
AMENDED AND RESTATED CREDIT AGREEMENT

dated as of December 23, 2020

between

QUEBEC IRON ORE INC.
as Borrower

THE GUARANTORS FROM TIME TO TIME PARTY TO THIS AGREEMENT
as Guarantors

THE BANK OF NOVA SCOTIA
as Administrative Agent

SOCIETE GENERALE
as Underwriter

SOCIETE GENERALE
as Coordinating Bank

**THE BANK OF NOVA SCOTIA, SOCIETE GENERALE, ROYAL BANK OF CANADA and THE
TORONTO-DOMINION BANK**
as Mandated Lead Arrangers and Joint Bookrunners

and

CERTAIN FINANCIAL INSTITUTIONS
as Lenders

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AMENDED AND RESTATED CREDIT AGREEMENT

This Amended and Restated Credit Agreement (the “**Agreement**”) is made as of December 23, 2020 among:

QUEBEC IRON ORE INC., as Borrower;

THE GUARANTORS FROM TIME TO TIME PARTY TO THIS AGREEMENT, as Guarantors;

THE BANK OF NOVA SCOTIA, as Administrative Agent;

SOCIETE GENERALE, as Underwriter;

SOCIETE GENERALE, as Coordinating Bank;

THE BANK OF NOVA SCOTIA, SOCIETE GENERALE, ROYAL BANK OF CANADA and THE TORONTO-DOMINION BANK as Mandated Lead Arrangers and Joint Bookrunners; and

CERTAIN FINANCIAL INSTITUTIONS that are listed on the signature pages to this Agreement, as Lenders.

WHEREAS pursuant to the credit agreement made as of August 16, 2019 (as amended pursuant to an amendment no. 1 on April 6, 2020; an amendment no. 2 on June 19, 2020; and an amendment no. 3 made on November 11, 2020), (the “**Original Credit Agreement**”), among, inter alia, the Borrower, as borrower, Champion and LBRC, as guarantors, the Administrative Agent, as administrative agent, and the Lenders, as lenders, the Lenders agreed to make available to the Borrower (i) a revolving facility in a maximum principal amount of \$20,000,000; and (ii) a non revolving term facility in an principal amount of \$180,000,000, the principal amount balance of which as at the date hereof is \$180,000,000.

WHEREAS the Borrower, the Administrative Agent and the Lenders have agreed to amend and restate the Original Credit Agreement in its entirety, to among other things, (a) increase the existing revolving facility to \$50,000,000; (b) increase the amount of the existing non revolving term facility by up to \$170,000,000 (the “**Term Facility Increase**”) to \$350,000,000 in order to finance Phase II of the Project; (b) account for the commencement of Phase II of the Project; and (c) make certain other modifications as set forth therein; in each case, on the terms and conditions set forth therein and herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties to it), the parties to it make the following agreements.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, the following terms shall have the following meanings, unless the context expressly or by necessary implication requires otherwise:

“**Acceptable Bank**” means:

- (a) a Lender or a Subsidiary or an Affiliate thereof;
- (b) any bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of “A-” or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or “A3” or higher by Moody's Investor Services Limited or a comparable rating from an

internationally recognised credit rating agency; provided that where its long-term, unsecured and non-credit enhanced debt rating ceases to comply with such credit rating requirement as a result of the credit rating of its country of incorporation as a whole being downgraded by Standard & Poor's Rating Services, Fitch Ratings Ltd or Moody's Investor Services Limited (as applicable), then it shall be nevertheless deemed to be an Acceptable Bank but only for so long as its country of incorporation remains a member of the Organisation for Economic Co-operation and Development (OECD); and

(c) any bank or financial institution approved by the Administrative Agent.

"Accounting Changes" has the meaning set forth in Section 1.4(b).

"Acquisition Deadline" has the meaning set forth in Section 2.7(b)(ii).

"Acquisition Notice" has the meaning set forth in Section 2.7(b)(ii).

"Acquisition Request Notice" has the meaning set forth in Section 2.7(b)(i).

"Adjusted Consolidated" or **"on a Adjusted Consolidated Basis"** means the consolidation of the Financial Statements adjusted in such a way to exclude Champion and any other Subsidiary of Champion other than the Borrower and the Subsidiary of the Borrower.

"Additional Compensation" has the meaning set forth in Section 3.11(c).

"Administrative Agent" means The Bank of Nova Scotia, in its capacity as administrative agent for the Lenders, including any successor and assign in such capacity.

"Advance" means an extension of credit under the Revolving Facility or the Term Facility by the Lenders to the Borrower.

"Affected Communities" means the local communities and stakeholders within the Area of Influence which are directly affected by the Project, including for greater certainty the Uashat Mak Mani-Utenam and Matimekush – Lac John Innu communities.

"Affiliate" means, with respect to any particular Person, any other Person that directly or indirectly Controls (including any member of the senior management group of such Person), is Controlled by, or is under common Control with, such Person.

"Agency Fee Letter" means the fee letter entered into on August 16, 2019 between the Bank of Nova Scotia as Administrative Agent and the Borrower, as amended from time to time.

"Aggregate Contingency Revolver Outstandings" means, as of any particular date of determination, the aggregate of:

- (a) the aggregate outstanding Principal Amount of all Revolving Loans advanced in connection with a Contingent Funding, plus
- (b) to the extent not already included in paragraph (a) above, one hundred percent (100%) of the aggregate undrawn face amount of all outstanding Letters of Credit issued in connection with a Contingent Funding, plus
- (c) to the extent not already included in paragraph (a) above, the aggregate amount of any unpaid reimbursement obligations in respect of Letters of Credit issued in connection with a Contingent Funding.

"Aggregate General Revolver Outstandings" means, as of any particular date of determination, the aggregate of:

- For personal use only
- (a) the aggregate outstanding Principal Amount of all Revolving Loans advanced other than in connection with a Contingent Funding, plus
 - (b) to the extent not already included in paragraph (a) above, one hundred percent (100%) of the aggregate undrawn face amount of all outstanding Letters of Credit issued other than in connection with a Contingent Funding, plus
 - (c) to the extent not already included in paragraph (a) above, the aggregate amount of any unpaid reimbursement obligations in respect of Letters of Credit other than in connection with a Contingent Funding.

“Aggregate Revolver Outstandings” means, as of any particular date of determination, the aggregate of:

- (a) the aggregate outstanding Principal Amount of all Revolving Loans, plus
- (b) to the extent not already included in paragraph (a) above, one hundred percent (100%) of the aggregate undrawn face amount of all outstanding Letters of Credit, plus
- (c) to the extent not already included in paragraph (a) above, the aggregate amount of any unpaid reimbursement obligations in respect of Letters of Credit.

“Agreement” means, this amended and restated credit agreement, including all Schedules and Exhibits to it, together with all amendments, renewals, supplements, variations, restatements, amendments and restatements or replacements of this Agreement from time to time hereafter, made in accordance with the terms of this Agreement.

“Annual Financial Statements” means, in respect of any particular Fiscal Year, the audited consolidated balance sheet of Champion and the unaudited unconsolidated balance sheet of the other Obligors (including, for certainty, the Borrower) as at the last day of such Fiscal Year and the related audited consolidated and unconsolidated income statements, cash flow statements and the accompanying notes thereto, all prepared in accordance with IFRS and setting forth in each case, in comparative form, figures for the corresponding period in the preceding Fiscal Year, all in reasonable detail and fairly presenting in all material respects the financial position and the results of operations of the Borrower and the other Obligors as at the date of such statements and for the Fiscal Year then ended, certified by the Auditor.

“AML Legislation” means any federal, state, international, foreign or other laws, regulations or government guidance regarding money laundering or terrorist financing, including, without limitation, the USA Patriot Act, the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 et seq.), the Currency and Foreign Transactions Reporting Act of 1970, the 3rd EU Money Laundering Directive, Part II.1 of the Criminal Code, R.S.C. 1985, c.C-46, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000, c.17 and regulations promulgated pursuant to the Special Measures Act, S.C. 1992, c.17 and the United Nations Act, R.S.C. 1985, c. U-2, and international anti-money laundering principals or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any executive order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder.

“Anti-Corruption Laws” means any laws, rules or regulations relating to corruption or bribery, including, the implementing legislation for the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of 17 December 1997, the Inter-American Convention Against Corruption of the OAS adopted on March 29, 1996, and including, but not limited to, the U.S. Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1 et seq.), and the Corruption of Foreign Public Officials Act (Canada), the United Kingdom Bribery Act 2010.

“Applicable ESG Standards” means:

- (a) any Environmental Laws applicable to the Borrower and/or the Project;
- (b) the Equator Principles applicable to the Project; and
- (c) the terms and conditions of the IBA;

“Applicable Drawdown Phase II Projected Costs” has the meaning set forth in Section 2.6(b).

“Applicable Law” means, at any particular time in respect of any particular Person, property, transaction or event, all Laws, statutes, regulations, treaties, judgments and decrees applicable to that Person, property, transaction or event (whether or not having the force of law) and all applicable requirements, requests, official directives, consents, approvals, authorizations, guidelines, decisions, rules, orders and policies of any Governmental Authority having or purporting to have authority over such Person, property, transaction or event, including applicable Environmental Laws.

“Applicable Margin” means the Base Rate Margin, LIBOR Margin or Letter of Credit Fee, as applicable in accordance with the Pricing Grid.

“Applicable Percentage” means with respect to any Lender from time to time:

- (a) with respect to a Revolving Commitment, an Advance or a repayment of principal, interest and fees under the Revolving Facility, and prior to the giving of an acceleration notice under Section 11.2 (*Rights upon Default and Events of Default*), the percentage determined by dividing such Lender’s Commitment in respect of the Revolving Facility by the aggregate of the Revolving Commitments of all Lenders;
- (b) with respect to a Term Commitment, an Advance or a repayment of principal, interest and fees under the Term Facility, and prior to the giving of an acceleration notice under Section 11.2 (*Rights upon Default and Event of Default*), the percentage determined by dividing such Lender’s Commitment in respect of the Term Facility by the aggregate of the Term Commitments of all Lenders;
- (c) prior to the giving of an acceleration notice under Section 11.2 (*Rights upon Default and Event of Default*), with respect to any other Obligations, the percentage determined by dividing the unpaid amount of such outstanding Obligations owed to such Lender by the aggregate amount of all such outstanding Obligations owed to all Lenders; and
- (d) after the giving of an acceleration notice under Section 11.2 (*Rights upon Default and Event of Default*), the percentage determined by dividing the amount of such Obligations owed to such Lender by the aggregate of all of the then outstanding Obligations owed by the Borrower to all of the Lenders.

“Approved Cost Overruns” means any Phase II Construction Cost incurred, or projected to be incurred, which results in the aggregate amount of Phase II Construction Costs incurred, or projected to be incurred, in relation to Phase II exceeding the aggregate amount of Phase II Construction Costs (including all amounts which are included in the Financial Model as contingencies related to the Phase II Construction Costs) referred to in the Financial Model.

“Approved Cost Overrun Certificate” means the certificate (substantially in the form set out in Exhibit 9) setting out the Phase II Construction Costs, the projected Phase II Construction Costs, and the Phase II Construction Costs as summarized in the Financial Model in connection with determining whether an Approved Cost Overrun exists and executed by an authorized signatory of the Borrower and certified as approved by the Independent Engineer.

“Approving Lenders” has the meaning set forth in Section 2.7(b).

“Area of Influence” means, with respect to the Project, any area which is, or is reasonably likely to be, affected by:

- (a) the Project or facilities directly owned, operated or managed by or on behalf of the Borrower and that are a component of the Project;
- (b) any facilities associated with the Project that, although not funded as part of the Project, would not have been constructed or expanded if the Project did not exist and without which the Project would not be viable; or
- (c) impacts from unplanned but foreseeable developments caused by the Project that may occur later or at a different location;
- (d) indirect project impacts on biodiversity or on ecosystem services upon which the Affected Communities’ livelihoods are dependent; or
- (e) cumulative impacts that result from the incremental impact, on areas or resources used or directly impacted by the Project, from other existing, planned or reasonably defined developments identified as part of the E&S Assessment

“Assignee” has the meaning set forth in Section 15.1(b).

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Assignee and accepted by the Administrative Agent, in substantially the form of Exhibit 3 or any other form approved by the Administrative Agent.

“Auditor” means any of Ernst & Young LLP, PwC LLP, Deloitte LLP and KPMG LLP or any other independent chartered accounting firm selected by the Borrower that is of national standing or is otherwise acceptable to the Lenders, acting reasonably.

“Australian Dollars”, “AUD” and “A\$” each refer to the lawful currency of Australia.

“Authorizations” means, at any particular date of determination with respect to any Person or its property assets, all licenses, permits (including E&S Permits), consents, authorizations and approvals required from Governmental Authorities for the conduct of such Person’s business on such date.

“Authorized Representative” means, with respect to any Person that is not an individual, the executive chairman, chief executive officer, chief financial officer, president or vice-president, general counsel of such Person (or a Person in a similar capacity with respect to non-corporate entities).

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 3.5(d).

“Availability Period” means:

- (a) with respect to the Term Facility Increase, from the Closing Date until the Phase II Completion Date;
- (b) with respect to the Revolving Facility, from the Closing Date until the Revolving Facility Maturity Date.

“Available Amount” has the meaning set forth in Section 2.7(b)(ii).

“Available Cash Flow” means, without duplication, for any period:

- (a) revenues (received by the Borrower during such period) other than revenues constituting:
 - (i) net insurance proceeds; and
 - (ii) any other extraordinary or non-recurring revenues or receipts (which, for the avoidance of doubt, do not include the proceeds of business interruption insurance),received or due to be received during such period; less
- (b) Operating Costs; less
- (c) corporate overhead and administrative costs; less
- (d) net amounts required to be paid under or in relation to any permitted hedging arrangements; less
- (e) Capital Expenditures (excluding exploration costs and such Capital Expenditures related to Capital Leases),

in each case on a “cash” rather than an “accruals” basis.

“Available Resources” means, on any date before Phase II Completion:

- (a) the aggregate at any time of each Lenders’ available Commitment in respect of each Facility;
- (b) the aggregate at any time of any committed Subordinated Debt made available to the Borrower as permitted under Section 10.2(f);
- (c) the aggregate at any time of the available and unused Contingent Funding;
- (d) the aggregate cash balance of the Project Accounts, other than the Contingent Proceeds Account; and
- (e) any projected aggregate cash flows to be received in the Construction Accounts prior to the Phase II Completion in accordance with the Financial Model.

“Bail-In Action” means the exercise of any Write-down and Conversion Powers.

“Bail-In Legislation” means in relation to an EEA Member Country which has implemented, or which at any time implements, article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time.

“Bank Products” means all products and services provided under or in connection with any agreement or other Finance Document executed by the Borrower or any Affiliate of the Borrower in respect of Cash Management Obligations and to the extent not otherwise included in the foregoing, all other types of banking products, services and facilities (other than Letters of Credit) that are provided to the Borrower, or any Affiliate of the Borrower, by The Bank of Nova Scotia.

“Base Rate” means, on any particular date of determination, the fluctuating rate *per annum* equal to the higher of:

- (a) the rate of interest *per annum* publicly announced from time to time by the Administrative Agent as its reference rate for determining interest rates on US Dollar denominated commercial loans made

by it in Canada; and

- (b) the Federal Funds Rate plus 100 Basis Points *per annum*.

“Base Rate Loan” means, a Loan denominated in US Dollars that bears interest at a rate based upon the Base Rate, plus the Base Rate Margin.

“Base Rate Margin” means a percentage used to determine the rate of interest applicable to Base Rate Loans, determined in accordance with the Pricing Grid.

“Base Reference Bank Rate” means the arithmetic mean of the rates (rounded upwards to four (4) decimal places) as supplied to the Administrative Agent at its request by the Base Reference Banks as the rate at which the relevant Base Reference Bank could borrow funds in the London interbank market, in dollars and for the relevant period, were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period.

“Base Reference Banks” means the principal offices of The Bank of Nova Scotia, The Toronto-Dominion Bank, Société Générale and Royal Bank of Canada or such other banks as may be appointed by the Administrative Agent.

“Basis Point” or **“bps”** means one one-hundredth of one percent (.01%).

“Benchmark” means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.5(a).

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (a) the sum of:
 - (i) Term SOFR; and
 - (ii) the related Benchmark Replacement Adjustment;
- (b) the sum of:
 - (i) Compounded SOFR; and
 - (ii) the related Benchmark Replacement Adjustment; and
- (c) the sum of:
 - (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to:
 - (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body; or
 - (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time; and

- (ii) the related Benchmark Replacement Adjustment,

provided that, in the case of paragraph (a), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion. If the Benchmark Replacement as determined pursuant to paragraphs (a), (b) or (c) above would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

- (a) for purposes of paragraphs (a) and (b) of the definition of “Benchmark Replacement”, the first alternative set forth in the order below that can be determined by the Administrative Agent:
- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;
 - (ii) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and
- (b) for purposes of paragraph (c) of the definition of “Benchmark Replacement”, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to:
- (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date; or
 - (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities;

provided that, in the case of paragraph (a) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “LIBOR Margin”, the definition of “Business Day”, the definition of “Interest Period”, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent reasonably decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration such Benchmark Replacement by the Administrative Agent in a manner substantially

consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of paragraphs (a) and (b) of the definition of “Benchmark Transition Event”, the later of:
 - (i) the date of the public statement or publication of information referenced in such public statement; and
 - (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation of such Benchmark) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component of such Benchmark); or
- (b) in the case of paragraph (c) of the definition of “Benchmark Transition Event,”, the date of the public statement or publication of information referenced in such public statement;

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of paragraph (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation of such Benchmark).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation of such Benchmark) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component of such Benchmark), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component of such Benchmark);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation of such Benchmark), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component of such Benchmark), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component of such Benchmark) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component of such Benchmark), which states that the administrator of such Benchmark (or such component of such Benchmark) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component of such Benchmark) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component of such Benchmark); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation of such Benchmark)

announcing that all Available Tenors of such Benchmark (or such component of such Benchmark) are no longer representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation of such Benchmark).

"Benchmark Unavailability Period" means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date pursuant to paragraphs (a) or (b) of the definition of "Benchmark Replacement Date" has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes under this Agreement in accordance with Section 3.5 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder in accordance with Section 3.5.

"Bloom Lake East Assignment and Assumption Agreement" means the assignment and assumption agreement dated March 19, 2020 between Supreme Metals Corp., as assignor, the Borrower, as assignee, and Mr. Ryan Kalt, pursuant to which the Borrower absolutely and unconditionally assumed all of the obligations of Supreme Metals Corp. under the Underlying Bloom Lake East Royalty Agreements.

"Bloom Lake East Collateral Debenture" means a first ranking collateral debenture dated November 11, 2020, granted by the Borrower to the Lenders in connection with the Bloom Lake East Property, together with all extensions, amendments, renewals, substitutions or supplements thereto.

"Bloom Lake East Property" means the property located in the Province of Newfoundland and Labrador comprising eighteen (18) mining licences, acquired by the Borrower from Supreme Metals Corp. pursuant to, and as more particularly described in, the Bloom Lake East Purchase Agreement.

"Bloom Lake East Purchase Agreement" means the purchase and sale agreement dated March 19, 2020 between the Borrower, as purchaser, and Supreme Metals Corp., as vendor, pursuant to which the Borrower acquired the Bloom Lake East Property from Supreme Metals Corp.

"Borrower" means Quebec Iron Ore Inc., a corporation existing under the Laws of Canada, and its successors and permitted assigns.

"Borrower Blocked Account Agreement" means each blocked accounts control agreement dated on or around the date of this Agreement regarding securities accounts and bank accounts of the Borrower.

"Borrower Deed of Universal Hypothec" means the hypothec dated July 31, 2019 granted by the Borrower in the amount of CDN\$750,000,000, charging the universality of its present and future movable (personal) and immovable (real), tangible and intangible, assets, of whatever nature and wherever situated, including, without limitation, Inventory, receivables, bank accounts, Equipment, mining claims and insurance proceeds payable to the Borrower.

"Borrower E&S Monitoring Report" means each report in relation to the Environmental and Social Matters to be provided by the Borrower to the Administrative Agent pursuant to Section 10.4(n), in substance and form satisfactory to the Administrative Agent.

"Borrower General Security Agreement (NFLD)" means the general security dated August 16, 2019 granted by the Borrower to the Administrative Agent.

"Borrower Mortgage" means a collateral realty mortgage dated August 16, 2019 granted by the Borrower in connection with each real property owned by the Borrower and situated outside of the province of Québec.

"Borrower's Account" means any account of the Borrower maintained at the Branch of Account.

"Branch of Account" means the branch of the Administrative Agent located at 40 King Street West, 62nd floor, Toronto, Ontario M5W 2X6, Canada or such other branch in Canada as the Administrative Agent may advise the Borrower in writing from time to time.

"Break Costs" means the amount (if any) by which:

- (a) the interest which a Lender should have received for the period from the date of funding of all or any part of its participating in a LIBOR Loan or any unpaid sum which is due and owing by any Obligor under the Finance Documents, to the last day of the current Interest Period in respect of such LIBOR Loan, had the principal amount been paid on the last day of such Interest Period; exceeds
- (b) the amount which such Lender would be able to obtain by placing an amount equal to the principal amount or the unpaid sum received by it on deposit with a leading bank in the London interbank market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

"Business Day" means any day on which Administrative Agent is open for over-the-counter business in Montreal, Québec, Toronto, Ontario and New York, New York, excluding Saturday, Sunday and any other day that is a statutory holiday in Montreal, Québec, Toronto, Ontario and New York, New York and, with respect to LIBOR Loans, also excluding any other day that is not a day on which dealings in US Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Buydown Amount" means any payment received under a Phase II Construction Material Document (including upon termination thereof), the application of which is not specifically addressed in this Agreement, which constitutes a non-recurring payment (lump sum or otherwise) in compensation for permanently lost future revenues for a period of time, but excluding, for greater certainty, the proceeds of business interruption insurance, delay liquidated damages, or damages in respect of amounts payable to third parties.

"CAD Proceeds Accounts" means the Canadian Dollar denominated Deposit Accounts in the name of the Borrower subject to Liens created by the Security Documents, which accounts as of date of this Agreement are listed in Schedule I (*Project Accounts*).

"Canadian Dollars", **"CAD"** and **"CDN\$"** each refer to the lawful money of Canada.

"Canadian Pension Plans" means, with respect to any Person, all plans or arrangements that are considered to be pension plans (for the purposes of any applicable pension benefits or tax statute or regulation in Canada) established, maintained or contributed to by such Person for any of its employees or former employees.

"Capital Expenditure" means, for any particular period, with respect to any particular Person, any expenditure made by such Person during such period in connection with the acquisition, improvement or maintenance of any capital or fixed asset that is required in accordance with IFRS to be capitalized on the balance sheet of such Person.

"Capital Lease" means, with respect to any Person, any lease or other arrangement relating to property or assets that is required in accordance with IFRS 16 to be listed as a capital lease on the balance sheet of such Person.

"Capitalized Lease Obligations" means, for any particular period, the aggregate liability in respect of all Capital Leases for such period, determined in accordance with IFRS.

"Cash Equivalents" means, as at any particular date of determination:

- (a) any bond, debenture or other evidence of indebtedness issued, or fully and unconditionally guaranteed or insured, by the Government of Canada or the government of a province of Canada,

or any agency or political subdivision of Canada, and maturing not more than six (6) months from the date of issuance of any one of them;

- (b) certificates of deposit, time deposits, repurchase agreements, reverse repurchase agreements, or bankers' acceptances issued by any commercial bank organized under the Laws of Canada, having combined capital and surplus of not less than \$1,000,000,000 and a rating of at least "A-1" (or the equivalent) from Standard & Poor's Corporation, or the equivalent rating from Moody's Investors Services, Inc. or DBRS, and maturing not more than six (6) months from the date of issuance or execution of such instruments, as applicable;
- (c) commercial paper having a rating of at least "A-1" from Standard & Poor's Corporation, or the equivalent rating from Moody's Investors Services, Inc. or DBRS, and maturing not more than three (3) months after the date of issuance of such instrument;
- (d) any bond, debenture or other evidence of indebtedness issued, or fully and unconditionally guaranteed or insured, by the Government of the United States of America or any agency or political subdivision thereof, payable in US Dollars, having a rating of at least "A-1" (or the equivalent thereof) from Standard & Poor's Corporation or an equivalent rating from DBRS or Moody's Investors Services, Inc., and maturing not more than six (6) months after the date of issuance of such instrument.

"Cash Flow Waterfall" means the cash flow waterfall as described in Section 2.14 (Cash Flow Waterfall).

"Cash Management Obligations" means, with respect to any particular Person, any direct or indirect liability, contingent or otherwise, of such Person in respect of cash management services (including treasury, depository, overdraft, controlled disbursement, credit, electronic funds transfer, automatic clearing house transfer and other cash management arrangements), including obligations for the payment of fees, interest, charges, expenses, legal fees and disbursements relating to any of the foregoing.

"CAT Equipment Master Lease Agreement" means the master lease agreement to be entered into between the Borrower and CAT Finance pursuant to which the CAT Equipment Finance Facility is made available to the Borrower, as same may be amended, restated or otherwise modified from time to time.

"CAT Equipment Finance Facility" means the lease finance facility providing for a maximum principal amount of lease indebtedness of the Borrower outstanding at any time and from time to time of US\$75,000,000 for Equipment used at the Project, amounts advanced by CAT Finance thereunder and repaid by the Borrower to be re-advanced at the Borrower's request under the CAT Equipment Finance Facility, provided that no amount greater than US\$75,000,000 is outstanding at any time.

"CAT Finance" means Caterpillar Financial Services Limited, Caterpillar Financial Services Limited ULC or any affiliate or successor thereof.

"CAT Finance Liens" means the first ranking secured rights of CAT Finance as (i) owner of Equipment leased by CAT Finance to the Borrower under the CAT Equipment Master Lease Agreement; and (ii) until the indefeasible repayment in full of all Borrower obligations to CAT Finance under the CAT Equipment Master Lease Agreement, secured creditor under the CAT Finance hypothec and specific security agreement on such Equipment as is financed by CAT Finance under the CAT Equipment Finance Facility and purchased by the Borrower in accordance with the CAT Equipment Master Lease Agreement.

"CAT Intercreditor Agreement" has the meaning set forth in Section 7.5.

"CDP" means CDP Investissements Inc.

"CDP Preferred Equity Facility" means the issuance by the Borrower, on August 16, 2019, of the CDP Preferred Equity Shares to CDP for a purchase price which shall not exceed CDN\$185,000,000.

“CDP Preferred Equity Facility Documents” means the subscription agreement entered into between CDP, the Borrower and Champion, the Governance Agreement, the Subordination Agreement, and the articles of amendment of the Borrower dated August 16, 2019.

“CDP Preferred Equity Shares” means the class B shares in the capital of the Borrower issued by the Borrower to CDP for a purchase price which shall not exceed CDN\$185,000,000.

“CDP Subordination Agreement” means the subordination agreement dated on August 16, 2019 entered into among the Administrative Agent, CDP and the Borrower.

“Certificate” means, with respect to any Person that is not an individual, a written certificate signed on behalf of such Person by an Authorized Representative and, with respect to a Person that is an individual, a written certificate signed by such individual.

“Champion” means Champion Iron Limited.

“Champion Pledge and Security Agreement” means a hypothec with delivery dated on July 31, 2019 granted by Champion with respect to 100% of its ownership of the Borrower and LBRC.

“Change of Control” means the occurrence of any of the following:

- (a) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of amalgamation, merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of any Obligor, taken as a whole, to any Person;
- (b) any Person or group becomes the owner, directly or indirectly, of either 50% or more of the voting power or voting Securities of Champion;
- (c) any Person amalgamates or consolidates with, or merges with or into (via plan of arrangement or otherwise), Champion, or Champion amalgamates or consolidates with, or merges with or into, such Person, in any such event pursuant to a transaction in which any of the outstanding voting Securities of Champion or such other Person is converted into or exchanged for cash, securities or other property in which Champion is not the continuing or surviving corporation;
- (d) any other change in the Control of Champion.

“Claim” means any claim, demand, cause of action, suit, proceeding (whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of any Obligor) at law or in equity, or before or by any Governmental Authority, domestic or foreign of any nature whatsoever, whether pending or, to the knowledge of any Obligor, threatened against or affecting any Obligor or any property of an Obligor.

“Climate Change Risk Assessment” means the report prepared by WSP Canada Inc. titled “*Mine de fer du lac Bloom – Augmentation de la Capacité d’entreposage des résidus et stériles miniers – Évaluation de la résilience climatique du Projet*” dated July 2019 (Ref. 181-03709-01).

“Closing Date” means the date on which all of the conditions specified in Article 8 are satisfied or waived by all of the Lenders, as confirmed by the making of the first Loans under this Agreement.

“Closure and Rehabilitation Plan” means the rehabilitation and restoration plan submitted by the Borrower and approved by the Québec Ministry of Energy and Natural Resources or any successor thereof pursuant to section 232.1 of the Québec *Mining Act*, CQLR c M-13.1, as modified or amended from time to time.

“Collateral” means, collectively, all of the present and future undertaking, property and assets (whether real, personal or mixed property) against or in respect of which Liens in favour of the Administrative Agent (for and on behalf of the Finance Parties) are now or are hereafter granted (or purported to be granted) pursuant to the Security Documents.

“Commitments” means, collectively, the Revolving Commitments and the Term Commitments, and **“Commitment”** means any one of them, as applicable.

“Completion Certificates” means, collectively, the Environmental and Social Certificate, the Legal and Financial Certificate, the Mining and Production Certificate and the Physical Facilities Certificate, all in substantially the forms set out in Exhibit 8.

“Completion Tests” means the retrospective tests to be conducted before any of the Completion Certificates may be executed and confirmed by the Independent Engineer, as set out in the form of Completion Certificate in Exhibit 8.

“Compliance Certificate” means a Certificate executed by an Authorized Representative of the Borrower substantially in the form of Exhibit 1.

“Compounded SOFR” means, for any day, SOFR, with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by the Administrative Agent in accordance with a methodology and the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Compounded SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“Confirmation of Security” means each confirmation of security or confirmation of security and guarantee dated on or around the date of this Agreement, under the laws of Newfoundland and Labrador and/or Québec, from the Borrower and/or the Obligors in favour of the Finance Parties confirming the validity and perfection of the security interests created under the Security Documents in the Collateral.

“Consent and Acknowledgment” means each of the following:

- (a) the consent and acknowledgement of the LBRC in favour of the Administrative Agent entered into on August 16, 2019;
- (b) the consent and acknowledgement of the Ministre des transports de Terre Neuve et Labrador in favour of the Administrative Agent entered into on July 22, 2019;
- (c) the consent and acknowledgment of LBRC in favour of the Administrative Agent entered into on June 19, 2020 in respect of the Second Railcar Lease; and
- (d) each other consent and acknowledgement to be entered into by the counterparty to a Material Document in form and substance satisfactory to the Lenders.

[Consent description redacted for confidentiality reasons]

“Construction Accounts” means the Deposits Accounts in the name of the Borrower which have been established and are designated and will operate as a “Construction Account” pursuant to, and in accordance with, this Agreement.

“Contingency Excess Availability” means, as at any particular date of determination, the Contingency Portion of the Revolving Commitment, minus the Aggregate Contingency Revolver Outstandings.

“Contingency Portion of the Revolving Commitment” means such portion of the Revolver Commitments representing an aggregate amount of \$30,000,000 which shall, at any time until the Phase II Completion Date, exclusively be available for the purpose of Contingent Funding, in accordance with Sections 2.1, 2.5(a)(i), 2.6(g) and 2.12.

“Contingent Funding” means an amount which shall comprise any combination of

- (a) such cash balance held in the Contingent Proceeds Account; and/or such amount as committed and available through other financing instruments in form and substance acceptable to the Lenders; and
- (b) the Contingency Excess Availability,

which in each case shall be used to fund Approved Cost Overruns, and which on the Closing Date shall be in an aggregate amount of no less than \$65,000,000.

“Contingent Funding Request” means an irrevocable written request, executed by an Authorized Representative of the Borrower and certified by the Independent Engineer, substantially in the form attached as Exhibit 9.

“Contingent Proceeds Account” means the Deposit Account in the name of the Borrower which has been established and is designated and will operate as the “Contingent Proceeds Account” pursuant to, and in accordance with this Agreement.

“Contract Period” means, with respect to any Letter of Credit, the period selected by the Borrower in accordance with the terms of this Agreement during which such instrument, commitment or arrangement will be outstanding.

“Contractual Obligation” means, with respect to any Person, any provision of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument (including any Securities issued by such Person) to which such Person is a party or by which, whether in writing or orally, such Person or any of its assets is bound or to which such Person or any of its assets is subject.

“Control” (including, with correlative meanings, the terms **“Controlling,” “Controlled”** and **“under common Control with”**) means, with respect to any Person, the power to appoint the majority of the members of the board of directors of such Person, directly or indirectly, whether through ownership of capital stock, by contract or otherwise, it being understood, however, that where the power to manage such Person has been, entirely or substantially, removed from its board of directors through a unanimous shareholders’ agreement or otherwise or when such Person does not have a board of directors, then it shall mean the power to direct the management and policies of such Person, directly or indirectly.

“Corrective Action Plan” means a written plan prepared by or on behalf of the Borrower agreed with the Administrative Agent (in consultation with the IESC) to correct and remedy any E&S Non-Compliance Events, which plan shall include:

- (a) a description of the E&S Non-Compliance Event, including the reasons for, and events leading to, the E&S Non-Compliance Event and the scope of damage and adverse impacts, if any, resulting from the E&S Non-Compliance Event;
- (b) the actions implemented or proposed to be implemented by the Borrower to address or prevent future occurrences of such E&S Non-Compliance Event;

- (c) the proposed assignment of primary responsibility for implementing the proposed actions;
- (d) a timetable for implementing the proposed actions, including the start date, the estimated end date and key milestone dates; and
- (e) an estimated cost for implementing the proposed actions or any other costs arising from the identified E&S Non-Compliance Event.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Cost-to-Complete Certificate” means the certificate (substantially in the form set out in Exhibit 6) setting out the Available Resources and Phase II Projected Costs in connection with determining whether any Cost-to-Complete Shortfall exists and signed by an authorized signatory of the Borrower and by the Independent Engineer.

“Cost-to-Complete Shortfall” means that the Available Resources is less than the Phase II Projected Costs.

“DBRS” shall mean Dominion Bond Rating Service Limited, or its successor.

“Debt” means, in respect of any particular Person, without duplication:

- (a) all indebtedness of such Person for borrowed money (including by way of overdraft or order representing an extension of credit);
- (b) any obligation (whether or not with respect to the borrowing of money) that is evidenced by a bond, debenture, note or other similar instrument;
- (c) any Securities of that Person that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder), or on the occurrence of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder of the Securities, in whole or in part, on or before, or within one year after, the maturity date of the Facilities, for cash or securities constituting Debt;
- (d) to the extent accelerated, mark-to-market losses under any hedging agreement of such Person;
- (e) any obligation, contingent or otherwise, that is required to be classified as a liability in accordance with IFRS on the balance sheet of such Person or contingent liabilities in respect of performance bonds, surety or completion bonds, mine closure, asset retirement and environmental reclamation obligations;
- (f) any obligation secured by a Lien on any property, assets or undertaking owned or acquired by such Person, whether or not such obligation has been assumed;
- (g) any Purchase Money Obligations;
- (h) any liabilities, contingent, unmatured or otherwise, under indemnities given in respect of any bankers' acceptance, letter of credit or letter of guarantee;
- (i) any operating lease under which such Person has furnished a residual value guarantee in respect of which such Person is liable as lessee;
- (j) any indebtedness under streaming or royalty arrangements to the extent recorded as such on the balance sheet of the Person in accordance with IFRS; and

(k) any Capitalized Lease Obligations,

except that current trade payables, share-based payment reserves and obligations and deferred taxes, in each case incurred in the ordinary course of business, do not constitute Debt and for certainty, indebtedness owing under the CDP Preferred Equity Shares does not constitute Debt.

“Debt Service Coverage Ratio” means as of any date, the ratio of **A** to **B** where:

- (a) **A** is the aggregate of Available Cash Flow: and
- (b) **B** is the aggregate of all principal in respect of the Loans and any interest, fees hedging premia and expenses required to be paid by the Borrower to the Finance Parties under this Agreement.

“Declining Lenders” has the meaning set forth in Section 2.7(b)(i).

“Default” means any event, circumstance or omission that constitutes an Event of Default or that, after the giving of notice, the passage of time or the failure to remedy such event, circumstance or omission within a period of time, would constitute an Event of Default.

“Default Rate” means a fluctuating *per annum* interest rate at all times equal to the sum of:

- (a) the otherwise applicable Interest Rate, plus
- (b) the Applicable Margin, plus
- (c) percentage points *per annum*.

[Percentage amount redacted for competitive reasons]

Each Default Rate shall be adjusted simultaneously with any change in the applicable Interest Rate. In addition, the Default Rate shall result in an increase in the Letter of Credit Fee by two percentage points *per annum*.

“Defaulting Lender” means any Lender that:

- (a) has failed to:
 - (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded under this Agreement unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or
 - (ii) pay to the Administrative Agent, the Issuing Bank or any other Lender any other amount required to be paid by it under this Agreement (including, in the case of any Lender, in respect of its participations in Letters of Credit) within two (2) Business Days of the date when due;
- (b) has notified the Borrower, the Administrative Agent or Issuing Bank in writing that it does not intend to comply with its funding obligations under this Agreement, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan under this Agreement and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied);
- (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the

Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations under this Agreement (provided that such Lender shall cease to be a Defaulting Lender pursuant to this paragraph (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower); or

- (d) has, or has a direct or indirect parent company that has:
 - (i) become the subject of a bankruptcy or insolvency proceeding, or
 - (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets and such proceeding or appointment is not dismissed or stayed within thirty (30) days after the date of the commencement of such proceeding or appointment.

Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of paragraphs (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender as of the date established therefor by the Administrative Agent in a written notice of such determination which shall be delivered by the Administrative Agent to the Borrower, the Issuing Bank and each other Lender promptly following such determination.

"Deposit Account" means any bank, deposit or similar account in which cash proceeds or Cash Equivalents are deposited or held.

"Desired Acquisition Amount" has the meaning set forth in Section 2.7(b)(ii).

"Distribution" means any payment by such Person to:

- (a) any other Person, of dividends or other distribution (whether in cash or in kind) and any bonus issue or any return of capital including any payment in respect, or on the redemption, of any share capital whether at a premium or otherwise;
- (b) any other Person, of interest, principal or any other amount in respect of any shareholder loans or loan notes or in respect of any financial indebtedness, including any purchase by the Borrower of any shareholder loans or such financial indebtedness, and including Permitted Intercompany Debt and the CDP Preferred Equity Facility;
- (c) any other Person, by way of set-off, counterclaim or otherwise in respect of indebtedness incurred by the Borrower to any of its direct or indirect shareholders or other affiliates or in respect of shareholder loans; and
- (d) any other Person of any management, administration, advisory, consultancy or other similar type of fees or expenses paid by the Borrower to any of its Affiliates, but excluding any amount paid by the Borrower to its Affiliates in reimbursement of costs and expenses incurred by such Affiliate on behalf of the Borrower, in each case to the extent included in the Financial Model or as otherwise approved by the Administrative Agent.

"Drawdown" means a drawdown made by the Borrower pursuant to a Drawdown Request.

"Drawdown Date" means any Business Day on which an Advance is made or is deemed to be made, and which shall be the date proposed in the relevant Drawdown Request unless otherwise notified to the relevant Lender.

“Drawdown Request” means an irrevocable written request, executed by an Authorized Representative of the Borrower, substantially in the form attached as Exhibit 2.

“EBITDA” means, for any period ending on the date that EBITDA is determined, the Net Income for such period (including, for certainty and without limitation, any gains or losses from the sale of any mining property or any part thereof, but excluding gains or losses from extraordinary, unusual or non-recurring items and any gains or losses from any material disposition(s)), plus or minus, as applicable, the following items, to the extent such items have been deducted or included, as applicable, in calculating Net Income and without duplication:

- (a) the Net Finance Costs for such period;
- (b) any provision Taxes based on income or capital (current and deferred) and mining Taxes (current and deferred), plus any penalties or interest related to any such Taxes or arising from any Tax audits;
- (c) any amortization and depreciation for such period; and
- (d) any other non-cash expenses not reflected in subparagraphs (a), (b), (c) above for such period, including, without limitation, any stock based compensation.

“EBITDA to Interest Expense Ratio” means, as at any time, with respect to the Borrower, on a Adjusted Consolidated Basis, determined on the basis of the Financial Statements prepared in accordance with IFRS, the ratio of (a) EBITDA for the four Fiscal Quarters immediately preceding such time less payments (interest and principal) arising from Capital Leases during such period; to (b) Interest Expense for the four Fiscal Quarters immediately preceding such time.

“Employee Benefit Plan” means with respect to any Person, any employee benefit plan of any nature or kind whatsoever that is maintained by or contributed to, or required to be contributed to, by such Person (excluding any statutory employee benefit plans with respect to which such Person is required to comply, including the Canada Pension Plan and the Québec Pension Plan).

“Engineer of Record” means the engineer engaged to provide technical knowledge related to the safety of the tailings storage facilities and verifies whether or not the tailings storage facilities (and components thereof):

- (a) has been designed in accordance with performance objectives and indicators, applicable guidelines, standards and regulatory requirements; and
- (b) has been constructed and its performing, throughout the life of the same, in accordance with the documented design intent and requirements.

“Environment” means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including the air within buildings and the air within other natural or man-made structures, whether above or below ground);
- (b) water (including ground water, surface water, territorial, coastal or inland waters, aquifers and water in pipes, drains and sewers);
- (c) land (including buildings and other structures in, on or under it and any soil and anything below the surface of the land or below water);
- (d) cultural heritage and the built environment; and

- (e) human health or safety.

“Environmental and Social Certificate” means the certificate delivered by the Borrower pertaining to Environmental and Social matters, substantially in the form set out in Exhibit 8, in connection with Phase II Completion.

“Environmental Contamination” means each of the following and their consequences:

- (a) any material Release of any Hazardous Substance into any part of the Environment in violation of any Environmental Laws; or
- (b) any accident, fire, explosion or sudden event which is directly or indirectly caused by or attributable to any Hazardous Substance having a material impact on the Project operations or the Environment.

“Environmental Laws” means all applicable statutes, laws, regulations, permits, by-laws, decrees or orders of any applicable Governmental Authority, any international treaty, convention or rule to which the Government of Canada or Province of Québec is a party and any administrative or judicial decisions, judgments or orders relating to Environmental and Social Matters.

“Environmental and Social Matters” means, in relation to the Project:

- (a) “social” matters are any matters relating to actual or potential impacts on Affected Communities, including any matters with respect to physical or economic displacements, cultural heritage, human health and safety impacts, and human rights impacts; and
- (b) “environmental” matters are any matters with respect to nuisance, biodiversity, storage, disposal, discharge or Release of Hazardous Substances into the Environment, or any other processes, action or inaction potentially leading to an adverse environmental impact, the protection of the Environment, or the rehabilitation and reclamation of lands used in connection with the Project.

“Equator Principles” means those principles so entitled and described in the document titled *“The ‘Equator Principles – July 2020 – A financial industry benchmark for determining, assessing and managing environmental and social risk in projects”* published by the Equator Principles Association.

“Equipment” means all equipment and any other machinery, tools, fixtures, trade fixtures, furniture, furnishings, office equipment, vehicles and all other goods now or hereafter used or usable in connection with a Person’s business (other than Inventory), together with all parts, accessories and attachments relating to any of the foregoing.

“ESAP” means the environmental and social action plan set out in Schedule L (*ESAP*) describing the actions which need to be taken to address any material gaps identified by the IESC through its review of the E&S Assessment Documentation and of the Human Rights Impact Assessment to ensure that the Project be consistent with Applicable ESG Standards in all material respects, as such plan may be amended or modified from time to time in compliance with Sections 10.1(p)(v) and (vi);

“ESIA” means the reports and documents listed in Schedule N (*ESIA*).

“ESMP” means the environmental and social management plan prepared by the Borrower in accordance with the ESAP, as such management plan may be amended or modified from time to time.

“ESMS” means the overarching environmental, social, health and safety management system developed by the Borrower in respect of the Project and designed to identify, assess and manage risks and impacts in respect of the Project on an ongoing basis.

“EU Anti-Boycott Regulations” means the Council Regulation (EC) No 2271/96 of 22 November 1996

protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting.

“EU Bail-In Legislation Schedule” means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

“Event of Default” has the meaning set forth in Section 11.1 (*Events of Default*).

“Excess Availability” means, as at any particular date of determination, the Revolving Commitment, minus the Aggregate Revolver Outstandings.

“Exchange Equivalent” means, as of any particular date of determination with reference to any particular amount expressed in one currency (the **“First Currency”**) of an amount in another currency (the **“Other Currency”**) the amount of the First Currency which would be required to purchase such amount of the Other Currency at the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Business Day immediately preceding such date of determination; provided that, if such spot rate of exchange is for any reason unavailable, then the rate of exchange for such conversion shall be the spot rate of exchange for wholesale transactions for such day as quoted by the Administrative Agent in Toronto, Ontario in accordance with its normal practice or, if such date is not a Business Day, on the Business Day immediately preceding such date of determination.

“Exchange Equivalent Amount” means the amount in the First Currency expressed as an amount in the Other Currency based on the Exchange Equivalent.

