 024 316</u>	<u>I 12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Laurentian Bank of Canada Becancour Sillicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	<u>I 12 244 311</u>
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Sillicium Bécancour inc.	25 000 000,00 \$	<u>6 019 971</u>	
2009-09-08				À 09:00. Début de la période d'interdiction : Réforme cadastrale.			
2009-09-18				À 09:00.Ce lot est rénové, voir nouveau(x) lot(s) 3 539 503 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). <u>Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)</u>			



**Index des immeubles**

Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour - 253-1

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
157 999			I 10 581 758

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**MESSAGE** « »

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadaastre :</b>	Pairie de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b>	2011-12-07 10:48
<b>Lot :</b>	253	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>			
<b>Plan :</b>	<a href="#">Liste des plans</a>		
<b>Concordance :</b>			

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2009-09-08	A 09:00	Debut de la période d'interdiction : Réforme cadastrale.			Voir section numérisée pour les inscriptions antérieures à 2002-08-19		
2009-09-18	A 09:00	Ce lot est rénové, voir nouveau(x) lot(s) 3.540.430 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)					

**Index des immeubles**

Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour - 253

**Numéro  
d'inscription**

**Remarques**

**Avis  
d'adresse**

**Radiations**

Aucune entrée n'a été effectuée dans cette section à ce jour. Voir section numérisée.

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastré :</b>	Paroisse de Saint-Édouard-de-Gentilly	<b>Droits :</b> 2011-12-07 10:48
<b>Lot :</b>	233-1	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<u>Liste des plans</u>	
<b>Concordance :</b>		

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce Becancour Silicon Inc.	30 000 000,00 \$	<u>6 024 316</u>	<u>I 12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Laurentian Bank of Canada Becancour Silicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	<u>I 12 244 311</u>
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Silicium Bécanour inc.	25 000 000,00 \$	<u>6 019 971</u>	
2009-09-08	À 09:00. Début de la période d'interdiction : Réforme cadastrale.						
2009-09-18	À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) <u>3 539 503</u> Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot. (La liste des propriétaires affichée n'a aucune valeur légale.)						

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Section référence : Nicolet (Nicolet 2) - Paroisse de Saint-Édouard-de-Gentilly - 233-1

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
157 999			I 10 581 758

## Index des immeubles

**MESSAGE** « »

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadaastre :</b>	Paroisse de Saint-Édouard-de-Gentilly	<b>Droits :</b>	2011-12-07 10:48
<b>Lot :</b>	233	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>			
<b>Plan :</b>	<a href="#">Liste des plans</a>		
<b>Concordance :</b>			

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2004-06-15	11 427 806	Ouverture	Titulaire	Junex inc.			
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2009-09-08							Voir fiche(s) droit réel d'exploitation :46-A-5
2009-09-18							
À 09:00. Début de la période d'interdiction : Réforme cadastrale.							
À 09:00.Ce lot est rénové, voir nouveau(x) lot(s) 3 539 538 et 3 540 448 Cadastre du Québec.							
Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s).							
Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)							

**Index des immeubles**

Section référence : Nicolet (Nicolet 2) - Paroisse de Saint-Édouard-de-Gentilly - 233

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
125 916			I 10 913 867

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Circonscription foncière : Nicolet (Nicolet 2)

Cadastré : Paroisse de Saint-Édouard-de-Gentilly

Lot : 235-1

Date d'établissement :

Plan : [Liste des plans](#)

Concordance :

Dates de mise à jour du Registre

Droits : 2011-12-07 10:48

Radiations : 2011-12-05 09:10

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce	30 000 000,00 \$	<u>6 024 316</u>	<u>I 12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Débiteur	Becancour Silicon Inc.			
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Laurentian Bank of Canada Becancour Silicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	<u>I 12 244 311</u>
2009-09-08		Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Silicium Bécancour inc.	25 000 000,00 \$	<u>6 019 971</u>	
2009-09-18		A 09:00. Début de la période d'interdiction : Réforme cadastrale. A 09:00. Ce lot est rénové, voir nouveau(x) lot(s) 3 539 503 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot. (La liste des propriétaires affichée n'a aucune valeur légale.)					