“Excluded Taxes” means:

- (a) any Taxes imposed on or measured by any Lender's net income and franchise taxes imposed on it by the jurisdiction (or any political subdivision thereof) under the Laws of which such Lender is organized or in which its principal office or applicable lending office is located; and
- (b) any branch tax, branch profits tax or any similar tax imposed by any jurisdiction.

“Extension Fee” means the fee in an amount equal to Basis Points on the Original Commitments payable by the Borrower to the Lenders listed in table 1 of Schedule A (*Lenders and Commitments*).

[Redacted for confidentiality reasons.]

“Extension Request” has the meaning set forth in Section 2.7(a).

“Extension Response Notice” has the meaning set forth in Section 2.7(a).

“Extension Response Period” has the meaning set forth in Section 2.7(a).

“E&S Assessment” means the process conducted prior to the date of this Agreement to determine the relevant environmental and social risks and impacts of the Project in its Area of Influence and identify potential actions for the management and mitigation of those risks and impacts in a manner relevant and appropriate to the nature and scale of the Project, in accordance with the Applicable ESG Standards.

“E&S Assessment Documentation” means the ESIA, the Climate Change Risk Assessment, and once prepared in accordance with the ESAP, the Grievance Mechanism.

“E&S Claim” means any claim in respect of any actual or alleged breach or liability under Applicable ESG Standards against the Borrower or its shareholders relating to the Project in any way whatsoever.

“E&S Non-Compliance Event” means any material failure by the Borrower, or any agent or representative

of the Borrower, to comply with any Applicable ESG Standards and which represents an immediate or severe social or environmental risk in connection with the Project, excluding any such events as are already described in any of the ESIA, the ESAP, the ESMP, the Authorizations, the E&S Permits, an IESC Monitoring Report or any Corrective Action Plan.

"E&S Permits" means any Authorization and the filing of any notification, report or assessment with any Governmental Authority that is required under any Environmental Laws for the construction or operation of the Project.

"Facility" means the Revolving Facility or the Term Facility, as applicable, and **"Facilities"** means all of them, collectively.

"FATCA" means:

- (a) sections 1471 through 1474 of the US Internal Revenue Code of 1986 (as amended), or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any Governmental Authority or taxation authority in any other jurisdiction.

"FATCA Deduction" means a deduction or withholding from a payment under a Finance Document required by FATCA.

"FATCA Exempt Party" means a Finance Party that is entitled to receive payments free from any FATCA Deduction.

"Federal Funds Rate" means, for any day, the rate *per annum* equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank on the Business Day next succeeding such day; provided that:

- (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day; and
- (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Fee Letter" means any letter entered into by reference to this Agreement between one or more of the Administrative Agent, the Joint Lead Arrangers or the Issuing Banks and the Borrower providing for, *inter alia*, the payment by the Borrower of certain fees, including, without limitation:

- (a) the Agency Fee Letter; and
- (b) the Fronting Fee Letter.

"Finance Documents" means, collectively:

- (a) this Agreement;

- (b) the Security Documents;
- (c) each Guarantee;
- (d) the CDP Subordination Agreement;
- (e) the CAT Intercreditor Agreement;
- (f) each Consent and Acknowledgment;
- (g) each Letter of Credit Application;
- (h) each Fee Letter;
- (i) each Permitted Hedging Instrument;
- (j) ; [Description redacted for confidentiality reasons]
- (k) any certificate completed and executed by an Obligor and all other Certificates, instruments, agreements and other documents (including without limitation any agreements pertaining to Bank Products) delivered, or to be delivered, to the Lenders, the Administrative Agent or any other Finance Party under or in connection with this Agreement or any of the Facilities provided for in this Agreement; and
- (l) any other agreements, instruments and documents from time to time delivered to the Finance Parties in connection with this Agreement or the other Finance Documents.

"Finance Parties" means, collectively, the Lenders (including the Issuing Bank), any Hedge Provider and the Administrative Agent and **"Finance Party"** means any one of them.

"Financial Model" means the Borrower's mine plan for the Project and related financial model, which details the Project's cash flow projections and the Phase II Projected Costs as delivered and accepted by the Lenders (and reviewed and validated by the Independent Engineer) on or before the Closing Date, a copy of which has been provided by the Borrower to the Lenders on the date of this Agreement as a condition precedent to the effectiveness of this Agreement as updated from time to time as agreed to between the parties pursuant to Section 10.4(o).

"Financial Statements" means Annual Financial Statements or Unaudited Financial Statements, as applicable.

"Fiscal Quarter" means each calendar quarter ending on March 31, June 30, September 30 and December 31 each year.

"Fiscal Year" means the fiscal year of each Obligor.

"Fronting Fee Letter" means the fee letter dated August 16, 2019 between the Borrower and The Bank of Nova Scotia as fronting lender.

. [Definition redacted for confidentiality reasons]

"FX and Interest Rate Management Strategy" means the strategy to manage foreign exchange and interest rates which is set out in Schedule K (*FX and Interest Rate Management Strategy*).

"General Excess Availability" means, as at any particular date of determination, the General Portion of the Revolving Commitment, minus the Aggregate General Revolver Outstandings.

“General Portion of the Revolving Commitment” means such portion of the Revolver Commitments representing an aggregate amount of \$20,000,000 which shall exclusively be available for the purposes set forth in Sections 2.5(a)(ii).

“Global Industry Standard on Tailings Management” means the standard described in the “Global Industry Standard on Tailings Management – August 2020”. A framework for safe tailings facility management and available at: <https://globaltailingsreview.org/global-industry-standard/>.

“Governance Agreement” means the governance agreement (*Convention de gouvernance*) to be entered into between CDP, the Borrower and Champion on the date hereof, as may be amended, modified supplemented, restated or replaced from time to time.

“Governmental Authority” means any domestic or foreign government including any federal, provincial, state, territorial or municipal government and any executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government or any Person, body, department, bureau, agency, board, tribunal, commission branch or office thereof or having or claiming to have jurisdiction over the Obligors or any of their respective property or assets.

“Grievance Mechanism” means a system, scaled to the risks and impacts of the Project, developed by the Borrower and communicated to the Affected Communities which seeks to resolve concerns about the Project promptly, using an understandable and transparent process that is culturally appropriate, readily accessible, at no cost, and without retribution to the party that originated the issue or concern, and which does not impede access to judicial or administrative remedies.

“Guarantees” means all guarantees held from time to time by or on behalf of the Administrative Agent guaranteeing or intending to guarantee, directly or indirectly, repayment of all, or any part of, the Obligations.

“Guarantor” means each of Champion, LBRC and any future directly or indirectly owned material subsidiaries of Champion which own assets required for the Project, including those subsidiaries who also have a contractual relationship with the Project (from time to time), and excluding, for greater certainty, Champion Iron Mines Limited.

[Description redacted for confidentiality reasons]

“Hazardous Substance” means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of them that may impair the Environment, injure or damage property or plant or animal life or harm or impair the health of any individual and includes, but is not limited to, petroleum, its derivatives, by-products or other hydrocarbons, asbestos, controlled products, wastes and any other materials are regulated by Environmental Laws or which may not by their nature be hazardous, either in fact or as defined in or pursuant to any Environmental Laws but which become prohibited, controlled or regulated by any Governmental Authority.

“Hedge Provider” means a Lender, which excludes, which becomes a party in its capacity as a hedging bank, which has entered into a Permitted Hedging Instrument and which has entered into or accedes to this Agreement. **[Name redacted for confidentiality reasons]**

“Human Rights Impact Assessment” means the human rights impact assessment carried out by the Borrower prior to the date of this Agreement in relation to the Project.

“Hypothecary Representative” has the meaning set forth in Section 13.2(b).

“IBA” means the Impact and Benefits Agreement in respect of the Project entered into on April 12, 2017 between the Uashaunnuat, Innus of Uashat and Mani-Utenam, the Innu TakuaiKAN Uashat Mak Mani-Utenam Band No. 80, the Innu TakuaiKAN Uashat Mak Mani-Utenam Council and the Borrower.

"IESC" means SLR Consulting (Canada) Ltd. or any other independent firm of environmental and social advisers, as may be retained from time to time by the Administrative Agent and approved by the Borrower and the Majority Lenders, acting reasonably, as a replacement IESC.

"IESC Monitoring Report" means each environmental and social report prepared annually by the IESC documenting the Project's material compliance or non-compliance with Applicable ESG Standards taking into account the latest Borrower E&S Monitoring Report, and which is provided to the Administrative Agent pursuant to Section 10.4(n)(ii)(B) with each of the section headings as set out in Schedule M (*IESC Monitoring Report*) populated accordingly, or in another form approved by the Administrative Agent.

"IFRS" means international financial reporting standards, approved by the International Accounting Standards Board or any successor thereto ("IASB"), as at the date on which any calculation or determination is required to be made, provided that, in accordance with such international financial reporting standards, where the IASB includes a recommendation concerning the treatment of any accounting matter, such recommendation shall be regarded as the only international financing reporting standard.

"Indemnified Person" means the Administrative Agent, the Lenders, each other Finance Parties, their respective Affiliates, agents, representatives, attorneys any receiver or receiver and manager appointed by them, and the respective officers, directors and employees of each of the foregoing Persons.

"Indemnity Side Letter" means the side letter to the reclamation bond indemnity agreement entered into on August 16, 2019 between the Borrower, LBRC, Champion, Aviva Insurance Company of Canada and Argonaut Insurance Company.

"Independent Engineer" means, with respect to Phase II, as of the date of this Agreement, means SLR Consulting (Canada) Ltd. or any other independent firm of engineers, as may be retained from time to time by the Administrative Agent and approved by the Borrower and the Majority Lenders, acting reasonably, as a replacement Independent Engineer.

"Indigenous Peoples" means any First Nations, Inuit, Métis, indigenous and/or aboriginal Person(s), tribe(s) and/or band(s) of Canada.

"Information" has the meaning set forth in Section 15.7(b).

"Initial Repayment Date" means the first date to occur of either (i) December 31, March 31, June 30 or September 30 following the Phase II Completion Date or (ii) June 30, 2022.

"Interest Expense" means, for any period, and with respect to the Borrower, the non-operating expense shown on the income statement of the Borrower representing interest payable on any Debt (including any bonds, loans, convertible debt or lines of credit, but excluding interests related to leases which qualified as Capital Leases under IFRS 16 rules.

"Interest Payment Date" means:

- (a) with respect to any particular LIBOR Loan, the last day of each three (3) or six (6) month period during the Interest Period applicable to such Loan and the Maturity Date; and
- (b) with respect to any other Loan, the last Business Day of each calendar quarter and the Maturity Date.

"Interest Period" means, with respect to any particular LIBOR Loan, the period commencing on the date on which such LIBOR Loan is advanced or continued or another Loan is converted into such LIBOR Loan, as applicable, and ending on the date that is one, two (2) or three (3) months (each month being a period of thirty (30) days for purposes of this definition) thereafter, as selected by the Borrower in its Drawdown Request; provided that:

- For personal use only
- (a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;
 - (b) any Interest Period that begins on the last Business Day of a calendar quarter (or on a day for which there is no numerically corresponding day in the calendar quarter at the end of such Interest Period) shall end on the last Business Day of the calendar quarter at the end of such Interest Period; and
 - (c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate" means each or any of the interest rates referred to in this Agreement, including without limitation the Default Rate and the interest rates set out in Section 3.1 (*Interest on Loans*).

"Inventory" means all inventory and any other goods which are held for sale or lease or are to be furnished under contracts of service or consumed in an Obligor's business, all raw materials, work in process and finished goods, all goods that are returned or repossessed, and all materials and supplies of every kind and nature used or usable in connection with the acquisition, manufacture, processing, supply, servicing, storing, packing, shipping, advertising, selling, leasing or furnishing of the foregoing, and any other components or parts thereof.

"Investments" has the meaning set forth in Section 10.2(s).

. [Definition redacted for confidentiality reasons]

"Issuance Date" means the date on which a Letter of Credit is issued pursuant to this Agreement.

"Issuing Bank" means the Bank of Nova Scotia as the issuer of any Letter of Credit on the basis that it is "fronting" for other Lenders and not on the basis that it is the attorney of other Lenders to sign Letters of Credit on their behalf, or any successor issuer of Letters of Credit. For greater certainty, where the context requires, references to "Lenders" in this Agreement include the Issuing Bank.

"ITA" means the *Income Tax Act* (Canada) and any successor thereto, and any regulations promulgated thereunder.

"ITRB" means the independent tailings review board that will serve as an observational oversight body to review tailings storage facilities, design, construction, operations and management practices and to prepare the ITRB Tailings Management Report.

"ITRB Tailings Management Report" means the report on tailings management to be prepared by the Independent Tailings Review Board delivering an analysis on tailings storage facilities design, construction, operations and management practices, an action plan and a benchmark analysis against the Global Industry Standard on Tailings Management.

"Laws" means, collectively, all international, foreign, federal, provincial, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority.

"Legal and Financial Certificate" means the certificate delivered by the Borrower pertaining to legal and financial matters, substantially in the form set out in Exhibit 8, in connection with Phase II Completion.

"LBRC" means Lac Bloom Railcars Corporation Inc.

"LBRC Deed of Universal Hypothec" means a hypothec dated August 16, 2019 granted by LBRC in favour of the Administrative Agent in the amount of CDN\$750,000,000, charging the universality of its present and future movable (personal) and immovable (real), tangible and intangible, assets, of whatever nature and wherever situated, including, without limitation, Inventory, receivables, bank accounts, Equipment, mining claims and insurance proceeds payable to LBRC.

"LBRC General Security Agreement (NFLD)" means a general security agreement dated August 16, 2019 granted by LBRC in favour of the Administrative Agent.

"Lease" means, any lease of real or personal property in respect of which any Obligor has a leasehold (leased) interest, as lessee.

"Lenders" means, collectively, all financial institutions signatory hereto or who from time to time become party to this Agreement as a Lender under this Agreement and have a Commitment in respect of one or more of the Facilities as set out in Schedule A (*Lenders and Commitments*), as such Schedule may hereafter be amended or supplemented from time to time, and their respective successors and assigns in their capacity as Lenders under this Agreement, and **"Lender"** means any one of them.

"Letter of Credit" means a standby letter of credit or guarantee issued by the Issuing Bank or an affiliate of the Issuing Bank at the request of the Borrower in favour of a third party to secure (a) the payment of a financial obligation or (b) the non-financial performance of an obligation, in each case, owed to such third party by the Borrower.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit, executed by the Borrower in the form required by the Issuing Bank at the time such application is made.

"Letter of Credit Fee" means a percentage used to determine the fee applicable to Letters of Credit, determined in accordance with the Pricing Grid.

"Letter of Credit Fronting Fee" has the meaning set forth in Section 4.2(b).

"LIBOR" means, with respect to any particular Interest Period for any particular LIBOR Loan, the LIBOR Screen Rate at approximately 11:00 a.m. (London, England time) on the second Business Day prior to the first day of such Interest Period, and if such rate is not available in respect of such Interest Period, then the rate of interest *per annum*, calculated on the basis of a year of three hundred sixty (360) days, at which the Administrative Agent is offered deposits in US Dollars by prime banks in the London interbank market at approximately 11:00 a.m. (London, England time) on the second Business Day prior to the first day of such Interest Period, in each case, for a period comparable to such Interest Period and in an amount approximately equal to the amount of the LIBOR Loan outstanding during such Interest Period; in either case, if such rate is less than zero (0) "LIBOR" shall be deemed to be zero (0).

"LIBOR Loan" means a Loan that bears interest at a rate based upon LIBOR, plus the LIBOR Margin.

"LIBOR Margin" means a percentage used to determine the rate of interest applicable to LIBOR Loans, determined in accordance with the Pricing Grid.

"LIBOR Screen Rate" means the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period displayed on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Borrower.

"Lien" means any lien (whether statutory or otherwise), mortgage, pledge, deposit arrangement, preference,

priority assignment, security interest, deed of trust, hypothecation, sequestration, deemed, constructive, equitable or statutory trust, charge or other encumbrance or preferential arrangement of any kind or nature whatsoever (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof, easement, right of way, or capitalized Lease, any option, trust or other preferential arrangement having the practical effect of any of the foregoing, and in the case of Securities, any purchase option, call or similar right of a third party with respect to such Securities).

“Loan” means any Revolving Loan or Term Loan.

“Loss” means any loss whatsoever, whether direct or indirect, including expenses, costs, damages, judgments, penalties, awards, assessments, fines and any and all fees, disbursements and expenses of counsel, experts and consultants.

“Majority Lenders” means (a) when there are two Lenders or less, all of the Lenders, and (b) when there are more than two Lenders, at least two Lenders that are not Affiliates holding, in the aggregate, a minimum of two-thirds (66⅔%) of the total Commitments under the Revolving Facility and the Term Facility.

“Management Agreement” means the Senior Management Support Services Agreement entered into on April 11, 2016 between the Borrower and Champion, as amended on October 12, 2017 pursuant to an Amendment #1 to the Senior Management Support Services Agreement and on the date hereof pursuant to an Amendment #2 to the Senior Management Support Services Agreement, as such may be further amended, modified, supplemented, restated or replaced from time to time.

“Mandated Lead Arranger” means Société Générale.

“Material Adverse Change” means a change that results in, or would reasonably be expected to result in a Material Adverse Effect.

“Material Adverse Effect” means individually, or in the aggregate, any event, change or effect that could reasonably be expected to impair to a material extent any one of the following:

- (a) the business, affairs, capitalization, operations, prospects, assets, liabilities (actual or contingent), property or condition (financial or otherwise) of the Borrower or the Obligors, either individually or taken as a whole;
- (b) the ability, taken as a whole, of the Obligors to perform their obligations under the Finance Documents;
- (c) the operation or economic viability of the Project, or the operation of the Project facilities as contemplated in the Material Documents, or the ability of any Obligor to pursue the foregoing;
- (d) the validity, legality or enforceability of any Finance Document;
- (e) the validity of priority of any security interest created by any Security Document; or
- (f) the rights, recourses and remedies of the Finance Parties under the Finance Documents or the Finance Parties' ability to enforce their rights, recourses or remedies under this Agreement or any other Finance Document.

“Material Document” means any Project document entered into or to be entered into, which:

- (a) is prudent or necessary for the continuing construction, operation and development of the Project, and
- (b) contains terms and conditions which, if amended or, upon breach, termination, non-renewal or non-

performance, could reasonably be expected to have a Material Adverse Effect, including the following Project documents:

- (i) the Railcar Lease;
- (ii) the Second Railcar Lease;
- (iii) the Management Agreement;
- (iv) any shareholder or joint venture agreement entered into by the Borrower, Champion and any Permitted Equity Transferee permitted under Section 10.2(f) of this Agreement; and

in each case as amended from time to time in accordance with the terms of this Agreement.

[Material Contracts descriptions redacted for confidentiality reasons]

“Maturity Date” means the Term Facility Maturity Date and the Revolving Facility Maturity Date.

“Minimum Liquidity” means, as of any date of determination, and as determined on a Adjusted Consolidated Basis, the sum of aggregate of:

- (a) the aggregate unused amount of the Commitments as of such date (but only to the extent that the Borrower is permitted to borrow such amounts under the terms of this Agreement); and
- (b) all unrestricted and unencumbered cash and Cash Equivalents in the Project Accounts.

“Mining and Production Certificate” means the certificate delivered by the Borrower pertaining to mining and production matters, substantially in the form set out in Exhibit 8, in connection with Phase II Completion.

“Net Debt” means, for any period, Total Debt net of Unrestricted Cash.

“Net Debt to EBITDA Ratio” means, as at any time, with respect to the Borrower, on a Adjusted Consolidated Basis, determined on the basis of the Financial Statements prepared in accordance with IFRS, the ratio of (a) Net Debt at such time, to (b) EBITDA for the four Fiscal Quarters immediately preceding such time less payments (interest and principal) arising from Capital Leases during such period.

“Net Disposition Proceeds” shall mean, with respect to any disposition of assets, the aggregate amount of cash payments and to the extent that consideration for the asset disposed includes non-cash consideration, the fair market value of any such non-cash consideration net of:

- (a) the amount of any costs, expenses, commissions and fees paid or payable by or on behalf of the Borrower in connection with such disposition (as evidenced by supporting documentation provided to the Lenders upon request), and
- (b) any Taxes imposed on and payable or reasonably estimated to be payable by the Borrower as a result of such disposition.

“Net Finance Costs” means, for any period, and with respect to any Person, the non-operating expense shown on the income statement of the Borrower representing:

- (a) Interest Expense;
- (b) change in fair value of derivatives liabilities (including from Permitted Hedging Instruments);
- (c) change in fair value of derivatives assets (including from Permitted Hedging Instruments);

- (d) realized and unrealized foreign exchange losses;
- (e) accretion of borrowing costs and debt discount;
- (f) unrealized losses and gains on investments;
- (g) accretion of rehabilitation obligation; and
- (h) other interest and finance costs and incomes.

"Net Income" means, with respect to any Person for any period, the net income (or net loss) of such Person as such consolidated net income (or net loss) would be set forth or reflected in a consolidated statement of income of such Person for such period determined in accordance with IFRS.

"New Commitment" means the New Revolving Commitments and the New Term Commitments, and **"New Commitments"** refers to the aggregate of the New Commitments of all Lenders.

"New Revolving Commitment" means, as at any time with respect to any Lender, the commitment of such Lender to make a Revolving Loan, as set forth on table 2 of Schedule A (*Lenders and Commitments*) or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment, as applicable, as such commitment may be reduced, increased or terminated from time to time pursuant to the terms of this Agreement, and **"New Revolving Commitments"** refers to the aggregate of the Revolving Commitments of all Lenders.

"New Term Commitment" means, as at any time with respect to any Lender, the commitment of such Lender to make a Term Loan under the Term Facility, as set forth on table 2 of Schedule A (*Lenders and Commitments*) or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Term Commitment, as applicable, as such commitment may be reduced, increased or terminated from time to time pursuant to the terms of this Agreement, and **"New Term Commitments"** refers to the aggregate of the Term Commitments of all Lenders.

"Notice and Consent to

[Definition redacted for confidentiality reasons]

"Obligations" means all loans, advances, debts, liabilities and obligations for the performance of covenants, tasks or duties or for the payment of monetary amounts (whether or not performance is then required or contingent, or whether or not those amounts are liquidated or determinable) owing by the Obligors to the Lenders and the other Finance Parties, of any kind or nature, present or future, whether or not evidenced by any agreement or other instrument, owing under or in connection with any or all of the Finance Documents (including without limitation Bank Products), including all obligations owing by the Borrower to the Lenders under or in connection with the Facilities as well as all amounts payable by the Lenders and other Finance Parties under any of the intercreditor agreements (including, without limitation, any usage period payments).

"Obligors" means, collectively, the Borrower and each Guarantor.

"OFAC" means the Office of Foreign Assets Control of the US Department of the Treasury.

"

[Material Contracts descriptions redacted for confidentiality reasons]

"Operating Costs" means, for any period, the costs, fees and expenses paid or forecast to be paid during that period by the Borrower in operating the Project including (without duplication):

- (a) payments under Material Documents;
- (a) payments under leases which qualified as Capital Leases under IFRS 16 rules;
- (b) ongoing maintenance and repair costs, fees and expenses;
- (c) royalties, rates, rent and other outgoings;
- (d) costs, fees and expenses to maintain its incorporation, office, staff (including wages and superannuation) and other marketing and administrative costs;
- (e) fees of consultants and other advisers;
- (f) insurance premiums; and
- (g) Taxes.

“Operating Report” means a report in customary form in the iron ore mining industry, including any environmental reporting, prepared by the Borrower in accordance with good industry practice.

“Original Currency” has the meaning set forth in Section 15.6 (*Judgement Currency*).

“Original Commitment” means the Original Revolving Commitments and the Original Term Commitments, and **“Original Commitments”** refers to the aggregate of the Original Commitments of all Lenders.

“Original Revolving Commitment” means, as at any time with respect to any Lender, the commitment of such Lender to make a Revolving Loan, as set forth on table 1 of Schedule A (*Lenders and Commitments*) or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment, as applicable, as such commitment may be reduced, increased or terminated from time to time pursuant to the terms of this Agreement, and **“Original Revolving Commitments”** refers to the aggregate of the Revolving Commitments of all Lenders.

“Original Term Commitment” means, as at any time with respect to any Lender, the commitment of such Lender to make a Term Loan under the Term Facility, as set forth on table 1 of Schedule A (*Lenders and Commitments*) or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Term Commitment, as applicable, as such commitment may be reduced, increased or terminated from time to time pursuant to the terms of this Agreement, and **“Original Term Commitments”** refers to the aggregate of the Term Commitments of all Lenders.

“Other Currency” has the meaning set forth in Section 15.6 (*Judgement Currency*).

“Participant” has the meaning assigned to such term in Section 15.1(e).

“Permitted Phase II Construction Capital Expenditure” means Capital Expenditures which are:

- (a) in accordance with the construction budget for the Phase II Construction Period as set out in the Financial Model;
- (b) required to be made pursuant to any Applicable Law or to comply with any Authorization;
- (c) required in order to prevent or mitigate an unforeseeable event or circumstance that poses (in the Borrower’s good-faith judgement) actual or imminent and material risk of:
 - (i) physical injury to any Person; or
 - (ii) material financial loss in respect of, or physical damage to, the Project or any property of

any third Person; provided, that the amount of any such Capital Expenditures shall not exceed \$ in the aggregate;

[Amount redacted for confidentiality reasons]

- (d) required in order to prevent or mitigate an unforeseeable event or circumstance that poses (in the Borrower's good-faith judgement and in accordance with good industry practice) actual or imminent and material risk of:
 - (iii) death to any Person;
 - (iv) significant environmental harm; or
 - (v) a Material Adverse Environmental and Social Effect;
- (e) funded with permitted indebtedness in accordance with Section 10.2(f); or
- (f) approved by the Majority Lenders.
 - (vi) .

[Definition redacted for competitive reasons]

[Definition redacted for confidentiality reasons]

"Permitted Collateral Location" means the location listed in Schedule H (*Real Property and Locations of Collateral*).

"Permitted Equity Transfer" means (i) the issuance of any new Securities of the Borrower to a Permitted Equity Transferee other than Champion; or (ii) the transfer of any Securities in the Borrower to a Permitted Equity Transferee pursuant to a transaction or series of transactions, which has satisfied each of the following conditions:

- (a) the issued or transferred Securities constitute % or less (both in voting rights and economic value) of all issued and outstanding Securities in such applicable Obligor;
- (b) the issued or transferred Securities in such Obligor continue to be secured in favor of the Finance Parties and constitute valid and fully perfected liens granting a first priority security interest in such Securities in the Borrower for the benefit of the Finance Parties;
- (c) the Administrative Agent and the Lenders "know your client" documentation requirements including requirements under Applicable Laws are satisfied;
- (d) the Permitted Equity Transferee has entered into a shareholders' agreement or joint venture agreement with Champion and such Obligor in form and substance satisfactory to the Lenders, acting reasonably;
- (e) no Event of Default has occurred or is continuing, or would occur, as a result of the transaction or series of transactions;
- (f) the Administrative Agent for itself and on behalf of the Finance Parties shall have received legal opinions and officers' certificates (including an officer's certificate in respect of the satisfaction of the conditions set out above) satisfactory to the Administrative Agent in connection with such

transaction or series of transactions and the implementation of the new security contemplated above, together with such other documents as the Administrative Agent may require; and

- (g) any other customary or other requirement the Finance Parties deem appropriate, acting reasonably.

[Threshold redacted for competitive reasons]

“Permitted Equity Transferee” means any Person (including Champion) that:

- (a) is not a Sanctions Target (and that is not an Affiliate of any Person that is a Sanctions Target);
- (b) is not now, nor within the last five (5) years was not, the subject of an investigation or proceeding relating to any Sanctions, Anti-Corruption Laws or AML Legislation; and
- (c) is not now, or within the past five (5) years was not, the subject of:
 - (i) repeated negative public media coverage concerning (A) material adverse impacts on Indigenous Peoples or other communities or individuals (including, without limitation, human rights and workers’ rights impacts), or (B) in respect of its failure to comply in all material respects with environmental, social or health and safety Applicable Laws, or
 - (ii) any investigation, order, ruling or judgement by any Governmental Authority against it that relates to material adverse impacts on the Environment, human health or safety matters, or any other matter relating to environmental, health and safety Applicable Laws, including material adverse impacts caused by a spill, release, discharge or improper storage or disposal of Hazardous Substances.

“Permitted Hedging Instrument” means a hedging instrument, currency swap agreement or other agreement to purchase or sell currency or other similar arrangements related to movements in rates of exchange of currencies entered into with a Hedge Provider in the ordinary course of business for non-speculative purposes and on arm’s length terms.

“Permitted Intercompany Debt” means any unsecured inter-company Debt and related interest owing by any Obligor to any other Obligor in an amount not exceeding, in the aggregate, CDN\$, in connection with the following:

[Descriptions redacted for competitive reasons]

“Permitted Liens” means, with respect to any property or asset of any Obligor:

- (a) Liens created by the Security Documents;
- (b) Liens for Taxes which are not delinquent or remain payable without penalty or which are being contested in good faith by appropriate proceedings commenced in a timely manner and diligently pursued and for which appropriate reserves or other appropriate provision, if any, have been taken in accordance with IFRS;
- (c) builders’, carriers’, warehousemen’s, mechanics’, landlords’, materialmen’s, repairmen’s or other similar Liens imposed pursuant to statute arising in the ordinary course of business which either (i) are not delinquent for more than sixty (60) days or (ii) are being contested (provided that such contest will involve no material risk of loss of any material part of the Collateral) in good faith by appropriate proceedings commenced in a timely manner and diligently pursued and for which appropriate reserves or other appropriate provision, if any, have been taken in accordance with IFRS;

- (d) Liens (other than any Lien imposed in respect of a Canadian Pension Plan) consisting of pledges or deposits required in the ordinary course of business in connection with workplace safety insurance, employment insurance and other social security legislation or to secure the performance of tenders, statutory obligations, surety, stay, customs and appeals bonds, bids, leases, governmental contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or to secure liability to insurance carriers to a maximum of \$6,000,000;
- (e) any Lien created or assumed by any Obligor in favour of a public utility or Governmental Authority (whether directly or indirectly) when required by the utility or Governmental Authority that do not materially detract from the value of the property affected thereby, materially impair the use of it or materially interfere with the operation of the Project;
- (f) Purchase Money Liens securing Purchase Money Obligations and Capitalized Lease Obligations permitted pursuant to Section 10.2(f)(iv);
- (g) Liens over cash or Cash Equivalents not exceeding an aggregate amount of plus solely to secure the obligations of the Borrower under the RBC Letters of Credit;
- (h) Liens securing any surety or completion bonds, securing mine closure, asset retirement and environmental reclamation obligations of the Borrower to the extent required by Applicable Law or a Governmental Authority not in excess of CDN\$ in the aggregate, including Liens arising pursuant to permitted Debt under Section 10.2(f)(ix);

[Amount redacted for confidentiality reasons]

- (i) any reservations, limitations, provisos and conditions expressed in or implied by statute in any original grants from any Governmental Authority of any land or interest therein, statutory exceptions to title to and reservations in respect of a valid discovery with respect to unpatented mining claims, and Liens in favour of any Governmental Authority with respect to water rights and patented and unpatented mining claims;
- (j) any applicable municipal and other Governmental Authority restrictions affecting the use of land or the nature of any structures which may be erected thereon, any minor encumbrance, such as easements, rights-of-way, servitudes, restrictions or other similar rights in land granted to or reserved by other Persons, rights-of-way for sewers, electric lines, telegraph and telephone lines, oil and natural gas pipelines and other similar purposes, or zoning or building restrictions or other restrictions applicable to the use of real property by any Obligor, or title defects, encroachments or irregularities, that do not materially detract from the value of the property affected thereby or materially interfere with the operation of the Project or materially interfere with the exploitation of all or any portion of the minerals owned by the Crown on or below the lands subject to the mining leases held by any Obligor;
- (k) undetermined or inchoate Liens and charges arising or potentially arising under statutory provisions which have not at the time been filed or registered in accordance with Applicable Law or of which written notice has not been duly given in accordance with Applicable Law or which although filed or registered, relate to obligations not due or delinquent;
- (l) any defects, discrepancies and encroachments which would be disclosed by an up-to-date survey which is covered in all material respects under a title insurance policy in favour of the Administrative Agent;
- (m) judgement Liens but only for a period not longer than thirty (30) days after the creation of such Liens or, if a stay of execution has been obtained, for a period not longer than thirty (30) days after

the expiration of such stay, but only to the extent that failure to pay such judgements would not otherwise constitute an Event of Default;

- (n) the Liens in connection with the Railcar Lease registered as number 15417785 (as amended by registration number 17020249) under the personal property registry of Newfoundland and Labrador and as number 17-1092649-0001 (as amended by registration number 19-0655799-0001) under the personal property registry of Québec;
- (o) the Liens in connection with the Second Railcar Lease registered as number 17943739 under the personal property registry of Newfoundland and Labrador and as number 20-0562097-0001 under the personal property registry of Québec;
- (p) the CAT Finance Liens; and
- (q) any other Lien consented to in writing by the Lenders and the Administrative Agent,

provided that the use of the term “Permitted Liens” to describe the foregoing Liens shall mean that such Liens are permitted to exist (whether in priority to or subsequent in priority to the Liens created by the Security Documents, as determined by Applicable Law); and for greater certainty such Liens shall not be entitled to priority over the Liens created by the Security Documents by virtue of being described in this Agreement as “Permitted Liens”.

“**Person**” means any natural person, sole proprietorship, partnership, syndicate, trust, joint venture, Governmental Authority or any incorporated or unincorporated entity or association of any nature.

“**Phase II**” means the second phase expansion of the Project which contemplates expanding production of the Project from approximately 7,500,000 tonnes per year to approximately 15,000,000 tonnes per year.

“**Phase II Completion**” means the completion of Phase II on the Phase II Completion Date including, without limitation, with respect to matters related to financial, legal, physical facilities, mining and production, and environmental and social obligations.

“**Phase II Completion Date**” means the date on which the Administrative Agent has received from the Borrower the Environmental and Social Certificate, the Legal and Financial Certificate, the Mining and Production Certificate and the Physical Facilities Certificate, each of which has been fully executed by the Borrower and the Independent Engineer.

“**Phase II Completion Longstop Date**” means December 31, 2023.

“**Phase II Construction Period**” means the period beginning on the date on which construction commences on Phase II and ending on the Phase II Completion Date.

“**Phase II Construction Costs**” means, without duplication, all gross costs incurred by the Borrower in connection with the design and construction of the Phase II of the Project until the Phase II Completion Date, including: (i) all costs related to capital leases incurred in connection with the design and construction of the Phase II of the Project; and (ii) all deposits made in connection with the incurrence of such costs.

“**Phase II Construction Material Document**” means any Material Document strictly related to the construction and design of the Phase II of the Project.

“**Phase II Costs**” means the Phase II Construction Costs.

“**Phase II Costs Certificate**” means a certificate (substantially in the form set out in Exhibit 7) signed by an authorized signatory of the Borrower and by the Independent Engineer and provided by the Borrower to the Administrative Agent and Lenders in relation to each proposed Advance setting out the eligible Phase II Construction Costs that:

- (a) are due and payable; and
- (b) will become due for payment within sixty (60) days from the Drawdown Date.

“Phase II Progress Report” means a progress report to be provided by the Borrower on a monthly basis to the Administrative Agent and the Lenders, which shall include, without limitation, (a) an estimate of the anticipated Phase II Completion Date, (b) a description of physical progress and expenditures of Phase II Costs during such month; and (c) a description of cumulative and physical progress and expenditure through the end of such month, together with a comparison of the same against any then applicable Phase II construction plan, including a description of any material variance or inconsistency.

“Phase II Projected Costs” means, on any date, the sum of:

- (a) the aggregate amount of all Phase II Costs and other costs incurred by the Borrower and which, in each case have fallen due for payment but have not yet been paid;
- (a) the aggregate amount of Phase II Costs and other costs to be incurred by the Borrower which, in each case, are projected to fall due for payment prior to the anticipated Phase II Completion Date; and
- (b) the aggregate amount of principal and interest under the Finance Documents, the Security Documents and the Contingent Funding that are projected to fall due for payment prior to the anticipated Phase II Completion Date in the manner contemplated Financial Model.

“Physical Facilities Certificate” means the certificate delivered by the Borrower pertaining to the physical facilities, substantially in the form set out in Exhibit 8, in connection with Phase II Completion.

“PPSA” shall mean the *Personal Property Security Act* (Ontario), the *Civil Code of Quebec* or any other applicable Canadian federal or provincial statute pertaining to the granting, perfecting, priority or ranking of Liens on personal property, and any successor statutes, together with any regulations thereunder, in each case as in effect from time to time, and any reference to any particular section of the PPSA shall be construed to also refer to any successor section to it.

“Pricing Grid” means the following table to be used in the determination at any time of any Standby Commitment Fee, Letter of Credit Fee, LIBOR Margin and Base Rate Margin applicable under the Facilities, as determined based on the Net Debt to EBITDA Ratio at such time for the most recently ended Fiscal Quarter:

Tier	Net Debt to EBITDA Ratio	LIBOR Margin/Base Rate Margin	Standby Commitment Fee	LIBOR/Financial LC Margin	Non-financial LC Margin
I	≤ x	L + bps	%	%	%
II	≤ x	L + bps	%	%	%
III	≤ x	L + bps	%	%	%
IV	> x	L + bps	%	%	%
Pre-Phase II Completion Date		L + bps	%	%	%

[Amount redacted for competitive and confidentiality reasons]

The applicable tier on the Closing Date shall be determined in accordance with the Compliance Certificate delivered as a condition precedent under Article 8.

“Principal Amount” means:

- (a) with reference to any Loan, the principal amount of such Loan; and

- (b) with reference to a Letter of Credit, the maximum amount payable to the beneficiary of such Letter of Credit.

"Proceeds Accounts" means the CAD Proceeds Accounts and the USD Proceeds Accounts.

"Prohibited Payment" means:

- (a) any direct or indirect payment, gift, offer or promise of anything of value (including authorization of any of the foregoing) to or for the benefit of any official or employee of a Governmental Authority (including any official or employee of any government-owned or controlled entity or of a public international organization) or any political party or official thereof or any candidate for political office or any other person (including any "foreign official" (as such term is defined in the U.S. Foreign Corrupt Practices Act)); and
- (b) any other payment, gift, offer or promise of anything of value (or authorization of any of the foregoing), in each case, that constitutes a violation of any Anti-Corruption Laws.

"Prohibited Practice" means any direct or indirect acts of bribery, corruption, money laundering, public procurement fraud or other illicit conduct (including the making or authorization of any Prohibited Payment), in each case constituting a violation of any Anti-Corruption Laws or AML Legislation.

"Project" means the phase I of the Bloom Lake iron ore mine project located 13 km north of Fermont, Québec, Canada including the mines and infrastructure and comprising the mining, development, operations undertaken there, and including Phase II.

"Project Accounts" means, collectively, the Construction Accounts, the Contingent Proceeds Account, the USD Proceeds Accounts and the CAD Proceeds Accounts.

"Purchase Money Lien" means any Lien securing Purchase Money Obligations and Capitalized Lease Obligations permitted to be outstanding under Section 10.2(f)(iv), provided that each such Lien only affects the property with respect to which the Purchase Money Obligation and Capitalized Lease Obligations it secures was incurred.

"Purchase Money Obligations" means, with respect to any Person, any indebtedness incurred in respect of the cost of acquisition of immovable and/or movable property, including by way of conditional sale agreement or other title retention agreement that would be capitalized in the balance sheet of the owner of such property, in accordance with IFRS, which indebtedness existed at the time of acquisition, or was created, issued, incurred, assumed or guaranteed approximately at the same time as the acquisition and includes any extension, renewal or refinancing of any such indebtedness if the amount thereof outstanding on the date of such extension, renewal or refinancing is not increased, it being expressly understood that Purchase Money Obligation shall not include any indebtedness incurred in connection with any sale and leaseback transaction.

"Railcar Lease" means the railcar lease to be entered into between LBRC and the Borrower on October 12, 2017 as amended on the date hereof pursuant to an Amendment #1 to the Railcar Lease, for (a) the usage of the railcars by the Borrower; and (b) the payment by the Borrower of rent in an amount equal to the costs incurred by Railcar Co in connection thereto, as may be amended, modified, supplemented, restated or replaced from time to time.

"Railcar Promissory Note" means the unsecured promissory note in the amount of , dated June 19, 2020, and issued by LBRC in favour of Champion, evidencing .

[Amount and details of promissory note redacted for confidentiality reasons]

"RBC Accounts" means the accounts held as of the date of this Agreement by the Borrower and LBRC with the Royal Bank of Canada (in its capacity as depository bank only) with the following account numbers:

[Descriptions redacted for confidentiality reasons]

"RBC Letters of Credit" means each of the following fully cash collateralized letters of credit in an aggregate amount not to exceed the sum of CDN\$ plus \$:

[Descriptions redacted for confidentiality reasons]

"Real Property Interest" means, at any particular time of determination, any interest (whether fee (owned), leasehold (leased) or otherwise) in immovable (real) property owned at such time by any Obligor.

"Receivables" means all **"accounts"**, as such term is defined in the PPSA, now or hereafter acquired by any Obligor and includes all claims, accounts, contract rights, instruments, and chattel paper relating to accounts, drafts and acceptances of such Obligor, and all other obligations owing to any other Obligor arising out of or in connection with the sale or lease of Inventory, the performance of services or otherwise, all guarantees and other security therefor, whether secured or unsecured, now existing or hereafter created, and whether or not specifically sold or assigned to the Administrative Agent under this Agreement or in connection herewith.

"Reference Time" with respect to any setting of the then-current Benchmark means (a) if such Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two (2) London banking days preceding the date of such setting, and (b) if such Benchmark is not LIBOR, the time determined by the Administrative Agent in its reasonable discretion.

"Register" has the meaning set out in Section 15.1(d).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Release" means a discharging, spraying, injection, abandonment, depositing, spilling, leaking, seeping, pouring, emitting, emptying, throwing, dumping, placing, pumping, escaping, leaching, migrating, dispensing, dispersal, disposing, and exhausting, and when used as a noun has a correlative meaning.

"Relevant Governmental Body" means the Board of Governors of the Federal System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor entity.

"Repayment Date" means the Initial Repayment Date and each subsequent March 31, June 30, September 30 and December 31 until the Term Facility Maturity Date.

"Repayment Notice" means a written notice executed by an Authorized Representative of the Borrower substantially in the form attached hereto as Exhibit 5.

"Replacement Lenders" has the meaning set out in Section 15.9(a).

"Reserve Tail Ratio" means, as of any date of determination, the ratio expressed as a percentage of **A** divided by **B** where:

- (a) **A** is the then-current forecasted production of iron ore from the Project from the scheduled Maturity Date through the remainder of the life of the mine as set forth in the most up-to-date Financial Model; and
- (b) **B** is the iron ore originally forecasted to be produced from the Project for the life of the mine in the

initial Financial Model utilizing the proven and probable reserves verified and accepted by the Independent Engineer.

“Resolution Authority” means anybody that has authority to exercise any Write-down and Conversion Powers.

“Restricted Lender” means any Lender established or incorporated in the Republic of Germany.

“Revolving Commitment” means the Original Revolving Commitment and the New Revolving Commitment.

“Revolving Facility” has the meaning set forth in Section 2.1.

“Revolving Facility Maturity Date” means the earlier of:

- (a) the third anniversary of the Closing Date; or
- (b) the date on which the Facilities are terminated in accordance with this Agreement.

“Revolving Loan” means any Base Rate Loan or LIBOR Loan made, or the issuance of any Letter of Credit, under the Revolving Facility.

“Sanctioned Jurisdiction” means, at any time, a country, territory or geographical region which is itself the subject or target of any comprehensive territorial-based Sanctions (currently including, without limitation, Cuba, Iran, North Korea, Crimea and Syria).

“Sanctions” means any laws, rules, regulations and requirements relating to economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by any U.S. Governmental Authority (including, but not limited to, OFAC and the U.S. Department of State), the United Nations Security Council, the European Union and each of its member states, Her Majesty’s Treasury of the United Kingdom, any Governmental Authority of Canada (including, but not limited to, Global Affairs Canada and Public Safety Canada) or any other relevant Governmental Authority.

“Sanctions Target” means any Person:

- (a) identified on any Sanctions-related list of designated Persons, including, without limitation, the Specially Designated Nationals and Blocked Persons List maintained by OFAC, the Consolidated United Nations Security Council Sanctions List, the consolidated list of persons, groups and entities subject to EU financial sanctions maintained by the European Union and the Consolidated List of Financial Sanctions Targets in the UK maintained by Her Majesty’s Treasury of the United Kingdom;
- (b) located, organized or resident in, or the government or any agency or instrumentality of the government of, any Sanctioned Jurisdiction;
- (c) owned or controlled by one or more Persons described in the foregoing paragraph (a) or (b);
- (d) otherwise the subject or target of any Sanctions.

“Second Railcar Lease” means the railcar lease entered into between LBRC and the Borrower on June 19, 2020, for (i) the usage of the railcars described therein by the Borrower; and (ii) the payment by the Borrower of rent in an amount equal to the costs incurred by LBRC in connection thereto, as may be amended, modified, supplemented, restated or replaced from time to time.

“Securities” means any and all shares, interests, participations or other equivalents (however designated)

of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights convertible into or exercisable or exchangeable for any of the foregoing, or any agreement or commitment to issue any of the foregoing any of the foregoing.