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Section référence : Nicolet (Nicolet 2) - Paroisse de Saint-Édouard-de-Gentilly - 235-1

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
157 999			I 10 581 758

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## MESSAGE « »

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadastré :</b>	Paroisse de Saint-Édouard-de-Gentilly	<b>Droits :</b>	2011-12-07 10:48
<b>Lot :</b>	235	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>			
<b>Plan :</b>	<a href="#">Liste des plans</a>		
<b>Concordance :</b>			

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
					Voir section numérisée pour les inscriptions antérieures à 2002-08-19		
2009-09-08		À 09:00. Début de la période d'interdiction : Réforme cadastrale.					
2009-09-18		À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) 3 539 538 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot (La liste des propriétaires affichée n'a aucune valeur légale.)					

**Index des immeubles**

Section référence : Nicolet (Nicolet 2) - Paroisse de Saint-Édouard-de-Gentilly - 235

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
125 916			I 10 913 867

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<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadastré :</b>	Cadastré du Québec	<b>Droits :</b>	2011-12-06 15:00
<b>Lot :</b>	4 702 497	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>	2011-07-12 09:00		
<b>Plan :</b>	<u>Liste des plans</u>		
<b>Concordance :</b>	Partie du (des) lot(s) <u>3 294 055</u>		

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Aucune inscription n'apparaît au Registre foncier informatisé selon vos critères de recherche							

## Index des immeubles

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadastre :</b>	Cadastre du Québec	<b>Droits :</b>	2011-12-06 15:00
<b>Lot :</b>	4 702 498	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>	2011-07-12 09:00		
<b>Plan :</b>	<u>Liste des plans</u>		
<b>Concordance :</b>	Partie du (des) lot(s) <u>3 294 055.</u>		
	Soumis à l'article 19 de la Loi sur le cadastre		

Date de présentation d'inscription	Numéro d'inscription	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2011-11-28	<u>18 668 505</u>	Hypothèque	Créancier Constituant	DOW CORNING CORPORATION SILICUM QUÉBEC COMMANDITÉ INC./QUÉBEC SILICON GENERAL PARTNER INC. SILICUM QUÉBEC SOCIÉTÉ EN COMMANDITE/QUÉBEC SILICON LIMITED PARTNERSHIP	15 000 000,00 \$	<u>6 636 633</u>	

2010-10-06	<u>17 607 983</u>	Hypothèque	Créancier Constituant	PARTNER INC. DOW CORNING CORPORATION SILICIUM QUÉBEC COMMANDITÉ INC. / QUÉBEC SILICON GENERAL PARTNER INC. SILICIUM QUÉBEC SOCIÉTÉ EN COMMANDITE / QUÉBEC SILICON LIMITED PARTNERSHIP	10 000 000,00 \$	<u>6 562 087</u>	P	
2010-10-27	<u>17 659 193</u>	Hypothèque	Créancier Constituant	BANK OF AMERICA, N.A. QUÉBEC SILICON GENERAL PARTNER INC./ SILICIUM QUÉBEC COMMANDITÉ INC. BÉCANCOUR SILICON INC./ SILICIUM BÉCANCOUR INC.	50 000 000,00 \$	<u>6 565 098</u>	I <u>17 836 065</u>	
2010-11-01	<u>17 670 388</u>	Hypothèque	Créancier Constituant	Investissement Québec Silicium Québec Commandité inc. Silicium Bécancour inc.	25 000 000,00 \$	<u>6 019 971</u>		
2010-12-15	<u>17 791 005</u>	Hypothèque	Créancier Constituant	BANK OF AMERICA, N.A. QUÉBEC SILICON GENERAL PARTNER INC./ SILICIUM QUÉBEC COMMANDITÉ INC. BÉCANCOUR SILICON INC./ SILICIUM BÉCANCOUR INC.	25 000 000,00 \$	<u>6 030 605</u>		
2010-12-15	<u>17 791 005</u>	Cession de rang hypothécaire	Cédant Cessionnaire	INVESTISSEMENT QUÉBEC BANK OF AMERICA, N.A.	Réf. : 17 670 388			
2011-02-21	<u>17 921 249</u>	Consentement à modification cadastrale	Créancier	BANK OF AMERICA, N.A.	Réf. : 17 791 005	<u>6 030 605</u>		
2011-02-23	<u>17 924 788</u>	Consentement à modification cadastrale	Créancier	INVESTISSEMENT QUÉBEC	Réf. : 17 670 388	<u>6 019 971</u>		
2011-05-06	<u>18 100 071</u>	Consentement à modification cadastrale	Créancier	DOW CORNING CORPORATION	Réf. : 17 607 983	<u>6 562 087</u>		
2011-07-12	À 09:00. Lot inactif: voir nouveau(x) lot(s) <u>4 702 497</u> et <u>4 702 498</u> Voir plan(s) et/ou document joint : <u>967238</u>							