"Security Documents" means:

- (a) the Borrower Deed of Universal Hypothec;
- (b) the Borrower General Security Agreement (NFLD);
- (c) the Borrower Mortgage;
- (d) the LBRC Deed of Universal Hypothec;
- (e) the Bloom Lake East Collateral Debenture
- (f) the LBRC General Security Agreement (NFLD);
- (g) the Champion Pledge and Security Agreement;
- (h) security under section 427 of the *Bank Act* (Canada) executed by the Borrower in favour of the Lenders which are Schedule I and Schedule II chartered banks pursuant to the *Bank Act* (Canada);
- (i) each Borrower Blocked Account Agreement;
- (j) each Confirmation of Security;
- (k) each Subordination Agreement;
- (l) the CAT Intercreditor Agreement; and
- (m) any other security agreements, deeds of hypothec and other documents held by the Administrative Agent (for the benefit of the Finance Parties) from time to time which secure or are intended to secure, directly or indirectly, repayment of the Obligations, and the security interests, hypothecs assignments and Liens constituted thereby.

"SMBC" means SMBC Rail Services Canada ULC or any successor thereof.

"SMBC Railcar Finance Facility" means the railcar finance facility made available by SMBC for the purposes of financing the leasing of railcars for use by the Borrower in connection with the Project.

"SMBC Railcar Master Lease Agreement" means the master lease agreement (net lease) to be entered into between the Borrower and SMBC with respect to the SMBC Railcar Finance Facility.

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Standby Commitment Fee” means the standby commitment as described in Section 3.7 (*Standby Commitment Fee*).

“Subordinated Debt” means Debt owing by any Obligor in respect of which the payee has agreed to postpone payment of all principal and interest thereon to payment and satisfaction in full of the Obligations and such payee has subordinated any security taken in respect of such Debt to the Lien of the Administrative Agent, all in form and substance satisfactory to the Majority Lenders and the Administrative Agent in their sole discretion.

“Subordination Agreement” means:

- (a) the Subordination Agreement;
- (b) the Subordination Agreement; and
- (c) any other subordination agreement in favour of the Administrative Agent in respect of any Subordinated Debt,

in each case, in form and substance satisfactory to the Administrative Agent (acting on the authority of all Lenders).

[Descriptions redacted for confidentiality reasons]

“Subsidiary” of any Person means any Person (a) which is Controlled, directly or indirectly by such first Person; or (b) a majority of whose voting Securities, on a fully diluted basis, is owned directly or indirectly, beneficially or otherwise, by such first Person. A Person shall be deemed to be a Subsidiary of another Person if it is a Subsidiary of a Person that is that other's Subsidiary.

“Substitute Lenders” has the meaning set forth in Section 2.7(b)(iii).

“Supreme Metals Royalty Agreement” means the % gross revenue royalty agreement granted by the Borrower to Supreme Metals Corp. in respect of the Bloom Lake East Property, as defined, calculated and paid in accordance with schedule 3.1(b) of the Bloom Lake East Purchase Agreement. **[% of royalty redacted for confidentiality reasons]**

“Swingline” has the meaning set forth in Section 2.8(a).

“Swingline Lender” means The Bank of Nova Scotia in its capacity as Lender under the Swingline, including any successor and assign in such capacity; for greater certainty, where the context requires, references to “Lenders” in this Agreement include the Swingline Lender.

“Swingline Limit” has the meaning set forth in Section 2.8(a).

“Swingline Loan” means a loan funded by way of a Swingline.

“Swingline Reduction Amount” has the meaning set forth in Section 2.8(b).

“Syndicated Drawdown” has the meaning set forth in Section 2.8(c).

“Tailings Management Risk Assessment” means the risk assessment related to tailings management in connection with the Project dated November 24, 2020.

“Tangible Net Worth” means, at any particular time, the amount of shareholders' equity in accordance with the most recent audited financial statements prepared in accordance with IFRS at such time less (without duplication) the aggregate of the amounts included in shareholders' equity, at such time, which would, in

accordance with IFRS, be classified upon the consolidated balance sheet of such Person as goodwill, deferred expenses, and other intangible assets and fair value adjustments for financial instruments.

"Tata Railcar Purchase Agreement" means the railcar purchase agreement dated June 18, 2020, between Tata Steel Minerals Canada Ltd., as vendor, and LBRC, as purchaser, pursuant to which LBRC has purchased one hundred (100) iron ore gondola railcars.

"Tax" and **"Taxes"** include, at any time, all taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges of any nature imposed by any Governmental Authority, including income, capital (including large corporations), withholding, consumption, sales, use, transfer, goods and services or other value-added, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, together with all fines, interest, penalties on or in respect of, or in lieu of or for non-collection of, those taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges.

"Term Commitment" means the Original Term Commitment and the New Term Commitment.

"Term Facility" has the meaning set forth in Section 2.2.

"Term Facility Increase" has the meaning set forth in the preamble of this Agreement.

"Term Facility Maturity Date" means the earlier of:

- (a) the fifth anniversary of the Closing Date; or
- (b) the date on which the Facilities are terminated in accordance with this Agreement.

"Term Loan" means any Base Rate Loan or LIBOR Loan made under the Term Facility.

"Term SOFR" means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Total Debt" means, at any time, on a Adjusted Consolidated Basis for the Borrower, determined in accordance with IFRS, all Debt of the Borrower (other than Debt arising under leases which qualified as Capital Leases under IFRS 16 rules).

"Total Debt to EBITDA Ratio" means, as at any time, with respect to the Borrower, on a Adjusted Consolidated Basis, determined on the basis of the Financial Statements prepared in accordance with IFRS, the ratio of (i) Total Debt at such time, to (ii) EBITDA for the four Fiscal Quarters immediately preceding such time less payments (interest and principal) arising from Capital Leases during such period.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unaudited Financial Statements" means, in respect of any particular month, the unaudited consolidated and unconsolidated balance sheet of the Obligor as at the last day of such month and the related unaudited consolidated and unconsolidated income statements, cash flow statements, and the accompanying notes thereto, all prepared in accordance with IFRS and setting forth in each case, in comparative form, figures for the corresponding period for the preceding month, all in reasonable detail and fairly presenting in all material respects the financial position and the results of operations of the Obligor as at the date thereof and for the month then ended.

"Underlying Bloom Lake East Royalty Agreements" means the following agreements pursuant to which

Supreme Metals Corp. granted a % gross revenue royalty to in respect of the Bloom Lake East Property, as absolutely and unconditionally assigned by Supreme Metals Corp. to the Borrower pursuant to the Bloom Lake East Assignment and Assumption Agreement: (i) the Bloom Lake East Iron – Cobalt Project Purchase and Sale Agreement effective as of February 3, 2017; (ii) as amended by the Royalty Interest Amending Agreement made as of February 27, 2019; and (iii) as supplemented by the Central Bloom Lake Purchase and Sale Agreement effective as of April 18, 2019, in each case, as appended to the Bloom Lake East Assignment and Assumption Agreement.

[Description redacted for confidentiality reasons]

“Unrestricted Cash” means as of any date of determination, the aggregate amount of cash and Cash Equivalents properly classified as “unrestricted cash” for purposes of IFRS as at such date and excluding any cash collateral held in connection with the RBC Letters of Credit and cash and Cash Equivalents held by any Person, to the extent that the payment or Distribution by such Person of such cash or Cash Equivalents is not permitted by the terms of such Person’s constating documents or any agreement, instrument or Law applicable to such Person.

“Upfront Fee” means the fee payable by the Borrower to the Lenders listed in table 2 of Schedule A (*Lenders and Commitments*), in the amount equal to Basis Points on each Lender’s New Commitment.

[Redacted for confidentiality reasons.]

“US Dollars” and the symbols “\$”, “USD” or “US\$” each refer to the lawful money of the United States of America.

“USD Proceeds Accounts” means the US Dollar denominated Deposit Accounts in the name of the Borrower subject to Liens created by the Security Documents, which accounts as of date of this Agreement are listed in Schedule I (*Project Accounts*).

“Write-down and Conversion Powers” means: in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule.

“written” or **“in writing”** includes printing, typewriting, or any electronic means of communication capable of being legibly reproduced at the point of reception.

1.2 Business Day

Except as otherwise expressly provided in this Agreement, if any payment or calculation is to be made pursuant to this Agreement, or any other action is to be taken pursuant to this Agreement, on or as of a day which is not a Business Day, such payment, calculation or other action, as applicable will be made or taken, as applicable, on or as of the next day that is a Business Day unless the Business Day next following the day is in the next following month, in which event the payment, calculation or action shall be made or taken, as applicable, on or as of the immediately preceding Business Day.

1.3 Québec Collateral

For purposes of any Collateral located in the Province of Québec or charged by any deed of hypothec guaranteeing the Obligations (or any other Security Documents) and for all other purposes pursuant to which the interpretation or construction of any of the Security Documents may be subject to the Laws of the Province of Québec or a court or tribunal exercising jurisdiction in the Province of Québec:

- (a) “personal property” shall be deemed to include “movable property”;
- (b) “real property” shall be deemed to include “immovable property” and an “easement” shall be

deemed to include a “servitude”;

- (c) “tangible property” shall be deemed to include “corporeal property”;
- (d) “intangible property” shall be deemed to include “incorporeal property”;
- (e) “security interest” and “mortgage” shall be deemed to include a “hypothec”;
- (f) all references to filing, registering or recording financing statements or other required documents under the PPSA shall be deemed to include publication under the *Civil Code of Quebec*, and all references to releasing any Lien shall be deemed to include a release, discharge and mainlevée of a hypothec;
- (g) all references to “perfection” of or “perfected” Liens shall be deemed to include a reference to the “opposability” of such Liens to third parties;
- (h) any “right of offset”, “right of setoff” or similar expression shall be deemed to include a “right of compensation”;
- (i) “goods” shall be deemed to include “corporeal movable property” other than chattel paper, documents of title, instruments, money and securities; and
- (j) an “agent” shall be deemed to include a “mandatary”.

1.4 Accounting Principles and Calculations

- (a) Unless otherwise specifically provided in this Agreement, any accounting term used in this Agreement shall have the meaning customarily given such term in accordance with IFRS, and all financial computations under this Agreement shall be computed in accordance with IFRS consistently applied. That certain items or computations are explicitly modified by the phrase “in accordance with IFRS” shall in no way be construed to limit the foregoing.
- (b) If there occurs after the date of this Agreement any change in IFRS from that used in the preparation of the Financial Statements referred to in this Agreement or if, after the date of this Agreement, the Borrower and its Subsidiaries (if any) adopt any other accounting principles for use in the preparation of their Financial Statements (such changes in IFRS and such adoption being referred to in this Agreement as “**Accounting Changes**”) that affects in any material respect the calculation of any covenants contained in this Agreement (including those in Section 10.3 (*Financial Covenants of the Borrower*)), the Lenders, the Administrative Agent and the Borrower shall negotiate in good faith amendments to the provisions of this Agreement that relate to the calculation of such covenants with the intent of having the respective positions of the Lenders, the Administrative Agent and the Borrower after such Accounting Changes conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon by the Lenders, the Administrative Agent and the Borrower, or if no such changes are mutually agreed upon, the covenants in this Agreement (including those in Section 10.3 (*Financial Covenants of the Borrower*)) shall be calculated as if no Accounting Changes have occurred and all Financial Statements of the Borrower and its Subsidiaries (if any) shall be prepared and delivered in accordance with IFRS as in effect immediately prior to the adoption of such Accounting Changes.
- (c) If any business is acquired, discontinued or disposed of during any period in respect of which EBITDA or Net Finance Costs has to be calculated, the historical financial results of such business will be included or excluded (as applicable) in the relevant calculations for that period as if the acquisition, disposition or discontinuance had occurred on the first day of said calculation period.

1.5 Conflict

Except as otherwise provided in Article 4 with respect to Letters of Credit, if there is a conflict or inconsistency between any provision of this Agreement and any provision of another Finance Document contemplated by or delivered under or in connection with this Agreement, the relevant provision of this Agreement shall prevail.

1.6 Currency

Unless otherwise specified, all dollar amounts stated in this Agreement refer to US Dollars.

1.7 Time of Essence

Time shall be of the essence in all provisions of this Agreement.

1.8 Headings and Table of Contents

The division of this Agreement into sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

1.9 General Interpretation

Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. Unless otherwise specified, references in this Agreement to Sections, Schedules and exhibits are to sections of, and schedules and exhibits to, this Agreement. Unless otherwise specified, each reference to an enactment of legislation is deemed to be a reference to that enactment of legislation, and to the regulations made under that enactment, as amended or re-enacted from time to time, and each reference to an agreement or to a deed, letter or other instrument is deemed to be a reference to that agreement, deed, letter or instrument, as amended, restated, supplemented and otherwise modified from time to time. Unless otherwise specified, references to time of day or date mean the local time or date in the City of Montreal, Québec. "Including" means "including without limitation" and the term "including" shall not be construed to limit any general statement that precedes such term to the specific or similar items or matters immediately following it.

1.10 Computation of Time Periods

In this Agreement, any note (or similar financial or debt instrument) or other Finance Document, except where expressly otherwise provided, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to but excluding".

1.11 Severability

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, such provision shall be deemed to be severable and the illegality, invalidity or unenforceability of such provision shall not affect the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of such provision in any other jurisdiction in which such provision is not illegal, invalid or unenforceable.

ARTICLE 2 CREDIT FACILITIES

2.1 Revolving Facility

Subject to the terms and conditions set forth in this Agreement, each Lender hereby agrees to make

available to the Borrower a revolving credit facility (the “**Revolving Facility**”) in a maximum principal amount not exceeding such Lender’s Revolving Commitment; as at the date of this Agreement, the collective Revolving Commitments of the Lenders under the Revolving Facility aggregate to \$50,000,000. The Lenders hereby agree and acknowledge that on the Effective Date, and in accordance with the notices of prepayment and/or funding to be received by each applicable Lender from the Administrative Agent, adjustments will be made to their percentage allocations under the Original Revolving Facility to reflect the percentage allocation of each such Lender based on each Lender’s gross commitment under the Original Revolving Facility and the New Revolving Facility, in each case as more fully described in Schedule A (*Lenders and Commitments*), table 3.

2.2 Term Facility

- (a) Pursuant to the Original Credit Agreement the Lenders made available to the Borrower a non-revolving term facility (the “**Term Facility**”), the principal amount balance of which as of the date hereof is \$180,000,000
- (b) Subject to the terms and conditions set forth in this Agreement, each Lender hereby agrees to the following:
 - (i) the Term Facility will be increased to a maximum principal amount not exceeding such Lender’s Term Commitment; as at the date of this Agreement, the collective Term Commitments of the Lenders under the Term Facility aggregate to \$350,000,000; and
 - (ii) the Term Facility will be amended and restated as provided herein.

2.3 Advances

Subject to the terms and conditions set forth in this Agreement:

- (a) **Revolving Facility.** The initial principal amount of the Revolving Facility under the Original Credit Agreement (\$20,000,000) was fully drawn prior to the date of this Agreement and is outstanding on the date of this Agreement. The Borrower may borrow, repay and reborrow under the Revolving Facility during the Availability Period, provided that (i) prior to the Phase II Completion Date, (A) with respect to Advance in connection with Section 2.5(a)(i), the Aggregate Contingency Revolver Outstandings do not at any time exceed the Contingency Portion of the Revolving Commitment of all Lenders, subject to Section 2.6(g); (ii) prior to the Phase II Completion Date, (A) with respect to Advance in connection with Section 2.5(a)(ii), the Aggregate General Revolver Outstandings do not at any time exceed the General Portion of the Revolving Commitment of all Lenders, subject to Section 2.6(g); and (iii) after to the Phase II Completion Date, (A) with respect to Advance in connection with Section 2.5(a)(iii), the Aggregate Revolver Outstandings do not at any time exceed the Revolving Commitment of all Lenders, subject to Section 2.6(g). Each Advance made by a Lender under the Revolving Facility shall not exceed an amount equal to such Lender’s Applicable Percentage of the Revolving Commitments, subject to such Lender’s Revolving Commitment.
- (b) **Term Facility.** The initial principal amount of the Term Facility under the Original Credit Agreement (\$180,000,000) was fully drawn on August 16, 2019 and, other than the disbursements of the Term Facility Increase in accordance with the terms of this Agreement, no additional Advance (other than renewals and conversions) under the Term Facility may be obtained. The Borrower may borrow under the Term Facility Increase during the Availability Period. Each Advance made by a Lender under the Term Facility Increase shall not exceed an amount equal to such Lender’s Applicable Percentage of the New Term Commitments, subject to such Lender’s New Term Commitment. Any Advance made under the Term Facility that is repaid or prepaid by the Borrower may not be re-borrowed. If the Term Facility is not fully drawn during the Availability Period, the undrawn portion of the New Term Commitment will automatically be terminated and cancelled as of such date.

2.4 Availability

Subject to the terms and conditions set forth in this Agreement, each Lender agrees to make the following credit available to the Borrower under the Revolving Facility and the Term Facility:

- (a) the Revolving Facility shall be available by way of Base Rate Loans, LIBOR Loans and Letters of Credit; and
- (b) the Term Facility shall be available by way of Base Rate Loans and LIBOR Loans.

2.5 Use of Proceeds

- (a) The Borrower shall use the proceeds of all Advances under the Revolving Facility solely:
 - (i) prior to the Phase II Completion Date and with respect to the Contingency Excess Availability, subject to the Borrower's compliance with Section 2.13 (*Approved Cost Overruns and Contingent Funding Request*), to finance a portion of the Approved Cost Overruns in an amount not to exceed the Contingency Portion of the Revolving Commitment;
 - (ii) prior to the Phase II Completion Date and with respect to the General Excess Availability:
 - (A) to finance permitted Capital Expenditures of the Project (including Permitted Phase II Construction Capital Expenditures); and
 - (B) for the ongoing general corporate and working capital purposes of the Borrower;
 - (iii) after the Phase II Completion Date:
 - (A) to finance permitted Capital Expenditures of the Project; and
 - (B) for the ongoing general corporate and working capital purposes of the Borrower.
- (b) The Borrower (i) used the Term Facility to repay a portion of the Spratt Facility (as such term is defined in the Original Credit Agreement), to finance a portion of the Initial Dividend (as such term is defined in the Original Credit Agreement), to finance a portion of the RQ Redemption (as such term is defined in the Original Credit Agreement), to finance permitted Capital Expenditures of the Project and for the ongoing general corporate and working capital purposes of the Borrower; and (ii) shall use the proceeds of all Advances under the Term Facility Increase solely to pay Phase II Costs.

2.6 Borrowing Procedures under the Revolving Facility and the Term Facility

- (a) **Drawdown Request under the Facilities.** Each Advance under any Facility shall be made upon the Borrower's delivery of the Drawdown Request to the Administrative Agent at or before:
 - (i) Before 11:00 a.m. five (5) Business Days prior to the applicable Drawdown Date, in the case of a Base Rate Loan or a LIBOR Loan; and
 - (ii) Before 11:00 a.m. five (5) Business Days prior to the requested Issuance Date, with respect to Letters of Credit,

unless the Advance shall be used for an Approved Cost Overrun in which case the Borrower shall comply also with the Section 2.13 (*Approved Cost Overrun and Contingent Funding Request*).

(b) **Drawdown Request under the Term Facility Increase.**

- (i) Credit may only be obtained by means of a Drawdown Request, and no Advance under the Term Facility Increase shall exceed the 90 days of Phase II Projected Costs (as certified in the Phase II Costs Certificate) falling due following the Drawdown Date (the “**Applicable Drawdown Phase II Projected Costs**”).
- (ii) The Borrower may not deliver more than one (1) Drawdown Request per quarter for the Term Facility Increase. Each Advance under the Term Facility Increase shall, unless otherwise specifically provided for in this Agreement, be: (A) in a minimum amount of not less than \$; (B) in a maximum amount of \$ (which maximum amount will be reduced to \$ until such time as the conditions precedent set forth in Sections 8.3(f) and 8.3(g) are satisfied in accordance with Section 8.3 (*Conditions Precedent to Term Facility Increase Advances and Contingent Funding Requests*)). Total Advances under the Term Facility Increase shall not exceed % of the sum of: (a) Phase II Construction Costs spent to date and (b) Applicable Drawdown Phase II Projected Costs (less payments received under any capital lease agreement and any payment or principal or interest under the Finance Documents).

[Amounts redacted for confidentiality reasons]

- (iii) The Term Facility Increase shall be allocated to each applicable Lender in the percentages indicated opposite such Lender's name as set out in Schedule B (*Draw Schedule*). The Administrative Agent shall notify each Lender no later than 5 days in advance of the Drawdown Date.
- (c) **Drawdown Request.** Each Drawdown Request must specify the Borrower's requested credit, Drawdown Date (which must be a Business Day, and in the case of the Advance under the Term Facility, the Closing Date), Principal Amount and the Contract Period or Interest Period, and confirmation of the use of the proceeds, if applicable, and must be accompanied by (i) a Phase II Costs Certificate, or a Contingent Funding Request and Approved Cost Overrun Certificate (as applicable in accordance with Section 2.13 (*Approved Cost Overrun and Contingent Funding Request*))), and (ii) a Cost-to-Complete Certificate which shall, in each case, be approved by the Independent Engineer no later than: (A) the date five (5) Business Days prior to the first Drawdown Date; and (B) the date falling five (5) Business Days prior to any proposed Drawdown Date thereafter.
- (d) **Restrictions on Advances.** Each Advance under the Revolving Facility shall, unless otherwise specifically provided for in this Agreement, be in a minimum amount of not less than \$1,000,000 and integral multiples of \$500,000 above such minimum amount.
- (e) **Drawdown Request Irrevocable.** Any Drawdown Request made pursuant to Section 2.6(a), 2.6(b) and Section 2.13 (*Approved Cost Overrun and Contingent Funding Request*) shall be irrevocable and the Borrower shall be bound to borrow the funds requested in the Drawdown Request in accordance with it. The crediting of the applicable Advance to the Borrower in the Administrative Agent's or any Lender's records conclusively establishes, in the absence of manifest error, the Borrower's obligation to repay such Advance as provided in this Agreement.
- (f) **No Liability.** The Lenders and the Administrative Agent shall be entitled to rely upon, and shall not incur any liability to the Borrower as a result of acting upon, any Drawdown Request. The Lenders and the Administrative Agent shall not be responsible for any error or omission in any Drawdown Request or in the performance thereof and the Borrower shall indemnify the Lenders and the Administrative Agent for any Loss or expense suffered or incurred by the Lenders and the Administrative Agent as a consequence of the Lenders and the Administrative Agent acting upon instructions given in any such Drawdown Request.

- (g) **Limits on Advances.** Notwithstanding any other term of this Agreement, the Borrower shall not request an Advance and no Lender shall be obligated to make an Advance if:
- (i) in the case of an Advance under the Revolving Facility, the amount of such Advance would exceed the Excess Availability;
 - (ii) prior to the Phase II Completion Date, in the case of an Advance under the Revolving Facility for the purposes set forth in Section 2.5(a)(ii) (including, for greater certainty, the Swingline), the amount of such Advance would exceed the General Excess Availability;
 - (iii) in the case of an Advance under the Term Facility Increase, the amount of such Advance would exceed the New Term Commitment;
 - (iv) such Advance would have a maturity date, Contract Period or Interest Period, as applicable, that extends beyond the Maturity Date; or
 - (v) Section 3.5 (*Benchmark Replacement Setting*) would be applicable to such Advance.
- (h) **Determination of Rates and Fees.** Each determination by the Administrative Agent of any applicable rate or fee shall, in the absence of manifest error, be final, conclusive and binding on the Borrower.
- (i) **Apportionment of Advances.** Each Lender under the Revolving Facility and the Term Facility will advance its Applicable Percentage of each Advance in accordance with the following provisions:
- (i) the Administrative Agent will advise each such Lender of its receipt of a Drawdown Request from the Borrower pursuant to Section 2.6(a) on the day such Drawdown Request is received, and will as soon as possible advise each such Lender of such Lender's Applicable Percentage of the Advance requested by such Drawdown Request;
 - (ii) each Lender will deliver its Applicable Percentage of the requested Advance to the Administrative Agent by no later than 1:00 p.m. on the requested Drawdown Date; and
 - (iii) subject to the Borrower meeting the conditions precedent in respect thereof by no later than 1:00 p.m. on the requested Drawdown Date, the Administrative Agent will advance to the Borrower the amount delivered by each Lender by crediting the Borrower's Account, provided that if the conditions precedent to the Advance are not met by the time set forth above on the requested Drawdown Date, the Administrative Agent will return the funds to the relevant Lenders or invest them in an overnight investment in the Administrative Agent's discretion until such time as the requested Advance is made.

2.7 Extension of Credit

- (a) At any time not earlier than June 15 and not later than August 1 in each Fiscal Year, the Borrower may, by written request to the Administrative Agent (the "**Extension Request**"), request that this agreement be amended to extend the then current Revolving Facility Maturity Date to a date one (1) year later than the then current Revolving Facility Maturity Date. A copy of the Extension Request shall be provided by the Administrative Agent to each of the Lenders. Each Lender may, in its sole discretion and regardless of whether or not there is any Default under this Agreement, by written notice to the Administrative Agent (the "**Extension Response Notice**"), not later than twenty-five (25) days after the Administrative Agent's receipt of the Extension Request (the "**Extension Response Period**"), approve or decline the Extension Request. If any Lender does not provide an Extension Response Notice within the Extension Response Period, such Lender shall be deemed to have declined the Extension Request. If the Majority Lenders approve the Extension Request, the Administrative Agent shall notify the Borrower and the Lenders of such approval and confirm the new Revolving Facility Maturity Date, which new Revolving Facility

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Maturity Date shall become effective on September 20 of such year. If the Majority Lenders do not approve the Extension Request, the Administrative Agent shall notify the Borrower and the Lenders and the Revolving Facility Maturity Date shall not be extended.

- (b) If the Majority Lenders but less than all of the Lenders approve the Extension Request within the Extension Response Period (the “**Approving Lenders**”), the following shall apply:
- (i) on or before the second Business Day after the Extension Response Period, the Administrative Agent shall give written notice (the “**Acquisition Request Notice**”) to the Borrower and each Lender identifying the Approving Lenders and Lender or Lenders that have declined or are deemed to have declined the Extension Request (the “**Declining Lenders**”) and their respective Commitments with respect to the Revolving Facility.
 - (ii) any Approving Lender may, at its option, acquire all or any portion of the rights and obligations of the Declining Lenders under the Finance Documents (all of such rights and obligations being herein called the “**Available Amount**”) by giving written notice to the Administrative Agent (an “**Acquisition Notice**”) of the portion of the Available Amount which it is prepared to acquire (the “**Desired Acquisition Amount**”). Such Acquisition Notice shall be given within ten (10) days following the giving of the Acquisition Request Notice (such deadline being herein called the “**Acquisition Deadline**”). If only one Approving Lender gives an Acquisition Notice to the Administrative Agent or if more than one Approving Lender gives an Acquisition Notice to the Administrative Agent but the aggregate of their Desired Acquisition Amounts is less than or equal to the Available Amount, then each such Approving Lender shall be entitled to acquire its Desired Acquisition Amount of the rights and obligations of the Declining Lenders under the Finance Documents. If more than one Approving Lender gives an Acquisition Notice to the Administrative Agent and the aggregate of the Desired Acquisition Amounts is greater than the Available Amount, then each such Approving Lender shall be entitled to acquire a *pro rata* share of the rights and obligations of the Declining Lenders under the Finance Documents, such *pro rata* share being determined based on the relative Desired Acquisition Amount of each such Approving Lender. On or before the second Business Day following the Acquisition Deadline, the Administrative Agent shall give to the Borrower and each Lender a written notice identifying the Available Amount of each Declining Lender and the portion thereof to be acquired by each Approving Lender. Each of such acquisitions shall be completed on September 20 of such year in accordance with the procedures set out in Article 15;
 - (iii) if the Available Amount is not completely acquired by the Approving Lenders, the Borrower may locate other Assignees (“**Substitute Lenders**”) who acquire all or a portion of the balance of the rights and obligations of the Declining Lenders under the Finance Documents on September 20 of such year in accordance with the procedures set out in Article 15; and
 - (iv) any outstanding credit extended by the Declining Lenders to the Borrower which is not so acquired by Approving Lenders or Substitute Lenders shall, at the option of the Borrower, (x) remain outstanding under this Agreement subject to the terms and conditions hereof but shall be repaid by the Borrower to the Declining Lender in full on the then current Revolving Facility Maturity Date (without giving effect to the Extension Request) or (y) be repaid in full by the Borrower.

2.8 Swingline

- (a) The notice and minimum amount requirements provided for in this Agreement otherwise applicable to Loans under the Revolving Facility will not apply to Loans in the form of Base Rate Loans only obtained by way of an overdraft not to exceed \$6,000,000 (the "**Swingline Limit**") in the Borrower's Account opened for such purpose as a swingline facility with the Swingline Lender (the "**Swingline**"). The Swingline will be advanced and managed solely by the Swingline Lender and not adjusted among the Lenders in proportion to their Commitments or otherwise. Any cheque or payment instruction or debit authorization from the Borrower resulting in an overdraft in the Borrower's Account will be deemed to be a request for such an Advance. The Swingline will be subject to the following terms and conditions (in addition to any other applicable terms and conditions contained in this Agreement):
- (i) the Swingline will be established and maintained by the Swingline Lender only, and the Swingline Lender will not have the right to assign or grant a participation in the Swingline in whole or in part to any other Person without the consent of the Borrower;
 - (ii) the outstanding Loans under the Swingline will not at any time exceed the Swingline Limit;
 - (iii) the Swingline will be only available by way of Base Rate Loans;
 - (iv) the Swingline will form a part of the Revolving Facility and, except to the extent provided in this Section, will be subject to all terms and conditions of the Revolving Facility, specifically including the maximum principal amount of the Revolving Facility; and
 - (v) at any time and from time to time (before or after the occurrence of a Default or an Event of Default), the Swingline Lender may request that a redistribution among the Lenders having Commitments under the Revolving Facility of the amounts outstanding under the Swingline be effected, whereupon such Lenders and the Swingline Lender will proceed to such redistribution by purchasing from the Swingline Lender a portion of the Loans outstanding under the Swingline such that, immediately thereafter, the Loans of each Lender having a Commitment under the Revolving Facility will be in an aggregate amount equal to such Lender's Applicable Percentage of the Revolving Commitments and the amounts outstanding under the Swingline will be nil, for a consideration equal to the principal amount of the Loans so purchased.
- (b) The Swingline Lender may in its discretion at any time, by written notice to the Borrower, require the Borrower to reduce and repay the outstanding Loans under the Swingline by a specified amount (in this paragraph called the "**Swingline Reduction Amount**"). The Borrower agrees to promptly comply with any such request by making a repayment on the Swingline from its resources or by requesting an Advance under the Revolving Facility, the proceeds of which will be applied to reduce the outstanding Loans under the Swingline accordingly. If the Borrower fails to comply with any such request from the Swingline Lender within two (2) Business Days after receipt thereof, the Lenders having Commitments under the Revolving Facility agree that upon request by the Swingline Lender they will make Advances under the Revolving Facility in an aggregate amount equal to the Swingline Reduction Amount, the proceeds of which will be applied to reduce the outstanding Loans under the Swingline by an amount equal to the Swingline Reduction Amount.
- (c) If the Borrower shall request a drawdown under the Revolving Facility other than under this Section 2.8 (a "**Syndicated Drawdown**") and the Swingline Lender's pro rata share of such Syndicated Drawdown would cause the Swingline Lender's pro rata shares of all credit outstanding under this Agreement together with the Swingline Loans then outstanding to exceed the Swingline Lender's individual Commitment, then the Borrower shall be deemed to have given a repayment notice notifying the Administrative Agent of a repayment of the Swingline Loans to the extent of such excess (without any bonus or penalty being payable in respect thereof) and the Borrower shall make such repayment on the requested date of such Syndicated Drawdown.

2.9 Bank Products

Each of the Borrower or Champion may request and The Bank of Nova Scotia may, in its sole and absolute discretion, arrange for the Borrower or Champion to obtain, Bank Products. If Bank Products are provided by an Affiliate of The Bank of Nova Scotia, the Borrower agrees to indemnify and hold The Bank of Nova Scotia harmless from all costs and obligations now or hereafter incurred by The Bank of Nova Scotia which arise from any indemnity given by The Bank of Nova Scotia to such Affiliate related to such Bank Products. This indemnity obligation shall survive payment of the Obligations and termination of this Agreement. Each of the Borrower or Champion acknowledges and agrees that the obtaining of Bank Products from The Bank of Nova Scotia or any of its Affiliates is subject to all rules and regulations of The Bank of Nova Scotia or such Affiliate that are applicable to such Bank Products. [Redacted for confidentiality reasons]

2.10 Deposit of Proceeds of Advances

The Administrative Agent shall credit to the Borrower's Account on the applicable Drawdown Date the proceeds of each Advance made by way of Base Rate Loan or LIBOR Loan.

2.11 Evidence of Obligations

The Administrative Agent shall open and maintain accounts and records evidencing the Obligations of the Borrower under this Agreement and all Advances and repayments made under this Agreement, which shall constitute conclusive evidence of each, in the absence of manifest error.

2.12 Administrative Agent's Clawback

- (a) **Funding by Lenders; Presumption by the Administrative Agent.** Unless the Administrative Agent shall have received notice from a Lender prior to the proposed Drawdown Date that such Lender will not make available to the Administrative Agent such Lender's Applicable Percentage of the requested Advance, the Administrative Agent may assume that such Lender has made such Applicable Percentage available on such date in accordance with the provisions of this Agreement concerning funding by Lenders and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its Applicable Percentage of the requested Advance available to the Administrative Agent, then such Lender shall pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Advance.
- (b) **Payments by Borrower; Presumptions by the Administrative Agent.** Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of any Lender under this Agreement that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation.

2.13 Approved Cost Overrun and Contingent Funding Request.

The Borrower may only access the Contingent Funding if:

- (a) an Approved Cost Overrun exists;
- (b) an Authorized Representative of the Borrower has delivered to the Administrative Agent no later than five (5) Business Days an Approved Cost Overrun Certificate and Contingent Funding Request;
- (c) the Borrower has utilized all Available Cash Flow other than \$ in the aggregate in the Proceeds Accounts and the Construction Account;

[Amount redacted for confidentiality reasons]

- (d) the amount of requested credit is sufficient to satisfy the Approved Cost Overrun;
- (e) the conditions contained in Article 8 have been satisfied, as applicable;
- (f) no Default or Event of Default has occurred and is continuing as at the date of the applicable Certificate or would arise immediately after giving effect to or as a result of such Advance;
- (g) the representations and warranties made under the Agreement are true and correct as at the date of the applicable Certificate, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty was true and correct as of such date;
- (h) no Material Adverse Change has occurred with respect to the Obligors as at the date of the applicable Certificate or would arise immediately after giving effect to or as a result of such Advance;
- (i) all customary credit documentation required from time to time by the Issuing Bank and the Lenders as applicable, in connection with each Letter of Credit has been delivered;
- (j) the Construction Accounts are fully funded in accordance with this Agreement; and
- (k) there has been no suspension or abandonment of the Project pursuant to Section 11.1(o).

2.14 USD Proceeds Accounts and CAD Proceeds Accounts

(a) Deposits into USD Proceeds Accounts and CAD Proceeds Accounts

- (i) The Borrower shall deposit into the CAD Proceeds Accounts, if made in Canadian Dollars, and into the USD Proceeds Accounts, if made in US Dollars, all proceeds of the Project, including the following: (1) all equity contributions; (2) all insurance proceeds pursuant to Section 6.3(b), (3) all liquidated or delay damages under any Material Document, (4) any Net Disposition Proceeds; and (5) any Buydown Amounts.
- (ii) The Borrower shall irrevocably direct all parties which pay any of the items mentioned in Section 2.14(a)(i) to make all such payments directly to the CAD Proceeds Accounts, if made in Canadian Dollars, and into the USD Proceeds Accounts, if made in US Dollars. The Borrower shall direct the applicable bank to hold all such funds in the applicable Proceeds Account pending application thereof pursuant to this Agreement.

(b) Withdrawals from USD Proceeds Accounts and CAD Proceeds Accounts. Subject to the terms of this Agreement, provided that no Event of Default shall have occurred and be continuing, the Borrower shall be permitted to make the following transfers from each of the CAD Proceeds Accounts and the USD Proceeds Accounts pursuant to the following Cash Flow Waterfall:

- (i) *first*, to pay all costs and expenses then due and payable relating, directly or indirectly, to the Project, and if such costs are payable in CAD, to convert USD deposit to CAD, in order to make such payment;

- (ii) *second*, to pay all outstanding fees, costs, charges, indemnifications, expenses then due and payable to the Administrative Agent and the Finance Parties under this Agreement and the other Finance Documents;
- (iii) *third*, to pay scheduled interest then due and payable under the Finance Documents in relation to the Facilities;
- (iv) *fourth*, to pay principal repayments under the amortization schedules of the Facilities and all payments due under any Permitted Hedging Instrument;
- (v) *fifth*, to pay to the relevant counterparty to a Material Document up to an amount equivalent to performance or delay liquidated damages received under any Material Document to the extent required as necessary as evidenced to the satisfaction of the Independent Engineer;
- (vi) *sixth*, to pay any mandatory prepayments then due and payable in relation to the Facilities pursuant to Section 6.3 (*Mandatory Prepayment*);
- (vii) *seventh*, to pay amounts of interest and principal when due under the Subordinated Debt and the Subordinated debt; **[Details redacted for competitive reasons]**
- (viii) *eighth*, to pay optional prepayments pursuant to Section 6.4 (*Optional Prepayments*); and
- (ix) *ninth*, for Distributions to the extent permitted by Section 10.2(j).

2.15 Construction Accounts

- (a) **Deposits into the Construction Account.** All Advances under the Term Facility Increase and the Revolving Facility for the purposes set forth in Section 2.5(a)(i) shall be deposited into the Construction Accounts.
- (b) **Withdrawals from the Construction Accounts.**
 - (i) Withdrawals may be made from the Construction Accounts to be transferred to the USD Proceeds Accounts, or the Exchange Equivalent Amount in CAD, may be transferred to the CAD Proceeds Accounts.
 - (ii) Withdrawals from the Construction Accounts may only be used to pay all Phase II Construction Costs then due and payable which have been approved by the Independent Engineer in writing as Phase II Construction Costs.

2.16 Contingent Proceeds Account

- (a) **Contingent Proceeds Account Use of Funds.** Funds on deposit in the Contingent Proceeds Account may only be used to fund Approved Cost Overruns.
- (b) **Deposits into the Contingent Proceeds Account.** The Borrower shall deposit the deposit an amount of \$ into the Contingent Proceeds Account on or prior to the date of this Agreement. **[Amount redacted for confidentiality reasons]**
- (c) **Withdrawals from the Contingent Proceeds Account.** Provided it has complied with Section 2.13 (*Approved Cost Overrun and Contingent Funding Request*), the Borrower shall be entitled to withdraw funds from the Contingent Proceeds Account to pay an Approved Cost Overrun.

2.17 RBC Products

- (a) Subject to Section 10.1(t), the Borrower is permitted to hold the RBC Accounts with the Royal Bank of Canada. These RBC Accounts are provided by the Royal Bank of Canada solely in its capacity as a depository bank and not in its capacity as a Lender and Finance Party pursuant to this Agreement.
- (b) The Borrower is permitted to hold certain credit cards, issued to it by Royal Bank of Canada in its capacity as issuing bank and not in its capacity as a Lender and Finance Party pursuant to this Agreement with a credit limit of no . **[Amount redacted for confidentiality reasons]**

ARTICLE 3 INTEREST, FEES AND EXPENSES

3.1 Interest on Loans

- (a) The Borrower shall pay to the Lenders interest calculated and payable in accordance with this Article 3 both before and after maturity, default and judgment on the unpaid Principal Amount of each Loan (other than Letters of Credit) made under this Agreement from the date of the Advance until the Principal Amount of such Loan is repaid in full, at the following rates *per annum*:
 - (i) with respect to each Base Rate Loan, at a rate *per annum* equal to the Base Rate plus the Base Rate Margin; and
 - (ii) with respect to each LIBOR Loan, at a rate *per annum* equal, at all times during each Interest Period for such LIBOR Loan, to the sum of the LIBOR for such Interest Period plus the LIBOR Margin.
- (b) Each change in the Base Rate announced by the Administrative Agent shall result in a corresponding change in the rate of interest payable under this Agreement for Base Rate Loans.
- (c) If any Event of Default occurs and is continuing and the Administrative Agent in its discretion so elects, then, while any such Event of Default is continuing, and, after notification of the Borrower, all of the Obligations shall bear interest at the Default Rate applicable to it.

3.2 Adjustments to Applicable Margin under the Revolving Facility

- (a) Each Applicable Margin under the Revolving Facility shall be increased or decreased immediately in accordance with the Pricing Grid, as applicable, from time to time on a quarterly basis on the second Business Day after each Fiscal Quarter based on the most recent Unaudited Financial Statements and Compliance Certificate delivered to the Administrative Agent in accordance with Section 10.4(a).
- (b) If the Borrower fails to deliver any Unaudited Financial Statements and the related Compliance Certificate to the Administrative Agent during any Fiscal Quarter as described above, in accordance with Section 10.4(a), in addition to any other remedy provided for in this Agreement, each Applicable Margin under the Revolving Facility shall be increased to the highest pricing level payable pursuant to the Pricing Grid, from the date on which such Financial Statements and Compliance Certificate were required to be delivered to the Administrative Agent to and including the fifth Business Day after their delivery to the Administrative Agent, and thereafter each Applicable Margin under the Revolving Facility shall be based upon such Financial Statements and related Compliance Certificate, as set forth above.
- (c) If an Event of Default has occurred and is continuing at the time at which any reduction in any Applicable Margin would otherwise be permitted, no reduction shall occur until the fifth Business

Day after the date on which such Event of Default is waived or cured.

- (d) As of the Closing Date, each Applicable Margin applicable to Advances made under the Revolving Facility shall be determined in accordance with the Compliance Certificate delivered as a conditions precedent under Article 8.

3.3 Overdue Amounts

The Borrower shall pay to the Lenders interest as prescribed in this Agreement both before and after demand, default and judgment. Interest on any overdue amounts under this Agreement is payable upon demand by the Lenders for overdue amounts at the Base Rate plus the Applicable Margin applicable to Base Rate Loans plus % *per annum*, in each case calculated on a daily basis on the actual number of days elapsed in a three hundred sixty (360) day year, as applicable, computed from the date the amount becomes due until such overdue amount is paid in full, and shall be compounded on the last Business Day of each month ending during such period of arrears.

[Amount redacted for competitive and confidentiality reasons]

3.4 Confirmation of Certain Rates

The Administrative Agent shall, prior to 12:00 p.m. (noon) (Montreal time) on the second Business Day immediately preceding the commencement of each Interest Period in respect of a LIBOR Loan, including the first such Interest Period, endeavour to inform the Borrower of the prevailing LIBOR for the relevant Interest Period.

3.5 Benchmark Replacement Setting

- (a) If the Administrative Agent determines that for any reason adequate and reasonable means do not exist for determining the LIBOR for any requested Interest Period with respect to a proposed LIBOR Advance, or that the LIBOR for any requested Interest Period with respect to a proposed LIBOR Advance does not adequately and fairly reflect the cost to such Lenders of funding such LIBOR Advance, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, the obligation of the Lenders to make or maintain LIBOR Advances shall be suspended until the Administrative Agent (upon the instruction of the Majority Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a borrowing or continuation of LIBOR Advances or, failing that, will be deemed to have converted such request into a request for a Base Rate Loan in the amount specified therein.
- (b) **Benchmark Replacement.** Notwithstanding anything to the contrary in this Agreement or in any other Finance Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then:
- (i) if a Benchmark Replacement is determined in accordance with paragraphs (a) or (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes under this Agreement in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party; and
 - (ii) if a Benchmark Replacement is determined in accordance with paragraph (c) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, the Administrative Agent and the Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any further action or consent of any other party so long as

the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from the Majority Lenders.

- (c) **Benchmark Replacement Conforming Changes.** In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or in any other Finance Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party.
- (d) **Notices; Standards for Decisions and Determinations.** The Administrative Agent will promptly notify the Borrower and the Lenders of the following:
- (i) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date;
 - (ii) the implementation of any Benchmark Replacement;
 - (iii) the effectiveness of any Benchmark Replacement Conforming Changes;
 - (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 3.5(e) below; and
 - (v) the commencement or conclusion of any Benchmark Unavailability Period.

Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.5, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party, except, in each case, as expressly required pursuant to this Section 3.5.

- (e) **Unavailability of Tenor of Benchmark.** Notwithstanding anything to the contrary in this Agreement or in any other Finance Document, at any time (including in connection with the implementation of a Benchmark Replacement):
- (i) if the then-current Benchmark is a term rate (including Term SOFR or LIBOR) and either
 - (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; or
 - (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will no longer be representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor; and
 - (ii) if a tenor that was removed pursuant to paragraph (i) above either:
 - (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement); or

- (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement),

then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

- (f) **Benchmark Unavailability Period.** Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Loans will bear interest at the Base Reference Bank Rate from time to time in effect during such period plus the Applicable Margin for the duration of the Benchmark Unavailability Period.