## Index des immeubles

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>	
<b>Cadastre :</b>	Cadastre du Québec	<b>Droits :</b>	2011-12-06 15:00
<b>Lot :</b>	3 294 055	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>	2008-02-01 09:00		
<b>Plan :</b>	Liste des plans		
<b>Concordance :</b>	Lot(s) 708-39 Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour.		

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations	
2009-01-19	<u>15 900 915</u>	Hypothèque légale (construction)	Créancier Débiteur	KEMTECH-LAJOIE SOMEK SILICIUM BÉCANCOUR INC.	3 100 000,00 \$		I <u>15 949 692</u>	
2009-02-16	<u>15 956 922</u>	Hypothèque légale (construction)	Créancier	CENTRE ÉLECTRIQUE MAURICIEU INC. SILICIUM BÉCANCOUR INC.	484 150,45 \$	<u>6 451 247</u>	I <u>15 984 027</u>	
2009-03-09	<u>16 001 537</u>	Hypothèque légale (construction)	Créancier Débiteur	LAR MACHINERIE INC. SILICIUM BÉCANCOUR INC.	1 600 000,00 \$		I <u>16 061 325</u>	
2009-04-09	<u>16 074 679</u>	Hypothèque légale (construction)	Créancier Débiteur	LES ENTREPRISES N.G.A. INC. SILICIUM BÉCANCOUR INC.	1 832 322,45 \$		I <u>16 108 452</u>	
2009-04-27	<u>16 110 874</u>	Hypothèque légale (construction)	Créancier Débiteur	B-B-L CONSTRUCTION INC. SILICIUM BÉCANCOUR INC. Propriétaire	214 197,16 \$			
		Inscription 16 110 874 du 2009-04-27 raturée et modifiée le 2009-05-01 à 14:58						
2009-04-27	<u>16 110 874</u>	Hypothèque légale (construction)	Créancier Débiteur	B.B.L. CONSTRUCTEUR INC. SILICIUM BÉCANCOUR INC. Propriétaire	214 197,18 \$		I <u>16 176 665</u>	
		Inscription 16 110 874 du 2009-04-27 modifiée le 2009-05-01 à 14:58 (Parties)						
2009-05-01		Inscription 16 110 874 du 2009-04-27 modifiée à 14:58						
2009-05-07	<u>16 142 835</u>	Hypothèque légale (construction)	Créancier Débiteur	VEOLIA ES CANADA SERVICES INDUSTRIELS INC. SILICIUM BÉCANCOUR INC. propriétaire	75 205,86 \$		I <u>16 188 023</u>	
2009-05-22	<u>16 186 125</u>	Hypothèque légale (construction)	Créancier Débiteur	PAPILLON & FILS LTÉE SILICIUM BÉCANCOUR INC. propriétaire	1 021 618,61 \$		I <u>16 313 955</u>	
2009-05-22	<u>16 186 136</u>	Hypothèque légale (construction)	Créancier Débiteur	PAPILLON & FILS LTÉE SILICIUM BÉCANCOUR INC. propriétaire	15 136,46 \$		I <u>16 313 956</u>	
2009-07-14	<u>16 368 865</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Investissement Québec Silicium Bécancour inc.	25 000 000,00 \$	<u>6 019 971</u>	I <u>17 605 168</u>	
2010-10-04	<u>17 600 713</u>	Vente	Vendeur Acquéreur	BÉCANCOUR SILICON INC. QUEBEC SILICON GENERAL				