3.6 Payment of Interest

- (a) Accrued interest in relation to each LIBOR Loan shall be payable in arrears on the earlier of the last day of (i) the relevant Interest Period; and (ii) the ninety (90) day period commencing with the first day of such Interest Period, provided that if such last day of such ninety (90) day period is not a Business Day, such last day shall be extended to the next succeeding Business Day unless such next succeeding Business Day falls in the next calendar month in which event such last day shall be the preceding Business Day. Accrued interest in relation to each Base Rate Loan shall be payable monthly in arrears on the first Business Day of the following month.
- (b) Interest on each Loan under this Agreement on which interest is payable shall accrue from day to day from the first day of an Interest Period or Contract Period or from the Drawdown Date, as the case may be, to the last day of such Interest Period or Contract Period or until the date the Loan is repaid in full, as the case may be, and shall be calculated on the basis of the actual number of days elapsed divided by, in the case of a LIBOR Loan, three hundred sixty (360), and, in the case of each Base Rate Loan, the actual number of days in the relevant calendar year, whether three hundred sixty-five (365) or three hundred sixty-six (366), as the case may be.
- (c) For the purposes of the *Interest Act (Canada)*, whenever any interest or fee under this Agreement is calculated using a rate based on a period other than a calendar year, such rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to such rate as determined multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends and divided by the number of days comprising such other period. Each Obligor confirms that it fully understands and is able to calculate the rate of interest applicable to loans, advances, liabilities and obligations under this Agreement based on the methodology for calculating *per annum* rates provided for in this Agreement. Each Obligor hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement or any other Finance Documents, that the interest payable under this Agreement and the calculation thereof has not been adequately disclosed to it as required pursuant to section 4 of the *Interest Act (Canada)*.
- (d) Any Lender's or the Administrative Agent's certificate as to each amount and/or each rate of interest payable under this Agreement shall, in the absence of error which the Borrower can demonstrate to the reasonable satisfaction of such Lender or the Administrative Agent, be conclusive evidence of such amount and/or rate.
- (e) If any provision of this Agreement or any other Finance Document would obligate the Borrower or an Obligor to make any payment of interest or other amount payable to a Lender in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by such Lender of interest at a criminal rate (as construed under the *Criminal Code (Canada)*), then notwithstanding that provision, that 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 result in a receipt by such Lender of interest at a criminal rate, the adjustment to be effected, to the extent necessary, as follows:

- (i) first, by reducing the amount or rate of interest required to be paid to such Lender under this Article 3; and
- (ii) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to such Lender which would constitute interest for purposes of the *Criminal Code* (Canada);

provided that, notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if a Lender receives an amount in excess of the maximum permitted by the *Criminal Code* (Canada), then the Borrower shall be entitled, by notice in writing to such Lender, to obtain reimbursement from such Lender in an amount equal to the excess, and pending reimbursement, the amount of the excess shall be deemed to be an amount payable by such Lender to the Borrower.

- (f) Any amount or rate of interest referred to in this Agreement shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that any Advance remains outstanding on the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the *Criminal Code (Canada)*) shall, if they relate to a specific period of time, be pro-rated over that period of time and otherwise be pro-rated over the period from the earlier of the date of advance and the Closing Date to the Maturity Date and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the relevant Lender shall be conclusive for the purposes of that determination.

3.7 Standby Commitment Fee

Commencing on the Closing Date, the Borrower shall pay to each Lender a Standby Commitment Fee in US Dollars at an annual rate (based on the actual number of days in the relevant calendar year, whether three hundred sixty-five (365) or three hundred sixty-six (366), as the case may be) to be determined in accordance with the Pricing Grid on the undrawn portion of the amount of such Lender's Commitments, such fee to be calculated and payable quarterly, in arrears, on the first Business Day following the end of each calendar quarter, on the outstanding daily undrawn portion of the Facilities for the period from the Closing Date to and including the last day of the first calendar quarter ending after the Closing Date and thereafter from the first day of each calendar quarter to and including the last day of such calendar quarter. The Administrative Agent will debit the Borrower's Account for the amount of such Standby Commitment Fee. For purposes of determining the undrawn portion of the Revolving Facilities in respect of any Advance in US Dollars, the Administrative Agent shall determine the Exchange Equivalent of such Advance in US Dollars on the first Business Day of the applicable quarter in which such Standby Commitment Fee is payable.

3.8 Other Fees

The Borrower shall pay to The Bank of Nova Scotia (including in its capacity as the Administrative Agent) the other fees payable to it in accordance with the terms of the Fee Letter.

3.9 Cash Management Fees

The Borrower shall pay to The Bank of Nova Scotia monthly cash management fees, on a per transaction basis, as agreed between the Borrower and The Bank of Nova Scotia.

3.10 Indemnity

- (a) **General.** Each Obligor shall, and does hereby, solidarily (jointly and severally) indemnify the Indemnified Persons against all suits, actions, proceedings, claims, Losses, expenses (including fees, charges and disbursements of counsel), damages and liabilities that any Indemnified Person may sustain or incur as a consequence of:

- For personal use only
- (i) any default under this Agreement or any other Finance Document;
 - (ii) any misrepresentation contained in any writing delivered to any Lender, the Administrative Agent or any other Finance Party in connection with this Agreement;
 - (iii) the Lenders and the other Finance Parties entering into this Agreement or any other Finance Document;
 - (iv) the use of proceeds of any Facility; or
 - (v) the operations of any of the Obligors,

except that no Indemnified Person shall be indemnified for any of the foregoing matters to the extent the same resulted from its own gross or intentional fault as determined by a court of competent jurisdiction.

- (b) **Certificate.** A certificate of the relevant Indemnified Person setting out the basis for the determination of the amount necessary to indemnify it pursuant to this section shall be conclusive evidence, absent manifest error, of the correctness of that determination.
- (c) **Survival.** It is the intention of each of the parties that this Section 3.10 shall supersede any other provisions in this Agreement which in any way limit the liability of any of the Obligors and that each of the Obligors shall be liable for any obligations arising under this Section 3.10 even if the amount of the liability incurred exceeds the amount of the other Obligations. The obligations of the Obligors under this section are solidary (joint and several) and absolute and unconditional and shall not be affected by any act, omission or circumstance whatsoever, whether or not occasioned by the fault of any Indemnified Person, except in respect of gross or intentional fault by it. The obligations of each of the Obligors under this Section 3.10 shall survive the repayment of the other Obligations and the termination of the Facilities.
- (d) **Reimbursement by the Lenders.** To the extent that the Borrower or any other Obligor for any reason fails to indefeasibly pay any amount required under Section 3.10(a) or under Section 15.12 (*Reimbursement of Expenses*) to be paid by it to the Administrative Agent (or any sub-agent thereof), the Issuing Bank or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the Issuing Bank or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the Issuing Bank in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or Issuing Bank in connection with such capacity. The obligations of the Lenders under this Section 3.10(d) are subject to the other provisions of this Agreement concerning several liabilities of the Lenders.
- (e) **Waiver of Consequential Damages.** To the fullest extent permitted by Applicable Law, the Indemnified Persons shall not be liable, on any theory of liability, for indirect, punitive or exemplary damages (which such damages shall include, if deemed to be indirect, punitive or exemplary damages by a competent court, without limitation, loss of profit, loss of clients and loss of data) arising out of, in connection with, or as a result of, this Agreement, any other Finance Document or any agreement or instrument contemplated hereby (or any breach thereof), the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnified Person shall be liable for any damages arising from the use by recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Finance Documents or the transactions contemplated hereby or thereby, unless such damages arise

directly from a breach by such Indemnified Person of its obligations under this Agreement and any other Finance Documents, including pursuant to Section 15.17 (*Treatment of Certain Information; Confidentiality*), or its gross or intentional fault as determined by a court of competent jurisdiction.

- (f) **Payments.** All amounts due under this section shall be payable promptly after demand therefor.

3.11 Change in Circumstances

- (a) **Capital Requirements.** If at any time a Lender determines, acting reasonably, that any change in any Applicable Law or any interpretation thereof after the date of this Agreement, or compliance by such Lender with any direction, requirement, guidelines or policies or request from any Governmental Authority given after the date of this Agreement, whether or not having the force of law, has or would have, as a consequence of such Lender's obligations under this Agreement, and taking into consideration such Lender's policies with respect to capital adequacy, the effect of increasing the cost to such Lender of making or maintaining its Commitments, LIBOR Loan or any part of any one thereof or to reduce any amount receivable by such Lender with respect to the LIBOR Loan by an amount which such Lender deems to be material, then, from time to time, upon demand of such Lender, the Borrower shall pay such additional amount computed by such Lender as will, on an after-tax basis, compensate such Lender for such additional cost or reduction in amounts receivable which such Lender determines to be attributable to the Borrower or the Loans made to the Borrower.
- (b) **Increased Costs Generally.** If, after the date of this Agreement, the introduction of any Applicable Law or any change or introduction of a change in any Applicable Law (whether or not having the force of law) or in the interpretation or application thereof by any court or by any Governmental Authority, central bank or other authority or entity charged with the administration thereof, or any change in the compliance of any Lender therewith now or hereafter:
- (i) subjects a Lender to, or causes the withdrawal or termination of a previously granted exemption with respect to, any Tax or changes the basis of taxation, or increases any existing Tax on payments of principal, interest, fees or other amounts payable by the Borrower to a Lender under or by virtue of this Agreement (except for Excluded Taxes); or
 - (ii) imposes, modifies or deems applicable any reserve, special deposit, deposit insurance
 - (iii) or similar requirement against assets held by, or deposits in or for the account of, or loans by or any other acquisition of funds by, an office of a Lender in respect of any Advance or any other condition with respect to this Agreement;

and the result of any of the foregoing is to increase the cost to such Lender of making or maintaining its Commitments, LIBOR Loan or any part of any one thereof or to reduce any amount receivable by such Lender with respect to the LIBOR Loan by an amount which such Lender deems to be material, then, from time to time, upon demand of such Lender, the Borrower shall pay such additional amount computed by such Lender as will, on an after-tax basis, compensate such Lender for such additional cost or reduction in amounts receivable which such Lender determines to be attributable to the Borrower or the Loans made to the Borrower.

- (c) **Certificates for Reimbursement.** If a Lender determines that it is entitled to compensation in accordance with the provisions of this Section 3.11 ("**Additional Compensation**"), such Lender shall promptly so notify the Borrower and the Administrative Agent and shall provide to the Borrower and the Administrative Agent a photocopy of the relevant Applicable Law or direction, requirement, guideline, policy or request, as applicable, and a certificate of an officer of such Lender setting forth the Additional Compensation and the basis of calculation thereof, which shall be conclusive evidence of the Additional Compensation in the absence of manifest error. The Borrower shall pay to the relevant Lender within ten (10) days of the giving of notice the Additional Compensation for

the account of such Lender accruing from the date of the notification. The relevant Lender shall be entitled to be paid Additional Compensation from time to time to the extent that the provisions of this Section 3.11 are then applicable notwithstanding that such Lender has previously been paid Additional Compensation.

- (d) **Delay in Requests.** Failure or delay on the part of any Lender to demand compensation pursuant to this Section 3.11 shall not constitute a waiver of such Lender's right to demand such compensation, except that the Borrower shall not be required to compensate a Lender pursuant to this Section 3.11 for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies the Borrower of the change in Applicable Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefore, unless the change in Applicable Law giving rise to such increased costs or reductions is retroactive, in which case the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof.

3.12 Mitigation Obligations; Replacement of Lenders

- (a) **Designation of a Different Lending Office.** If any Lender requests compensation under Section 3.11 (*Change in Circumstances*), or requires the Borrower to pay any additional amount to it or any Governmental Authority for the account of such Lender pursuant to Section 6.8 (*Taxes*), then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans under this Agreement or to assign its rights and obligations under this Agreement to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment:

- (i) would eliminate or reduce amounts payable pursuant to Sections 3.11 (*Change in Circumstances*) or 6.8 (*Taxes*), as the case may be, in the future; and
- (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender.

The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

- (b) **Replacement of Lenders.** If any Lender requests compensation under Section 3.11 (*Change in Circumstances*), if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 6.8 (*Taxes*), if any Lender's obligations are suspended pursuant to Section 3.13 (*Illegality*) or if any Lender defaults in its obligation to fund Loans under this Agreement, then the Borrower may, at its sole expense and effort, upon ten (10) days' notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 15.1 (*Assignment*)), all of its interests, rights and obligations under this Agreement and the related Finance Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (i) the Borrower pays the Administrative Agent the assignment fee specified in Section 15.1 (*Assignment*);
- (ii) the assigning Lender receives payment of an amount equal to the outstanding principal of its Loans and participations in disbursements under Letters of Credit, accrued interest thereon, accrued fees and all other amounts payable to it under this Agreement and under the other Finance Documents (including any Break Costs and amounts required to be paid under this Agreement as a result of prepayment to a Lender) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

- (iii) in the case of any such assignment resulting from a claim for compensation under Section 3.11 (*Change in Circumstances*) or payments required to be made pursuant to Section 6.8 (*Taxes*), such assignment will result in a reduction in such compensation or payments thereafter; and
- (iv) such assignment does not conflict with Applicable Law.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

3.13 Illegality

If any Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make or maintain any Loan (or to maintain its obligation to make any Loan), or to participate in, issue or maintain any Letter of Credit (or to maintain its obligation to participate in or to issue any Letter of Credit), or to determine or charge interest rates based upon any particular rate, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender with respect to the activity that is unlawful shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if conversion would avoid the activity that is unlawful, convert any Loans, or take any necessary steps with respect to any Letter of Credit in order to avoid the activity that is unlawful. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted. Each Lender agrees to designate a different lending office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

ARTICLE 4 LETTERS OF CREDIT

4.1 Letters of Credit

- (a) The Issuing Bank agrees, on the terms and subject to the conditions in this Agreement set forth and within the limits of the Revolving Commitments and the other limitations contained in this Agreement, to issue Letters of Credit in Canadian Dollars, US Dollars and Australian Dollars for the account of the Borrower from time to time on any Business Day prior to five (5) Business Days before the Maturity Date. The aggregate Principal Amount of Letters of Credit issued and outstanding at any time under this Agreement shall not exceed an amount equal to the lesser of:
- (i) (including the Exchange Equivalent thereof in US Dollars of any letters of Credit issued in Canadian Dollars or in Australian Dollars); and
- [Redacted for confidentiality reasons.]**
- (ii) the Excess Availability on the applicable date of determination.
- (b) No Letter of Credit issued under this Agreement shall expire on a date that is later than the earlier of:
- (i) the date immediately preceding the first anniversary of the date on which such Letter of Credit was issued or renewed, if applicable; and
- (ii) the Maturity Date. Each Drawdown Request for a Letter of Credit shall be accompanied by a Letter of Credit Application, completed and duly executed and delivered by the Borrower,

and shall be governed by the Uniform Customs and Practice.

- (c) By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank or the Lenders, the Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from the Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage in respect of the Revolving Facility of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Percentage in respect of the Revolving Facility of each disbursement made by the Issuing Bank and not reimbursed by the Borrower on the date due, or of any reimbursement payment required to be refunded to the Borrower for any reason.
- (d) Each Lender acknowledges and agrees that its obligation to acquire participations in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or an Event of Default or reduction or termination of the Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.
- (e) If the Issuing Bank shall make any disbursement in respect of a Letter of Credit, the Borrower shall reimburse such disbursement by paying to the Administrative Agent, for the account of the Issuing Bank, an amount equal to such disbursement:
- (i) if the Borrower shall have received notice of such disbursement prior to 12:00 p.m. (noon) (Toronto time) on the date that such disbursement is made, or,
 - (ii) if such notice has not been received by the Borrower prior to such time, on the Business Day immediately following the day that the Borrower received such notice.

In the alternative, the Administrative Agent shall have the right, without notice to the Borrower, to charge the Borrower's Account with the amount of any and all indebtedness, liability or obligation of any kind incurred by the Issuing Bank or the Administrative Agent under any Letter of Credit at the earlier of payment by the Issuing Bank under any Letter of Credit; or the occurrence and continuance of an Event of Default. Any amount so charged to the Borrower's Account shall be deemed a Base Rate Loan under this Agreement, depending on the currency of the Borrower's payment obligation thereunder, and shall incur interest at the rate provided in Section 3.1 (*Interest on Loans*).

- (f) On the Maturity Date, the Borrower shall deposit with the Issuing Bank an amount in cash equal to the aggregate face amount of all outstanding Letters of Credit or shall deliver to the Issuing Bank a letter of credit having a face amount equal to the aggregate face amount of all outstanding Letters of Credit, which amount or letter of credit shall be held by the Issuing Bank as collateral for the payment and performance of the Borrower's Obligations to it in respect of all such outstanding Letters of Credit. The Issuing Bank shall have exclusive dominion and control, including the exclusive right of withdrawal, over such amount. Such amount or letter of credit, as applicable, shall be used by the Issuing Bank to reimburse itself for any disbursements made pursuant to any Letters of Credit for which it has not been reimbursed. The Issuing Bank shall return such amount or letter of credit to the Borrower upon the repayment in full of all Obligations owing to it under all outstanding Letters of Credit or upon the return for cancellation of all such outstanding Letters of Credit.

4.2 Fees for Letters of Credit

- (a) The Borrower will pay to the Administrative Agent (on behalf of each Lender which has a Revolving

Commitment), in respect of each Letter of Credit issued under this Agreement quarterly in arrears on the first Business Day following the last day of each calendar quarter until the expiry of such Letter of Credit, a fee payable in Canadian Dollars or US Dollars, as applicable, equal to the amount calculated by multiplying the face amount of such Letter of Credit by the Letter of Credit Fee and then multiplying the result by a fraction:

- (i) the numerator of which is the number of days to elapse from and including the date of issuance to and including the last day of the then current calendar quarter and thereafter, the number of days until the expiry thereof; and
 - (ii) the denominator of which is the number of days in the calendar year in question.
- (b) In addition, the Borrower will pay to the Issuing Bank, for its own account, a fronting fee (the “**Letter of Credit Fronting Fee**”) in connection with each Letter of Credit issued by it under this Agreement, and as set out and more fully described in the Fronting Fee Letter. Customary fees on commercial Letters of Credit issued by it will be payable to the Issuing Bank.
- (c) In addition, the Borrower shall pay to the Issuing Bank, for its own account, its standard issuance, drawing, registration, amendment, communication and other processing and out of pocket fees for issuing Letters of Credit.

4.3 LCs in other Currencies

- (a) Where the Issuing Bank has agreed to issue a Letter of Credit in a currency other than CDN\$ or US\$, the Letter of Credit Fee and Letter of Credit Fronting Fee in respect thereof shall be calculated in the currency of such Letter of Credit as provided above and such Letter of Credit Fee and Letter of Credit Fronting Fee shall be converted and paid in US\$ by using the Exchange Equivalent on the date of payment.
- (b) Where the Issuing Bank is required to make payment under a Letter of Credit issued by it in a currency other than CDN\$ or US\$, on the Business Day of such payment, the Issuing Bank shall convert the amount so paid from the currency in which it was paid to US\$ by using the Exchange Equivalent applicable on such Business Day and the amount so converted shall form part of the Base Rate Loan of the Borrower.

ARTICLE 5 LIBOR LOANS

5.1 Minimum Advance

Each Advance by way of LIBOR Loan shall be in a minimum aggregate amount of \$2,000,000 and larger whole multiples of \$500,000.

5.2 Term

Each LIBOR Loan shall have an Interest Period of one (1), two (2), three (3) or six (6) months (each month being a period of thirty (30) days for purposes of this section), subject to availability. No Interest Period of a LIBOR Loan shall extend beyond the Maturity Date.

5.3 Rollover of LIBOR Loans

- (a) At least five (5) Business Days before the expiry of the Interest Period of each LIBOR Loan, an Authorized Representative of the Borrower shall notify the Administrative Agent by irrevocable telephone notice, followed by written confirmation on the same day in form and substance substantially in accordance with Exhibit 4, if it intends to:

- For personal use only
- (i) enter into a new Interest Period with respect to the maturing LIBOR Loan, or
 - (ii) repay the maturing LIBOR Loan.
- (b) At least three (3) Business Days before the expiry of the Interest Period of each LIBOR Loan, the Administrative Agent shall notify the Lenders, as applicable, followed by written confirmation on the same day, that either the Borrower intends to: (i) enter into a new Interest Period with respect to the maturing LIBOR Loan or (ii) repay the maturing LIBOR Loan. The Administrative Agent shall provide the Lenders, as applicable, with the written confirmation provided by the Borrower pursuant to Section 5.3(a) that is in form and substance substantially in accordance with Exhibit 4.
- (c) If the Borrower fails to provide the foregoing notice or make the required payment, payment of its Obligations to the Lenders with respect to that maturing LIBOR Loan shall be funded with an Advance by way of a Base Rate Loan in the amount outstanding under that LIBOR Loan.

ARTICLE 6

PAYMENTS AND REPAYMENTS OF FACILITIES

6.1 Place and Application of Payments and Collections

- (a) All payments of principal, interest, fees and all other Obligations payable under this Agreement and under the other Finance Documents shall be made to the Administrative Agent at its office at the address set out on the signature page of this Agreement (or at such other place as the Administrative Agent may specify). All such payments shall be made in the currency in which such Obligations are denominated, in immediately available funds at the place of payment, without set-off or counterclaim and without reduction for, and free from, any and all present or future Taxes, levies, imposts, duties, fees, charges, deductions, withholdings, restrictions or conditions of any nature imposed by any government or any political subdivision or taxing authority thereof (but excluding any Excluded Taxes).
- (b) Any mandatory repayment made by the Borrower pursuant to Section 6.3 (*Mandatory Prepayments*) shall, upon receipt by the Administrative Agent, be applied by the Administrative Agent to the Obligations then due and payable, in accordance with each Lender's Applicable Percentage, with any balance of such proceeds not applied to the Obligations to be held by the Administrative Agent as additional security for the Obligations. The Borrower hereby irrevocably waives the right to direct the application of payments and collections at any time received by the Administrative Agent from or on behalf of the Borrower, and the Borrower hereby irrevocably agrees that the Administrative Agent shall have the continuing exclusive right to apply and reapply any and all such payments and collections received at any time by the Administrative Agent against the Obligations.
- (c) The Borrower hereby irrevocably authorizes the Administrative Agent to charge any of the Project Accounts for the amounts from time to time necessary to pay any then due Obligations; provided that the Borrower acknowledges and agrees that the Administrative Agent shall be under no obligation to do so and the Administrative Agent shall incur no liability to the Borrower or any other Person for the Administrative Agent's failure to do so.

6.2 Repayments

- (a) The Borrower shall repay the Term Loan made to it under the Term Facility commencing on the Initial Repayment Date, and on each Repayment Date thereafter, in the amount set opposite to such Repayment Date in Schedule D (*Repayment Schedule*).
- (b) The Borrower shall repay in full the aggregate of all Term Loans (whether principal, interest, fees or otherwise) to the extent they are outstanding under or in respect of each Facility on the Term

Facility Maturity Date.

- (c) The Borrower shall repay in full the aggregate of all Revolving Loans (whether principal, interest, fees or otherwise) to the extent they are outstanding under or in respect of each Facility on the Revolving Facility Maturity Date.

6.3 Mandatory Prepayments

- (a) **Term Facility.** Any mandatory prepayment on the Term Facility made under this Agreement will permanently reduce the Term Commitments, may not be re-borrowed and will be applied to the repayments to be made under Section 6.3 (*Mandatory Prepayments*) and in the reverse order of their maturities.
- (b) **Insurance Proceeds and Restoration.** The Borrower agrees that all insurance proceeds shall be deposited in the CAD Proceeds Accounts, if the proceeds are in Canadian Dollars, and in the USD Proceeds Accounts, if the proceeds are in US Dollars, and the amount of such insurance proceeds:
 - (i) shall be used by the Borrower to repair and/or replace the property that is the subject of such insurance proceeds provided that the proceeds of such insurance shall be sufficient to repair or replace the property to its condition prior to the insurable event, or
 - (ii) to the extent not so used to repair and/or replace property within one hundred eighty (180) days shall be applied by the Administrative Agent, as directed by the Majority Lenders, in the manner contemplated in Section 6.3(h).
- (c) **Redemption of the CDP Preferred Equity Facility.** Notwithstanding anything to the contrary, in Sections 10.2(j) and 10.2(x), the Borrower may exercise its right to buy back or redeem all or a portion of the CDP Preferred Equity Shares under the CDP Preferred Equity Facility if:
 - (i) the conditions set out in Section 10.2(j)(iv) are satisfied; and
 - (ii) the Borrower repays the Term Facility (and if the Term Facility is fully repaid by such repayment, the Revolving Facility) by an amount equal to the buy back or redemption amount in excess of \$ in accordance with Section 10.2(j)(iv)(F).

[Amount redacted for competitive reasons]

- (d) **Excess Performance Liquidated Damages.** If the Borrower receives or is entitled to offset any liquidated or delay damages for any reason under any Phase II Construction Material Document, the Borrower shall apply to the Facilities as a mandatory prepayment, 100% of such proceeds in excess of such amounts certified by an authorized officer of the Borrower (as evidenced to the satisfaction of the Independent Engineer) as necessary to complete performance under the scope of work contemplated in such Phase II Construction Material Document to consummate the purpose of such Phase II Construction Material Document, on the next Interest Payment Date.
- (e) **Disposition Proceeds.** If the Borrower receives any Net Disposition Proceeds from any disposition of assets in a Fiscal Year that exceed in the aggregate, which are not reinvested in the Project within ninety (90) days of receipt of such proceeds, as evidenced by the Borrower to the satisfaction of the Independent Engineer, the Borrower shall apply to the Facilities as a mandatory prepayment 50% of such Net Disposition Proceeds on the next Interest Payment Date after expiration of such three hundred sixty-five (365) day period. **[Redacted for confidentiality reasons.]**
- (f) **Buydown Amounts.** If the Borrower receives any Buydown Amounts or any other amounts paid to the Borrower upon the termination of a Phase II Construction Material Document, in each case in excess of such amounts certified by an authorized office of the Borrower (as evidenced to the satisfaction of the Independent Engineer) as necessary to complete performance under the scope

of work contemplated in such Phase II Construction Material Document to consummate the purpose of such Phase II Construction Material Document, the Borrower shall apply to the Facilities as a mandatory prepayment, 100% of such proceeds on the next Interest Payment Date.

- (g) **Distributions.** In the event that the Borrower makes a Distribution pursuant to Section 10.2(j)(iv) after the Phase II Completion Date, which results in the aggregate amount of Distributions made in the then current Fiscal Year to exceed , the Borrower shall make a prepayment on the Term Loans in an amount equal to the amount by which the Distribution exceeds . **[Redacted for confidentiality reasons.]**
- (h) Any repayment made pursuant to this Section 6.3 on Loans under the Term Facility will be applied to the repayments required to be made under the Term Facility (and if the Term Facility is fully repaid by such repayment, the Revolving Facility) pursuant to Section 6.2(a), in each case in the inverse order of their maturities.

6.4 Optional Prepayments

- (a) The Borrower may at any time make optional prepayments on outstanding Loans under the Revolving Facility without affecting the right of the Borrower to re-borrow under such Revolving Facility up to its maximum available amount.
- (b) The Borrowers may, upon delivery of a Repayment Notice (delivered in accordance with the notice periods applicable to delivery of a Drawdown Notice under Section 2.6(a)), prepay all or any part of the Term Loans, provided that any prepayment of the Term Loans shall be applied to the remaining installments of the Term Loans in the inverse order of their maturity. Each Repayment Notice delivered under this Agreement shall be irrevocable. Any optional prepayment on the Term Facility made under this Agreement will permanently reduce the Term Commitments, may not be re-borrowed and will be applied to the repayments to be made under Section 6.3 (*Mandatory Prepayments*) in the inverse order of their maturities.
- (c) Notwithstanding the foregoing, the Borrower may not exercise any right of voluntary prepayment or voluntary cancellation before the Phase II Completion Date unless it has received confirmation from the Administrative Agent and the Lenders (in consultation with the Independent Engineer) that the Administrative Agent is satisfied that, after such prepayment, no Cost-to-Complete Shortfall will exist.

6.5 Reduction of the Facilities

The Borrower may, on giving not less than five (5) Business Days' prior written notice to the Administrative Agent, permanently reduce the Revolving Commitments by an amount of not less than \$5,000,000 or a greater amount in whole multiples of \$1,000,000. Such notice must specify the amount of the reduction and the Business Day when the reduction will become effective and shall be irrevocable. On the effective date of such reduction, the Borrower must make a repayment in an amount sufficient for the outstanding Advances under the Revolving Facility not to exceed the reduced Revolving Commitments of all Lenders.

6.6 Payments Generally

All amounts owing in respect of any Facility, whether on account of principal, interest or fees or otherwise, shall be paid in the currency in which the Advance is outstanding. Each payment under this Agreement shall be made for value on the day the payment is due. All interest and other fees shall continue to accrue until payment has been received by the relevant Lenders. Each payment shall be made by debit to the Borrower's Account by the Administrative Agent at or before 1:00 p.m. on the day that payment is due. The Borrower hereby authorizes the Administrative Agent to debit the Borrower's Account in respect of any and all payments to be made by the Borrower or any other Obligor under this Agreement. All payments made by the Borrower in respect of the Revolving Facility and the Term Facility shall be deemed to have been made to the Administrative Agent for the benefit of the Lenders in respect of their Applicable Percentage.

Any payment that is due on a day that is not a Business Day may be made on the next Business Day but will bear interest until received in full. All payments must be made in funds which are immediately available on the date on which payment is due.

6.7 Break Costs

The Borrower shall indemnify, compensate and reimburse each Lender for all Break Costs which such Lender may sustain:

- (a) if the Borrower withdraws or reduces the amount specified in a Drawdown Notice or fails to satisfy the conditions precedent after delivering a Drawdown Notice and as a result the Loan is not advanced on the Drawdown Date.
- (b) if the Borrower fails to pay any amount of principal of the Loans due and payable under a Finance Document on its due date;
- (c) in the circumstances set out in Section 3.12(b)(ii), or
- (d) if any repayment or prepayment of its LIBOR Loan occurs on a date that is not an Interest Payment Date for such Loan.

6.8 Taxes

- (a) **Payments.** All payments to be made by or on behalf of any Obligor under or with respect to the Finance Documents shall be made free and clear of and without deduction or withholding for, or on account of, any present or future Taxes, unless such deduction or withholding is required by Applicable Law. If any Obligor is required to deduct or withhold any Taxes from any amount payable to a Lender or the Administrative Agent:
 - (i) the amount payable shall be increased as may be necessary so that after making all required deductions or withholdings (including deductions and withholdings applicable to, and taking into account all Taxes on, or arising by reason of the payment of, additional amounts under this Section 6.8), such Lender or the Administrative Agent receives and retains an amount equal to the amount that it would have received had no such deductions or withholdings been required;
 - (ii) such Obligor shall make such deductions or withholdings; and
 - (iii) such Obligor shall remit the full amount deducted or withheld to the relevant taxing authority in accordance with Applicable Law.

Notwithstanding the foregoing, no Obligor shall be required to pay additional amounts in respect of Excluded Taxes, provided that each Obligor shall timely pay any Excluded Taxes to the relevant Governmental Authority in accordance with Applicable Law.

- (b) **Indemnity.** Each Obligor shall indemnify the Lenders and the Administrative Agent for the full amount of any Taxes imposed by any jurisdiction on amounts payable by such Obligor under this Agreement and paid by the Lenders and the Administrative Agent and any liability (including penalties, interest and reasonable expenses) arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally asserted, and any Taxes levied or imposed with respect to any indemnity payment made under this Section 6.8. Each Obligor shall also indemnify the Lenders and the Administrative Agent for any Taxes (other than Excluded Taxes) that may arise as a consequence of the execution, sale, transfer, delivery or registration of, or otherwise with respect to this Agreement or any other Finance Document. The indemnifications contained in this Section 6.8 shall be made within ten (10) days after the date the Lenders or the Administrative

Agent, as applicable, makes written demand therefor. A certificate as to the amount of such payment or liability delivered to an Obligor by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

- (c) **Evidence of Payment.** As soon as practical after the date of any payment of Taxes by any Obligor, such Obligor shall furnish to the relevant Lender or the Administrative Agent, as applicable, the original or a certified copy of a receipt evidencing payment by such Obligor of any Taxes.
- (d) **Status of Lenders.**
- (i) Any Lender, if requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to withholding or information reporting requirements; and
- (ii) any Lender that ceases to be, or to be deemed to be, resident in Canada for purposes of part XIII of the ITA or any successor provision thereto shall within five (5) days thereof notify the Borrower and the Administrative Agent in writing.
- (e) **Treatment of Certain Refunds and Tax Reductions.** If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which an Obligor has paid additional amounts pursuant to this Section 6.8 or that, because of the payment of such Taxes, it has benefited from a reduction in Excluded Taxes otherwise payable by it, it shall pay to the Borrower or such Obligor, as applicable, an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower or such Obligor under this section with respect to the Taxes giving rise to such refund or reduction), net of all out-of-pocket expenses of the Administrative Agent or such Lender, as the case may be, and without interest (other than any net after-Tax interest paid by the relevant Governmental Authority with respect to such refund). The Borrower or any other Obligor, as applicable, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower or other Obligor (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender if the Administrative Agent or such Lender is required to repay such refund or reduction to such Governmental Authority. This Section 6.8(e) shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person, to arrange its affairs in any particular manner or to claim any available refund or reduction.
- (f) **Survival.** Each Obligor's obligations under this Section 6.8 shall survive the termination of this Agreement and the payment of all amounts payable under or with respect to this Agreement.

6.9 FATCA Information

- (a) Subject to paragraph (c) below, each Finance Party shall, within ten (10) Business Days of a reasonable request by another Finance Party:
- (i) confirm to that other Finance Party whether it is:
- (A) a FATCA Exempt Party; or
- (B) not a FATCA Exempt Party;

- For personal use only
- (ii) supply to that other Finance Party such forms, documentation and other information relating to its status under FATCA as that other Finance Party reasonably requests for the purposes of that other Finance Party's compliance with FATCA; and
 - (iii) supply to that other Finance Party such forms, documentation and other information relating to its status as that other Finance Party reasonably requests for the purposes of that other Finance Party's compliance with any other law, regulation, or exchange of information regime.
 - (b) If a Finance Party confirms to another Finance Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Finance Party shall notify that other Finance Party reasonably promptly.
 - (c) Paragraph (a) above shall not obligate any Finance Party to do anything, and paragraph (a)(iii) above shall not obligate any other Finance Party to do anything, which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or
 - (iii) any duty of confidentiality.
 - (d) If a Finance Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) applies), then such Finance Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Finance Party in question provides the requested confirmation, forms, documentation or other information.

6.10 FATCA Deduction

- (a) Each Finance Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Finance Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.
- (b) Each Finance Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Finance Party to whom it is making the payment and, in addition, shall notify the Borrower and the Administrative Agent and the Administrative Agent shall notify the other Finance Parties.

6.11 No Set-Off

All payments to be made by any Obligor shall be made without set-off or counterclaim and without any deduction of any kind.

ARTICLE 7 COLLATERAL

7.1 Guarantee

Each Guarantor guarantees solidarily (jointly and severally) in favour of the Administrative Agent and the Lenders the performance of all of the Obligations.

7.2 Security over the Collateral

- (a) To secure the payment and performance of the Obligations:
- (i) each Obligor (other than Champion) must provide in favour of the Administrative Agent and the Lenders', Liens over all assets and property, movable (personal) and immovable (real), tangible and intangible, present and future (including, without limitation, all Receivables, Inventory, Equipment, chattel paper, documents of title, instruments, intangibles, and other personal (movable) property of such Obligor); such Liens must be valid and perfected under the laws of the Province of Québec and Newfoundland and Labrador and under the laws of any other jurisdictions where tangible assets of such Obligor may be located; and
 - (ii) Champion must provide in favour of the Administrative Agent and the Lenders', Liens over all assets and property, movable (personal) and immovable (real), tangible and intangible, present and future, only to the extent such assets are required for the Project. For certainty:
 - (A) as of the date hereof Champion owns no assets and property which relate to or is required for the Project; and
 - (B) all assets and property used by Champion in connection with it rendering services to the Borrower pursuant to the Management Agreement shall not be considered relating to or required for the Project.
- (b) Each Obligor must pledge all shares or other equity interest of its Subsidiaries required for the Project (including the shares of 9336 held by an Obligor) and deliver all shares certificates or other securities pledged (along with stock powers duly executed in blank) to the Administrative Agent for the purposes of the Security. For certainty, the only Subsidiaries of Champion as of the date hereof which are required for the Project are the Borrower and LBRC.

7.3 Further Assurances - Security

The Borrower shall take, or cause to be taken, such action and execute and deliver or cause to be executed and delivered to the Administrative Agent such agreements, documents and instruments (including assignments, transfers, mortgages, charges, notices, consents and instructions) as the Administrative Agent shall reasonably request, and shall promptly provide evidence of such execution, registration and perfection as soon as reasonably practicable, and no later than ten (10) days of the signing date of each such Security Document.

7.4 Subordination Agreement

The Borrower will cause any creditor of Subordinated Debt to enter into a Subordination Agreement with the Administrative Agent providing that the rights of such creditors and the principal and interest under such Subordinated Debt will be postponed to the rights of the Lenders under the Facilities and containing such other provisions as may be deemed necessary or useful to give effect to the provisions of this Agreement and to govern the relations between such creditors, the Administrative Agent and the Lenders. Each Subordination Agreement must be satisfactory to all of the Lenders and the Administrative Agent and amendments thereto or consents thereunder may be made or given with their approval, if applicable.

7.5 CAT Intercreditor Agreement

The Administrative Agent and CAT Finance, in its capacity as lessor under the CAT Equipment Finance Facility, together with any other secured creditor of the Borrower, as applicable, will enter into an intercreditor agreement (as amended, restated or otherwise modified from time to time, the “**CAT Intercreditor Agreement**”) on terms satisfactory to the Administrative Agent, in consultation with the Majority Lenders, which are to include, inter alia, (i) an acknowledgment of the CAT Finance Liens in favour of CAT Finance on Equipment financed with the CAT Equipment Finance Facility, together with related parts and accessories, replacements and additions to such Equipment, and all rights in the related leases and maintenance, service and repair agreements in respect of such Equipment, if any, and all insurance and expropriation proceeds or indemnities in respect thereof (collectively, the “**CAT Charged Property**”), (ii) an acknowledgment that the rights of CAT Finance payable under the CAT Equipment Master Lease Agreement will not be postponed to the rights of the Lenders under the Facilities nor to those of any other secured creditor, as applicable, subject to a 60 day standstill period during which CAT Finance will be precluded from enforcing CAT Finance Liens in the CAT Charged Property and (iii) a confirmation that amendments may be made to the CAT Equipment Master Lease Agreement without the consent of the Administrative Agent or the Lenders, it being understood, however, that Majority Lender consent will be required to the extent that the CAT Equipment Finance Facility is increased to a principal amount outstanding at any time in excess of , and containing such other provisions as may be deemed necessary or useful to give effect to the provisions of this Agreement and to govern the relations between such creditors, the Administrative Agent and the Lenders. The Administrative Agent is authorized to enter into amendments to the CAT Intercreditor Agreement without obtaining the prior consent of the Lenders provided that such amendment is not material and does not result in any substantial deviation to the intercreditor terms as described herein or in the CAT Intercreditor Agreement.

[Amount redacted for competitive reasons]

7.6 Control Agreements

The Borrower covenants and agrees to cause each bank or financial institution where the Borrower or any other Obligor (other than Champion) has a Deposit Account to enter into a satisfactory control agreement with the Administrative Agent upon the opening of any such Deposit Account. As of the Closing Date, the only Deposit Accounts of the Borrower and the Guarantors are as described in Schedule I (*Project Accounts*). Each such control agreement shall provide that the relevant Obligor will maintain the control and management of its accounts until the occurrence of an Event of Default and the issuance by the Administrative Agent to the bank or financial institution where the account is held of a written notice.

7.7 Security Documents

The Borrower shall cause the Security Documents and the Guarantees to be executed and delivered to the Administrative Agent on or prior to the Closing Date, to secure the Obligations, each in form and substance satisfactory to the Administrative Agent and the Lenders.

7.8 Future Obligors

- (a) The Borrower shall ensure that any future Guarantor after the Closing Date that is not a party to this Agreement shall forthwith execute and deliver to the Administrative Agent a Guarantee and other Security Documents similar to those delivered by the other Obligors or as may be required by the Finance Parties, including the documents listed in Section 7.7 (*Security Documents*), as applicable.
- (b) The Borrower shall deliver or cause the delivery of a pledge of all the Securities of such Guarantor and applicable security over its moveable and immoveable assets, and such legal opinions and other supporting documents as those delivered by the other Obligors or as may be required by the Finance Parties.

7.9 **Pari Passu Obligations**

- (a) The payment and performance of all Obligations of the Obligor are secured by the Security Documents in favour of the Finance Parties on a pari passu basis, provided that all decisions regarding the administration and enforcement of the Security Documents shall be made by the Administrative Agent and the Lenders under this Agreement.
- (b) For greater certainty, while this Agreement remains in effect, any Lender in its capacity as a Hedge Provider and the provider of Bank Products shall have no voting rights under this Agreement and no other right whatsoever to participate in the administration or enforcement of any Security Documents.
- (c) For the avoidance of doubt but without limitation, any or all of the Security Documents or any rights contained therein may be amended or released by the Administrative Agent without the consent of any Lender in its capacity as a Hedge Provider and the provider of Bank Products.
- (d) Each Lender which becomes the successor or assign of any Lender in its capacity as a Hedge Provider and the provider of Bank Products shall be bound as such by virtue of its execution and delivery of this Agreement or an Assignment and Assumption, as applicable, notwithstanding that any such capacity may not be identified on its signature line.

7.10 **Direct Agreement**

Each applicable Obligor shall use commercial reasonable efforts to cause any counterparty to a Material Document to enter into a Consent and Acknowledgment within sixty (60) days of executing the Material Document.

ARTICLE 8 CONDITIONS PRECEDENT

8.1 **Conditions Precedent to Disbursements of Advances**

The effectiveness of this Agreement and the obligation of the Lenders to make available the first Advance under any Facility are subject to and conditional upon the satisfaction of the following conditions:

- (a) **Delivery of Finance Documents.** The Administrative Agent shall have received sufficient copies, in form and substance satisfactory to the Administrative Agent and the Lenders, of the following:
 - (i) this Agreement and all Security Documents, the CDP Subordination Agreement, any Subordination Agreement, as required as of the Closing Date, the CAT Intercreditor Agreement, as required as of the Closing Date, and all other Finance Documents, duly executed by all the parties thereto;
 - (ii) a Certificate of an Authorized Representative of each Obligor, dated the Closing Date, with respect to its constituting documents and by-laws and copies of the resolutions of directors' and shareholders' meetings (as applicable) of each such Obligor approving the due authorization, execution and delivery of all Finance Documents to which it is a party and the terms and all the transactions contemplated thereby, certifying the name, title and signature of the Persons authorized to execute and deliver on behalf of such Obligor, a copy of the duly registered powers of attorney to which it is a party and the Finance Documents to which such Obligor is a party (if applicable) and such other matters as the Administrative Agent and the Lenders may reasonably require, and confirming that:
 - (A) all representations and warranties contained in this Agreement are true and correct as if made on the date of the Certificate;

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- (B) that no Default or Event of Default has occurred or would occur as a result of the first Advance under the Facilities;
 - (C) borrowing or guaranteeing or securing, as appropriate, the total commitments would not cause any borrowing, guarantee, security or similar limit binding on such Obligor to be exceeded;
 - (D) each copy document relating to it specified in this section is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of this Agreement; and
 - (E) that there is no litigation enjoining or restricting any Obligor with respect to its obligations under the Facilities;
- (iii) a good standing, status or compliance certificate (as applicable) for each of the Obligors (dated as of the date no earlier than two (2) days prior to the date of this Agreement) from the applicable government office in the jurisdiction of its incorporation and each jurisdiction in which it is qualified to do business;
 - (iv) results of all personal (movable) property, *Bank Act* (Canada), bankruptcy, litigation (execution) and other searches conducted by, or provided to, the Administrative Agent and its counsel with respect to the Obligors in all jurisdictions where the Obligors conduct business or maintain assets or locations;
 - (v) opinions of counsel to the Obligors, addressed to the Administrative Agent, the Lenders, the other Finance Parties and their counsel with respect to, *inter alia*, due authorization, execution, delivery, and enforceability of the Finance Documents and the creation, validity and perfection of the Liens constituted by the Security Documents;
 - (vi) duly executed and binding certificate(s) of insurance evidencing the insurance required under this Agreement and that:
 - (A) all losses under all insurance policies are payable to the Administrative Agent, as loss payee;
 - (B) the Administrative Agent has been added as an additional insured in respect of all liability policies;
 - (C) the policies contain a standard mortgage clause approved by the Insurance Bureau of Canada; and
 - (D) that the Administrative Agent will be given at least thirty (30) days prior written notice of any cancellation or termination of any policy;
 - (vii) the Finance Documents listed in Section 7.7 (*Security Documents*) of this Agreement;
 - (viii) all applicable blocked accounts or control agreements relating to Deposit Accounts listed in Schedule I (*Project Accounts*);
 - (ix) standard credit documentation used by the Issuing Bank in connection with the issuance of Letters of Credit;
 - (x) payout letters or discharges in respect of existing security filings; and
 - (xi) such other documents or agreements as may be requested by the Administrative Agent

and the Lenders.