2006-08-31	<u>13 611 797</u>	Hypothèque Universallité d'immeubles	Créancier Débiteur	Safeguard International Fund, L.P. Bécanour Silicon inc. / Silicium Bécanour inc.	3 000 000,00 \$ US	<u>6 291 355</u>	<u>I 17 430 084</u>
2007-04-11	<u>14 128 781</u>	Hypothèque Universallité d'immeubles	Créancier Débiteur	ALD INTERNATIONAL LLC BÉCANOUR SILICON INC./SILICIUM BÉCANOUR INC.	4 500 000,00 \$	<u>6 327 129</u>	<u>I 17 430 085</u>
2008-01-22	A 09:00. Début de la période d'interdiction : Réforme cadastrale.						
2008-02-01	À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) 3 294 055 Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot. (La liste des propriétaires affichée n'a aucune valeur légale.)						



## Index des immeubles

## MESSAGE « »

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b>	Nicolet (Nicolet 2)	<b>Dates de mise à jour du Registre</b>
<b>Cadastre :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b> 2011-12-06 15:00
<b>Lot :</b>	708-39	<b>Radiations :</b> 2011-12-05 09:10
<b>Date d'établissement :</b>		
<b>Plan :</b>	<a href="#">Liste des plans</a>	
<b>Concordance :</b>		

Date de présentation d'inscription	Numéro d'inscription	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-06-19	<u>10 502 695</u>	Hypothèque Universalité d'immeubles	Créancier	Canadian Imperial Bank of Commerce Becancour Silicon Inc.	30 000 000,00 \$	<u>6 024 316</u>	<u>I 12 244 312</u>
2003-06-19	<u>10 502 702</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Laurentian Bank of Canada Becancour Silicon Inc.	15 000 000,00 \$	<u>6 054 402</u>	<u>I 12 244 311</u>
2005-04-14	<u>12 212 449</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	BANK OF AMERICA, N.A. BÉCANCOUR SILICON INC./SILICIUM BÉCANCOUR INC.	95 000 000,00 \$		<u>P I 17 836 064</u>
2005-04-28	<u>12 249 641</u>	Correction d'une référence à un avis d'adresse	Créancier	BANK OF AMERICA, N.A.	Réf. : 12 212 449	<u>6 187 689</u>	<u>P I 17 836 064</u>
2005-08-19	<u>12 608 941</u>	Amendement acte de vente	1re part 2e part	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR SILICIUM BÉCANCOUR INC./BÉCANCOUR SILICON INC.	Réf. : 94 002		
2006-03-07	<del>13 104 111</del>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Ald International LLC: Bécancour Silicon inc. / Silicium Bécancour inc.	2 000 000,00 \$-	<u>6 253 692</u>	-
Inscription 13 104 111 du 2006-03-07 raturée et modifiée le 2006-03-10 à 09:16							
2006-03-07	<u>13 104 111</u>	Hypothèque Universalité d'immeubles	Créancier Débiteur	Ald International LLC. Bécancour Silicon inc. / Silicium Bécancour inc.	2 000 000,00 \$ US\$	<u>6 253 692</u>	<u>I 17 430 085</u>
Inscription 13 104 111 du 2006-03-07 modifiée le 2006-03-10 à 09:16							
Inscription 13 104 111 du 2006-03-07 modifiée à 09:16							

**Index des immeubles**

Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour - 708-39

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
Acte au long 157 999			I 10 581 758

## Index des immeubles


**MESSAGE**

Le 1988-06-24 intégré à la CF de Nicolet - De 1900-05-01 à 1988-06-24 voir la CF de Nicolet 1 (Bécancour) pour référence aux actes - Avant 1900-05-01 voir CF de Nicolet 1 (Bécancour) - CF d'origine : Nicolet (chef-lieu Bécancour).