- (b) **Registration of Security.** All registrations, recordings and filings of or with respect to the Security Documents which, in the opinion of counsel to the Administrative Agent, are necessary to perfect the Liens and register the subordinations intended to be created thereby shall have been completed.
- (c) **Fees.** All fees payable in accordance with this Agreement and each Fee Letter on or before the Closing Date (including legal fees, charges and expenses of the Administrative Agent and the Finance Parties) shall have been paid to the Administrative Agent, for its own benefit or for the benefit of the Finance Parties, as applicable or shall be paid simultaneously with the first Advance as evidenced in the funds flow delivered to an irrevocable payment instruction.
- (d) **Due Diligence.** The Administrative Agent and the Lenders shall have received, in form and substance satisfactory to them:
- (i) completion of all technical, legal and environmental due diligence;
 - (ii) a Compliance Certificate;
 - (iii) the most recent: consolidated Financial Statements of Champion for the period ending March 31, 2020;
 - (iv) the most recent: (A) consolidated Unaudited Financial Statements of Champion; and (B) Unaudited Financial Statements for the Borrower, for the period ending September 30, 2020;
 - (v) all documentation and other information required by bank regulatory authorities from each of the Finance Parties (including a "Beneficial Ownership Certificate") in order for them to comply with applicable "know your customer", anti-money laundering and anti-terrorism rules and regulations, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada); and
 - (vi) an electronic copy of the Financial Model.
- (e) **Material Documents.** The Administrative Agent and the Lenders shall have received a certificate of an authorized representative of the Borrower attaching copies of each Material Document (and any amendments or supplements to any of them) and certifying that all Material Documents (other than the Material Documents described in paragraphs (xv) to (xxi) of the definition of Material Documents) have been provided and all such contracts are in full force and effect and the Administrative Agent and the Lenders shall be satisfied with the terms and conditions thereof.
- (f) **Title Insurance.** The Administrative Agent shall have received in form and substance satisfactory to it, a title of insurance policy or policies with respect to the Borrower's real property secured in favour of the Administrative Agent for and on behalf of the Finance Parties.
- (g) **Authorizations.** The Borrower shall have confirmed in writing to the Administrative Agent and the Lenders that all Authorizations, consents and approvals required in connection with the transactions contemplated by the Finance Documents have been obtained and are in full force and effect, together with copies of all such authorizations, consents and approvals.
- (h) **Material Adverse Change.** No Material Adverse Change shall have occurred since March 31, 2020 with respect to the Obligors.

- (i) **Phase II Progress Report.** The Administrative Agent shall have received in form and substance satisfactory to it, an initial Phase II Progress Report from the Borrower.
- (j) **Evidence of funding of the Contingent Proceeds Account.** The Borrower shall have delivered evidence that the Contingent Funding is committed and available including an amount of has been deposited into the Contingent Proceeds Account on or prior to the date of this Agreement. [Amount redacted for confidentiality reasons]
- (k) **Evidence of a Minimum Unrestricted Cash Balance.** The Borrower shall have delivered evidence that it holds a minimum Unrestricted Cash balance of \$240,000,000 (or its equivalent in Canadian Dollars).
- (l) **Project Accounts.** The Borrower shall have delivered evidence satisfactory to the Lenders that all of the Project Accounts have been opened with an Acceptable Bank.
- (m) **Payment of Extension Fee and Upfront Fee.** The Borrower shall have paid to the Lenders, as applicable, the Extension Fees and Upfront Fees on or before the date of this Agreement, unless otherwise agreed in writing by a Lender.

██████████ [Deliverable redacted for confidentiality reasons]

8.2 Conditions Precedent to All Advances

The obligation of the Lenders to make available any Advance under this Agreement, including the first Advance, are subject to and conditional upon each of the conditions below being satisfied on the applicable Drawdown Date:

- (a) **No Default.** No Default or Event of Default has occurred and is continuing on the Drawdown Date, or would result from making such Advance.
- (b) **Representations Correct.** The representations and warranties contained in Section 9.1 (*Representations and Warranties of the Obligors*) shall be true and complete on each Drawdown Date as if made on that date.
- (c) **No Material Adverse Change.** No Material Adverse Change shall have occurred with respect to the Obligors as of the Drawdown Date or would result from making such Advance.
- (d) **Drawdown Request.** An Authorized Representative of the Borrower shall have provided a Drawdown Request in respect of such Advance as required under this Agreement in substantially the form of Exhibit 2.
- (e) **Certain Advances.** The Borrower shall execute and deliver to the Administrative Agent customary credit documentation required from time to time by the Issuing Bank, the Lenders, as applicable, in connection with each Letter of Credit.

8.3 Conditions Precedent to Term Facility Increase Advances and Contingent Funding Requests

The obligation of the Lenders to make available any (i) Term Facility Increase's Advance under this Agreement; or (ii) Revolving Facility Advance under a Contingent Request, including the first Advance thereunder, are subject to and conditional upon each of the conditions below being satisfied on the applicable Drawdown Date:

- (a) **Phase II Construction Costs Certificate.** The Borrower shall have delivered a Drawdown Request and the relevant Phase II Costs Certificate to the Administrative Agent.

- (b) **Additions to the Drawdown Request.** The Drawdown Request delivered pursuant to Section 8.2(d) shall be accompanied by a (i) Phase II Costs Certificate, or a Contingent Funding Request and Approved Cost Overrun Certificate (as applicable) and (ii) Cost-to-Complete Certificate, which shall, in each case, be approved by the Independent Engineer (which Cost-to-Complete Certificate shall be delivered by the Borrower to the Independent Engineer no later than the date that is five (5) Business Days prior to the Drawdown Date.
- (c) **Construction Accounts.** The Borrower shall have delivered evidence satisfactory to the Lenders that the Construction Accounts are fully funded in accordance with this Agreement.
- (d) **Contingent Funding.** In the case of an Advance which is not Contingent Funding, all Approved Cost Overruns shall have been paid.
- (e) **Critical Spares List to Physical Facilities Completion Certificate.** The Borrower shall have delivered the critical spares list for the Physical Facilities Completion Certificate in Exhibit 8 Appendix 8-2 in form satisfactory to the Independent Engineer and the Administrative Agent.
- (f) **First Advance Material Documents.** In the case of the first Advance of the Term Facility Increase occurring after the Closing Date, the Borrower shall have delivered to the Administrative Agent the Material Documents described in paragraphs (xv) (*the CAT Equipment Master Lease Agreement*), , and of the definition of Material Documents.
- (g) **Second Advance Material Documents.** In the case of the second Advance of the Term Facility Increase occurring after the Closing Date, the Borrower shall have delivered to the Administrative Agent the Material Document described in paragraphs of the definition of Material Documents.
- (h) **Subsequent Advance Material Documents.** In the case of the third Advance of the Term Facility Increase occurring after the Closing Date, the Borrower shall have delivered to the Administrative Agent the Material Documents described in paragraph of the definition of Material Documents.
- (i) .

[Descriptions redacted for confidentiality reasons]

8.4 Waiver of any Condition Precedent

The conditions stated in Sections 8.1 (*Conditions Precedent to Disbursement of Advances*), 8.2 (*Conditions Precedent to All Advances*) and Section 8.3 (*Conditions Precedent to Term Facility Increase Advance and Contingent Funding Advance*) are inserted for the sole benefit of all of the Lenders and the conditions stated therein may only be waived by all of the Lenders and each Hedge Provider, and any such waiver may be made in whole or in part, with or without terms or conditions and in respect of all or any portion of the Advances, without affecting the right of the Lenders to assert terms and conditions in whole or in part in respect of any other future Advance.

ARTICLE 9 REPRESENTATIONS AND WARRANTIES

9.1 Representations and Warranties of the Obligors

Each Obligor, with respect to itself and also with respect to each other Obligor, makes the following representations and warranties to the Lenders and the Administrative Agent, all of which shall survive the execution and delivery of this Agreement, and acknowledges and confirms that the Lenders and the Administrative Agent are, among other things, relying upon such representations and warranties as a basis for their decision to enter into this Agreement and to make Advances under this Agreement:

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- (a) **Status.** Each Obligor is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation and it has the power and authority to own its property and assets and to transact the business in which it is engaged and presently proposes to engage. Each Obligor is duly qualified to carry on its business, and is in good standing, in each jurisdiction where the ownership, leasing or operation of its property or the conduct of its business requires such qualification.
 - (b) **Power and Authority.** Each Obligor has the corporate or other equivalent power to execute, deliver and perform the terms and provisions of each Finance Document to which it is a party and has taken all necessary action to authorize the execution, delivery and performance by it of each Finance Document to which it is a party. Each Obligor has duly executed and delivered each Finance Document to which it is a party, and each such Finance Document constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, subject to applicable bankruptcy, reorganization, moratorium or similar Laws affecting creditors' generally, the fact that specific performance and injunctive relief may only be given at the discretion of the courts, and the equitable or statutory powers of the courts to stay proceedings before them and to stay the execution of judgments.
 - (c) **No Violation.** Neither the execution, delivery or performance by each Obligor of the Finance Documents to which it is a party, nor compliance by it with the terms and provisions thereof, contravenes any Applicable Law, conflicts with or results in any breach of any of the terms, covenants, conditions or provisions of, or constitutes a default under, or results in the creation or imposition of (or the obligation to create or impose) any Lien (except pursuant to the Finance Documents) upon any of its property or assets pursuant to any indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement or instrument to which it is a party or by which it or any of its property or assets is bound or to which it may be subject, or breaches or violates any provision of its constating documents or any Contractual Obligation to which it is a party.
 - (d) **Business and Operations.** The business and operations of each Obligor (other than Champion), and the locations thereof, are accurately described in Schedule C (*Business and Operations*).
 - (e) **Approvals.** No order, consent, certificate, approval, permit, license, authorization or validation of, or filing, recording or registration with, or exemption by, any Person (including any Governmental Authority, shareholder, member, partner or other owner of Securities, or any Person that is party to a Contractual Obligation of any Obligor) is required to authorize, or is required in connection with, the execution, delivery or performance by any Obligor of any Finance Document to which it is a party, or the legality, validity, binding effect or enforceability with respect to it of any such Finance Document, or the consummation of the transactions contemplated therein, other than filings and recordings with respect to the Collateral to be made, or otherwise delivered to the Administrative Agent for filing or recordation, on or prior to the Closing Date.
 - (f) **Security Documents.** Each of the Security Documents creates, and grants to the Administrative Agent (including in its capacity as the Hypothecary Representative), valid and enforceable first priority Liens upon the Collateral and will, upon the acquisition of additional assets by any Obligor, constitute first charges or security interest upon all such assets, subject only to the terms of this Agreement and to Permitted Liens, on the terms set out therein, and each of the Security Documents has been registered or recorded, as applicable, in all places where registration or recording, as applicable, is necessary to perfect the charges and Liens created thereby.
 - (g) **Title to Collateral.** Each Obligor (but, with respect to Champion, only with respect to the Collateral which is required for the Project) has good and marketable title to all of its undertaking, property and assets forming part of the Collateral, free and clear of all Liens other than Permitted Liens.
 - (h) **Title to Borrower's and LBRC's Securities.** Champion beneficially owns (i) issued and outstanding as fully paid and non-assessable class A shares of the Borrower, representing 100%

of the total issued and outstanding class A shares in the capital of the Borrower; and (ii) issued and outstanding as fully paid and non-assessable common shares of LBRC, representing 100% of the total issued and outstanding shares in the capital of the LBRC, all of which are free and clear of all Liens other than Permitted Liens.

[Number of shares redacted for confidentiality reasons]

(i) **Financial Statements; Financial Condition; Undisclosed Liabilities.**

(i) The Financial Statements submitted to the Lenders and the Administrative Agent for the Fiscal Year ended March 31, 2020 and for the three (3) month period ended September 30, 2020 present fairly, in all material respects, and all Financial Statements submitted to the Lenders and the Administrative Agent during the term of this Agreement, will present fairly (subject, in the case of any interim Financial Statements prepared by management of the applicable Person in the Borrower, to normal year-end adjustments), in all material respects, the financial position, on a Adjusted Consolidated Basis, of the Borrower and, on an unconsolidated basis, of each Obligor, as applicable, as at the date thereof and the results of operations and cash flows, on a Adjusted Consolidated Basis or unconsolidated basis, as applicable, for the periods covered thereby, and all such Financial Statements have been, or will be, as applicable, prepared in accordance with IFRS. Since March 31, 2020, there has been no Material Adverse Change.

(ii) Except as fully reflected in the Financial Statements described in this Section 9.1(i), there are no liabilities or obligations with respect to any Obligor of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether or not due) which, either individually or in aggregate, would be material; and no Obligor is aware of any basis for the assertion against it of any liability or obligation of any nature whatsoever that is not fully reflected in the Financial Statements described in this Section 9.1(i) that, either individually or in the aggregate, would be material.

(j) **Projections.** The Financial Model, delivered by the Borrower to the Lenders in accordance with this Agreement, is and will be based upon good faith estimates and assumptions made by the management of the Borrower and, notwithstanding that such projections are not to be viewed as facts and that actual results during the period covered by such projections may differ from such projections, as of the Closing Date, the Borrower believes the assumptions made in such Financial Model are, on the date of delivery of such Financial Model, reasonable.

(k) **Litigation.** Except as set forth on Schedule E (*Litigation*), there are no Claims which, if adversely determined, could reasonably be expected to have a Material Adverse Effect.

(l) **Disclosure.** No Finance Document furnished to the Lenders and the Administrative Agent by or on behalf of any Obligor for use in connection with the transactions contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained in this Agreement or therein not misleading in light of the circumstances in which the same were made. There are no facts known (or which should upon the reasonable exercise of diligence be known) to any Obligor (other than matters of a general economic nature) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect and that have not been disclosed in this Agreement or in the other Finance Documents furnished to the Lenders and the Administrative Agent for use in connection with the transactions contemplated hereby.

(m) **Taxes.** Except as set forth on Schedule F (*Taxes*) or as otherwise permitted pursuant to Section 10.1(d):

(i) all Tax returns and reports required to be filed by each Obligor for its five (5) most recent

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taxation years or Fiscal Years have been filed in a timely manner, and all Taxes due and payable on such Tax returns, and all assessments, fees and other governmental charges levied against any Obligor, and upon their respective assets, have been paid when due, except any non-payment that would not reasonably be expected to have a Material Adverse Effect; and

- (ii) no Obligor has received notice of any proposed tax audits with respect to any Obligor, or of any tax assessments against any Obligor, that are not being actively contested in good faith by appropriate proceedings by the applicable Obligor and in respect of which adequate reserves or other appropriate provisions, if any, have been made in accordance with IFRS and the details thereof have been provided to the Lenders and the Administrative Agent to their satisfaction.

(n) **Securities.** Schedule G (*Securities*) sets forth:

- (i) a true and complete list of all Subsidiaries of each Obligor (other than Champion), including the interest of the Borrower in 9336 for as long as it remains a shareholder of 9336, each registered owner of Securities in the Borrower, LBRC and each Subsidiary, and the number and percentage ownership of such Securities held by each such owner; and
- (ii) a true, correct, and complete organizational chart of the Borrower.

All outstanding Securities in each Obligor (other than Champion) have been duly authorized and validly issued and are fully paid and non-assessable. Except as set forth on Schedule G (*Securities*) there is no existing option, warrant, phantom stock or unit, call, right, commitment or other agreement to which any Obligor (other than Champion) is a party requiring, or any other Securities that upon conversion or exchange would require, the issuance by any Obligor (other than Champion) of any additional Securities.

(o) **No Restrictions.** Neither the Borrower, nor to the best knowledge of the Borrower after due inquiry, any of the other Obligors is subject to any law, regulation, agreement, or legal impediment that prohibits, restricts or imposes any condition upon the ability of an Obligor to:

- (i) other than as required under the Governance Agreement and the articles of amendment of the Borrower, pay dividends or make any other Distributions on its Securities, or to pay any Debt owed by it;
- (ii) make loans or advances; or
- (iii) transfer any of its properties or assets,

except, in each case, such encumbrances or restrictions existing under or by reason of:

- (A) Applicable Law, including for laws of general application providing that the declaration or payment of dividends or any other Distributions by a Person is subject to such Person being in compliance with solvency tests or other similar requirements;
- (B) this Agreement or the other Finance Documents;
- (C) customary provisions restricting subletting or assignment of any lease governing any of its leasehold (leased) interests; or
- (D) customary provisions restricting the assignment of contracts, permits and/or licenses.

(p) **Compliance with Applicable Laws.**

- (i) Each Obligor (but, with respect to Champion, only to the extent that such Authorizations relate to and are required for the Project) has obtained and is in compliance with, in all material respects, all Authorizations that are necessary for the conduct of each Obligor's (but, with respect to Champion, only with respect to its business which relates to the Project) business as presently conducted, and the use by each Obligor (but, with respect to Champion, only to the extent such property and assets relate to and are required for the Project) property and assets (both movable and immovable), in all material respects, each of which is in full force and effect, is a good, valid and subsisting Authorization that has not been surrendered, forfeited or become void, and
- (ii) Each Obligor is in compliance, in all material respects, with all Applicable Laws, including Environmental Laws.

(q) **Labour Matters.** Each of the collective bargaining agreements with respect to employees of the Obligors (other than Champion), if any, is in force and in good order or, if it has expired, its renewal is being negotiated except where the failure of such collective bargaining agreements to be in force and in good order or to negotiate its renewal, singly or in the aggregate, has not or could not reasonably be expected to have a Material Adverse Effect. There are no grievances filed or, to the Borrower's knowledge, threatened with respect to any of the collective bargaining agreements which, if adversely determined, singly or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect. There are no strikes or other labour disputes against any Obligor (other than Champion) that are pending or, to the knowledge of each Obligor, threatened against any Obligor (other than Champion) which, singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(r) **Insurance.** Each Obligor (but, with respect to Champion, only to the extent such insurance relates to and is required for the Project) maintains insurance in compliance with Section 10.1(e) and all premiums and other sums of money payable for that purpose have been paid.

(s) **Locations of Collateral.** All of the Collateral is located at the Permitted Collateral Locations or is in transit to or from such locations.

(t) **Real Property.** All Real Property Interests of each Obligor (but, with respect to Champion, only to the extent to such Real Property Interests owned by Champion relate to and are required for the Project) and the nature of its interest (both registered and beneficial) therein, is correctly set forth in Schedule H (*Real Property*). Each Obligor (but, with respect to Champion, only to the extent to such Real Property Interests owned by Champion relate to and are required for the Project) has legal and marketable title to all of its Real Property Interests, free and clear of all Liens other than Permitted Liens.

(u) **Environmental Matters.** Except as disclosed to the Lenders and the Administrative Agent:

- (i) No Obligor (but, with respect to Champion, only to the extent it relates to the Project) has received any letter or request for information under Applicable Laws applicable to it, in respect of any Hazardous Substance or any activity relating thereto that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. The Borrower's and, to the knowledge of the Borrower, each other Obligor's (but, with respect to Champion, only with respect to premises owned by Champion and operations conducted by Champion which relate to or are required for the project) premises and operations are free from the presence of all Hazardous Substances except in compliance in all material respects with Applicable Laws and except for such presence that could not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Borrower, no Obligor (but, with respect to Champion, only to the extent it relates to the Project) has caused or suffered any Release of any Hazardous Substance on, at, in, under, above, to or from any

real property owned, leased or otherwise used by it or any other real property that could individually or in the aggregate reasonably be expected to have a Material Adverse Effect. The Borrower has no knowledge of any conditions, occurrences or activities relating to any Hazardous Substance which could reasonably be expected to result in a material E&S Claim related to the Environment against any Obligor (but, with respect to Champion, only to the extent it relates to the Project).

- (ii) The Borrower on its own and on behalf of each other Obligor (but, with respect to Champion, only to the extent it relates to the Project), hereby acknowledges and agrees that none of the Lenders, the Administrative Agent and any of their respective officers, directors, employees, attorneys and representatives:
 - (A) is now, or has ever been, in control of any Obligor's premises or operations or any Obligor's affairs (but, with respect to Champion, only with respect to premises owned by Champion and operations and affairs conducted by Champion which relate to or are required for the project); and
 - (B) has the capacity or the authority through the provisions of the Finance Documents or otherwise to direct or influence any:
 - (I) Obligor's conduct with respect to the ownership, operation or management of any Obligor's premises or operations or any Obligor's affairs (but, with respect to Champion, only with respect to premises owned by Champion and operations and affairs conducted by Champion which relate to or are required for the project);
 - (II) undertaking, work or task performed by any employee, Lender or contractor of any Obligor (but, with respect to Champion, only to the extent it relates to the Project) or the manner in which such undertaking, work or task may be carried out or performed; or
 - (III) Obligor's (but, with respect to Champion, only to the extent it relates to the Project) compliance with Environmental Laws or E&S Permits.
- (v) **No Defaults.** No Obligor is in default in the performance, observance or fulfillment of any of its obligations, covenants or conditions contained in any Contractual Obligations, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the consequences, directly or indirectly, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect.
- (w) **Material Document.** True and complete copies of all Material Documents have been provided to the Lenders and the Administrative Agent. All Material Documents are in full force and effect, and there are no defaults thereunder.
- (x) **Debt.** No Obligor (other than Champion) has any Debt other than as contemplated in Section 10.2(f).
- (y) **Canadian Pension Plans and Employee Benefit Plans.** The Borrower has one or more Canadian Pension Plans currently in effect. The Borrower has fulfilled in all material respects its funding obligations with respect to those Canadian Pension Plans. LBRC does not sponsor, contribute to or administer any Canadian Pension Plans. All obligations of each Obligor (but, with respect to Champion, only to the extent such Employee Benefit Plans relate to and are required for the Project), including fiduciary, contribution, funding, investment and administration obligations, required to be performed in connection with the Employee Benefit Plans and any funding agreements therefor under the terms thereof and applicable statutory and regulatory requirements, have been performed in a timely and proper fashion. There have been no improper withdrawals or

applications of the assets of any Obligor's (but, with respect to Champion, only to the extent such Employee Benefit Plans relate to and are required for the Project) Employee Benefit Plans. There are no outstanding material disputes concerning the assets or liabilities of any Obligor's (but, with respect to Champion, only to the extent such Employee Benefit Plans relate to and are required for the Project) Employee Benefit Plans.

- (z) **Solvency.** None of the Obligors is "*bankrupt*" or an "*insolvent person*", in each case, within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or other Applicable Laws.
- (aa) **Default.** No Default or Event of Default has occurred which is continuing.
- (bb) **Deposit Accounts.** The location, description and beneficiary of each Deposit Account are accurately set forth on Schedule I (*Project Accounts*) and the Borrower has no other accounts other than the Project Accounts.
- (cc) **Sanctions.**
 - (i) (A) No Obligor nor any of their respective directors or officers or, to the knowledge of any Obligor, employees, agents or Affiliates is a Sanctions Target; or (B) no Obligor nor any of their respective directors or officers or, to the knowledge of the Obligor, employees, agents or Affiliates, has engaged in the past five (5) years or intends to engage in the future in any dealings, with, involving or for the benefit of a Sanctions Target;
 - (ii) Each Obligor and, to the knowledge of each Obligor, their respective directors, officers, employees and agents (acting in their official capacities in connection with the Project), are in compliance with Sanctions;
 - (iii) Once implemented in accordance Section 10.1(k), each Obligor maintains such policies and procedures designed to promote and achieve compliance with Sanctions;
 - (iv) No Obligor nor any of their respective directors, officers, employees or agents (acting in their official capacities in connection with the Project) is or has been, in the past five (5) years, subject to any action, litigation, claim, investigation or proceeding with regard to any actual or alleged violation of Sanctions;
 - (v) The Borrower will not, directly or indirectly, use any part of any proceeds of the Loans (A) to fund or facilitate any activities or business of, with or involving any Sanctions Target or (B) in any manner that would constitute or give rise to a violation of Sanctions by any Person, including any Lender, provided, that in relation to each Restricted Lender, such provision shall only apply for the benefit of that Restricted Lender to the extent that it would not result in any violation of the EU Anti-Boycott Regulations. For the avoidance of doubt, OFAC shall not apply to the Restricted Lenders; and
 - (vi) Notwithstanding anything in this Agreement, nothing in this Agreement requires or will require any Obligor or the Borrower or any of their respective directors, officers, Affiliates or agents to have committed or to commit an act or omission that contravenes the *Foreign Extraterritorial Measures (United States) Order, 1992* (Canada) or any similar applicable blocking or anti-boycott measures of other jurisdictions, including the European Union.

(dd) **Anti-Corruption Laws.**

- (i) No Obligor nor any of their respective directors or officers or, to the knowledge of any Obligor, Affiliates, agents, employees (acting in their official capacities in connection with the Project) or other Persons acting on behalf of any Obligor has made any Prohibited Payment or taken any action or failed to take any action, directly or indirectly, that would result in a violation by such Persons of the Anti-Corruption Laws;
- (ii) Each Obligor maintains such policies and procedures designed to promote and achieve compliance with Anti-Corruption Laws;
- (iii) No Obligor nor any of their respective directors, officers, employees or agents (acting in their official capacities in connection with the Project) is or has been, in the past five (5) years, subject to any action, litigation, claim, investigation or proceeding with regard to any actual or alleged violation of Anti-Corruption Laws; and
- (iv) The Borrower will not, directly or indirectly, use any part of any proceeds of the loans for any Prohibited Payment or Prohibited Practice, provided, that in relation to each Restricted Lender, such provision shall only apply for the benefit of that Restricted Lender to the extent that it would not result in any violation of the EU Anti-Boycott Regulations. For the avoidance of doubt, OFAC shall not apply to the Restricted Lenders.

(ee) **AML Legislation.**

- (i) No Obligor nor any of their respective directors or officers or, to the knowledge of any Obligor, Affiliates, agents, employees (acting in their official capacities in connection with the Project) or other Persons acting on behalf of any Obligor has taken any action, directly or indirectly, that would constitute or give rise to a violation by such Persons of AML Legislation;
- (ii) Each Obligor maintains such policies and procedures designed to promote and achieve compliance with AML Legislation;
- (iii) No Obligor nor any of their respective directors, officers, employees or agents (acting in their official capacities in connection with the Project) is or has been, in the past five (5) years, subject to any action, litigation, claim, investigation or proceeding with regard to any actual or alleged violation of AML Legislation;
- (iv) The Borrower will not, directly or indirectly, use any part of any proceeds of the Loans for any activity that would constitute or give rise to violation of applicable AML Legislation provided, that in relation to each Restricted Lender, such provision shall only apply for the benefit of that Restricted Lender to the extent that it would not result in any violation of the EU Anti-Boycott Regulations. For the avoidance of doubt, OFAC shall not apply to the Restricted Lenders; and
- (v) Each Obligor has provided to the Lenders all applicable “know your client” documentation.

(ff) **Environmental and Social Matters.**

- (i) The Borrower has performed and observed in all material respects all Applicable ESG Standards and the conditions of each E&S Permit, as applicable at this stage in the development, construction and operation of the Project.
- (ii) There has not been any Environmental Contamination at or from the Project site or any Project assets, which:

- (A) contravenes any Applicable ESG Standard, any E&S Permit or any Material Document; and
- (B) which is likely to have a Material Adverse Effect.
- (iii) An E&S Assessment has been conducted in a manner relevant and appropriate to the nature and scale of the Project, in accordance with the Applicable ESG Standards.
- (iv) The Borrower has complied in all material respects with the terms of the ESAP.

No environmental and social claims

- (v) Except as disclosed to the Lenders and the Administrative Agent:
 - (A) the Obligors and the Project assets are not subject to any judicial or administrative proceeding or order in respect of any Environmental Laws or claim under any Environmental Laws.
 - (B) the Obligors have not received and is not aware of (after having made due enquiry):
 - (I) any actual or threatened complaint, order, directive, claim, notice or other communication; or
 - (II) any event or circumstance reasonably likely to result in any claim,
- in each case, with respect to any non-compliance (or alleged non-compliance) in respect of any Environmental and Social Matters related to the Project and which could reasonably be expected to result in a Material Adverse Effect.

Provision of information

- (vi) To the knowledge of the each Obligor, all information disclosed by the Obligors to the Administrative Agent and the Finance Parties with respect to Environmental and Social Matters is true and correct in all material respect.
- (vii) None of the Obligors has failed to disclose a material fact or circumstance in relation to Environmental and Social Matters which could reasonably be expected to materially and adversely affect the decision of a Finance Party to participate in the Facilities.

Community matters

- (viii) The E&S Assessment Documentation is readily available to the Affected Communities;
- (ix) A summary of the ESIA is accessible and available to the public online.
- (x) The Borrower's consultation and dealings with any Affected Communities with whom it is required to consult in accordance with the Applicable ESG Standards regarding the Project has been conducted in a structured manner in accordance with the Applicable ESG Standards.
- (xi) The Borrower has fulfilled all of its obligations under the IBA in all material respect.

- (gg) **Rank of Debt.** The obligations of the Borrower and each Obligor under the Finance Documents to which it is a party to pay the Loans and any and all other amounts due thereunder (A) constitute direct and unconditional obligations of the Borrower and each Obligor; and (B) will at all times, rank

at least equal in right of payment with all other present and future indebtedness and other obligations of the Borrower and each Obligor, except for:

- (i) any obligations which have priority under Applicable Laws;
 - (ii) any obligations which are permitted to rank in priority or senior to the Obligations pursuant to the Finance Documents (including pursuant to Permitted Liens which by nature are ranking in priority to the first ranking security of the Administrative Agent and the Lenders provided under the Security Documents); and
 - (iii) any obligations of Champion pursuant to which Champion has granted Liens to secure performance and payment thereof, provided such obligations and Liens are granted in accordance and compliance with the terms of any Finance Document.
- (hh) **Investment Company Act of 1940.** The Borrower is not, and after giving effect to the transactions contemplated hereby, will not be, subject to registration as an “investment company” or “controlled” by a company subject to registration as an “investment company,” within the meaning of the United States Investment Company Act of 1940, as amended.
- (ii) **Margin Regulations.** The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying any “margin stock” (as defined in Regulation U of the Board of Governors of the Federal Reserve System of the United States) or to extend credit to others for such purpose and no part of the proceeds of any Loan will be used for the purpose whether immediate, incidental or ultimate, of buying or carrying any “margin stock” (as defined in Regulation U of the Board of Governors of the Federal Reserve System of the United States) or to extend credit to others for such purpose. No part of the proceeds of any Loan will be used, whether directly or indirectly and whether immediately, incidentally or ultimately, for any purpose which entails a violation of or which is inconsistent with Regulation G, T, U or X promulgated by the Board of Governors of the Federal Reserve System of the United States (12 C.F.R. sections 207, 220, 221 and 224, respectively).
- (jj) **Listing Requirement.** Champion is a publicly listed company on the Australian Securities Exchange and the Toronto Stock Exchange or another major recognized stock exchange (including the London Stock Exchange, New York Stock Exchange and the AIM sub-market of the London Stock Exchange).
- (kk) **RBC Letters of Credit.** The RBC Letters of Credit are secured by cash collateral (including with guaranteed investment certificates equal to the aggregate Principal Amount of the outstanding RBC Letters of Credit).

9.2 Deemed Repetition

The representations and warranties made in Section 9.1 (*Representations and Warranties of the Obligors*) shall be deemed to be repeated on each Drawdown Date and as of the date of each Compliance Certificate delivered under this Agreement, as if made on and as of each such date unless specifically made as of a certain date.

ARTICLE 10 COVENANTS

10.1 Affirmative Covenants

Unless otherwise specified in this Section 10.1, the Borrower and each other Obligor covenants and agrees

with the Lenders and the Administrative Agent the following:

- (a) **Maintenance of Business.** Except as provided in Section 10.2(d), each Obligor shall preserve and maintain its existence, and each Obligor (but, with respect to Champion, only with respect to its business which relates to the Project) preserve and keep in force and effect all licenses, permits and franchises necessary to the proper conduct of its business. In addition, the Borrower shall at all times be an entity formed under the laws of Canada (or a province or territory thereof) with business operations in Canada.
- (b) **Maintenance of Properties.** Any Obligor (but, with respect to Champion, only with respect to such material property, plant, Equipment and other assets which relate to and is required for the Project) shall maintain, preserve and keep its plant, Equipment, material property and other assets in good repair, working order and condition (ordinary wear and tear excepted) and shall, from time to time, make, in all materials respects and as is deemed reasonably required by such Obligor in the normal course and operation of the Project, all needed and proper repairs, renewals, replacements, additions and improvements thereto so that at all times the efficiency thereof shall be preserved and maintained in all material respects.
- (c) **Obligations.** It shall duly and punctually pay the Obligations at the times and places and in the manner required by the terms of the Finance Documents.
- (d) **Taxes and Assessments.** The Borrower shall duly pay and discharge, all Taxes, rates, assessments, fees and governmental charges upon or against it or its property and assets or in respect of this Agreement or any other Finance Document, in each case before the same become delinquent and before penalties accrue thereon, unless and to the extent that the same are being contested in good faith and by appropriate proceedings and adequate reserves are provided therefor or unless such failure to pay and discharge do not materially detract from the value of the Collateral or impair the operation of the Project.
- (e) **Insurance.**
 - (i) The Borrower and LBRC shall maintain in force, with financially sound and reputable insurance companies, insurance coverage on its property, assets and maintain civil liability insurance as a prudent administrator would obtain for similar property, assets and businesses and in accordance with good industry practice. The Borrower shall upon request, furnish to the Lenders and the Administrative Agent a certificate setting forth in summary form the nature and extent of the insurance maintained pursuant to this Section 10.1(e).
 - (ii) All insurance required hereby shall name the Administrative Agent as first loss payee, first mortgagee and additional insured, and shall contain a standard mortgage clause all in form and content acceptable to the Administrative Agent.
 - (iii) Each of the Borrower and LBRC shall pay or cause to be paid, when due, all premiums on such insurance. Each of the Borrower and LBRC shall provide to the Administrative Agent certificates of insurance evidencing compliance with the foregoing and, at the Lenders' request; the policies of such insurance shall be delivered by the Borrower to the Lenders and the Administrative Agent.
 - (iv) All insurance required hereby shall provide that no cancellation thereof shall be effective until at least thirty (30) days after receipt by the applicable Obligor and the Administrative Agent of written notice thereof, and shall be satisfactory to the Administrative Agent in all other respects. In case of any material loss, damage to or destruction of the Collateral or any part thereof, the Borrower shall promptly give written notice thereof to the Administrative Agent generally describing the nature and extent of such damage or destruction.

- (v) If any Obligor receives any proceeds of insurance for any loss, damage to or destruction of Collateral, such proceeds shall immediately be deposited in the Borrower's Account and applied in accordance with Section 6.3 (*Mandatory Prepayments*).
- (f) **Inspection; Appraisals; Verification.** It shall permit (and arrange for all access required to permit), subject to compliance by the Administrative Agent and the Lenders with Section 15.17 (*Treatment of Certain Information; Confidentiality*):
- (i) the Administrative Agent and the Lenders and their duly authorized representatives and agents to examine and make copies of the corporate books and books of accounts and other financial records of each Obligor upon reasonable prior notice and during regular business hours, in the location of the requested information:
 - (ii) the Administrative Agent and the Lenders and their duly authorized representatives and agents to discuss the affairs, finances and accounts of each Obligor with, and to be advised as to the same by, their officers, employees and independent chartered accountants (and each Obligor hereby authorizes its accountants to discuss with the Administrative Agent and the Lenders and their duly authorized representatives and agents the finances and affairs of such Obligor); and
 - (iii) the Lenders and the Administrative Agent and its duly authorized representatives and agents to visit and inspect any of the premises of the Obligors and to conduct field examinations upon reasonable prior notice and during regular business hours, in the location of the requested information, provided that the Administrative Agent shall not conduct more than one field examinations during any particular calendar year, but for greater certainty, the number of visits and inspections that do not constitute field examinations shall not be restricted during any calendar year, provided, however, that if an Event of Default has occurred and is continuing, the Administrative Agent shall be entitled to conduct field examinations of the Obligors during such calendar year at such times and intervals as the Administrative Agent determines to be appropriate in its sole discretion.
- (g) **Material Documents.** It shall perform, comply with, observe and enforce its obligations under each Material Document to which it is a party, provided that Champion shall perform, comply with, observe and enforce its obligations under the Management Services and Support Agreement which, if breached, could reasonably be expected to cause a Material Adverse Effect.
- (h) **Location of Collateral and Offices.**
- (i) The Collateral is and shall remain in the possession or control of the applicable Obligor at the Permitted Collateral Locations.
 - (ii) An Obligor (but, with respect to Champion, only to the extent to such Permitted Collateral Location relates to and is required for the Project) shall at all times own each Permitted Collateral Location, except to the extent otherwise permitted by the Lenders and except for lease and other third party locations identified as such in the relevant Schedules to this Agreement.
- (i) **Inventory and Equipment.**
- (i) Each Obligor (but, with respect to Champion, only to the extent to such Inventory relates to and is required for the Project) shall at its own cost and expense maintain, keep and preserve its Inventory in good condition.
 - (ii) Except for Equipment from time to time located at the Permitted Collateral Locations or as otherwise disclosed to the Lenders and the Administrative Agent in writing, none of the Equipment of any Obligor (but, with respect to Champion, only to the extent to such

Equipment relates to and is required for the Project) is or will be attached to any real (immovable) property in such a manner that the same may become a fixture.

- (iii) If an Event of Default has occurred and is continuing, if any of the Inventory is at any time evidenced by a document of title, such document of title shall be promptly delivered by such Obligor (but, with respect to Champion, only to the extent to such Inventory relates to and is required for the Project) to the Administrative Agent unless the Administrative Agent expressly agrees otherwise.
- (j) **Compliance with Laws.** It shall comply in all material respects with the requirements of all Applicable Laws.
- (k) **Sanctions, Anti-Corruption Laws and AML Legislation.** It shall: (i) comply with all Sanctions, Anti-Corruption Laws and AML Legislation provided that, in relation to each Restricted Lender, such laws shall only apply for the benefit of that Restricted Lender to the extent that it would not result in any violation of EU Anti-Boycott Regulations. OFAC shall not apply to the Restricted Lenders. Sanctions imposed by the EU and the Security Council of the United Nations shall be deemed not to violate the EU Anti-Boycott Regulations; and (ii) (A) maintain policies and procedures designed to promote and achieve compliance with Sanctions, Anti-Corruption Laws and AML Legislation (or similar policies and procedures adopted from time to time by its board of directors).
- (l) **Insolvency Applications.** It acknowledges that neither the Lenders nor the Administrative Agent have a common interest with any of the Obligor's other creditors and it agrees that if it files any plan of arrangement under the Companies' Creditors Arrangement Act or makes any proposal under the Bankruptcy and Insolvency Act, the Lenders and the other Finance Parties will be placed in their own class for voting and Distribution purposes, and the Obligors will not permit or acquiesce in, directly or indirectly, the classification of the Finance Parties with any other creditor for any purpose of such plan or proposal or otherwise.
- (m) **Environmental Bonds.** The Borrower shall maintain any surety or completion bonds, securing mine closure, asset retirement and environmental reclamation obligations of the Borrower to the extent required by Applicable Law or a Governmental Authority.
- (n) **Deposit Accounts.** The Borrower shall maintain its Deposit Accounts with The Bank of Nova Scotia.
- ██████████ **[Covenant redacted for confidentiality reasons]**
- (p) **Project Authorizations and E&S Matters**
- (i) The Borrower shall obtain and maintain in full force and effect, each material Authorization and E&S Permit necessary at that stage in the development, construction and operation of the Project:
- (A) to enable it to lawfully enter into, exercise its rights and comply with its obligations under the Project Documents to which it is a party;
- (B) to carry out the construction, operation, maintenance and/or decommissioning of the Project in accordance with the Project Documents to which it is a party and the Closure and Rehabilitation Plan; and
- (C) to comply with all Applicable ESG Standards,

and shall at all times comply in all material respects with the requirements of such Authorizations and E&S Permits.

- For personal use only
- (ii) The Borrower shall comply in all material respects with, and make commercially reasonable efforts to ensure compliance in all material respects with, all Applicable ESG Standards in respect of the conduct of the Borrower's business, the ownership of the Project assets or otherwise in connection with the Project;
 - (iii) If the Borrower becomes aware (having made due enquiry) of any E&S Non-Compliance Event, the Borrower shall notify the Administrative Agent and take all commercially reasonable actions necessary to remedy the E&S Non-Compliance Event in a manner that complies in all material respects with Environmental Laws and any direction from any competent Governmental Authority, unless such direction is being contested in good faith by the Borrower.
 - (iv) The Borrower shall provide a draft Corrective Action Plan to the Administrative Agent and the IESC as soon as reasonably practicable, and in any event within thirty (30) Business Days of becoming aware of the E&S Non-Compliance Event.
 - (v) The Borrower shall review and update annually the ESAP and any Corrective Action Plan to ensure that such document remain up-to-date and materially consistent with Applicable ESG Standards, and shall promptly submit a copy of any amendment or modification to such documents to the Administrative Agent and the IESC for approval.
 - (vi) The Borrower shall make such additional amendments and modifications to the ESAP and the Corrective Action Plans, if any, as may be reasonably requested by the Administrative Agent from time to time based on the written comments provided by the IESC to the Administrative Agent and the Borrower.
 - (vii) The Borrower shall make commercially reasonable efforts to comply in all material respects with the ESMP, the ESAP, and any Corrective Action Plan, if any, as may be amended or modified from time to time.
 - (viii) The Borrower shall ensure that a summary of the ESIA remains accessible and available to the public online.
 - (ix) During the operating period, the Borrower shall report publicly on an annual basis on GHG emission levels in accordance with Environmental Laws.
 - (x) The Borrower shall, at the end of the economic life of the Project, decommission the Project assets in the manner contemplated by the Closure and Rehabilitation Plan.
- (q) **Tailings Management.**
- (i) The Borrower shall engage the Engineer of Record on or before March 31, 2021.
 - (ii) The ITRB shall have convened its meeting concerning the ITRB Tailings Management Report on or before September 30, 2021.

- (r) **IESC Monitoring Report.** No later than thirty (30) days from the Closing Date, the form of the IESC Monitoring Report shall be agreed with the Administrative Agent, with each of the section headings as set out in Schedule M (*IESC Monitoring Report*) populated accordingly, or in another form satisfactory to the Administrative Agent.

[Covenants redacted for confidentiality reasons]

10.2 Negative Covenants

Unless otherwise specified in this Section 10.2, the Borrower, and each other Obligor covenants and agrees with the Lenders and the Administrative Agent the following:

- (a) **Change of Name.** It shall not change its name, and it shall ensure that no other Obligor changes its name, without first giving the Lenders and the Administrative Agent at least thirty (30) days' prior written notice of its intent to do so.
- (b) **Limitation on Liens.** It shall not, and it shall ensure that each other Obligor does not, directly or indirectly, make, create, incur, assume or suffer to exist any Lien upon or with respect to:
- (i) any of the Borrower's present and future undertaking, property and assets (whether real, personal or mixed property), whether now owned or hereafter acquired, other than Permitted Liens;
 - (ii) the Collateral of any Obligor (other than Champion), other than Permitted Liens; and
 - (iii) any of the Securities of the Borrower or LBRC, other than Permitted Liens.
- (c) **Disposition of Assets.** It shall not, and it shall ensure that each other Obligor (but, with respect to Champion, only to the extent to such properties or assets relate to and are required for the Project) does not, sell, lease, transfer, assign, convey or otherwise dispose of any of its properties or assets except:
- (i) sales of Inventory or other assets in the ordinary course of business;
 - (ii) dispositions of vehicles, plant and Equipment that is obsolete, redundant or that is not necessary for the Project provided that such assets are disposed of for cash at fair market value;
 - (iii) dispositions of fixed assets where the proceeds of disposal are used to purchase replacement assets comparable or superior as to type, value and quality;
 - (iv) dispositions at fair market value not contemplated in any of the foregoing paragraphs, provided that the aggregate book value of the assets so disposed of must not exceed \$ in the aggregate in any given Fiscal Year; and

[Amount redacted for competitive reasons]

- (v) as otherwise permitted under, and in accordance with the terms of, the Finance Documents, in each case which does not result in any disposition, sale or disposal of a material portion of the Project.
- (d) **Consolidations and Mergers.** It shall not, and it shall ensure that each other Obligor does not, merge, consolidate, amalgamate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets

(whether now owned or hereafter acquired) to or in favour of any Person, other than:

[Exception redacted for confidentiality reasons]

- (i) any Obligor (other than Champion) can liquidate and dissolve if all of its assets are transferred to another Obligor (other than Champion); or
- (ii) any Obligor (other than Champion) may merge or amalgamate with any other Obligor (other than Champion) if the following conditions are fulfilled:
 - (A) no Default occurs as a result of the merger or amalgamation;
 - (B) the surviving or amalgamated entity executes and delivers to the Administrative Agent all such documents as may be necessary or advisable to confirm that such entity is bound as successor of the merging or amalgamating entities by all Finance Documents to which such entities were parties (and in the case of any Security Document, that the related Security continue to be valid and effective against third parties with respect to the assets of such successor entity);
 - (C) the surviving or amalgamated entity is not "*bankrupt*" or an "*insolvent person*", in each case, within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or other Applicable Laws after the merger or amalgamation;
 - (D) if the merging or the amalgamating party is the Borrower, the merger or the amalgamation must take place with an Obligor incorporated in Canada; and
 - (E) the Administrative Agent has been provided with reasonable advance notice of the merger or amalgamation and, prior to or concurrently with the merger or amalgamation, with satisfactory evidence of compliance with the requirements of clauses (A), (B) and (C) including such financial information, certificates, documents and legal or other professional opinions as the Administrative Agent may reasonably request;

[Exception redacted for confidentiality reasons]

- (e) **Formation of New Entities.** Neither the Borrower nor LBRC shall, and each other Obligor shall ensure that neither the Borrower nor LBRC shall form or acquire or otherwise permit to exist any Subsidiary, except if the Borrower or LBRC, as the case may be, cause such Subsidiary to become a Guarantor under this Agreement and provides the Security immediately on becoming the Borrower's or LBRC's Subsidiary, the whole at the satisfaction of the Administrative Agent.
- (f) **Limitations on Debt.** Each Obligor (other than Champion) shall not, and it shall ensure that each other Obligor (other than Champion) does not, create, incur, assume, suffer to exist, or otherwise become or remain directly or indirectly liable with respect to, Debt, except:
 - (i) Debt incurred pursuant to this Agreement and the other Finance Documents;
 - (ii) the RBC Letters of Credit;
 - (iii) any trade or other similar Debt for amounts payable to suppliers in the ordinary course of business;
 - (iv) Purchase Money Obligations and Capitalized Lease Obligations in an aggregate amount

not exceeding \$ (excluding any Capital Lease Obligations arising out of the CAT Equipment Finance Facility and the SMBC Railcar Finance Facility) in any Fiscal Year, determined in accordance with IFRS on a Adjusted Consolidated Basis for the Borrower;

- (v) Capitalized Lease Obligations arising under in an aggregate amount not to exceed \$;
- (vi) Capitalized Lease Obligations arising under the CAT Equipment Master Lease Agreement in an aggregate principal amount not to exceed \$ outstanding at any one time;
- (vii) unsecured Subordinated Debt owing by an Obligor to Champion including the Permitted Intercompany Debt;
- (viii) unsecured Debt owing by LBRC to the Borrower ;
- (ix) junior ranking secured Debt not exceeding at any time a principal amount of no more than CDN\$ with respect to surety or completion bonds, securing mine closure, asset retirement and environmental reclamation obligations of the Borrower to the extent required by Applicable Law or a Governmental Authority provided that the provider of such surety or completion bond enters into a side agreement with the Borrower on terms which are substantially similar to the Indemnity Side Letter;
- (x) Debt owing by the Borrower in connection with accruing royalties under the Supreme Metals Royalty Agreement and the Underlying Bloom Lake East Royalty Agreements;
- (xi) unsecured Subordinated Debt (other than such Subordinated Debt set forth in Section 10.2(f)(vii)) subject to a Subordination Agreement and in an aggregate amount not to exceed CDN\$;
- (xii) any Debt arising from credit cards issued by the Royal Bank of Canada in accordance with Section 2.17(b), provided such credit card obligations do not exceed from time to time an amount of CDN\$ in the aggregate; and
- (xiii) any other Debt approved in writing by the Administrative Agent, acting on the instructions of the Lenders.