<b>Circonscription foncière :</b> Nicolet (Nicolet 2)		<b>Dates de mise à jour du Registre</b>	
<b>Cadastre :</b>	Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour	<b>Droits :</b>	2011-12-06 15:00
<b>Lot :</b>	708	<b>Radiations :</b>	2011-12-05 09:10
<b>Date d'établissement :</b>			
<b>Plan :</b>	<u>Liste des plans</u>		
<b>Concordance :</b>			

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-08-19							
2003-04-28	À 09:00	Partie de ce lot est subdivisée, voir lot(s) <u>708-129</u> . Voir plan(s) : 3365					
2003-09-16	<u>10 718 988</u>	Vente	Vendeur	Société du Parc Industriel et Portuaire de Bécancour	259 072,00 \$ payé		
			Acheteur	Transcanada Energy Ltd			
2004-06-08	À 09:00	Partie de ce lot est subdivisée, voir lot(s) <u>708-130</u> . Voir plan(s) : 3426					
2004-06-15	<u>11 427 806</u>	Ouverture	Titulaire	Junex inc.			
2005-03-17	À 09:00	Partie de ce lot est subdivisée, voir lot(s) <u>708-131</u> . Voir plan(s) : 3485			Voir fiche(s) droit réel d'exploitation : <u>46-A-5</u>		
2005-08-23	<u>12 617 816</u>	Servitude	Cédant	Société du Parc Industriel et Portuaire de Bécancour			
			Cessionnaire	Société en Commandite Gaz Métro			
2005-08-23	<u>12 617 817</u>	Servitude	Cédant	Société du Parc Industriel et Portuaire de Bécancour			
			Cessionnaire	Hydro-Québec			
2006-07-12	<u>13 482 693</u>	Hypothèque	Créancier	La Caisse populaire de Ste-Angèle-de-Laval	204 000,00 \$	<u>6 010 891</u>	<u>I 14 139 461</u>
			Constituant	9158-1207 Québec Inc.			
2006-07-12	<u>13 482 735</u>	Vente	Vendeur	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR	75 808,44 \$		
			Acheteur	9158-1207 QUÉBEC INC.			
2006-07-12	<u>13 482 735</u>	Hypothèque	Créancier	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR	75 808,44 \$	<u>6 245 783</u>	<u>I 17 804 575</u>

2006-07-12	<u>13 482 735</u>	Droit de résolution	Débiteur Vendeur	9158-1207 QUÉBEC INC. SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR	6 245 783	I <u>17 804 575</u>
2006-07-12	<u>13 482 735</u>	Cession de rang hypoécaire	Acheteur Cédant	9158-1207 QUÉBEC INC. SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR		
2006-09-01	<u>13 614 083</u>	Acte de concession	Cessionnaire Cédant	Caisse Populaire de Ste-Angèle-de-Laval SA MAJESTÉ LA REINE DU CHEF DU CANADA		
2007-03-07	<u>14 047 320</u>	Hypothèque	Créancier Débiteur	LA SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR BANQUE DE DÉVELOPPEMENT DU CANADA	6 000 349	
2007-03-30	<u>14 106 942</u>	Hypothèque	Créancier Constituant	La Caisse populaire de Ste-Angèle-de-Laval 9158-1207 QUÉBEC INC.	6 010 891	
2007-03-30	<u>14 106 942</u>	Cession de rang hypoécaire	Cédant Cessionnaire	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR La Caisse populaire de Ste-Angèle-de-Laval	Réf. : 13 482 735	
2007-05-04	<u>14 197 681</u>	Vente	Vendeur Acheteur	SOCIÉTÉ DU PARC INDUSTRIEL ET PORTUAIRE DE BÉCANCOUR N. SIMARD ET FRÈRES INC.	93 416,40 \$ Payé	
2007-08-06	À 09:00. Partie de ce lot est subdivisée, voir lot(s) 708-132. Voir plan(s) : 3687					
2008-01-22	À 09:00. Début de la période d'interdiction : Réforme cadastrale.					
2008-02-01	À 09:00. Ce lot est rénové, voir nouveau(x) lot(s) <u>3 294 833</u> , <u>3 294 014</u> , <u>3 294 019</u> , <u>3 294 026</u> , <u>3 294 082</u> , <u>3 416 965</u> , <u>3 293 755</u> , <u>3 416 992</u> , <u>3 294 005</u> , <u>3 294 025</u> , <u>3 294 032</u> , <u>3 294 036</u> , <u>3 294 038</u> , <u>3 294 037</u> , <u>3 294 057</u> , <u>3 294 058</u> , <u>3 294 066</u> , <u>3 294 089</u> , <u>3 294 088</u> , <u>3 417 115</u> , <u>3 417 113</u> , <u>3 417 114</u> , <u>3 294 056</u> , <u>3 551 570</u> et <u>3 775 651</u> Cadastre du Québec. Pour plan(s) et/ou document joint, voir le(s) nouveau(x) lot(s). Voir propriétaire(s) par lot. (La liste des propriétaires affichée n'a aucune valeur légale.)					