[Amounts and descriptions redacted for competitive reasons]

- (g) **Transactions with Affiliates.** It shall not, and it shall ensure that each other Obligor does not, enter into any contract, arrangement or transaction with any Affiliate, except:
 - (i) as expressly permitted by this Agreement or listed on Schedule J (*Transactions with Affiliates*);
 - (ii) agreements in the ordinary course of, and pursuant to the reasonable requirements of, business and at prices and on terms substantially the same as those that the Obligor would reasonably expect to receive in a comparable arm's length transaction with another Person (excluding any requirement for security that might otherwise be required from an arm's length party); or
 - (iii) as otherwise disclosed in writing to, and approved by, the Lenders.

- (h) **Management Fees.** Each Obligor (other than Champion) shall not, and it shall ensure that each other Obligor (other than Champion) shall not, pay any management, consulting or similar fees to any other Affiliate unless such fees are paid to Champion as contemplated under the Management and Support Services Agreement, prior to the occurrence of any Event of Default.
- (i) **Shareholder Agreement.** It shall not enter into any shareholder or joint venture agreement in respect of the Project in connection with a Permitted Equity Transfer unless the Borrower is also a party.
- (j) **Restricted Payments.** Each Obligor (other than Champion) shall not, and it shall ensure that each other Obligor (other than Champion) does not, directly or indirectly:
- (i) declare or make any payment or other Distribution of assets, properties, cash, rights, obligations or securities on account of any of its Securities;
 - (ii) purchase, redeem or otherwise acquire for value any of its, or any of its Affiliate's, shares of capital stock, partnership interests, membership interests or other equity securities or any warrants, rights or options to acquire such interests or securities now or hereafter outstanding;
 - (iii) make any payment in respect of any Subordinated Debt, or any Debt owing by an Obligor to another Obligor, except in accordance with, and as permitted under, the applicable Subordination Agreement relating to such Subordinated Debt; or
 - (iv) make any other payment or Distribution to any of its shareholders or Affiliates or any other non-arm's length party (other than as permitted under this Agreement), provided that, notwithstanding the foregoing, the Borrower shall be entitled to make Distributions provided that:
 - (A) prior to the Phase II Completion Date, but only in connection with Distribution relating to the CDP Preferred Equity Facility:
 - (I) immediately prior to any such payments or Distribution and immediately after giving effect thereto, the Borrower holds a minimum Unrestricted Cash balance in its CAD Proceeds Accounts and USD Proceeds Accounts of at least \$ in the aggregate;
 - [Amount redacted for competitive reasons]**
 - (II) immediately prior to any such payments or Distribution, the Borrower shall have delivered to the Administrative Agent a Cost-to-Complete Certificate, which shall be approved by the Independent Engineer (which Cost-to-Complete Certificate shall be delivered by the Borrower to the Independent Engineer no later than the date that is five (5) Business Days prior to the payment date of such Distribution; and
 - (III) the aggregate amount of Distributions in the then current Fiscal Year does not exceed, and will not exceed as a result of such Distribution, CDN\$;
 - (B) immediately prior to any such payments or Distribution and immediately after giving effect thereto, all of the financial covenants in Sections 10.3(a)(i) to 10.3(a)(v), as evidenced in the most recently delivered Compliance Certificate, are satisfied;
 - (C) the Debt Service Coverage Ratio for the previous four Fiscal Quarters immediately prior to such payment based on the most recently delivered Compliance Certificate, and immediately after giving effect to it, is more than 1.40:1;

- (D) after having made such payment or Distribution (and, for the avoidance of doubt, all mandatory prepayments pursuant to Section 6.3 (*Mandatory Prepayment*)), the Borrower holds a minimum cash balance in the USD Proceeds Accounts of \$ in the aggregate;
- (E) the aggregate amount of Distributions in the then current Fiscal Year does not exceed, and will not exceed as a result of such Distribution, \$;
- (F) pursuant to Section 6.3(g), in the event that the aggregate amount of Distributions in the then current Fiscal Year exceeds, or will exceed as a result of such Distribution, \$, the Borrower shall make a mandatory prepayment on the Term Loans in an amount equal to the Distribution; and
- (G) no Default or Event of Default shall have occurred and be continuing or would result from any such payments or Distribution.

[Amounts redacted for competitive reasons]

- (k) **No Amendments to Subordinated Debt.** It shall not, and it shall ensure that each other Obligor does not, change or amend the terms of any Subordinated Debt or Permitted Intercompany Debt if the effect of such change or amendment is to:
 - (i) increase the principal amount of, or interest rate on, any such Debt;
 - (ii) shorten the dates upon which payments of principal or interest are due on any such Debt;
 - (iii) add or change in a manner adverse to the Obligors any event of default or add or make more restrictive any covenant with respect to any such Debt;
 - (iv) change in a manner adverse to the Obligors the prepayment provisions of any such Debt;
 - (v) change the subordination provisions thereof (or the subordination terms of any guarantee thereof); or
 - (vi) change or amend any other term if such change or amendment would materially increase the obligations of the Obligors or confer additional material rights on the holder of any such Debt in a manner adverse to the Obligors, the Lenders or the Administrative Agent.
- (l) **Change in Business.** It shall not, and it shall ensure that each other Obligor does not, engage in any material line of business substantially different from those lines of business carried on by it on the date of this Agreement and it shall not change the location from which such line of business is carried on by it, all as described in Section 9.1(d).
- (m) **Maintenance of Securities.** Each Obligor (other than Champion) shall not, and it shall ensure that each other Obligor (other than Champion) does not, assign, sell or transfer, or permit the assignment, sale or transfer of, any of its Securities or any Security of any other Obligor other than a Permitted Equity Transfer .

[Exception redacted for competitive reasons]

- (n) **Change in Structure.** It shall not, and it shall ensure that each other Obligor does not, make any changes in its equity capital structure (including a change in the terms of its outstanding Securities), or amend its constating documents (including any shareholder agreement) or any other corporate documents that prejudice the Lenders, except as necessary to effect:

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- (i) any transfer or issuance of Securities of Champion, except as otherwise restricted under this Agreement;
 - (ii) the issuance of new class A or other common shares in the capital of the Borrower to Champion;
 - (iii) , **[Exception redacted for competitive reasons]**
 - (iv) the issuance of the CDP Preferred Equity Shares provided that:
 - (A) the obligations of the Borrower in connection with such CDP Preferred Equity Shares are unsecured;
 - (B) the Borrower has the option, at its sole discretion, to “capitalise” any dividend or other form of interest or return payable to the holders of such preferred shares or other form of preferred equity; and
 - (C) the Borrower shall not be entitled to redeem such CDP Preferred Equity Shares prior to thirty (30) days after the Maturity Date, unless otherwise permitted under Section 10.2(j); or
 - (v) a Permitted Equity Transfer.
 - (o) **Accounting Changes.** It shall not, and it shall ensure that each other Obligor does not, make any significant change in accounting treatment or reporting practices, except as required by IFRS, or change its Auditor (unless the replacement Auditor is Deloitte LLP, PWC LLP, KPMG LLP or EY LLP) or Fiscal Year.
 - (p) **Project Accounts.** It shall not maintain any other Deposit Accounts other than the Project Accounts and, **[Redacted for confidentiality reasons]**
 - (q) **Material Documents.** It shall not, and it shall ensure that each other Obligor does not:
 - (i) cancel, terminate or modify the payments terms or any other terms of the CDP Preferred Equity Facility Documents other than amendments to cure a *de minimis* technical or administrative error;
 - (ii) cancel, terminate or modify the terms or any other terms of the Material Documents if such cancellation, termination or modification could result in the Borrower not being in compliance with Applicable ESG Standards;
 - (iii) breach any obligation under (A) any Material Document which, if breached could reasonably be expected to cause (1) a Material Adverse Effect, (2) a Cost-to-Complete Shortfall or (3) Phase II Completion not to occur prior to the Phase II Completion Longstop Date or (B) any material Authorizations, unless in each case, if curable, is cured within the applicable cure period set forth in the Material Document or Authorization;
 - (iv) waive any default or breach under any Material Document;
 - (v) other than as contemplated in paragraph (i), amend or otherwise modify any Material Document which could reasonably be expected to result in a Material Adverse Effect;
 - (vi) take any other action in connection with any Material Document or Authorization that could, in each case, reasonably be expected to have a Material Adverse Effect;

- (vii) terminate any Material Document other than:
- (A) if such Material Document (other than the Management Agreement) is not required anymore for the purpose of the Project; or
 - (B) any Offtake Agreement which may be terminated in accordance with its terms if it is replaced by a replacement offtake agreement on substantially similar terms and conditions than such terminated Offtake Agreement or any other Offtake Agreement then in force, the whole within ninety (90) days of the termination of such Offtake Agreement.
- (viii) release or waive any default under a Material Document which could result in a Material Adverse Effect.
- (r) **Limitation on Sale and Leaseback Transactions.** Except for such sale and leaseback transactions entered into in connection with the leasing of the mining equipment under the CAT Equipment Finance Facility (whereby the Borrower will acquired such mining equipment from Toromont Industries Ltd. (or any Affiliate thereof) and then immediately sell and leaseback such mining equipment from CAT Finance under the CAT Equipment Finance Facility), each Obligor (other than Champion) shall not, and it shall ensure that each other Obligor (other than Champion) does not, directly or indirectly, enter into any sale and leaseback transaction in excess of \$ in the aggregate in a Fiscal Year with respect to any property or assets (whether now owned or hereafter acquired).
- [Amount redacted for competitive reasons]**
- (s) **Loans and Investments.** Neither the Borrower nor LBRC shall, without the prior written approval of the Lenders:
- (i) purchase or acquire, or make any commitment to purchase or acquire, any capital stock, equity interest, or any obligations or other Securities of, or any interest in, any Person;
 - (ii) make or commit to make any acquisition of all or substantially all of the assets of another Person, or of any business or division of any Person, including without limitation, by way of merger, consolidation, amalgamation or other combination; or
 - (iii) make or commit to make any advance, loan, extension of credit or capital contribution to or any other investment in or guarantee of, any Person including any Affiliate or make any payments in respect thereof (the items described in paragraphs (i) and (ii) are referred to as "**Investments**"), except for:
 - (A) Investments in cash and Cash Equivalents;
 - (B) the Permitted Intercompany Debt; and
 - (C) extensions of credit which constitute trade receivables in the ordinary course of business.
- (t) **Location of Assets in Other Jurisdictions.** It will not, and it shall ensure that each other Obligor does not, except for any Collateral in transit for delivery to a customer in the ordinary course of business of such Obligor, as part of the performance of its obligations or the provision of its services to such customer under a contract entered into with such customer in the ordinary course of business of such Obligor:
- (i) acquire any Collateral outside of the jurisdictions identified in Schedule H (*Real Property*);
 - (ii) move any Collateral to a jurisdiction where the Finance Parties would not have, or continue

to have, a first priority Lien over such Collateral under Applicable Law, or

- (iii) knowingly suffer or permit in any other manner any of its Collateral to not be subject to the Finance Parties' Lien or to be or become located in a jurisdiction as a result of which the Finance Parties' Lien over such Collateral would not be perfected.
- (u) **Canadian Pension Plans.** The Borrower will comply, in all material respects, with all obligations with respect to its Canadian Pension Plans. LBRC will not create or establish, or become liable under, a defined benefit Canadian Pension Plan.
- (v) **Streaming/Royalty Agreements.** The Borrower will not enter into any royalty or stream facilities or arrangements, other than the Supreme Metals Royalty Agreement and the Underlying Bloom Lake East Royalty Agreements; provided that neither the Supreme Metals Royalty Agreement nor the Underlying Bloom Lake East Royalty Agreements may be amended, supplemented, or otherwise modified by the Borrower unless such amendment, supplement, or other modification has been approved in writing by the Administrative Agent, acting on the instructions of the Lenders.
- (w) **Recognized Stock Exchange.** Champion shall not cease to be listed on, the Australian Securities Exchange, the Toronto Securities Exchange or a major recognized stock exchange (including TSX, the London Stock Exchange, Australian Securities Exchange, New York Stock Exchange and the AIM sub-market of the London Stock Exchange).
- (x) **Redemption Right.** The Borrower shall not exercise the Borrower's right to buy back or redeem all or a portion of the CDP Preferred Equity Shares under the CDP Preferred Equity Facility until the Facilities are reimbursed in full unless, and until, and subject to the rights set forth in Section 6.3(c) and the conditions set out in Section 10.2(j) shall have been met.
- (y) **Updates to the Financial Model.** The Borrower shall not amend, revise, supplement or replace the Financial Model in any adverse material respect without the prior written consent of the Majority Lenders (in consultation with the Independent Engineer).
- (z) .

[Covenant redacted for confidentiality reasons]

10.3 Financial Covenants of the Borrower

The Borrower covenants and agrees as follows:

- (a) at all times from the Closing Date, and as tested on the last day of each Fiscal Quarter on an Adjusted Consolidated Basis:
 - (i) during the Phase II Construction Period and until the date that is six (6) months after the Phase II Completion Date:
 - (A) the Total Debt to EBITDA Ratio is less than or equal to 4.25:1;
 - (B) the EBITDA to Interest Expense Ratio, as calculated on such date, is no less than or equal to 2.50:1;
 - (ii) for the period thereafter:
 - (A) the Total Debt to EBITDA Ratio is less than or equal to 3.00:1; and
 - (B) the EBITDA to Interest Expense Ratio, as calculated on such date, is no less than 4.00:1,

- (iii) the Reserve Tail Ratio of the Borrower is greater than 30%;
 - (iv) the Minimum Liquidity is no less than \$25,000,000; and
 - (v) the Tangible Net Worth of the Borrower is greater or equal to CDN\$281,157,550, which Tangible Net Worth of the Borrower represents 75% of the Tangible Net Worth of the Borrower as of June 30, 2019; the Tangible Net Worth of the Borrower set forth in this Section 10.3(a)(v) will be increased on a quarterly basis by an amount equal to 50% of the Borrower's positive Net Income;
- (b) at all times following the Phase II Completion Date, and as tested on each Repayment Date, the Debt Service Coverage Ratio as calculated on such date on a Adjusted Consolidated Basis is no less than 1.20:1.
 - (c) the financial covenants set out in paragraphs (a) and (b) above shall be calculated and, tested by reference to each of the Financial Statements and each Compliance Certificate delivered pursuant to Section 10.4(a). The EBITDA, Available Cash Flow and the Debt Service Coverage Ratio calculations in paragraphs (a) and (b) will be calculated based on the previous four Fiscal Quarters on a rolling basis.

10.4 Reporting Covenants

- (a) **Financial Reports.** Except as otherwise provided below, each Obligor shall maintain a standard system of accounting in accordance with IFRS and shall promptly furnish to the Lenders and the Administrative Agent and their duly authorized representatives, as soon as available, and in any event not more than forty-five (45) days after the day such request is made in writing by the Administrative Agent, such information respecting its business and financial condition as the Lenders and the Administrative Agent may reasonably request; and without limiting the foregoing, it shall provide the following information to the Lenders and the Administrative Agent:
 - (i) as soon as available, and in any event within forty-five (45) days after the close of each quarterly accounting period of each of Champion and the Borrower (or more frequently if requested by the Administrative Agent) a copy of the Unaudited Financial Statements as of the last day of such quarterly accounting period prepared by such Obligor in such format and detail as is required by the Administrative Agent and certified by an Authorized Representative of the Borrower;
 - (ii) as soon as available, and in any event within ninety (90) days after the last day of each Fiscal Year of each of Champion and the Borrower, a copy of the Financial Statements for such Fiscal Year, certified by an Authorized Representative of Champion and accompanied by an unqualified opinion of the Auditor, confirming that such Financial Statements have been prepared in accordance with IFRS and present fairly in accordance with IFRS the consolidated and unconsolidated financial condition of the Obligors as of the close of such Fiscal Year and the results of their operations and cash flows for the Fiscal Year then ended and that an examination of such accounts in connection with such Financial Statements has been made in accordance with generally accepted auditing standards and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances;
 - (iii) promptly after receipt thereof, any additional written reports, management letters or other detailed information contained in writing concerning significant aspects of the operations and financial affairs of any Obligor relevant to the preparation of the Financial Statements;
 - (iv) as soon as available, and in any event not less than ninety (90) days prior to the end of each Fiscal Year, a life of mine financial projection (as calculated in accordance with and set out in the Financial Model) and the Financial Model for the next Fiscal Year;

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- (v) in the event of a material update to the Financial Model, promptly after such material update, the updated Financial Model;
 - (vi) promptly after knowledge thereof shall come to the attention of any officer or director of any Obligor, written notice of any threatened or pending litigation or governmental proceeding or labour controversy against the Borrower, any Obligor or with respect to the Project that, if adversely determined, would have a Material Adverse Effect, or of the occurrence of any Default or Event of Default; and
 - (vii) promptly after knowledge thereof shall come to the attention of any officer or director of any Obligor, written notice of any Default or Event of Default.

Each of the Financial Statements of any Obligor furnished to the Lenders and the Administrative Agent pursuant to this Section 10.4(a) shall be accompanied by a Compliance Certificate (which such certificate shall include for greater certainty the requisite financial covenant calculations under this Agreement).

- (b) **Operating Report.** The Borrower shall deliver to the Administrative Agent copies of the Operating Report quarterly until the Maturity Date. Each Operating Report shall be delivered by the Borrower as soon as practicable and, in any event, within thirty (30) days from the last day of each Fiscal Quarter.
- (c) **Phase II Progress Report.** The Borrower shall deliver to the Administrative Agent copies of the Phase II Progress Report, in a form and substance satisfactory to the Lenders, before the last Business Day within 20 days from the last day of each calendar month until the Phase II Completion Date.
- (d) **Material Documents.** The Borrower shall promptly deliver to the Administrative Agent:
 - (i) copies of any new Material Document, and
 - (ii) notice of any breach, amendment or termination of any Material Documents or material Authorization.
- (e) **Hazardous Substances.**
 - (i) The Borrower shall promptly notify the Administrative Agent on:
 - (A) learning of the presence of Hazardous Substances on, above or below the surface of any land that any Obligor occupies or controls (except those being stored, used and otherwise handled and existing in material compliance with Applicable Laws), or contained in the soil or water constituting that land, if such presence constitutes an actual or potential material breach of or non-compliance with any Applicable Law and could reasonably be expected to result in a material liability to the Borrower, and
 - (B) the occurrence of any reportable release, spill, leak, emission, discharge, leaching, dumping or disposal of hazardous substances that has occurred on or from that land and that could reasonably be expected to result in a material liability to the Borrower.
 - (ii) The Borrower shall provide the Administrative Agent with details, including cost, of the work required to remove, clean up or otherwise remedy the matters referred to in such notice.
- (f) **ITRB Tailings Management Reporting.** The Borrower shall:

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- (i) provide to the Administrative Agent, no later than by March 31, 2022 a copy of the detailed ITRB Tailings Management Report that is conducted, with results satisfactory to the Administrative Agent, with respect to any tailings dam and related infrastructure of the Project and certified by the Independent Engineer;
 - (ii) notify the Administrative Agent as soon as it is aware of any circumstance or event that has occurred, is occurring or is reasonably expected to occur and that could materially impact, alter or change, or that could be reasonably expected to materially impact, alter or change, any of the assumptions, findings or conclusions as set out in the ITRB Tailings Management Report. In such a case, the Borrower shall endeavour to have an updated ITRB Tailings Management Report prepared and delivered to the Administrative Agent as promptly as possible;
 - (iii) provide to the Administrative Agent, no later than by March 31, 2024, a copy of the detailed updated ITRB Tailings Management Report that is conducted, with results satisfactory to the Administrative Agent, with respect to any tailings dam and related infrastructure of the Project and certified by the Independent Engineer; and
 - (iv) commencing on March 31, 2021 and no later than March 31 on each calendar year thereafter, provide to the Administrative Agent a copy of the annual dam safety inspection report.
- (g) **Notification of Default and Change of Control.** The Obligors shall notify the Administrative Agent:
- (i) of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence; and
 - (ii) promptly on becoming aware that a Change of Control, or a Permitted Equity Transfer is reasonably likely to occur, or such Change of Control, or a Permitted Equity Transfer or events or circumstances which are reasonably likely to constitute a Change of Control, or a Permitted Equity Transfer (unless a notification has already been provided by another Obligor).
- [Exception redacted for confidentiality and competitive reasons]**
- (h) **Notification of Force Majeure.** The Obligors shall, promptly following its occurrence, inform the Administrative Agent of:
- (i) any event which constitutes an event of force majeure or a delay event (howsoever defined) under any Material Document (as defined in the relevant Material Document); and
 - (ii) details of such event including the date on which such event occurred or commenced.
- The Borrower shall also give notice to the Administrative Agent when it becomes aware that any event referred to in this Section 10.4(h) has occurred and when the effect thereof terminates.
- (i) **Corrupt Gifts; Compliance with Laws, Anti-Terrorism; Sanctions; Illicit Origin.** Each Obligor shall comply with all Sanctions, Anti-Corruption Laws, and applicable AML Legislation to avoid the receipt of funds or investments of illicit origin.
- (j) **Miscellaneous Information.** Each Obligor shall provide to the Administrative Agent:
- (i) a copy of any notice or communication received by it from any regulatory body, court, organisation or other person prohibiting, suspending, varying or requiring the halting of all

or any part of any material activity or process carried out in respect of the Project;

- (ii) details of any material breach by any party, frustration, rescission, repudiation, termination or cancellation of, or material disputes under, any of Finance Documents or Material Documents together with details of any proposed action it proposes to take in relation to the same;
- (iii) a copy of any notice received or given by any Obligor constituting any step towards, or purporting or threatening default or, the rescission, repudiation, termination or cancellation of any of the Finance Documents or Material Documents together with details of any proposed action it proposes to take in relation to the same;
- (iv) details of any occurrence or circumstance (including any third party claim or liability) of which such Obligor becomes aware which is likely to have a Material Adverse Effect;
- (v) details of any damage or destruction of any Collateral where the cost of repair or reinstatement is likely to exceed \$;

[Amount redacted for competitive reasons]

- (vi) details of any suspension, revocation, cancellation, annulment or amendment of any Authorization or any breach of any Authorization or any law which, if substantiated, is likely to have a Material Adverse Effect or result in any liability for a Finance Party;
- (vii) details of any final determination of any mandatory increase in the amount of any surety or completion bonds with respect of the Project securing mine closure, asset retirement and environmental reclamation obligations of the Borrower to the extent required by Applicable Law or a Governmental Authority; and
- (viii) within two (2) Business Days of its occurrence, details of any unscheduled stoppage or disruption to mining or surface operations or production which has or is likely to have a Material Adverse Effect.

The Obligors shall deliver the information contemplated by Section 10.4(j) above promptly upon becoming aware of the relevant matter or, as the case may be, promptly upon receipt of the relevant notice, claim or communication.

- (k) **Insurance Information.** Each Obligor shall provide to the Administrative Agent the details of any insurances such Obligor is required to procure and maintain, including:

- (i) as soon as practicable upon becoming aware (having made due and reasonable enquiry) of the occurrence of the relevant event and details as to any:
 - (A) material disputes with any of the insurers in relation to any of such insurances;
 - (B) notices received from any insurer with respect to the cancellation of or proposed cancellation of any such insurance (and, in the case of the notification of such details, stating the reasons therefore, together with any other information concerning such insurance coverage required to be maintained pursuant to this Agreement as the Administrative Agent may reasonably require); and
 - (C) claims or circumstances which are likely to give rise to a claim in relation to such insurances in excess of \$ of anything which has been done or omitted to be done where the renewal of any such insurances is likely to be adversely affected or the premiums due in respect of such insurances are likely to be increased as a result

of an event or change in circumstances (other than as a result of inflation);

[Amount redacted for competitive reasons]

- (ii) promptly details of any material changes which are proposed to be made to the terms of such insurances and which, if effected, would result in any material reduction in limits or coverage (including those resulting from extensions) or in any increase in deductibles, exclusions or exceptions or would result in termination, cancellation, suspension or expiry (in the latter case, which is not immediately followed by a renewal upon the same terms with the same insurers) of any of such insurances; and
 - (iii) upon written request by the Administrative Agent in each case, certified copies of all policies, cover notes, certificates, endorsements, renewal receipts and confirmation of renewal and payment of premiums in respect of such insurances.
- (l) **Law.** Each Obligor shall notify the Administrative Agent promptly upon becoming aware of the introduction, amendment, repeal or replacement of any law or regulation being made or proposed which might reasonably be expected to have a Material Adverse Effect.
- (m) **Sufficient Copies.** The Obligors, if so required by the Administrative Agent, shall provide sufficient copies of each document to be supplied under the Finance Documents to the Administrative Agent to distribute to each of the Lenders.
- (n) **Environmental and Social Reporting.**
- (i) The Borrower shall deliver annually to the Administrative Agent and the IESC a Borrower E&S Monitoring Report, not less than 180 days after the end of its Fiscal Year, including details of the extent of compliance with the ESMP and the ESAP during the relevant period together with:
 - (A) a description of any instances of material non-compliance with the ESMP, the ESAP and/or any Corrective Action Plan and details of the remedial action completed or expected to be taken;
 - (B) a Certificate signed by an authorized representative of the Borrower, confirming that, to the best of his/her knowledge in his capacity as an authorized representative of the Borrower, the Borrower has complied in all material respects with all relevant Environmental Laws and material E&S Permits obtained at that stage in the development, construction and operation of the Project, except as otherwise disclosed in the Borrower E&S Monitoring Report; and
 - (C) in connection with the Tailings Management Risk Assessment: (a) a summary of updates, if any, to the Tailings Management Risk Assessment or the Project's mine closure plan approved from time to time by the relevant Governmental Authorities; (b) an update on the current life-of-mine closure cost estimate, asset retirement obligation and posted financial assurance for closure including types and amounts; and (c) an update on progress against the Borrower's current mine closure plan for the Project.
 - (ii) The Borrower shall provide to the Administrative Agent:
 - (A) any new environmental and social impact assessment report as may be prepared by or on behalf of the Borrower in respect of the Project;

- (B) the IESC Monitoring Report prepared annually by the IESC taking into account the latest Borrower E&S Monitoring Report; and
- (C) such additional information as may be reasonably required by the Administrative Agent from time to time in connection with the ESMP, the ESAP, the IESC Monitoring Report or any Corrective Action Plan; and
- (iii) The Borrower shall provide to the IESC such additional documents and information as may be relevant to enable the IESC to prepare the IESC Monitoring Report.
- (o) **Updates to Financial Model.** The Borrower shall provide to the Administrative Agent any amendment, update, revision or supplement to or replacement of the Financial Model in effect and approved by the management or board of the Borrower (provided that any such amendment, revisions, supplement or replacement shall be subject to Section 10.2(y)), and any updates to the Financial Model to reflect material changes to the Project as they occur (including any updates to the reserves statements contained therein, updated details regarding the expected Project production levels and costs of production over the life of the mine) as soon as reasonably practicable following such amendment, update, revision or supplement to or replacement of the Financial Model in effect, and in any event, no later than June 30 of each calendar year, or, if no amendments, updates, revisions or supplements have been made thereto or if no replacement thereof has occurred since the most recently delivered Financial Model, a certificate from the Borrower stating that such Financial Model continues to be complete and in full force and effect.
- (p) **Bonding Insurance.** The Borrower shall promptly notify the Administrative Agent of any increase to any insurance policy or surety or completion bonds securing the mine closure, asset retirement and environmental reclamation obligations with respect to Phase II, and shall promptly provide the Administrative Agent with evidence of the same.
- (q) **RBC Letters of Credit.** The Borrower shall promptly notify the Administrative Agent of any amendment to any of the RBC Letters of Credit, and shall promptly provide the Administrative Agent with evidence of the same.

ARTICLE 11 DEFAULT AND ENFORCEMENT

11.1 Events of Default

The occurrence of any of the following events shall constitute an event of default (an “**Event of Default**”) under this Agreement:

- (a) **Payment Defaults.** Failure by any Obligor to pay to the Lenders, the Administrative Agent or any other Finance Party when due all Obligations or any amounts owing to any of them under any Finance Document, and in respect of all such amounts (other than any principal amount), such failure is not cured within three (3) Business Days of a notice of it by the Administrative Agent to the Borrower.
- (b) **Non-Payment Defaults under Article 10.** Failure of any Obligor to comply with any covenant in Article 10.
- (c) **Other Non-Payment Defaults under Finance Documents.** Failure of any Obligor to comply with any covenant given in favour of the Lenders, the Administrative Agent or any other Finance Party in any Finance Document (other than a Default pursuant to Section 11.1(a) or 11.1(b)) if such Default is capable of being remedied and such Default in the case of Champion has not been remedied within forty-five (45) days, and in the case of any other Obligor has not been remedied within thirty (30) days, after the earlier of:

- (i) the date on which an officer of any Obligor became aware of such Default, and
- (ii) the date on which the Borrower received notice of such Default from the Administrative Agent or any other Finance Party.

(d) **Default in Other Agreements.**

- (i) Failure of any Obligor to pay when due any principal, interest or other amount payable in respect of any Debt owing by such Obligor (other than indebtedness owing pursuant to any Finance Document and any Permitted Intercompany Debt) in an individual principal amount of (i) prior to the Phase II Completion Date, \$ or more in the case of Champion; (ii) after the Phase II Completion Date, \$ or more in the case of Champion; (iii) prior to the Phase II Completion Date, \$ or more in the case of any other Obligor; and (iv) after the Phase II Completion Date, \$ or more in the case of any other Obligor, after the expiry of any applicable grace period provided therefor; or
- (ii) breach or default by any Obligor with respect to any other term of any Debt (including any loan agreement, indenture or other agreement relating thereto) (other than covenants in respect of Debt owing pursuant to any Finance Document) owing by any Obligor in an amount of (i) prior to the Phase II Completion Date, \$ or more in the case of Champion; (ii) after the Phase II Completion Date, \$ or more in the case of Champion; (iii) prior to the Phase II Completion Date, \$ or more in the case of any other Obligor; and (iv) after the Phase II Completion Date, \$ or more in the case of any other Obligor, after the expiry of any applicable grace period provided therefor,

in each case, if the effect of such breach or default is to cause, or to permit such indebtedness to become or be declared due and payable (or subject to a compulsory repurchase or redemption) prior to its stated maturity or the stated maturity of any underlying obligation.

[Amounts redacted for competitive reasons]

- (e) **Breach of Representations and Warranties.** Any representation, warranty or certification made or deemed to be made by any Obligor in any Finance Document is untrue in any material respect as of the date on which such representation, warranty, certification or statement was made or deemed to have been made.
- (f) **Judgement.** Any judgement, writ, warrant of attachment, distress or any similar process in an amount exceeding (i) prior to the Phase II Completion Date, CDN\$ is entered or filed against Champion; (ii) after the Phase II Completion Date, CDN\$ is entered or filed against Champion; (iii) prior to the Phase II Completion Date, CDN\$ is entered or filed against one or more of the other Obligors; and (iv) after the Phase II Completion Date, CDN\$ is entered or filed against one or more of the other Obligors, or in each case, against any Collateral (or which, when combined with other judgments, writs, warrants of attachment, distress or other similar proceedings entered or filed against one or more Obligors or against any Collateral), exceeds an aggregate amount of (i) prior to the Phase II Completion Date, CDN\$ in the case of Champion; (ii) after the Phase II Completion Date, CDN\$ in the case of Champion; (iii) prior to the Phase II Completion Date, CDN\$ in the case of any other Obligor; and (iv) after the Phase II Completion Date, CDN\$ in the case of any other Obligor, and such judgment, writ, warrant of attachment, distress or any similar process is not diligently appealed in good faith and vacated, bonded, stayed or satisfied within sixty (60) days thereafter or, within such sixty (60) day period, any Collateral is possessed or seized by any third party creditor.

[Amounts redacted for competitive reasons]

- (g) **Invalidity and Contest.**

- For personal use only
- (i) Any Finance Document, or any provision thereof, shall at any time cease to be a legally binding and enforceable obligation of any Obligor that is a party thereto in accordance with its terms or be declared null and void;
 - (ii) the legality, validity, binding nature or enforceability of any Finance Document, or any provision thereof, shall be contested by any Obligor; or
 - (iii) any Obligor shall deny that it has any further liabilities or obligations under any Finance Document to which it is a party except as permitted under such Finance Document.
- (h) **Authorizations.** Any Authorization required for any Obligor to conduct its business substantially in the manner presently conducted, in all material respects, or to perform its obligations under any Finance Document is not obtained or is withdrawn or ceases to be in full force and effect and:
- (i) it is not possible for such Obligor to obtain such Authorization within forty-five (45) days after the date on which such Authorization was required or withdrawn, as applicable, or
 - (ii) in the Lenders' opinion, it is possible for such Obligor to obtain such Authorization within forty-five (45) days after the date on which such Authorization was required or withdrawn, as applicable, but such Authorization is not obtained within such forty-five (45) day period.
- (i) **Voluntary Proceedings.** Any Obligor:
- (i) institutes proceedings for substantive relief in any bankruptcy, insolvency, debt restructuring, reorganization, readjustment of debt, dissolution, liquidation, winding-up or other similar proceedings (including proceedings under the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *United States Bankruptcy Code* or the incorporating statute of, or other legislation, document or agreement creating, such Obligor), including proceedings for the appointment of a trustee, interim receiver, receiver, receiver and manager, administrative receiver, custodian, liquidator, provisional liquidator, administrator, sequestrator or other like official with respect to such Obligor or all or any material part of any undertaking, property and assets (whether real, personal or mixed property) of such Obligor;
 - (ii) makes an assignment for the benefit of creditors;
 - (iii) is unable, or admits in writing its inability, to pay its debts as they become due or otherwise acknowledges its insolvency or commits any other act of bankruptcy or is insolvent under any applicable legislation;
 - (iv) voluntarily suspends the conduct of its business or operations; or
 - (v) acquiesces in, or takes any action in furtherance of, any of the foregoing.
- (j) **Involuntary Proceedings.** If any third party:
- (i) makes any application under the *Companies' Creditors Arrangement Act* (Canada), the *United States Bankruptcy Code* or similar legislation in Canada or the United States of America in respect of any Obligor;
 - (ii) files a proposal or notice of intention to file a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *United States Bankruptcy Code* or similar legislation in Canada or the United States of America in respect of any Obligor;
 - (iii) institutes any winding-up proceeding under the *Winding-up and Restructuring Act*

(Canada), the *United States Bankruptcy Code*, any relevant incorporating statute or any similar legislation in Canada or the United States of America in respect of any Obligor;

- (iv) presents a petition in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or any similar legislation in Canada or the United States of America in respect of any Obligor; or
- (v) files, institutes or commences any other petition, proceeding or case under any other bankruptcy, insolvency, debt restructuring, reorganization, incorporation, readjustment of debt, dissolution, liquidation, winding-up or similar law now or hereafter in effect, seeking bankruptcy, liquidation, reorganization, dissolution, winding-up, composition or readjustment of debt of any Obligor, the appointment of a trustee, interim receiver, receiver, receiver and manager, administrative receiver, custodian, liquidator, provisional liquidator, administrator, sequestrator or other like official for any Obligor, or any material part of any Obligor's assets or any similar relief in Canada or the United States of America,

unless such application, filing, proceeding, petition or case, as applicable, is being contested in good faith by *bona fide* action on the part of the relevant Obligor and is dismissed, stayed or withdrawn within sixty (60) days after the commencement thereof.

- (k) **Material Adverse Effect.** An event or series of events occurs that results in a Material Adverse Effect.
- (l) **Change of Control.** A change (i) in the holders of Securities of any Obligor (other than Champion), other than in accordance with Section 10.2(n); or (ii) with respect to Champion a Change of Control,

[Exception redacted for competitive and confidentiality reasons]

- (m) **Pension Plans.** The institution of any steps by any Obligor or any applicable regulatory authority to terminate a Canadian Pension Plan (in whole or in part) if, as a result of such termination, any Obligor may be required to make an additional contribution of more than CDN\$ to such Canadian Pension Plan, or to incur an additional liability or obligation in an amount which is more than CDN\$ to such Canadian Pension Plan.

[Amounts redacted for competitive reasons]

- (n) **Dissolution, etc.** Except if permitted under this Agreement, the dissolution, liquidation, wind-up or termination of existence of any Obligor or if any proceedings are commenced in respect thereof unless, in the case of proceedings not brought by an Obligor, such proceedings are being actively and diligently contested in good faith by *bona fide* action on the part of the relevant Obligor and is dismissed, stayed or withdrawn within sixty (60) days after the commencement thereof.
- (o) **Cessation of Business and Abandonment.**
 - (i) All or substantially all of the Collateral is lost or damaged.
 - (ii) Except as permitted under this Agreement, any Obligor (but, with respect to Champion, only to the extent it relates to the Project and the Collateral):
 - (A) ceases or takes any action to cease to carry on its business (which in the case of the Borrower means the conduct of mining and processing operations of the Project), or
 - (B) takes any action to:

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- (I) abandon or suspends the operation of all or a material part of the Project (other than for routine and scheduled maintenance), for a period of forty-five (45) consecutive days;
 - (II) abandon all or any material portion of the Collateral;
 - (III) put the Project on care and maintenance; or
 - (IV) otherwise suspend or fail to maintain a material part of mining or processing operations at the Project, and such operations are not restored and operating substantially as at the time prior to such suspension within ninety (90) days after the commencement of such suspension.
 - (p) **Cessation or Abandonment of Phase II.** Except as permitted under this Agreement, any Obligor (but, with respect to Champion, only to the extent it relates to the Project and the Collateral):
 - (i) Ceases or takes any action to cease to carry on Phase II, or
 - (ii) Takes any action to:
 - (A) abandon or suspend the construction or operation of all or a material part of Phase II (other than for routine and scheduled maintenance), for a period of forty-five (45) consecutive days;
 - (B) put Phase II on care and maintenance; or
 - (C) otherwise suspend or fail to maintain a material part of Phase II, and such construction or operations are not restored and operating substantially as at the time prior to such suspension within ninety (90) days after the commencement of such suspension.
 - (q) **Phase II Completion**
 - (i) A Cost-to-Complete Certificate evidences:
 - (A) a Cost-to-Complete Shortfall which is continuing for forty-five (45) days, unless the Borrower has delivered evidence to the satisfaction of the Administrative Agent that it has taken steps to ensure that such Cost-to-Complete Shortfall shall be remedied within ninety (90) days of the date of the Cost-to-Complete Certificate and provided that such Cost-to-Complete Shortfall is remedied within such ninety (90) day period; or
 - (B) the Phase II Completion shall not occur by the Phase II Completion Longstop Date.
 - (ii) Failure to achieve Phase II Completion by the Phase II Completion Longstop Date.
 - (r) **Environmental and Social Events of Default**
 - (i) A Hazardous Substance is released on or from the Project site which has or is reasonably likely to have a Material Adverse Effect.
 - (ii) The Borrower fails to implement the Corrective Action Plan and such failure is not remedied within sixty (60) days of the Borrower becoming aware of it or such additional delay as may be requested by the Borrower and approved by the Administrative Agent, acting reasonably.

11.2 Rights upon Default and Event of Default

- (a) Upon the occurrence of a Default, which is continuing, the Administrative Agent (for and on behalf of the Lenders) may, on notice to the Borrower, declare that the ability of the Borrower to require any further Advances under the Facilities shall be suspended. Upon the occurrence of an Event of Default which is continuing, the Administrative Agent (for and on behalf of the Lenders and the other Finance Parties) may do either or both of the following:
- (i) declare that the Commitment under any or all of the Facilities has expired and that the Finance Parties' obligation to make Advances or other financial accommodations thereunder has terminated;
 - (ii) declare the entire principal amount of all Advances outstanding, all unpaid accrued interest and all fees and other amounts required to be paid by the Borrower under this Agreement or under any other Finance Document to be immediately due and payable without the necessity of presentment for payment, notice of non-payment and of protest (all of which are hereby expressly waived) and proceed to exercise any and all rights and remedies under this Agreement and under any other Finance Document;
 - (iii) declare that no withdrawals may be made from any Project Account or RBC Account; and
 - (iv) take such actions and commence such proceeding as may be permitted at law or in equity (whether or not provided under the Security Documents) at such times and in such manner as the Administrative Agent, in its sole discretion, may consider necessary,
- provided that if an Event of Default described in Sections 11.1(i) or 11.1(j) occurs, then to the extent permitted by Applicable Law, all Obligations shall become automatically due and payable and the Commitments shall terminate, without any action by the Administrative Agent or any other Finance Party or notice of any kind.
- (b) From and after the issuance of any declaration referred to in this Section 11.2, the Lenders and other Finance Parties shall not be required to honour any cheque or other instrument presented to it by the Borrower regardless of the date of issue or presentation. Immediately upon receipt of a declaration under Section 11.2(a)(ii), the Borrower shall pay to the Lenders and the other Finance Parties all amounts outstanding under this Agreement and under any other Finance Document. Without limiting the generality of the foregoing, the Borrower shall pay to the Lenders the maximum amount payable under all outstanding Letters of Credit, which are unmatured or unexpired, which amounts shall be held by the Lenders as collateral security for the Borrower's obligations with respect to those Letters of Credit, as applicable.

11.3 Waiver of Default

No express or implied waiver by the Lenders of any demand, Default or Event of Default shall in any way be or be construed to be a waiver of any future or subsequent Default or Event of Default. To the extent permitted by Applicable Law, the Obligors hereby waive any rights now or thereafter conferred by statute or otherwise which may limit or modify any of the Finance Parties' rights or remedies under any Finance Document. The Borrower agrees that the exercise by the Finance Parties of any rights or remedies under any Finance Document without having declared an acceleration shall not in any way alter, affect or prejudice the right of the Administrative Agent (for and on behalf of the Lenders and the other Finance Parties) to make a declaration pursuant to Section 11.2 (*Rights upon Default and Event of Default*) at any time and, without limiting the foregoing, shall not be construed as or deemed to constitute a waiver of any rights under Section 11.2 (*Rights upon Default and Event of Default*).

ARTICLE 12

REMEDIES

12.1 Remedies Cumulative

For greater certainty, the rights and remedies of the Finance Parties under this Agreement and the other Finance Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any Finance Party of any right or remedy upon the occurrence of a demand, Default or Event of Default shall not be deemed to be a waiver of, or to alter, affect or prejudice any other right or remedy to which such Finance Party may be lawfully entitled as a result of the demand, Default or Event of Default, and any waiver by any Finance Party of the strict observance of, performance of or compliance with any term, covenant, condition or agreement in this Agreement contained, and any indulgence granted thereby, shall be deemed not to be a waiver of any subsequent demand, Default or Event of Default.

12.2 Remedies Not Limited

The Administrative Agent (for and on behalf of the Finance Parties) may, to the extent permitted by Applicable Law, bring suit at law, in equity or otherwise, for any available relief or purpose including, but not limited to:

- (a) the specific performance of any covenant or agreement contained in this Agreement or in any other Finance Document;
- (b) an injunction against a violation of any of the terms of this Agreement or any other Finance Document;
- (c) in aid of the exercise of any power granted by this Agreement or any other Finance Document or by law; or
- (d) the recovery of any judgement for any and all amounts due in respect of the Obligations.

12.3 Set-Off

If an Event of Default has occurred and is continuing, each of the Lenders and each of their respective Affiliates is hereby authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of any Obligor against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Finance Document to such Lender, irrespective of whether or not such Lender has made any demand under this Agreement or any other Finance Document and although such obligations of such Obligor may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each the Lenders and their respective Affiliates under this section are in addition to other rights and remedies (including other rights of setoff, consolidation of accounts and bankers' lien) that the Lenders or their respective Affiliates may have. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such setoff and application, but the failure to give such notice shall not affect the validity of such setoff and application. If any Affiliate of a Lender exercises any rights under this Section 12.3, it shall share the benefit received in accordance with Section 12.4 (*Sharing of Payments by Lenders*) as if the benefit had been received by the Lender of which it is an Affiliate.

12.4 Sharing of Payments by Lenders

- (a) If any Lender, by exercising any right of setoff or counterclaim or otherwise, obtains any payment or other reduction that might result in such Lender receiving payment or other reduction of a proportion of the aggregate amount of its Loans and accrued interest thereon or other obligations

under this Agreement greater than its Applicable Percentage thereof as provided in this Agreement, then the Lender receiving such payment or other reduction shall:

- (i) notify the Administrative Agent of such fact, and
- (ii) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:
 - (A) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest,
 - (B) the provisions of this section shall not be construed to apply to (x) any payment made by any Obligor pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in disbursements under Letters of Credit to any assignee or participant, other than to any Obligor or any Affiliate of an Obligor (as to which the provisions of this section shall apply); and
 - (C) the provisions of this section shall not be construed to apply to (w) any payment made while no Event of Default has occurred and is continuing in respect of obligations of the Borrower to such Lender that do not arise under or in connection with the Finance Documents, (x) any payment made in respect of an obligation that is secured by a Permitted Lien or that is otherwise entitled to priority over the Borrower's obligations under or in connection with the Finance Documents, or (y) any payment to which such Lender is entitled as a result of any form of credit protection obtained by such Lender.
- (b) The Obligors consent to the foregoing and agree, to the extent they may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Obligor rights of setoff and counterclaim and similar rights of Lenders with respect to such participation as fully as if such Lender were a direct creditor of each Obligor in the amount of such participation.

12.5 Administrative Agent May Perform Covenants

If any Obligor fails to perform any of its obligations under any covenant contained in this Agreement or any other Finance Document, the Administrative Agent (for and on behalf of the Lenders and the other Finance Parties) may (but has no obligation to), upon notice to the Borrower and upon the occurrence of an Event of Default which is continuing, perform any covenant on behalf of such Obligor and, if the covenant requires the payment or expenditure of money, the Administrative Agent (for and on behalf of the Lenders and the other Finance Parties) may make Advances to fund such expenditure, and such Advances shall constitute a Base Rate Loans, depending on the currency of the payment or expenditure, under the Revolving Facility and shall be repaid by the Borrower upon demand by the Administrative Agent.

12.6 Payments by Administrative Agent

- (a) The following provisions will apply to all payments made by the Administrative Agent to the Lenders under this Agreement:
 - (i) the Administrative Agent will be under no obligation to make any payment (whether in respect of principal, interest, fees or otherwise) to any Lender until an amount in respect of

such payment has been received by the Administrative Agent from the Borrower;

- (ii) if the Administrative Agent receives payments of principal, interest, fees or other amounts owing by the Obligors in respect of Obligations and such amounts are less than the full amount of all Obligations then due and eligible, the Administrative Agent will distribute such amount received among the Lenders under the Facilities in each Lender's Applicable Percentage thereof as follows:
 - (A) firstly, to the payment in full of the fees, costs and expenses incident to the exercise of rights, remedies and recourses, including reasonable fees and out-of-pocket expenses of counsel and other professionals and any fees, costs and expenses incurred in connection with any sale or foreclosure of any property or assets; and
 - (B) secondly, on a *pari passu* basis to the payment in full of all other Obligations, provided that once all Obligations have been paid and satisfied in full, any surplus shall be paid by the Administrative Agent in accordance with Applicable Law;
 - (iii) if any Lender has advanced more or less than its Applicable Percentage under the Facilities, such Lender's entitlement to such payment will be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;
 - (iv) if a Lender's Applicable Percentage of an Advance under any Facility has been advanced for less than the full period to which any payment by the Borrower relates, such Lender's entitlement to receive a portion of any payment of interest or fees will be reduced in proportion to the length of time such Lender's Applicable Percentage has actually been outstanding;
 - (v) the Administrative Agent acting reasonably and in good faith will, after consultation with the Lenders in the case of any dispute, determine in all cases the amount of all payments to which each Lender is entitled and such determination will be deemed to be *prima facie* correct;
 - (vi) upon request, the Administrative Agent will deliver a statement detailing any of the payments to the Lenders referred to in this Agreement;
 - (vii) all payments by the Administrative Agent to a Lender under this Agreement will be made to such Lender at its address previously notified to the Administrative Agent unless notice to the contrary is received by the Administrative Agent from such Lender; and
 - (viii) if the Administrative Agent has received a payment from the Borrower on a Business Day (not later than the time required for the receipt of such payment as set out in this Agreement) and fails to remit such payment to any Lender entitled to receive its Applicable Percentage of such payment on such Business Day, the Administrative Agent agrees to pay interest on such late payment at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation.
- (b) The Administrative Agent may in its discretion from time to time make adjustments in respect of any Lender's share of an Advance or repayment under the Facilities in order for the outstanding Advances due to such Lender under such Facility to be in accordance with such Lender's Applicable Percentage in respect of such Facility and the Lenders will make all such payment as the Administrative Agent may direct to give full effect to such adjustments. The Borrower will be bound by such adjustments.
- (c) If the Administrative Agent receives any payment from or for the account of an Obligor in any currency other than the currency in which the Obligations are denominated, the Administrative Agent may convert the payment (including the proceeds of realization upon any Collateral) in

accordance with its normal practice into the currency in which such Obligations are denominated.

ARTICLE 13 ADMINISTRATIVE AGENT

13.1 Appointment and Authority

Each of the Lenders and the other Finance Parties hereby irrevocably appoints the Administrative Agent to act on its behalf as the Administrative Agent under this Agreement and under the other Finance Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article 13 are solely for the benefit of the Administrative Agent, the Lenders and the other Finance Parties, and no Obligor shall have rights as a third party beneficiary of any of such provisions.

13.2 Holding of Security; Québec Security

- (a) The Administrative Agent declares that it shall hold the Liens entrusted to it, the properties and assets charged thereby and the rights granted to it under each Finance Document, for its own benefit and as Administrative Agent for the rateable benefit of each Lender and other Finance Party. The rights vested in the Administrative Agent by any Finance Document shall be performed by the Administrative Agent in accordance with the provisions of this Article 13.
- (b) Without limiting the foregoing, for the purposes of holding any hypothec granted by any Obligor under the Security Documents pursuant to the laws of the Province of Québec to secure the prompt payment and performance of any and all Obligations, each of the Lenders and the other Finance Parties irrevocably appoints and authorizes the Administrative Agent and, to the extent necessary, ratifies the appointment and authorization of the Administrative Agent, to act as the hypothecary representative of the Finance Parties as contemplated under article 2692 of the Civil Code of Québec (in such capacity, the “**Hypothecary Representative**”), and to enter into, to take and to hold on their behalf, and for their benefit, any hypothec, and to exercise such powers and duties that are conferred upon the Hypothecary Representative under any related deed of hypothec. The Hypothecary Representative shall:
 - (i) have the sole and exclusive right and authority to exercise, except as may be otherwise specifically restricted by the terms of this Agreement, all rights and remedies given to the Hypothecary Representative pursuant to any such deed of hypothec and applicable law, and
 - (ii) benefit from and be subject to all provisions of this Agreement with respect to the Administrative Agent, *mutatis mutandis*, including, without limitation, all such provisions with respect to the liability or responsibility to and indemnification by the Lenders and Obligors.

Any person who becomes a Finance Party shall, by its execution of a Assignment and Assumption, be deemed to have consented to and confirmed the Hypothecary Representative as the person acting as hypothecary representative holding the aforesaid hypothecs as aforesaid and to have ratified, as of the date it becomes a Finance Party, all actions taken by the Hypothecary Representative in such capacity. The substitution of the Administrative Agent pursuant to the provisions of Section 13.8 (*Replacement of Administrative Agent*) also constitutes the substitution of the Hypothecary Representative.

13.3 Rights as a Lender

The Administrative Agent shall have the same rights and powers in its capacity as a Lender as any other

Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Administrative Agent under this Agreement in its individual capacity as a Lender. The Administrative Agent and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Obligor or any Affiliate of this Agreement as if it were not the Administrative Agent and without any duty to account to the Lenders.

13.4 Exculpatory Provisions

- (a) The Administrative Agent shall not have any duties or obligations except those expressly set forth in this Agreement and in the other Finance Documents. Without limiting the generality of the foregoing, the Administrative Agent:
 - (i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;
 - (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Finance Documents that the Administrative Agent is required to exercise as directed in writing by the Lenders, but the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Finance Document or Applicable Law; and
 - (iii) shall not, except as expressly set forth in this Agreement and in the other Finance Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Administrative Agent or any of its Affiliates in any capacity.
- (b) The Administrative Agent shall not be liable for any action taken or not taken by it:
 - (i) with the consent or at the request of the Lenders or
 - (ii) in the absence of its own gross or intentional fault.

The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing the Default is given to the Administrative Agent by the Borrower or a Lender.
- (c) Except as otherwise expressly specified in this Agreement, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into:
 - (i) any statement, warranty or representation made in or in connection with this Agreement or any other Finance Document;
 - (ii) the contents of any certificate, report or other document delivered under this Agreement or thereunder or in connection herewith or therewith;
 - (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in this Agreement or therein or the occurrence of any Default;
 - (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Finance Document or any other agreement, instrument or document; or
 - (v) the satisfaction of any condition specified in this Agreement, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

13.5 Reliance by Administrative Agent

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet posting or other Distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition under this Agreement to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the Issuing Bank, the Administrative Agent may presume that such condition is satisfactory to such Lender or the Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Lender or the Issuing Bank prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

13.6 Indemnification of Administrative Agent

Each Lender agrees to indemnify the Administrative Agent and hold it harmless (to the extent not reimbursed by the Borrower), ratably according to its Applicable Percentage (and not jointly or jointly and severally) from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Administrative Agent in any way relating to or arising out of the Finance Documents or the transactions therein contemplated. However, no Lender shall be liable for any portion of such losses, claims, damages, liabilities and related expenses resulting from the Administrative Agent's gross or intentional fault.

13.7 Delegation of Duties

The Administrative Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Finance Document by or through any one or more sub-agents appointed by the Administrative Agent from among the Lenders and their respective Affiliates. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The provisions of this Article 13 and other provisions of this Agreement for the benefit of the Administrative Agent shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Facilities as well as activities as Administrative Agent.

13.8 Replacement of Administrative Agent

- (a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower (acting reasonably) to the extent that no Default or Event of Default exists at such time, to appoint a successor, which shall be a Lender having an office in Toronto, Ontario or Montreal, Québec, or an Affiliate of any such Lender with an office in Toronto or Montreal. The Administrative Agent may also be removed at any time by the Majority Lenders upon thirty (30) days' notice to the Administrative Agent and the Borrower as long as the Majority Lenders, in consultation with the Borrower (acting reasonably) to the extent that no Default or Event of Default exists at such time, appoint and obtain the acceptance of a successor within such thirty (30) days, which shall be a Lender having an office in Toronto or Montreal, or an Affiliate of any such Lender with an office in Toronto or Montreal.
- (b) If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications specified in paragraph (a) above,

provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and:

- (i) the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and under the other Finance Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Finance Parties under any of the Finance Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed); and
 - (ii) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Majority Lenders appoint a successor Administrative Agent as provided for in paragraph (b)(i) above.
- (c) Upon a successor's appointment as Administrative Agent under this Agreement, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the former Administrative Agent, and the former Administrative Agent shall be discharged from all of its duties and obligations under this Agreement or under the other Finance Documents (if not already discharged therefrom as provided in paragraph (b) above). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the termination of the service of the former Administrative Agent, the provisions of this Article 13, and of Sections 3.10 (*Indemnity*) and 15.12 (*Reimbursement of Expenses*) shall continue in effect for the benefit of such former Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the former Administrative Agent was acting as Administrative Agent.

13.9 Non-Reliance on Administrative Agent and Other Lenders

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Finance Document or any related agreement or any document furnished under this Agreement or thereunder.

13.10 Collective Action of the Lenders

Each of the Lenders and the other Finance Parties acknowledges that to the extent permitted by Applicable Law, any collateral security and the remedies, rights or recourses provided under the Finance Documents to the Finance Parties are for the benefit of the Finance Parties collectively and acting together and not severally and further acknowledges that its rights under this Agreement and under any collateral security are to be exercised not severally, but by the Administrative Agent upon the decision of the Majority Lenders. Accordingly, notwithstanding any of the provisions contained in this Agreement or in any other Finance Document, each of the Lenders and other Finance Parties covenants and agrees that it shall not be entitled to take any action under this Agreement or thereunder including, without limitation, any declaration of default under this Agreement or thereunder but that any such action shall be taken only by the Administrative Agent with the prior written agreement of the Majority Lenders. Each of the Lenders and the other Finance Parties hereby further covenants and agrees that upon any such written agreement being given, it shall co-operate fully with the Administrative Agent to the extent requested by the Administrative Agent. Notwithstanding the foregoing, in the absence of instructions from the Lenders and where in the sole opinion of the Administrative Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Administrative Agent may without notice to or consent of the Lenders or any other

Finance Party take such action on behalf of the Lenders or other Finance Parties as it deems appropriate or desirable in the interest of the Lenders and the other Finance Parties.

13.11 No Other Duties, Etc.

Anything in this Agreement to the contrary notwithstanding, none of the bookrunners, arrangers or holders of similar titles, if any, specified in this Agreement shall have any powers, duties or responsibilities under this Agreement or any of the other Finance Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or other Finance Party under this Agreement or thereunder.

13.12 Lenders' Obligations Individual

The obligations of each Lender under this Agreement are individual and not solidary. The failure of any Lender to carry out its obligations under this Agreement will not relieve the other Lenders of any of their respective obligations under this Agreement. No Lender will be responsible for the obligations of any other Lender under this Agreement. Neither the entering into of this Agreement nor the completion of any transactions contemplated in this Agreement will constitute the Lenders a partnership.

13.13 Sharing of Information

The Administrative Agent and the Lenders may share among themselves any information relevant to the Facilities they may have from time to time concerning the Borrower and the Guarantors whether or not such information is confidential, subject to Section 15.17 (*Treatment of Certain Information; Confidentiality*).

ARTICLE 14 INDEMNITIES

14.1 Lender's Indemnity to the Issuing Bank

- (a) Without limiting the liability of the Borrower under the Finance Documents, each Lender shall indemnify (in proportion to such Lender's share of total outstanding Loans or, if no Loans are then outstanding, its share of the total commitments), the Issuing Bank, within three (3) Business Days of demand against any cost, loss or liability incurred by the Issuing Bank, except to the extent that the cost, loss or liability is caused by the Issuing Bank's gross negligence, willful default or fraud in acting as an Issuing Bank under the Finance Documents (unless the Issuing Bank has been reimbursed by the Borrower pursuant to a Finance Document).
- (b) The Borrower shall immediately on demand reimburse any Lender for any payment such Lender makes to the Issuing Bank under this Section 14.1.

ARTICLE 15 GENERAL PROVISIONS

15.1 Assignment

- (a) This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective successors and any permitted Assignees. The Obligors shall not assign, delegate or transfer all or any part of their rights or obligations under this Agreement without the prior written consent of the Lenders and the Administrative Agent, which consent may be withheld in their sole discretion. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants and, to the extent expressly contemplated hereby, the Related Parties of each of the

Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

- (b) Any Lender may assign all or any part of its rights and obligations in respect of the Finance Documents (including all or a portion of its Commitment and the Loans at the time owing to it) to one or more financial institutions or other entities (each an “Assignee”), provided that:
- (i) except if an Event of Default has occurred and is continuing, any such assignment shall be made to a financial institution that is not a non-resident for purposes of the ITA;
 - (ii) except if an Event of Default has occurred and is continuing or in the case of an assignment of the entire remaining amount of the assigning Lender’s Commitments and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender, the aggregate amount of the Commitment being assigned (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$ and the amount held by each Lender after giving effect to such assignment shall not be less than \$, unless the Administrative Agent and, so long as no Default has occurred and is continuing, the Borrower otherwise consent to a lower amount (each such consent not to be unreasonably withheld or delayed);
 - (iii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement with respect to the Loans or the Commitments assigned, except that this paragraph (b)(iii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate credits on a non-*pro rata* basis;
 - (iv) any assignment of a Commitment under the Revolving Facility must be approved by the Issuing Bank (such approval not to be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself already a Lender with a Commitment under the Revolving Facility;
 - (v) any assignment must be approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed) unless: (x) in the case of an assignment of a Commitment under the Revolving Facility, the proposed assignee is itself already a Lender with the same type of Commitment, (y) no Event of Default has occurred and is continuing, and the assignment is of a Commitment under the Term Facility that is fully advanced, or (z) the proposed Assignee is a bank whose senior, unsecured, non-credit enhanced, long term debt is rated at least A3, A- or A low by at least two of Moody’s Investor Services Inc., Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. and Dominion Bond Rating Service Limited, respectively;
 - (vi) any assignment must be approved by the Borrower (such approval not to be unreasonably withheld or delayed) unless the proposed Assignee is itself already a Lender with the same type of Commitment or a Default or Event of Default has occurred and is continuing; and
 - (vii) the parties to the assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in an amount of \$ and the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in a form provided by the Administrative Agent.

[Amounts redacted for confidentiality reasons]

For personal use only

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 15.1(d), from and after the effective date specified in each Assignment and Assumption, the Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement and the other Finance Documents, including any collateral security, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.5 (*Benchmark Replacement Setting*), 3.10 (*Indemnity*), 3.11 (*Change in Circumstances*), 3.12 (*Mitigation Obligations; Replacement of Lenders*), 3.13 (*Illegality*), 6.8 (*Taxes*) and 15.12 (*Reimbursement of Expenses*), and shall continue to be liable for any breach of this Agreement by such Lender, with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 15.1(e). Any payment by an assignee to an assigning Lender in connection with an assignment or transfer shall not be or be deemed to be a repayment by the Borrower or a new Loan to the Borrower.

- (c) A Lender may disclose to any prospective Assignee, on a confidential basis, such information concerning the Obligor, their businesses and properties as it considers appropriate, without liability to any Obligor.
- (d) The Administrative Agent shall maintain a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans owing to, each Lender pursuant to the terms of this Agreement from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms of this Agreement as a Lender under this Agreement for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.
- (e) Any Lender may at any time, without the consent of, or notice to, the Administrative Agent, sell participations to any Person (other than a natural person, an Obligor or any Affiliate of an Obligor) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that:
 - (i) such Lender's obligations under this Agreement shall remain unchanged;
 - (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and
 - (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

[Condition redacted for confidentiality reasons]

Any payment by a Participant to a Lender in connection with a sale of a participation shall not be or be deemed to be a repayment by the Borrower or a new Loan to the Borrower. Subject to Section 15.1(f), the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.5 (*Benchmark Replacement Setting*), 3.11 (*Change in Circumstances*), 3.12 (*Mitigation Obligations; Replacement of Lenders*), 3.13 (*Illegality*) and 6.8 (*Taxes*) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 15.1(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.3 (*Set-Off*) as though it were a Lender, provided such Participant agrees to be subject to Section 12.4 (*Sharing of*

Payments by Lenders) as though it were a Lender.

- (f) A Participant shall not be entitled to receive any greater payment under Sections 3.11 (*Change in Circumstances*) and 6.8 (*Taxes*) than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent.
- (g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, but no such pledge or assignment shall release such Lender from any of its obligations under this Agreement or substitute any such pledgee or assignee for such Lender as a party hereto.
- (h) Notwithstanding anything to the contrary contained in this Agreement, Ressources Quebec Inc. as Lender shall be entitled to assign all of its rights and obligations in respect to the Finance Documents to any Affiliate without prior approval of the Administrative Agent, the Issuing Bank or the Borrower, as the case may be.

15.2 Amendments

- (a) No amendment or waiver of any provision of this Agreement or consent to any departure by a party from any provision of this Agreement will be effective unless it is in writing, and any such amendment, modification, waiver or consent will be effective only in the specific instance, for the specific purpose and for the specific length of time for which it is given.
- (b) Subject to the other provisions of this Agreement, the provisions of the Finance Documents may be amended or waived, and consents thereunder may be given, only by an instrument in writing signed by the Administrative Agent, with the approval of the Majority Lenders. Where any amendment, waiver or other action requires the consent of the Majority Lenders, but only affects Lenders under any one or more of the Facilities (to the exclusion of any other Facility) then such amendment, waiver or other action shall only require the consent of the Majority Lenders under such affected Facility or Facilities.
- (c) Except as otherwise expressly provided in this Agreement, an amendment, waiver or consent that relates to any of the following matters must be made or given by an instrument in writing signed by the Administrative Agent, with the prior consent of all of the Lenders:
 - (i) the extension or postponement of the Maturity Date;
 - (ii) any change in the amount of any Facility or in the Commitment of any Lender;
 - (iii) the mandatory payments under the Term Facility;
 - (iv) any subordination or any reduction of any amount payable under this Agreement or under any other Finance Document;
 - (v) the reduction of any interest rate, discount rate or fee;
 - (vi) the release, subordination or postponement of any Liens or guarantees granted under any of the Security Documents or Guarantees;
 - (vii) any amendment to the Subordinated Debt or to the Permitted Intercompany Debt; and
 - (viii) the provisions of Article 9, Article 10, and Article 15 and the definition of the "Majority Lenders".
- (d) No amendment or waiver of any provision of any Finance Document shall affect any of the rights

or obligations of the Administrative Agent or the Issuing Bank under any Finance Document without the prior consent of the Administrative Agent or the Issuing Bank, as the case may be.

- (e) No amendment or waiver of any provisions of any Finance Documents shall affect any of the rights or obligations of any Lender as a Hedge Provider or as provider of Bank Products under any Finance Documents without the prior consent of any Lender in any such capacity.
- (f) Nothing contained in this Agreement or the other Finance Documents, including, without limitation, the specific reference to Lenders in certain provisions and to Majority Lenders in other provisions, should be construed or interpreted as in any way limiting or restricting the generality of the provisions of this section. The parties hereto acknowledge and agree that any waiver or amendment to which reference is made in this section, once it has been established in writing by the Administrative Agent in favour of the Borrower and in the name of the Majority Lenders, shall bind all parties under this Agreement.

15.3 Notice

- (a) Unless otherwise specified, any notice or other communication required or permitted to be given to a party under this Agreement shall be in writing and may be delivered personally or sent by prepaid registered mail, e-mail or PDF to the address or e-mail address of the party set out beside its name at the foot of this Agreement to the attention of the Person there indicated or to such other address or e-mail address or other Person's attention as the party may have specified by notice in writing given under this section. Any notice or other communication shall be deemed to have been given:
 - (i) if delivered personally, when received;
 - (ii) if sent by e-mail before 4:00 p.m., on that Business Day or, if sent after 4:00 p.m. on that Business Day, on the next succeeding Business Day; and
 - (iii) if sent by e-mail on a day which is not a Business Day, on the next succeeding Business Day.
- (b) All communication with any Obligor under this Agreement may be directed through the Borrower. For greater certainty, any notice or other document or instrument which is required to be given or delivered to any Obligor under this Agreement shall be deemed (unless notice to such Obligor is required by Applicable Law) to have been given to and received by such Obligor if given to the Borrower.

15.4 Environmental Indemnity

Each Obligor shall, and does hereby, indemnify and hold each Indemnified Person harmless from and against any and all Claims and Losses incurred or suffered by, or asserted against, the Indemnified Person, under or an account of Environmental Laws with respect to or as a direct or indirect result of:

- (a) the presence on or under, or any Release or likely Release of any Hazardous Substance, prior to the termination of the Facilities, from any of its any undertaking, property and assets comprising real property or any other real properties owned or used by any of the Obligors or any of their successors and assigns in connection with the Project; or
- (b) the breach of any Environmental Laws by any of the Obligors in connection with the Project;

provided, however, that none of the Obligors shall be required to reimburse or indemnify the Indemnified Persons for any portion of any such Losses caused by or resulting from the action or conduct of any indemnified party determined to be responsible for that portion of such Losses as a result of the gross or

intentional fault of any indemnified party.

The obligations of each of the Obligors under this Section 15.4 shall survive the repayment of the other Obligations and the termination of the Facilities.

15.5 Further Assurances

The Borrower agrees to comply, and to cause each other Obligor to comply, with all terms and conditions of each of the Finance Documents and, at any time and from time to time, upon request of the Administrative Agent, to execute and deliver to the Administrative Agent, such further Finance Documents or instruments and shall do or cause to be done such further acts as the Lenders or the Administrative Agent may deem necessary or desirable to ensure such compliance, to give effect to the intent of the Finance Documents and to secure the Obligations, including, without limitation, executing and delivering, or causing to be executed and delivered, such further Finance Documents or instruments as may be necessary or desirable to:

- (a) give the Finance Parties a first priority Lien in any and all Collateral now or hereafter acquired by any Obligor, subject only to Permitted Liens, and
- (b) to assign all or any part of any Lender's rights and obligations under this Agreement to any Assignee.

15.6 Judgment Currency

If for the purpose of obtaining judgment in any court it is necessary to convert all or any part of the liabilities or any other amount due to the Lenders or the Administrative Agent in respect of any of the Borrower's obligations under this Agreement in the First Currency into the Other Currency, the Borrower, to the fullest extent that it may effectively do so, agrees that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Administrative Agent could purchase the Original Currency with the Other Currency on the Business Day preceding that on which final judgment is paid or satisfied. The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lenders and the Administrative Agent shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in such Other Currency the Administrative Agent may, in accordance with its normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lenders and the Administrative Agent in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Lenders and the Administrative Agent against such Loss, and if the amount of the Original Currency so purchased exceeds the sum originally due to the Lenders and the Administrative Agent in the Original Currency, the Administrative Agent and the Lenders agree to remit such excess to the Borrower.

15.7 Anti-Money Laundering Legislation

- (a) The Borrower acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and other applicable AML Legislation and applicable "know your client" checks and identification procedures, the Lenders, the Administrative Agent and the other Finance Parties may be required to obtain, verify and record information regarding the Obligors, their directors, authorized signing officers, direct or indirect shareholders or other Persons in control of the Obligors, and the transactions contemplated under this Agreement and the other Finance Documents. The Obligors shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender, the Administrative Agent or any other Finance Party, or any prospective assignee or participant of any Lender, the Administrative Agent or any other Finance Party, in order to comply with any applicable AML Legislation or such Lenders' "know your client" checks and identification procedures, whether

now or hereafter in existence.

- (b) If the Administrative Agent has ascertained the identity of the Obligors or any authorized signatories of the Obligors for the purposes of applicable AML Legislation, then the Administrative Agent:
- (i) shall be deemed to have done so as an agent for each Lender and each other Finance Party, and this Agreement shall constitute a "written agreement" in such regard between each Lender or other Finance Party and the Administrative Agent within the meaning of applicable AML Legislation; and
 - (ii) shall provide to each Lender and each other Finance Party copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

Notwithstanding the preceding sentence and except as may otherwise be agreed in writing, each of the Lenders and the other Finance Parties agrees that the Administrative Agent has no obligation to ascertain the identity of the Obligors or any authorized signatories of the Obligors on behalf of any Lender or other Finance Party or to confirm the completeness or accuracy of any information it obtains from the Obligors or any such authorized signatory in doing so.

15.8 Defaulting Lenders

- (a) Notwithstanding any provision of this Agreement to the contrary, if any Lender is a Defaulting Lender, then the following provisions shall apply to such Lender for so long as it remains a Defaulting Lender:
- (i) fees shall cease to accrue in respect of the Commitments of such Defaulting Lender;
 - (ii) the Commitments of such Defaulting Lender shall not be included in determining whether the Lenders have taken or may take any action under this Agreement; provided that any waiver or amendment which affects such Defaulting Lender differently than other Lenders generally shall require the consent of such Defaulting Lender;
 - (iii) any amount owing by a Defaulting Lender to the Administrative Agent or another Lender that is not paid when due shall bear interest at the interest rate applicable to Base Rate Loans, depending on the currency of such amount, during such period;
 - (iv) any amount payable to such Defaulting Lender under this Agreement (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender other than in respect of the assignment of such Defaulting Lender's Loans and Commitments) shall, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated account and, subject to any applicable requirements of Applicable Law, be applied at such time or times as may be determined by the Administrative Agent:
 - (A) *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent under this Agreement;
 - (B) *second, pro rata*, to the payment of any amounts owing by such Defaulting Lender to the Issuing Bank under this Agreement;
 - (C) *third*, to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement;
 - (D) *fourth*, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement (the amount of such cash collateral not to exceed the Commitments of such Defaulting Lender less the outstanding principal

amount of such Defaulting Lender's Loans);

- (E) *fifth*, to the payment of any other amounts owing to the Lenders or the Issuing Bank under this Agreement;
 - (F) *sixth*, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and
 - (G) *seventh*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is a prepayment of the principal amount of any Loans or reimbursement obligations in respect of Letters of Credit with respect to which a Defaulting Lender has funded its participation obligations, such payment shall be applied solely to prepay the Loans of, and reimbursement obligations owed to, all Lenders other than Defaulting Lenders pro rata prior to being applied to the prepayment of any Loans, or reimbursement obligations owed to, any Defaulting Lender;
- (v) if a Defaulting Lender is an insolvent Defaulting Lender, any amount payable to such Defaulting Lender under this Agreement may, in lieu of being distributed pursuant to paragraph (a)(iv) above, be retained by the Administrative Agent to collateralize indemnification and reimbursement obligations of such Defaulting Lender under this Agreement in an amount determined by the Administrative Agent, acting reasonably; and
 - (vi) to the extent permitted by Applicable Law, each Defaulting Lender shall be required to provide cash collateral to the Administrative Agent, for the benefit of the Finance Parties, in an amount sufficient to make payment in respect of its Applicable Percentage of any outstanding Letters of Credit. To the extent that such cash collateral has not been provided, the Lenders' obligations under the outstanding Letters of Credit shall be allocated among the other Lenders, pro rata in accordance with their Commitments under the Revolving Facility, provided that in the event that such allocation causes a Lender to exceed its Revolving Commitment, the Borrower shall immediately repay to the Administrative Agent, for the benefit of each such Lender, the amount necessary to as to eliminate such excess amount. Notwithstanding anything else in this Agreement, while any Lender is a Defaulting Lender, the Issuing Bank shall not be required to issue any Letter of Credit unless it is satisfied that the Obligations under such Letter of Credit will be entirely covered by the Lenders who are not Defaulting Lenders.
- (b) No Commitment of any other Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this section, performance by each Obligor of its obligations under this Agreement and the other Finance Documents shall not be excused or otherwise modified as a result of any Lender becoming a Defaulting Lender. The rights and remedies against a Defaulting Lender under this section are in addition to other rights and remedies which the Obligors may have against such Defaulting Lender as a result of it becoming a Defaulting Lender and which the Administrative Agent or any other Lender may have against such Defaulting Lender with respect thereto.

15.9 Replacement of a Defaulting Lender

- (a) The Borrower may, at any time a Lender has become and continues to be a Defaulting Lender, by giving twenty (20) Business Days' prior written notice to the Administrative Agent and such Lender:
 - (i) replace such Lender by requiring such Lender to (and, to the extent permitted by law, such Lender shall) assign pursuant to Section 15.1(b) all (and not part only) of its rights and obligations under this Agreement; or

- (ii) require such Lender to (and, to the extent permitted by law, such Lender shall) assign pursuant to Section 15.1(b) all (and not part only) of the undrawn Commitment of the Lender,

to an Assignee (a **"Replacement Lender"**) which confirms its willingness to assume and does assume all the obligations, or all the relevant obligations, of the Defaulting Lender in accordance with Section 15.1(b) or a purchase price in cash payable at the time of transfer which is either:

- (iii) in an amount equal to the outstanding principal amount of such Defaulting Lender's participation in the outstanding Advances and all accrued interest and/or Letter of Credit fees, Break Costs and other amounts payable in relation thereto under the Finance Documents; or
- (iv) in an amount agreed between that Defaulting Lender, the Replacement Lender and the Borrower and which does not exceed the amount described in paragraph (i) above.
- (b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this Section 15.9 shall be subject to the following conditions:
- (i) the Borrower shall have no right to replace the Administrative Agent;
- (ii) neither the Administrative Agent nor the Defaulting Lender shall have any obligation to the Borrower to find a Replacement Lender;
- (iii) the transfer must take place no later than ninety (90) after the notice referred to in paragraph (a) above;
- (iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents; and
- (v) the Defaulting Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (a) above once it is satisfied that it has complied with Finance Parties' "know your client" or other similar checks under all Applicable Laws in relation to that transfer to the Replacement Lender.
- (c) The Defaulting Lender shall perform the checks described in paragraph (b)(v) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (a) above and shall notify the Administrative Agent and the Borrower when it is satisfied that it has complied with those checks.

15.10 Contractual Recognition of Bail-In

Notwithstanding anything to the contrary in any Finance Document, or in any other agreement, arrangement or understanding among any such Finance Parties, each Finance Party hereto acknowledges and accepts that any liability of any Finance Party to any other Finance Party under or in connection with the Finance Documents, to the extent such liability is unsecured, may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) the application of any Bail-In Action to any such liabilities arising hereunder which may be payable to it by any Finance Party hereto;
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
- (i) a reduction, in full or in part, or cancellation in the principal amount, or outstanding amount

- due (including any accrued but unpaid interest) in respect of any such liability; and
- (ii) a conversion of all, or a portion of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (c) the variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

15.11 Waivers

No failure to exercise, and no delay in exercising, on the part of the Lenders, the Administrative Agent or any other Finance Party, any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege shall preclude the exercise of any other right, remedy, power or privilege.

15.12 Reimbursement of Expenses

The Borrower shall pay:

- (a) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the Facilities provided for in this Agreement, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Finance Documents or any amendments, modifications or waivers of the provisions of this Agreement and the other Finance Documents (whether or not the transactions contemplated in them shall be consummated);
- (b) all reasonable out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder; and
- (c) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any Lender, the Issuing Bank, any Hedge Provider or any other Finance Party, including the reasonable fees, charges and disbursements of counsel or other consultants, in connection with the enforcement or protection of its rights in connection with this Agreement and the other Finance Documents, including its rights under this section, or in connection with the Loans made or Letters of Credit issued under this Agreement, including all such out-of-pocket expenses incurred in respect of diligence (including costs associated with the Independent Engineer and site visits) and during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

The obligations of the Obligors under this Section 15.12 shall survive the repayment of all Advances and the termination of the Facilities.

15.13 Governing Law

This Agreement and each of the Finance Documents (unless the particular Finance Document otherwise provides) are governed by, and are to be construed and interpreted in accordance with, the Laws of the Province of Québec and the Laws of Canada applicable in Canada.

15.14 Submission to Jurisdiction

The Borrower and each Obligor irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Québec sitting in the judicial district of Montreal and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such court. The Borrower hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the

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maintenance of such action or proceeding. The Borrower hereby irrevocably consents to the service of any and all process in such on or proceeding by the delivery of such process to such Borrower at its address provided in accordance with Section 15.3 (*Governing Law*).

15.15 Waiver of Trial by Jury

The Borrower hereby knowingly voluntarily and intentionally waive any rights it may have to a trial by jury in respect of any litigation based on, or arising out of, under, or in connection with, this Agreement or any other Finance Document, or any course of conduct, course of dealing, statements (whether oral or written) or actions of the Lenders or any other Finance Party or of the Borrower or any other Obligor. The Borrower acknowledges and agrees that it has received full and sufficient consideration for this provision (and each other provision of each other Finance Document to which it is a party) and that this provision is a material inducement for the Lenders and the Administrative Agent entering into this Agreement and each other Finance Document.

15.16 Counterparts

This Agreement and the Finance Documents may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. This Agreement and the Finance Documents may be executed and delivered by PDF and each of the parties hereto may rely on such PDF as though that PDF were an original hand-written signature.

15.17 Treatment of Certain Information; Confidentiality

- (a) Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the information (as defined below), except that Information may be disclosed:
- (i) to it, its Affiliates and its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential);
 - (ii) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority);
 - (iii) to the extent required by Applicable Laws or regulations or by any subpoena or similar legal process;
 - (iv) to any other party hereto;
 - (v) in connection with the exercise of any remedies under this Agreement or under any other Finance Document or any action or proceeding relating to this Agreement or any other Finance Document or the enforcement of rights under this Agreement or thereunder;
 - (vi) subject to an agreement containing provisions substantially the same as those of this section, to:
 - (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement; or
 - (B) any actual or prospective counterparty (or its advisors) to any swap, derivative, credit-linked note or similar transaction relating to the Borrower and its obligations, with the consent of the Borrower;

- (vii) to the extent such Information (x) becomes publicly available other than as a result of a breach of this section or (y) becomes available to the Administrative Agent or any Lender on a non-confidential basis from a source other than an Obligor; or
- (viii) with the Borrower's prior written consent.
- (b) For purposes of this section, "**Information**" means all information received in connection with this Agreement from any Obligor relating to any Obligor or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to such receipt. Any Person required to maintain the confidentiality of Information as provided in this section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent may disclose to any agency or organization that assigns standard identification numbers to loan facilities such basic information describing the Facilities as is necessary to assign unique identifiers (and, if requested, supply a copy of this Agreement), it being understood that the Person to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to make available to the public only such Information as such person normally makes available in the course of its business of assigning identification numbers.

15.18 Entire Agreement

This Agreement and all other Finance Documents constitute the entire agreement between the parties with respect to the subject matter of this Agreement and the other Finance Documents and supersede all prior agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or oral.

15.19 Language

The parties acknowledge that they have required that this Agreement, the Finance Documents and all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement ou à la suite de la présente convention.*

15.20 Amendment and Restatement.

This Agreement amends and restates the Original Credit Agreement in its entirety, with the parties hereby agreeing that there is no novation of the Original Credit Agreement. On the effective date of this Agreement, the rights and obligations of the parties under the Original Credit Agreement shall be subsumed within and be governed by this Agreement; provided, however, that the "Loan" (as such term is defined in the Original Credit Agreement) outstanding under the Original Credit Agreement as of the date of this Agreement shall, for purposes of this Agreement, include the Original Commitment under this Agreement.

[SIGNATURE PAGES FOLLOW]

The parties have executed this Agreement as of the day and year first written above.

BORROWER:

QUEBEC IRON ORE INC.

Per: (s) David Cataford

Name: David Cataford

Title: Chief Executive Officer

Address for Notices:

Quebec Iron Ore Inc.

610-1100 boul. René Lévesque West
Montréal QC H3B 4N4

Attention: David Cataford, Chief Executive Officer
Email:

and

Attention: Steve Boucratie, Vice President, General Counsel and Corporate Secretary
Email:

[Redacted for confidentiality reasons]

GUARANTORS:

Executed by **CHAMPION IRON LIMITED** in
accordance with s. 127 of the Australian
Corporations Act 2001:

(s) David Cataford

.....
Signature of director

(s) Steve Boucratie

.....
Signature of director/company secretary

David Cataford

.....
Name of director (print)

Steve Boucratie

.....
Name of director/company secretary (print)

Address for Notices:

Champion Iron Limited
610-1100 boul. René Lévesque West
Montréal QC H3B 4N4

Attention: David Cataford, Chief Executive Officer

Email:

and

Attention: Steve Boucratie, Vice President, General Counsel and Corporate Secretary

Email:

[Redacted for confidentiality reasons]

LAC BLOOM RAILCARS CORPORATION INC.

Per: (s) David Cataford

Name: David Cataford

Title: Chief Executive Officer

Address for Notices:

Lac Bloom Railcars Corporation Inc.

610-1100 boul. René Lévesque West

Montréal QC H3B 4N4

Attention: David Cataford, Chief Executive Officer

Email:

and

Attention: Steve Boucratie, Vice President, General Counsel and Corporate Secretary

Email:

[Redacted for confidentiality reasons]

ADMINISTRATIVE AGENT:

THE BANK OF NOVA SCOTIA, as Administrative Agent

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

Address for Notices:

The Bank of Nova Scotia
40 King Street West, 62nd Floor
Toronto, ON M5W 2X6

Attention: Director & Head, Agency Services
Email:

[Redacted for confidentiality reasons]

UNDERWRITER

SOCIETE GENERALE

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

COORDINATING BANK

SOCIETE GENERALE

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

[Redacted for confidentiality reasons]

MANDATED LEAD ARRANGERS AND JOINT BOOKRUNNERS

THE BANK OF NOVA SCOTIA

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

SOCIETE GENERALE

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

[Redacted for confidentiality reasons]

THE TORONTO-DOMINION BANK

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

THE ROYAL BANK OF CANADA

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

[Redacted for confidentiality reasons]

LENDERS:

THE BANK OF NOVA SCOTIA

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

SOCIETE GENERALE

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

[Redacted for confidentiality reasons]

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THE TORONTO-DOMINION BANK

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

THE BANK OF CHINA TORONTO BRANCH

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

FEDERATION DES CAISSES DESJARDINS DU
QUEBEC

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

For personal use only

THE ROYAL BANK OF CANADA

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

[Redacted for confidentiality reasons]

For personal use only

EXPORT DEVELOPMENT CANADA

Per: (s) _____
Name:
Title:

Per: (s) _____
Name:
Title:

[Redacted for confidentiality reasons]

Per: (s) _____
Name: _____
Title: _____

[Redacted for confidentiality reasons]

For personal use only

INVESTISSEMENT QUEBEC

Per: (s) _____
Name:
Title:

Per: _____
Name:
Title:

[Redacted for confidentiality reasons]

SCHEDULE A **LENDERS AND COMMITMENTS**

Table 1: Original Revolving Commitments and Original Term Commitments

Lender	Revolving Commitment	Applicable % in respect of the Revolving Facility	Term Commitment	Applicable % in respect of the Term Facility	Total	Total % of all Commitments
The Bank of Nova Scotia	\$	%	\$	%	\$	%
Société Générale	\$	%	\$	%	\$	%
Bank of China Toronto Branch	\$	%	\$	%	\$	%
The Toronto-Dominion Bank	\$	%	\$	%	\$	%
Investissement Québec	\$	%	\$	%	\$	%
Royal Bank of Canada	\$	%	\$	%	\$	%
Fédération des caisses Desjardins du Québec	\$	%	\$	%	\$	%
Total of Original Commitments	\$20,000,000		\$180,000,000		\$200,000,000	

[Amounts redacted for confidentiality reasons]

Table 2: New Revolving Commitments and New Term Commitments

Lender	Revolving Commitment	Applicable % in respect of the Revolving Facility	Term Loan Allocation	Applicable % in respect of the Term Facility	Total Allocation	Total of all Commitments %
The Bank of Nova Scotia	\$	%	\$	%	\$	%
Société Générale	\$	%	\$	%	\$	%
Bank of China Toronto Branch	\$	%	\$	%	\$	%
The Toronto-Dominion Bank	\$	%	\$	%	\$	%
Investissement Québec	\$	%	\$	%	\$	%
Royal Bank of Canada	\$	%	\$	%	\$	%
Fédération des caisses Desjardins du Québec	\$	%	\$	%	\$	%
Export Development Canada	\$	%	\$	%	\$	%
	\$	%	\$	%	\$	%
Total of New Commitments	\$30,000,000.000	100.00%	\$170,000,000.000	100.00%	\$200,000,000.000	100.00%
Total Commitments	\$350,000,000.000	100.00%	\$50,000,000.000	100.00%	\$400,000,000.000	100.00%

[Amounts redacted for confidentiality reasons]

Table 3: Gross Revolving Commitments and Gross Term Commitments

Lender	Revolving Commitment	Applicable % in respect of the Revolving Facility	Term Loan Allocation	Applicable % in respect of the Term Facility	Total Allocation	Total of all Commitments %
The Bank of Nova Scotia	\$	%	\$	%	\$	%
Société Générale	\$	%	\$	%	\$	%
Bank of China Toronto Branch	\$	%	\$	%	\$	%
The Toronto-Dominion Bank	\$	%	\$	%	\$	%
Investissement Québec	\$	%	\$	%	\$	%
Royal Bank of Canada	\$	%	\$	%	\$	%
Fédération des caisses Desjardins du Québec	\$	%	\$	%	\$	%
Export Development Canada	\$	%	\$	%	\$	%
	\$	%	\$	%	\$	%
Total Commitments	\$50,000,000.000	100.00%	\$350,000,000.000	100.00%	\$400,000,000.000	100.00%

[Amounts redacted for confidentiality reasons]

**SCHEDULE B
DRAW SCHEDULE**

LENDER	NEW TERM COMMITMENT	PRO RATA PERCENTAGE
The Bank of Nova Scotia	\$	%
Société Générale	\$	%
Bank of China Toronto Branch	\$	%
The Toronto-Dominion Bank	\$	%
Investissement Québec	\$	%
Royal Bank of Canada	\$	%
Fédération des caisses Desjardins du Québec	\$	%
Export Development Canada	\$	%
	\$	%
TOTAL	\$170,000,000	100.00%

[Amounts redacted for confidentiality reasons]

The business and operations of the Borrower and LBRC, and their locations, are as described below and in Schedule H (*Real Property and Locations of Collateral*):

[illegible]

Residential unit		Workers' residential unit
Residential unit		Workers' residential unit
Residential unit		Workers' residential unit
Residential unit		Workers' residential unit
Residential unit		Workers' residential unit
Residential unit		Workers' residential unit
Residential unit		Workers' residential unit
Residential units		Workers' residential units
Residential units		Workers' residential units
Residential unit		Workers' residential units
Residential units		Workers' residential units
Residential units		Workers' residential units
Residential units		Workers' residential units
Mobile home		Workers' mobile home The land of such location is leased by the Obligor
Mobile home		Workers' mobile home The land of such location is leased by the Obligor

[Description of assets redacted for confidentiality and competitive reasons]

**SCHEDULE D
REPAYMENT SCHEDULE**

Repayment Date	Repayment Amount
30/06/2022	\$
30/09/2022	\$
31/12/2022	\$
31/03/2023	\$
30/06/2023	\$
30/09/2023	\$
31/12/2023	\$
31/03/2024	\$
30/06/2024	\$
30/09/2024	\$
31/12/2024	\$
31/03/2025	\$
30/06/2025	\$
30/09/2025	\$
31/12/2025	\$

[Amounts redacted for confidentiality reasons]

**SCHEDULE E
LITIGATION**

[Schedule redacted for confidentiality reasons]

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**SCHEDULE F
TAXES**

[Schedule redacted for confidentiality reasons]

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SCHEDULE G SECURITIES

PART A

Borrower:

Shareholders	Issued shares	Class	% vote	% participation
Champion Iron Limited			100 %	100 %
Caisse de dépôt et placements du Québec			0 %	0 %
Total			100%	100%

LBRC:

Shareholders	Issued shares	Class	% vote	% participation
Champion Iron Limited			100 %	100 %
Total			100%	100%

9336-0634 Québec Inc.:

Shareholders	Issued shares	Class	% vote	% participation
Quebec Iron Ore Inc.			%	%
Total			%	%

[Details redacted for confidentiality reasons]

PART B

[Schedule redacted for confidentiality reasons]

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SCHEDULE H REAL PROPERTY AND LOCATIONS OF COLLATERAL

Immovable properties owned by Quebec Iron Ore Inc. in Québec:

1. Immovable Properties - Mining Lease

All constructions, structures, improvements, restorations, additions and immovable appurtenances erected or installed by Quebec Iron Ore Inc. or any prior holder or lessee, under the Mining Lease Number 877 granted by the "Ministre des Ressources Naturelles et de la Faune" of the Province of Québec, now known as the "Ministre de l'Énergie et des Ressources Naturelles", on April 14, 2009, corresponding wholly to the immovable for which a land file was opened under number 97-A-821 in the Register of Real Rights of State Resource Development of the Land Registration Division of Saguenay, or for their benefit, under the terms of the foregoing Mining Lease Number 877 on, over or under the following immovable properties, together with all rights of way, servitudes, benefits, privileges and other rights pertaining or accessory thereto:

- 1.1 Lot number FIVE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND FIVE HUNDRED FIFTY-EIGHT (5 965 558) of the cadastre of Québec, Registration Division of Saguenay;
- 1.2 Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND ONE HUNDRED (5 967 100) of the cadastre of Québec, Registration Division of Saguenay;
- 1.3 Lot number FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND EIGHT HUNDRED FORTY-TWO (5 966 842) of the cadastre of Québec, Registration Division of Saguenay;
- 1.4 Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND TEN (5 967 010) of the cadastre of Québec, Registration Division of Saguenay;
- 1.5 Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND ONE HUNDRED ONE (5 967 101) of the cadastre of Québec, Registration Division of Saguenay; and
- 1.6 Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND NINETY-SEVEN (5 967 097) of the cadastre of Québec, Registration Division of Saguenay.