## Index des immeubles

Section référence : Nicolet (Nicolet 2) - Paroisse de Notre-Dame-de-la-Nativité-de-Bécancour - 708

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
142 344			I 10 753 345
144 368			I 10 753 345
155 940			I 12 942 020

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# TAB 3

Court File No. 12-CL- 9539-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR.	)	
	)	DAY, THE
JUSTICE MORAWETZ	)	DAY OF JANUARY, 2012

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 OR ARRANGEMENT OF  
TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**Applicants**

**DIP ORDER**

**THIS MOTION**, made by Timminco Limited ("**Timminco**") and Bécancour Silicon Inc. ("**BSI**" and, together with Timminco, the "**Timminco Entities**"), for an order approving the DIP Agreement and granting the DIP Lender's Charge (as these terms are defined below), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Peter A.M. Kalins sworn January ●, 2012 and the Exhibits attached thereto (the "**January ● Affidavit**"), the [Third/Fourth] Report of FTI Consulting Canada Inc. in its capacity as the Court-appointed Monitor of the Timminco Entities (the "**Monitor**"), and on being advised that those parties disclosed on the Service List attached to the Notice of Motion as Schedule "A", including, Investissement Québec ("**IQ**") and Bank of America, N.A., and (b) the members of the pension plan committees for Bécancour Non-Union Pension Plan and the Bécancour Union Pension Plan (as these terms are defined in the **January ● Affidavit**), La Section Locale 184 De

Syndicat Canadien des Communications, de l'Énergie et du Papier ("CEP"), the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW"), the Financial Services Commission of Ontario ("FSCO"), and the Régie Des Rentes Du Québec, were served with the Notice of Motion and Motion Record, and on hearing the submissions of counsel for the Timminco Entities, the Monitor, IQ, the DIP Lenders (as defined below) [CEP, USW, and FSCO], no one appearing for any other person on the service list, although duly served as appears from the affidavits of service of ● sworn January ●, 2012, filed,

### SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

### DIP AGREEMENT & DEFINITIVE DOCUMENTS

2. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and empowered to obtain and borrow under a credit facility (the "DIP Facility") from QSI Partners Ltd. (the "DIP Lender") for the purposes set out in the DIP Agreement (as defined below), provided that principal borrowings under such credit facility shall not exceed US\$4,250,000 (the "Maximum Amount") unless permitted by further Order of this Court.

3. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Agreement between the Timminco Entities and the DIP Lender dated as of January [●], 2012 (the "DIP Agreement"), filed.

4. **THIS COURT ORDERS** that within one business day of the date of this Order, the DIP Lender shall send by wire transfer to the Monitor the Maximum Amount, to be deposited by the Monitor into a segregated, interest-bearing account of the Monitor (the "Monitor Account"). Subject to any applicable bank fees or charges in connection with



the opening, operating and/or maintenance of the Monitor Account (the “**Bank Fees**”), unless and until funds are advanced by the Monitor to the Timminco Entities in accordance with the DIP Agreement, all funds in the Monitor Account, including interest earned thereon, are the sole property of the DIP Lender, and no lien, encumbrance, court-ordered charge, security interest, or hypothec in or on, or other claims to or interests in, the assets, undertaking, property or business of the Timminco Entities shall encumber, attach to or be admitted as a claim against the funds in the Monitor Account.

5. **THIS COURT ORDERS** that the Monitor shall disburse DIP Advances (as defined in the DIP Agreement) under the DIP Facility from the Monitor Account subject to and in accordance with the terms of the DIP Agreement, including without limitation DIP Advances will be made from the Monitor Account on the second business day following delivery of the drawdown certificate in accordance with the DIP Agreement, unless within one business day of delivery of such drawdown certificate the DIP Lender delivers to the Timminco Entities and the Monitor a notice of non-consent to such DIP Advance as a result of one or more of the conditions precedent not being met or the occurrence of an Event of Default (as defined in the DIP Agreement) that is continuing which notice shall include reasonable details of any such condition precedent not being met or Event of Default. The DIP Lender may also consent to the making of a DIP Advance prior to the second business day following delivery of the drawdown certificate by providing its written consent to same, to the Monitor and the Timminco Entities

6. **THIS COURT ORDERS** that in the event of any dispute between the Timminco Entities and the DIP Lender as to (a) whether an Event of Default has occurred; or (b) the entitlement of the Monitor to advance funds to the Timminco Entities, each of the Timminco Entities, the DIP Lender, and the Monitor shall be entitled to seek advice and directions from the Court with respect to such dispute, on at least four (4) days’ notice to the other parties, and the Monitor shall retain any amounts in the Monitor Account at the time the dispute arose, pending further Order of the Court or agreement by the

Timminco Entities, the DIP Lender, and the Monitor; provided that while such dispute is outstanding and unresolved, no further funds in the Monitor Account shall be advanced by the Monitor to the Timminco Entities without the consent of the DIP Lender.

7. **THIS COURT ORDERS** that subject to paragraph 6 the Monitor shall return to the DIP Lender the balance of the Maximum Amount held by the Monitor in the Monitor Account, together with any interest earned thereon and less any Bank Fees incurred, as of the date of transfer, by initiating a wire transfer to an account designated in writing by the DIP Lender and delivered to the Monitor in accordance with the notice provisions provided for in the DIP Agreement forthwith upon the Maturity Date (as defined in the DIP Agreement).

8. **THIS COURT ORDERS** that the Monitor shall not be liable to the Timminco Entities, the DIP Lender or any other person for any error in judgement or for any act or omission on its part in respect of the operation of the Monitor Account or the making of, or failure to make, the DIP Advances or any of them therefrom, unless such error in judgement, act or omission is made in bad faith or with gross negligence.

9. **THIS COURT ORDERS** that, with respect to mandatory repayments of the DIP Advances from Net Sale Proceeds (as defined in the DIP Agreement), the Monitor shall be entitled to hold in a segregated trust account the first \$1,269,000 of any Net Sale Proceeds (the "**Priority Charge Reserve**") and the Administration Charge and KERP Charge (as granted and defined in the Initial Order dated January 3, 2012 (the "**Initial Order**") and modified by the Order dated January 16, 2012 (the "**Comeback Order**") shall attach to the Priority Charge Reserve in the same rank and priority that such charges have as against the Property (as defined in the Initial Order) as set out in the Comeback Order. Subject to further Order of the Court, upon payment of all outstanding amounts secured by the Administration Charge and the KERP Charge following the termination of the CCAA Proceedings, the remaining balance of the Priority Charge Reserve shall be paid forthwith (a) firstly, to the DIP Lender to the

extent of any outstanding DIP Obligations, and (b) secondly, to the Timminco Entities or such other Persons entitled thereto in accordance with applicable law.

10. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, security agreements, pledge agreements, guarantees and other security documents and definitive documents (collectively the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Timminco Entities are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order or any prior Order of this Honourable Court in these proceedings.

11. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and directed to not, directly or indirectly through any representative, solicit or entertain offers from, negotiate with or accept any proposal of any person other than the DIP Lender for the acquisition of substantially all of the assets of the Timminco Entities from the date hereof until the end of the Exclusivity Period (as defined in, and as may be extended in accordance with, the DIP Agreement) in order to provide the DIP Lender with the opportunity to prepare a "stalking horse bid" for consideration by the Timminco Entities who shall be under no obligation to accept any such bid, provided that if the DIP Obligations (as defined in the DIP Agreement) are declared to be immediately due and payable in accordance with the provisions of the DIP Agreement, the Exclusivity Period shall immediately terminate.

#### **DIP LENDER'S CHARGE**

12. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, including,

for greater certainty, the Collateral (as defined in the DIP Agreement), to secure the DIP Obligations, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made.

13. **THIS COURT ORDERS** that the DIP Lender's Charge shall constitute a charge on the Property and rank ahead in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise, including, for greater certainty, the Permitted Encumbrances (as defined in the DIP Agreement), other than any valid purchase money security interests (collectively, the "**Encumbrances**") in favour of any person, notwithstanding the order of perfection or attachment, including without limitation any deemed trust created under the Ontario Pension Benefits Act, or the Quebec Supplemental Pension Plans Act in favour of any person and shall rank subordinate only to the Administration Charge in the amount of \$1,000,000, the KERP Charge in the amount of \$269,000, and any valid purchase money security interest.

14. **THIS COURT ORDERS AND DECLARES** that the DIP Lender, in its capacity as DIP Lender and with respect to any claims arising from the Definitive Documents shall be treated as unaffected in any plan of arrangement or compromise filed by the Timminco Entities under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), or any proposal filed by the Timminco Entities under the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), with respect to any amounts owing to the DIP Lender by the Timminco Entities pursuant to the DIP Agreement and the Definitive Documents.

15. **THIS COURT ORDERS** that the filing, registration or perfection of the DIP Lender's Charge shall not be required, and that the DIP Lender's Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the DIP Lender's Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

16. **THIS COURT DECLARES** that as a result of the doctrine of paramountcy of the CCAA, the DIP Lender's Charge has super-priority that overrides the provincial statutory-deemed trust or other charges or liens provided for under any pension benefits legislation.

17. **THIS COURT DECLARES** that the purpose of the Timminco Entities' CCAA proceeding would be frustrated if deemed trusts or charges created under pension benefits legislation had priority to the DIP Lender's Charge.

18. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Timminco Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the DIP Lender's Charge, save and except for the Administration Charge in the amount of \$1,000,000 and the KERP Charge in the amount of \$269,000, unless the Timminco Entities also obtain the prior written consent of the DIP Lender.

19. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents and the Timminco Entities shall take all reasonable steps to cooperate and assist in the same;
- (b) upon the occurrence of an event of default under the DIP Agreement, Definitive Documents or the DIP Lender's Charge, the DIP Lender shall be entitled to, and to instruct the Monitor to, cease making advances to the Timminco Entities and set off and/or consolidate any amounts owing by the DIP Lender to the Timminco Entities against the obligations of the Timminco Entities to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices and upon seven (7) days' notice to the Timminco

Entities and the Monitor and with leave of the Court, may exercise any and all other rights and remedies against the Timminco Entities or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Lender's Charge, including without limitation, apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Timminco Entities and for the appointment of a trustee in bankruptcy of the Timminco Entities; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Timminco Entities or the Property.

20. **THIS COURT ORDERS** that the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Timminco Entities, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the DIP Lender's Charge shall not create or be deemed to constitute a breach by the Timminco Entities of any Agreement to which it is a party;

- (b) the DIP Lender shall have no liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the DIP Lender's Charge; and
- (c) the payments made by the Timminco Entities pursuant to this Order and the granting of the DIP Lender's Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

21. **THIS COURT ORDERS** that the DIP Lender's Charge over leases of real property in Canada shall only be a charge in the Timminco Entities' interest in such real property leases.

22. **THIS COURT DECLARES** that this Order and the DIP Lender's Charge are binding upon all creditors of the Timminco Entities, all entitlements of pension benefit beneficiaries and a trustee in bankruptcy of the Timminco Entities, receiver, receiver-manager or other officer of the Court.

#### **GENERAL**

23. **THIS COURT ORDERS** that the Timminco Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder and/or the DIP Agreement.

24. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Timminco Entities, the Monitor, the DIP Lender and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Timminco Entities and to the Monitor, as an officer of this Court, as may be necessary or

desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Timminco Entities and the Monitor and their respective agents in carrying out the terms of this Order.

25. **THIS COURT ORDERS** that each of the Timminco Entities and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

26. **THIS COURT ORDERS** that any motion to vary or amend the DIP Lender's Charge must be brought and be returnable no later than February ●, 2012 and on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order. Notwithstanding the foregoing, any DIP Advances made from the Monitor Account, prior to the date of any motion to vary or amend the DIP Lender's Charge shall be unaffected by any such motion, including, without limitation, its rights to receive reimbursement for its legal fees incurred prior to the date thereof.

27. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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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 OR ARRANGEMENT  
OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

Court File No. CV-12-9539-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**MOTION RECORD  
(RETURNABLE JANUARY 27, 2012)**

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