2. Immovable Properties - Residential Houses and Buildings

- 2.1 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TEN (5 966 910), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 115, rue des Bâtisseurs, City of Fermont, Province of Québec;
- 2.2 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED SIXTEEN (5 966 916), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 135, rue des Bâtisseurs, City of Fermont, Province of Québec;
- 2.3 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED SEVENTEEN (5 966 917), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 139, rue des Bâtisseurs, City of Fermont, Province of Québec;
- 2.4 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED EIGHTEEN (5 966 918), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 143, rue des Bâtisseurs, City of Fermont, Province of Québec;
- 2.5 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED NINETEEN (5 966 919), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 147, rue des Bâtisseurs, City of Fermont, Province of Québec;

- 2.6 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TWENTY-TWO (5 966 922), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 151, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.7 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TWENTY-THREE (5 966 923), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 155, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.8 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TWENTY-FOUR (5 966 924), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 159, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.9 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TWENTY-FIVE (5 966 925), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 163, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.10 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FORTY-TWO (5 966 942), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 167, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.11 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-TWO (5 966 952), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 175, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.12 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-THREE (5 966 953), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 179, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.13 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-ONE (5 966 951), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 183, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.14 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTEEN (5 966 915), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 131, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.15 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FORTY-THREE (5 966 943), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 171, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.16 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FOURTEEN (5 966 914), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 127, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.17 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTEEN (5 966 913), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 123, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.18 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED ELEVEN (5 966 911), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 119, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.19 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-NINE (5 966 939), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 136, rue des Bâisseurs, City of Fermont, Province of Québec;
- 2.20 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-EIGHT

(5 966 938), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 132, rue des Bâisseurs, City of Fermont, Province of Québec;

- 2.21 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-SEVEN (5 966 937), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 128, rue des Bâisseurs, City of Fermont, Province of Québec; and
- 2.22 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-SIX (5 966 936), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 124, rue des Bâisseurs, City of Fermont, Province of Québec.
- 2.23 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND ONE HUNDRED FIFTY-SEVEN (5 966 157), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 40, rue Bougainville, City of Fermont, Province of Québec;
- 2.24 Lot FIVE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND NINE HUNDRED SIXTY-FIVE (5 965 965), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 21, rue des Mélèzes, City of Fermont, Province of Québec;
- 2.25 Lot FIVE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND NINE HUNDRED SIXTY-SIX (5 965 966), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 25, rue des Mélèzes, City of Fermont, Province of Québec;
- 2.26 Lot FIVE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND NINE HUNDRED SIXTY-SEVEN (5 965 967), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 29, rue des Mélèzes, City of Fermont, Province of Québec;
- 2.27 Lot FIVE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND NINE HUNDRED SIXTY-EIGHT (5 965 968), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 33, rue des Mélèzes, City of Fermont, Province of Québec; and
- 2.28 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND EIGHT HUNDRED FORTY-NINE (5 966 849), of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 388, rue du Fer, City of Fermont, Province of Québec.
- 2.29 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND EIGHT HUNDRED THIRTY (5 966 830) of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 377-383, rue le Carrefour, City of Fermont, Province of Québec.
- 2.30 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND EIGHT HUNDRED THIRTY-THREE (5 966 833) of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 285-291, rue des Bâisseurs, City of Fermont, Province of Québec.
- 2.31 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TWENTY-EIGHT (5 966 928) of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 283-289, rue le Carrefour, City of Fermont, Province of Québec.
- 2.32 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED SEVEN (5 966 907) of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 292-298, rue des Bâisseurs, City of Fermont, Province of Québec.
- 2.33 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED TWENTY-NINE (5 966 929) of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 231-237, rue des Bâisseurs, City of Fermont, Province of Québec.
- 2.34 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-ONE (5 966 931) of the Cadastre of Québec, Registration Division of Saguenay, with building thereon erected bearing civic number 211-217, rue des Bâisseurs, City of Fermont, Province of Québec.

- 2.35 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-SIX (5 966 956) of the Cadastre of Québec, Registration Division of Saguenay;
- 2.36 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-SEVEN (5 966 957) of the Cadastre of Québec, Registration Division of Saguenay;
- 2.37 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-EIGHT (5 966 958) of the Cadastre of Québec, Registration Division of Saguenay;
- 2.38 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-THREE (5 966 933) of the Cadastre of Québec, Registration Division of Saguenay;
- 2.39 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-FOUR (5 966 934) of the Cadastre of Québec, Registration Division of Saguenay;
- 2.40 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED FIFTY-NINE (5 966 959) of the Cadastre of Québec, Registration Division of Saguenay; and
- 2.41 Lot FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND NINE HUNDRED THIRTY-TWO (5 966 932) of the Cadastre of Québec, Registration Division of Saguenay.

3. Constructions

- 3.1 All constructions, structures, improvements, restorations, additions and immovable appurtenances erected or installed by Quebec Iron Ore Inc. or any prior holder or lessee, or for their benefit, under the terms of the lease agreement granted by the "Ministre des Ressources naturelles et de la Faune" of the Province of Québec, now known as the "Ministre de l'Énergie et des Ressources naturelles", on April 11, 2011 (bearing file number 919 465 00 000) and the Lease 919 465 (as said term is more fully described herein below), corresponding wholly to the immovable for which a land file was opened under numbers 97-B-15254 at the Register of public service networks and immovables situated in territory without a cadastral survey for the Land Registration Division of Saguenay.
- 3.2 All constructions, structures, improvements, restorations, additions and immovable appurtenances erected or installed by Quebec Iron Ore Inc. or any prior holder or lessee, or for their benefit, under the terms of the lease agreement granted by the "Ministre des Ressources naturelles et de la Faune" of the Province of Québec, now known as the "Ministre de l'Énergie et des Ressources naturelles", on August 25, 2011 (bearing file number 919 72100 000), and the Lease 919 721 (as said term is more fully described herein below), corresponding wholly to the immovables for which land files were opened under numbers 97-B-15255 and 97-B-15257 at the Register of public service networks and immovables situated in territory without a cadastral survey for the Land Registration Division of Saguenay.
- 3.3 Modular mining camp (residential complex) comprised among other things of 98 rooms, located on a part of the lot FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND ONE HUNDRED EIGHTEEN (5 967 118) of the Cadastre of Québec, Registration Division of Saguenay.

4. Leases

- 4.1 All of Quebec Iron Ore Inc.'s rights, title and interest, present and future, in the immovable hereinafter described together with all of the constructions, structures, improvements, restorations, additions and immovable appurtenances owned by Quebec Iron Ore Inc., as superfiary or otherwise located or to be located in, on and under a parcel of land subject to right of superficies granted by the "Ministre de l'Énergie et des Ressources naturelles", of the Province of Québec to Quebec Iron Ore Inc., under the lease bearing number 919 465 00 000 as of May 1, 2016, published at the Registry Office for the Registration Division of Saguenay under number 23 314 493 which parcel of land corresponds wholly to the immovable for which a land file has been opened at the

Register of public service networks and immovables situated in territory without a cadastral survey for the Land Registration Division of Saguenay under number 97-B-15286 (the "**Lease 919 465**").

- 4.2 All of the Quebec Iron Ore Inc.'s rights, title and interest, present and future, in the immovable hereinafter described together with all of the constructions, structures, improvements, restorations, additions and immovable appurtenances owned by Quebec Iron Ore Inc., as superfiary or otherwise located or to be located in, on and under parcels of land subject to right of superficies granted by the "Ministre de l'Énergie et des Ressources naturelles", of the Province of Québec to Quebec Iron Ore Inc., under the lease bearing number 919 721 00 000 as of September 1, 2016, published at the Registry Office for the Registration Division of Saguenay under number 23 314 495, which parcels of land correspond wholly to the immovables for which land files have been opened at the Register of public service networks and immovables situated in territory without a cadastral survey for the Land Registration Division of Saguenay under numbers 97-B-15287 and 97-B-15288 (the "**Lease 919 721**").

Real Properties owned by Quebec Iron Ore Inc. in Newfoundland & Labrador:

1. **ALL THAT** piece or parcel of land situate and extending between Canning River and the Newfoundland and Labrador/Québec Provincial Border, in the Province of Newfoundland and Labrador, being more particularly described in Schedule "A" annexed to the Deed of Conveyance dated March 31, 2016 between Bloom Lake Railway Company Limited, as Vendor, and Quebec Iron Ore Inc., as Purchaser, registered at the Registry of Deeds for the Province of Newfoundland and Labrador on April 14, 2016 at Registration No. 758993;
2. **ALL THAT** piece or parcel of land situate and being at Route 500 near Labrador City, in the Province of Newfoundland and Labrador, being more particularly described and delineated in Schedule "B" annexed to the Deed of Conveyance dated March 31, 2016 between Bloom Lake Railway Company Limited, as Vendor, and Quebec Iron Ore Inc., as Purchaser, registered at the Registry of Deeds for the Province of Newfoundland and Labrador on April 14, 2016 at Registration No. 758993;
3. **ALL THAT** piece or parcel of land situate and being at Walsh River, Labrador West, in the Province of Newfoundland and Labrador, being more particularly described and delineated in Schedule "C" annexed to the Deed of Conveyance dated March 31, 2016 between Bloom Lake Railway Company Limited, as Vendor, and Quebec Iron Ore Inc., as Purchaser, registered at the Registry of Deeds for the Province of Newfoundland and Labrador on April 14, 2016 at Registration No. 758993;
4. **ALL THOSE** pieces or parcels of land situate and being at Wabush, in the Province of Newfoundland and Labrador, being more particularly described and delineated in Schedule "D" annexed to the Deed of Conveyance dated March 31, 2016 between Bloom Lake Railway Company Limited, as Vendor, and Quebec Iron Ore Inc., as Purchaser, registered at the Registry of Deeds for the Province of Newfoundland and Labrador on April 14, 2016 at Registration No. 758993; and
5. An undivided 50% share in and to **ALL THAT** piece or parcel of land located near Wabush, in the Province of Newfoundland and Labrador, being more particularly described and delineated in Schedule "E" annexed to the Deed of Conveyance dated March 31, 2016 between Bloom Lake Railway Company Limited, as Vendor, and Quebec Iron Ore Inc., as Purchaser, registered at the Registry of Deeds for the Province of Newfoundland and Labrador on April 14, 2016 at Registration No. 758993.

Easement rights held by Quebec Iron Ore Inc. in Newfoundland & Labrador:

1. An easement for a right-of-way for the Bloom Lake Railway/Wabush Segment in, on, over, across,

and through a strip of land more particularly described in Schedule "A" to the Amended and Restated Agreement for Right-of-Way and Easement dated February 23, 2018 between Tacora Resources Inc., as Transferor, and the Borrower, as Transferee, registered at the Registry of Deeds for the Province of NL on March 1, 2018 as Registration No. 852091, in accordance with and subject to the terms, covenants and conditions thereof.

Immovable and real properties owed by Lac Bloom Railcars Corporation Inc.:

Nil.

Mining rights held by Quebec Iron Ore Inc. in Québec:

Mining Lease Number 877

Mining Lease Number 877 (the "**Mining Lease**") granted by the "Ministre des Ressources Naturelles et de la Faune" of the Province of Québec, now known as the "Ministre de l'Énergie et des Ressources Naturelles", on April 14, 2009, corresponding wholly to the immovable for which a land file was opened under number 97-A-821 in the Register of Real Rights of State Resource Development of the Land Registration Division of Saguenay, which Mining Lease Number 877 is registered in the said Land Registration Division under number 16 115 987, with all its real immovable rights of State resource development and other rights, members, constructions, structures, improvements, restorations, additions and immovable appurtenances thereunto belonging, and all rights of way, servitudes, benefits, privileges and other rights pertaining or accessory to any of the foregoing:

The immovable corresponds wholly to the immovable for which the land file number 97-A-821 was opened.

The Mining Lease affects the following immovable properties:

- (a) Lot number FIVE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND FIVE HUNDRED FIFTY-EIGHT (5 965 558) of the cadastre of Québec, Registration Division of Saguenay;
- (b) Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND ONE HUNDRED (5 967 100) of the cadastre of Québec, Registration Division of Saguenay;
- (c) Lot number FIVE MILLION NINE HUNDRED SIXTY-SIX THOUSAND EIGHT HUNDRED FORTY-TWO (5 966 842) of the cadastre of Québec, Registration Division of Saguenay;
- (d) Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND TEN (5 967 010) of the cadastre of Québec, Registration Division of Saguenay;
- (e) Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND ONE HUNDRED ONE (5 967 101) of the cadastre of Québec, Registration Division of Saguenay; and
- (f) Lot number FIVE MILLION NINE HUNDRED SIXTY-SEVEN THOUSAND NINETY-SEVEN (5 967 097) of the cadastre of Québec, Registration Division of Saguenay.

The Mining Lease is registered in the Public Register of Real and Immovable Mining Rights kept under the Mining Act, R.S.Q., c. M-13.1 (the "PRRIMR"), under number BM877.

Mining Claims

The mining rights registered in the PRRIMR listed below and in respect of which the following land files were opened in the Register of Real Rights of State Resource Development of the Registry Office for the Registration Division of Saguenay (the "RRRSRD"), namely:

No	Type of Title PRRIMR	No of Title PRRIMR	Land File RRRSRD	Municipality	Registration Division
1.	CDC	99894	97-A-1 459	Fermont	Saguenay
2.	CDC	99895	97-A-1 460	Fermont	Saguenay
3.	CDC	99902	97-A-1 461	Fermont	Saguenay
4.	CDC	99903	97-A-1 462	Fermont	Saguenay
5.	CDC	99910	97-A-1 463	Fermont	Saguenay
6.	CDC	99911	97-A-1 464	Fermont	Saguenay
7.	CDC	2082926	97-A-1 479	Fermont	Saguenay
8.	CDC	2082927	97-A-1 480	Fermont	Saguenay
9.	CDC	2082928	97-A-1 481	Fermont	Saguenay
10.	CDC	2082929	97-A-1 482	Fermont	Saguenay
11.	CDC	2082930	97-A-1 483	Fermont	Saguenay
12.	CDC	2082931	97-A-1 484	Fermont	Saguenay
13.	CDC	2082932	97-A-1 485	Fermont	Saguenay
14.	CDC	2082933	97-A-1 486	Fermont	Saguenay
15.	CDC	2082975	97-A-1 528	Fermont	Saguenay
16.	CDC	2082976	97-A-1 529	Fermont	Saguenay
17.	CDC	2082977	97-A-1 530	Fermont	Saguenay
18.	CDC	2082978	97-A-1 531	Fermont	Saguenay
19.	CDC	2082979	97-A-1 532	Fermont	Saguenay
20.	CDC	2082980	97-A-1 533	Fermont	Saguenay
21.	CDC	2082981	97-A-1 534	Fermont	Saguenay
22.	CDC	99935	97-A-1 466	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
23.	CDC	99965	97-A-1 467	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
24.	CDC	1133846	97-A-1 473	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
25.	CDC	1133847	97-A-1 474	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
26.	CDC	2082938	97-A-1 492	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
27.	CDC	2082939	97-A-1 493	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
28.	CDC	2082960	97-A-1 514	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
29.	CDC	2082961	97-A-1 515	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
30.	CDC	2188096	97-A-1 540	Rivière-Mouchalagane (Unorganized Territory)	Saguenay

No	Type of Title PRRIMR	No of Title PRRIMR	Land File RRRSRD	Municipality	Registration Division
31.	CDC	99918	97-A-1 487	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
32.	CDC	99919	97-A-1 465	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
33.	CDC	1133844	97-A-1 471	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
34.	CDC	1133845	97-A-1 472	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
35.	CDC	2082934	97-A-1 488	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
36.	CDC	2082935	97-A-1 489	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
37.	CDC	2082936	97-A-1 490	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
38.	CDC	2082937	97-A-1 491	Fermont and Rivière- Mouchalagane (Unorganized Territory)	Saguenay
39.	CDC	99936	97-A-1 842	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
40.	CDC	99937	97-A-1 843	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
41.	CDC	99938	97-A-1 844	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
42.	CDC	99939	97-A-1 845	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
43.	CDC	99969	97-A-1 852	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
44.	CDC	99970	97-A-1 853	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
45.	CDC	99971	97-A-1 854	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
46.	CDC	99972	97-A-1 855	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
47.	CDC	2082940	97-A-1 494	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
48.	CDC	2082941	97-A-1 495	Rivière-Mouchalagane (Unorganized Territory)	Saguenay
49.	CDC	2082946	97-A-1 500	Rivière-Mouchalagane (Unorganized Territory)	Saguenay

[Details redacted for confidentiality reasons]

Other locations of Collateral of Quebec Iron Ore Inc.:

See Schedule C (*Business and Operations*).

Leased and other third party locations by Lac Bloom Railcars Corporation Inc.:

Nil.

Other locations of Collateral of Lac Bloom Railcars Corporation Inc.:

See Schedule C (*Business and Operations*).

Project Accounts

The deposit accounts listed in Schedule I (*Project Accounts*).

**SCHEDULE I
PROJECT ACCOUNTS**

[Schedule redacted for confidentiality reasons]

For personal use only

SCHEDULE J
TRANSACTIONS WITH AFFILIATES

[Schedule redacted for confidentiality reasons]

For personal use only

SCHEDULE K
FX AND INTEREST RATE MANAGEMENT STRATEGY

[Schedule redacted for confidentiality reasons]

For personal use only

SCHEDULE L
ENVIRONMENTAL AND SOCIAL ACTION PLAN (ESAP)

[Schedule redacted for confidentiality reasons]

For personal use only

**SCHEDULE M
IESC MONITORING REPORT**

[Schedule redacted for confidentiality reasons]

For personal use only

EXHIBIT 1
FORM OF COMPLIANCE CERTIFICATE

TO: The Bank of Nova Scotia, as Administrative Agent as defined below

Attn:
Email:

[Details redacted for confidentiality reasons]

This Compliance Certificate is furnished to The Bank of Nova Scotia as the Administrative Agent (the “**Administrative Agent**”), pursuant to the amended and restated credit agreement dated as of December [●], 2020 (as the same may be amended, restated, renewed or replaced from time to time, the “**Credit Agreement**”) entered into among Quebec Iron Ore Inc. (the “**Borrower**”), as borrower, the Guarantors, the Lenders, and the Administrative Agent. Capitalized terms used but not defined in this certificate have the meaning assigned to such terms in the Credit Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly appointed _____ of the Borrower.
2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and have made such inquiries of other officers and senior persons as are sufficient to enable me to make an informed statement herein.
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default, except as set forth below.
4. Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

[insert details]

5. The representations and warranties made under the Credit Agreement are true and correct as at the date of this Compliance Certificate, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty was true and correct as of such date.
6. The financial statements required by section 10.4(a)(i) or 10.4(a)(ii) of the Credit Agreement and being furnished to you concurrently with this certificate are complete and present fairly the financial position of the Borrower and the other Obligor (as applicable), as of the dates and for the periods covered thereby.
7. I confirm that:
 - (a) as at or for the relevant period ending *[insert relevant calculation date]* :
 - (i) [the Total Debt to EBITDA Ratio is less than or equal to 3.00:1]/[the Total Debt to

EBITDA Ratio is less than or equal to 4.25:1]¹;

- (ii) [the EBITDA to Interest Expense Ratio, as calculated on such date, is no less than 4.00:1]/[the EBITDA to Interest Expense Ratio is no less than or equal to 2.50:1]²;
 - (iii) the Reserve Tail Ratio of the Borrower is greater than 30%;
 - (iv) the Minimum Liquidity is no less than ; **[Redacted for confidentiality reasons.]**
 - (v) the Tangible Net Worth of the Borrower is greater or equal to \$●; and
- (b) as at or for the relevant period ending [*insert relevant calculation date*]:
- (i) the Total Debt to EBITDA Ratio is less than or equal to 3.00:1, provided that during the Phase II Construction Period and until six (6) months after the Phase II Completion Date the Total Debt to EBITDA Ratio is less than or equal to 4.25:1;
 - (ii) the EBITDA to Interest Expense Ratio, as calculated on such date, is no less than 4.00:1, provided that during the Phase II Construction Period and until six (6) months after the Phase II Completion Date the EBITDA to Interest Expense Ratio is no less than or equal to 2.50:1;
 - (iii) the Reserve Tail Ratio of the Borrower is greater than ; **[Redacted for confidentiality reasons.]**
 - (iv) the Minimum Liquidity is no less than ; **[Redacted for confidentiality reasons.]**
 - (v) the Tangible Net Worth of the Borrower is greater or equal to \$●; and

The financial covenants set out in paragraph 7 above have been calculated and tested by reference to each of the most recently delivered Financial Statements and the calculations set out in this Agreement and delivered pursuant to Section 10.4(a).

8. The attachments to this Certificate set forth financial data and computations evidencing the calculations set out above, all of which data and computations are true, complete and correct, and have been made in accordance with the relevant Sections of the Credit Agreement.

The foregoing certifications, together with the computations set forth in the attachments hereto and the financial statements delivered with this Compliance Certificate in support of it, are made and delivered this _____ day of _____, _____.

[Remainder of page intentionally left blank.]

¹ Applicable during the Phase II Construction Period and until six (6) months after the Phase II Completion Date

² Applicable during the Phase II Construction Period and until six (6) months after the Phase II Completion Date

IN WITNESS OF THE TERMS DESCRIBED ABOVE, the Borrower has executed this Compliance Certificate as of the date first written above.

BORROWER

Per:

Name: _____

Title:

I have authority to bind the corporation

For personal use only

For personal use only

APPENDIX A TO THE COMPLIANCE CERTIFICATE
FINANCIAL DATA AND COMPUTATIONS

EXHIBIT 2 DRAWDOWN REQUEST

TO: The Bank of Nova Scotia, as Administrative Agent as defined below

Attn:
Email:
Fax:

[Details redacted for confidentiality reasons]

DATE: _____, 20__

This Drawdown Request is furnished to The Bank of Nova Scotia, as the Administrative Agent (the “**Administrative Agent**”), pursuant to the amended and restated credit agreement dated as of December [●], 2020 (as the same may be amended, restated, renewed or replaced from time to time, the “**Credit Agreement**”) entered into among Quebec Iron Ore Inc. (the “**Borrower**”), as borrower, the Guarantors, certain Lenders, and the Administrative Agent. Capitalized terms used but not defined in this notice have the meaning assigned to such terms in the Credit Agreement.

This Drawdown Request is irrevocable and represents the Borrower’s request to borrow, and the following information is provided pursuant to Section 2.6 (*Borrowing Procedures under the Revolving Facility and the Term Facility*) of the Credit Agreement.

- | | | |
|----|---|---|
| 1. | Facility: | [Revolving Facility] [Term Facility] |
| 2. | Drawdown Date: | _____, 20__ |
| 3. | Amount of requested Advance: | \$ _____ |
| 4. | Requested Credit under Section 2.4 (<i>Availability</i>): | _____ |
| 5. | Contract/Interest Period (if applicable): | _____ |
| 6. | Additional information: | _____ |
| 7. | Use of Proceeds ³ | _____ |

The Borrower, and the undersigned officer to the best of his/her knowledge in his capacity as an officer of the Borrower, each certify that:

- a) the conditions contained in Article 8 of the Credit Agreement applicable to such Drawdown Request have been satisfied, as applicable;
- b) no Default or Event of Default has occurred and is continuing as at the date of this Certificate or would arise immediately after giving effect to or as a result of such Advance;
- c) the representations and warranties made under the Credit Agreement are true and correct as at the date of this Certificate, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty was true and correct as

³ **NTD:** Contingent Cost Certificate to be attached if proceeds used for Approved Cost Overruns.

of such date;

- d) no Material Adverse Change has occurred with respect to the Obligors as at the date of this Certificate or would arise immediately after giving effect to or as a result of such Advance;
- e) [all customary credit documentation required from time to time by the issuing Bank and the Lenders as applicable, in connection with each Letter of Credit has been delivered]⁴;
- f) [the Construction Accounts are fully funded (including with respect to the deposit of the Applicable Drawdown Phase II Project Costs relating to this Drawdown);] [NTD: only for Drawdowns under Section 2.6(b).] and
- g) except in the case of a Contingent Funding, there are no outstanding and unpaid Approved Cost Overruns.

[Remainder of page intentionally left blank.]

⁴ **NTD:** Delete as applicable. Only relevant to a letter of credit issuance under the Revolving Facility.

IN WITNESS OF THE TERMS DESCRIBED ABOVE, this Drawdown Request has been duly executed and delivered by a duly authorized officer of the undersigned as of the date first above written.

[BORROWER]

By: _____

Name:

Title:

I have authority to bind the corporation

For personal use only

EXHIBIT 3 ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “**Assignment and Assumption**”) is dated as of the Effective Date (as set forth below) and is entered into by and between ● (the “**Assignor**”) and ● (the “**Assignee**”). Capitalized terms used but not defined herein shall have the meanings given to them in the amended and restated credit agreement dated as of December [●], 2020 entered into among Quebec Iron Ore Inc. (the “**Borrower**”), as borrower, the Guarantors party thereto, the Lenders party thereto, and the Administrative Agent (as amended, restated, supplemented and otherwise modified from time to time, the “**Credit Agreement**”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective Facilities identified below (including without limitation any Letters of Credit and Guarantees included in such Facilities) and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to paragraph (i) above (the rights and obligations sold and assigned pursuant to paragraphs (i) and (ii) above being referred to herein collectively as, the “**Assigned Interest**”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____
[and is an Affiliate of ● [identify Lender]]
3. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment / Loans Assigned	Percentage Assigned of Commitment/Loans
Revolving Facility	\$	\$	%
Term Facility	\$	\$	%
	\$	\$	%

4. Effective Date: ● [NTD: TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

[signature page follows]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR:

●

By: _____

Name:

Title:

ASSIGNEE:

●

By: _____

Name:

Title:

[Consented to and]⁵ Accepted:

THE BANK OF NOVA SCOTIA,

as the Administrative Agent

By: _____

Name:

Title:

[Consented to:]⁶

[NAME OF RELEVANT PARTY]

By: _____

Name:

Title:

⁵ To be added only if the consent of the Administrative Agent is required by the terms of the Amended and Restated Credit Agreement.

⁶ To be added only if the consent of the Borrower and/or other parties (e.g. Issuing Bank) is required by the terms of the Amended and Restated Credit Agreement.

ANNEX 1 to Assignment and Assumption

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

- 1.1 Assignor. The Assignor (a) represents and warrants (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any Lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Finance Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Finance Documents or any Collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Finance Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Finance Document.
- 1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Finance Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Finance Documents are required to be performed by it as a Lender.

2- Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

3. General Provisions. This Assignment and Assumption shall be binding upon, and enure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the laws governing the Credit Agreement.

EXHIBIT 4
FORM OF ROLLOVER NOTICE

TO: The Bank of Nova Scotia, as Administrative Agent as defined below

Attn:
Email:
Fax:

[Details redacted for confidentiality reasons]

DATE: _____, 20__

This Notice is furnished to The Bank of Nova Scotia, as the Administrative Agent (the "**Administrative Agent**"), pursuant to the amended and restated credit agreement dated as of December [●], 2020 (as the same may be amended, restated, renewed or replaced from time to time, the "**Credit Agreement**") entered into among Quebec Iron Ore Inc. (the "**Borrower**"), as borrower, the Guarantors party thereto, the Lenders party thereto, and the Administrative Agent. Capitalized terms used but not defined herein have the meaning assigned to such terms in the Credit Agreement.

The Borrower hereby notifies you, pursuant to Section 5.3 (*Rollover of LIBOR Loans*) of the Credit Agreement, of the following:

1. Facility and Type of Advance (or portions thereof) to which notice applies _____
2. Date of Rollover _____
4. Next succeeding Contract Period or Interest Period and duration thereof _____

The Borrower, and the undersigned officer to the best of his knowledge in his capacity as an officer of the Borrower, each certify that:

- a) the conditions contained in Article 8 of the Credit Agreement have been satisfied, as applicable;
- b) no Default or Event of Default has occurred and is continuing as at the date of this Notice or would arise immediately after giving effect to or as a result of such rollover;
- c) the representations and warranties made under the Credit Agreement are true and correct as at the date hereof, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty was true and correct as of such date; and
- d) no Material Adverse Change has occurred with respect to any Obligor as at the date hereof or would arise immediately after giving effect to or as a result of such rollover.

IN WITNESS WHEREOF, this Notice has been duly executed and delivered by a duly authorized officer of the undersigned as of the date first above written.

[BORROWER]

By: _____
Name:

For personal use only

Title:

I have authority to bind the corporation

**EXHIBIT 5
FORM OF REPAYMENT NOTICE**

Date: _____

TO: The Bank of Nova Scotia, as Administrative Agent

Attn:
Email:
Fax:

[Details redacted for confidentiality reasons]

Ladies and Gentlemen:

We refer you to the amended and restated credit agreement dated as of December [●], 2020 entered into among Quebec Iron Ore Inc. (the "**Borrower**"), as borrower, the Guarantors, certain Lenders, and The Bank of Nova Scotia, as the Administrative Agent (as amended, restated, supplemented and otherwise modified from time to time, the "**Credit Agreement**"). Unless otherwise defined herein or unless there be something in the subject or the context inconsistent therewith, all capitalized terms and expressions used herein shall have the same meaning as that ascribed to them from time to time in the Credit Agreement.

Pursuant to the provisions of 6.4 of the Credit Agreement, we hereby notify you that on ●, we shall prepay an amount equal to \$● in respect of the Term Facility as follows, to be applied in accordance with the terms of the Credit Agreement:

[NTD: Table below to be completed.]

LOANS		
LOANS AGAINST WHICH THE PAYMENT IS TO BE APPLIED	AMOUNT	LAST DAY OF CONTRACT PERIOD (IF APPLICABLE)
Base Rate Loans	\$ _____	●
LIBOR Loans	\$ _____	●

Yours truly,

[BORROWER]

By: _____

Name:
Title:

I have authority to bind the corporation

EXHIBIT 6
FORM OF COST-TO-COMPLETE CERTIFICATE

To: Bank of Nova Scotia. as Administrative Agent
Attention:
Email:

From: Quebec Iron Ore Inc. as Borrower

[date]

Dear Sirs

1. We refer to the credit agreement by and among the Borrower, Bank of Nova Scotia, as Administrative Agent, and the Lenders, party to it from time to time (as amended, amended and restated, supplemented or otherwise modified from time to time, the **"Credit Agreement"**). This is a Cost-to-Complete Certificate. Terms defined in the Credit Agreement have the same meaning when used in this Cost-to-Complete Certificate unless given a different meaning in this Cost-to-Complete Certificate.
2. We confirm that, as at the last day of the Fiscal Quarter ending immediately prior to the date of delivery of this Cost-to-Complete Certificate (the **"previous Fiscal Quarter"**) and that this certification is being made as of the date of this Certificate:

(a) the Phase II Projected Costs were USD [●], comprising of:

[insert details]	USD [●]
[insert details]	USD [●]
[insert details]	USD [●]

(b) the Available Resources was USD [●], comprising of:

aggregate undrawn Term Facility Commitments	USD [●]
aggregate undrawn Revolving Facility Commitments	USD [●]
committed Subordinated Debt undisbursed made available to the Borrower as permitted under Section 10.2(f)(xi)	USD [●]
aggregate at any time of the available and unused Contingent Funding	USD [●]
aggregate cash standing to the credit of the Project Accounts other than the Contingent Proceeds Account plus projected aggregate cash balance in the Construction Accounts as set out in the Financial Model	USD [●] plus USD [●]

(c) there was [no] Cost-to-Complete Shortfall.

3. The Independent Engineer expects the Phase II to be completed by the Phase II Longstop Date.

Signed

Name:

Title:

of

Quebec Iron Ore Inc

This Cost-to-Complete Certificate, the Phase II Costs incurred to date and the Phase II Projected Costs identified in this certificate have been reviewed by the Independent Engineer and relative to the information that has been made available to the Independent Engineer as of the date of this Certificate. Based on this review, the undersigned has no reason to believe the certifications of the Borrower are not true and correct in all material respects as of the date of this Certificate.

Name:

for and on behalf of [Independent Engineer]

EXHIBIT 7
FORM OF PHASE II COSTS CERTIFICATE

TO: The Bank of Nova Scotia, as Administrative Agent as defined below

Attn:
Email:
Fax:

[Details redacted for confidentiality reasons]

FROM: Québec Iron Ore Inc., as Borrower

[date]

Dear Sirs

1. We refer to the credit agreement dated [●], by and among the Borrower, Bank of Nova Scotia., as Administrative Agent, and the Lenders party to it from time to time (as amended, amended and restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”). This is a Costs Certificate. Terms defined in the Credit Agreement have the same meaning when used in this Costs Certificate unless given a different meaning in this Certificate.
2. In accordance with the Credit Agreement, we set out below the eligible Phase II Costs that:
 - (a) are due and payable; and/or
 - (b) will become due for payment within sixty (60) days from the Drawdown Date,and hereby certify that as at the date of this Certificate:
 - (i) the proceeds of the previous Drawdown were used to pay the eligible Phase II Costs referred to in the previous Costs Certificate;
 - (ii) the aggregate amount of eligible Phase II Costs incurred by the Borrower does not exceed the aggregate amount of eligible Phase II Costs anticipated to be incurred on or prior to the proposed Drawdown Date in the Financial Model;
 - (iii) the cash flows generated from the Project between the Closing Date and the date of this Certificate are no less than the aggregate amount of forecast pre-completion cash flows as set out in the Financial Model;
 - (iv) [the credit balance on the [Construction Accounts] is [●]];
 - (v) [the credit balance on the [Contingent Proceeds Account] is [●]; and
 - (vi) the credit balance on the [Proceeds Accounts is [●]].
3. We anticipate that on the proposed Drawdown Date, immediately prior to the Drawdown:
 - (a) [the credit balance on the [Construction Accounts] will be [●]];
 - (i) [the credit balance on the [Contingent Proceeds Account] will be [●]; and

(ii) the credit balance on the [Proceeds Accounts is [●]].

4. Details of the eligible Phase II Costs:

Phase II Costs	Dollars (\$) Million
Phase II Costs that have fallen due and are payable	[●]
Phase II Costs that will become due for payment	[●]

Yours faithfully

.....

[●]

for and on behalf of

Quebec Iron Ore Inc.

We confirm that we do not disagree with any of the matters set out in this Costs Certificate. As at the proposed Drawdown Date, the Phase II Projected Costs shall be consistent with the Financial Model now in effect.

.....

[●]

for and on behalf of

Independent Engineer

We confirm that we do not disagree with any of the matters set out in this Costs Certificate. As at the proposed Drawdown Date, the Phase II Projected Costs shall be consistent with the Financial Model now in effect.

For personal use only

EXHIBIT 8
COMPLETION TEST AND FORM OF COMPLETION CERTIFICATES

APPENDIX 8-1 TO THE AMENDED AND RESTATED CREDIT AGREEMENT

FORM OF PRODUCTION CERTIFICATE

I, **[Name of Senior Officer]**, *[title of Senior Officer]* of the Borrower, certify, for and on behalf of the Borrower, acting on its own behalf and not in my personal capacity, and without personal liability, that, as of the date of this Certificate:

- (A) Attached to this certificate as Annex A are copies of operating records and other data and documentation relating to the mine operations at the Project during the periods referred to in clause (c) below. Such documentation accurately reflects, in all material respects, the mining operations at the Project during the period to which it relates, and demonstrates compliance with the certifications detailed in clauses 1 to 11 below.
- (B) The Borrower has established reasonable and customary recording and reporting arrangements consistent with reasonable and customary international mining practices as agreed to prior to the Completion Test Period between the Independent Engineer and the Borrower, including the Borrower's methodology for metals accounting, to apply to the tests described in this Certificate (collectively, the "**Testing Methodology**"). Each of the tests described in this certificate shall be retrospective in nature and, subject to the Testing Methodology, such tests may be commenced at any time, at the Borrower's sole discretion after completion of physical facilities. The Borrower shall inform the Independent Engineer within forty-five (45) days following what the Borrower deems to be the successful completion of each test described in this Certificate, and provide the Independent Engineer with the reasonable and customary documentation in support of each such test on or before the end of the forty-five (45) day period.
- (C) For purposes of this certificate the "**Completion Test Period**" shall mean a period of ninety (90) consecutive calendar days.
- (D) For the purposes of this certificate, the notation of "**Combined**" next to a heading indicates that the test results are to be from Phase I and Phase II plants.

1. Mining Tests

- (a) The Borrower's cumulative quantity in dmt of ore extracted from the mine, as measured based on daily haul truck dispatch records, was not less than (%) of the quantity for the Completion Test Period as determined by reference to Annex A (attached to this certificate).
- (b) The Borrower's cumulative quantity in dmt of waste extracted from the mine, as measured based on daily haul truck dispatch records, was not less than (%) of the quantity for the Completion Test Period as determined by reference to Annex A.
- (c) There was a period of fifteen (15) consecutive operating days during which the average of the Borrower's ore and waste extracted from the mine in dmt per day, as measured based on daily haul truck dispatch records, over the course of the fifteen (15) consecutive operating day period was not less than % of the required quantity for the period as determined by reference to Annex A.

2. Processing Plant Throughput (Combined)

- (a) The plant feed was not less than dmt as measured by the weightometers installed on the feed conveyor to the AG mill and adjusted to dry basis.

- (b) There was a period of fifteen (15) consecutive operating days during which plant feed was not less than dmt as measured by the weightometers installed on the feed conveyor to the AG mill and adjusted to dry basis.

3. Head Grade Test

The average iron grade of all the plant feed processed by the concentrator during the Completion Test Period was not less than (%) of the iron grade determined in Annex A during the Completion Test Period.

4. Recovery Test (Combined)

The weighted average daily recovery rate for the iron contained in Phase II plant ore feed was not less than (%) of the expected iron recovery rate for the actual head grades milled during the Completion Test Period determined by applying the copper recovery formula as determined by reference to Annex A.

5. Concentrate Grade Test (Combined)

Actual weighted average iron concentrate grade was within (%) of the "Target Iron Concentrate Grade" during the Completion Test Period as determined by reference to Annex A. For the avoidance of doubt, the (%) is a measure compared to the expected grade (i.e., % of % iron or % iron, therefore % passes).

6. Rail Test

The Borrower has successfully loaded 28,000 wagons at the plant and successfully unloaded 28,000 wagons at the car dumper at the port facility during the Completion Test Period.

7. Shipping Transportable Moisture Limit ("TML")

The moisture content of all shipments during the Completion Test Period are within the safe operating range specified in the TML Certificate, as independently certified by an accredited laboratory and attached as Annex C.

8. Ship Test

The Borrower has successfully loaded two (2) capesize vessels containing between 170,000 and 200,000 ±% tonnes of iron concentrate.

9. TSF

Deposited tailings density was not less than (%) of the expected deposited tailings density during the Completion Test Period as determined in Annex A. The deposited fine and coarse tailings densities will be determined by performing LIDAR measurement before and after the Completion Test Period.

10. Cost Test

The total operating cash costs (excluding financing costs, profit, taxes and royalties) incurred over the Completion Test Period are less than or equal to % of the equivalent total operating cash costs forecast by reference to the Financial Model. The total operating cash costs are to be calculated on a CAD equivalent unit basis per dry tonnes of iron ore concentrate in accordance with the specifications for product set out in the Offtake Agreements or product specifications as applicable to specifications used in the Financial Model.

11. Marketing Test

The iron ore concentrates produced during the Completion Test Period are of acceptable quality under each of the sales contracts and contained a minimum of 65.5 iron ore. If iron ore concentrate delivered is under 65.5 iron content, a formal and anticipated client approval accepting this material must exist.

This is the certificate referred to in Exhibit 8 of the Amended and Restated Agreement, dated as of December [●], 2020 between the Administrative Agent, the Lenders, the Guarantors, the Borrower, the Mandated Lead Arrangers and Joint Bookrunners, and the Underwriter and Coordinating Bank and certain other parties from time to time, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the "**Amended and Restated Credit Agreement**").

Capitalized terms used in this Certificate, except as otherwise defined in this Certificate, shall have the meanings assigned to them in the Amended and Restated Credit Agreement.

IN WITNESS OF, the undersigned, on behalf of the Borrower, has caused this certificate to be duly executed.

[Percentages and dmt are redacted for confidentiality reasons.]

Dated: [●]

QUEBEC IRON ORE INC.

By: _____

Name: _____

Title: *[Title of Senior Officer]*

[Name of Independent Engineer] a **[•]** organized under the laws of **[•]** has performed such inspections, observations, analyses and other procedures which we have, in our reasonable judgement, deemed necessary for purposes of this certificate. Such procedures, and the names of our employees or agents who performed them, are described in Annex B to this certificate. Without limiting the generality of the foregoing, between the dates of **[•]** and **[•]**, **[names of employees or agents]**, **[titles]**, were present at the Project site, and observed operations of the Project during such time. Such observations were those we, in our reasonable judgment, deemed necessary for the purpose of delivering this certificate. Based on such procedures and following consultation with the Engineer of Record, we certify that we have no reason to believe that each of the certifications of the Borrower detailed in the certificate above are not true and correct in all material respects as of the date of this certificate.

IN WITNESS OF, **[Name of Senior Officer of [Name of Independent Engineer]]** has caused this certificate to be duly executed.

Dated:

[Name of Independent Engineer]

By:

[Name]

Title: *[Title of Senior Officer]*

[Annexes redacted for confidentiality reasons]

APPENDIX 8-2 TO THE AMENDED AND RESTATED CREDIT AGREEMENT

FORM OF PHYSICAL FACILITIES CERTIFICATE

I, **[Name of Senior Officer]**, *[title of Senior Officer]* of the Borrower, certify, for and on behalf of the Borrower, acting on its own behalf and not in my personal capacity, and without personal liability, that, as of the date of this Certificate:

- (A) Between the dates of [•] and [•], **[names of employees or agents]**, **[titles]**, inspected the equipment and physical facilities of the Project. We have considered whether, in our reasonable judgment, the equipment and physical facilities described in Annex A ("**Physical Facilities**") have been installed and have become operational, in each case at the time of such inspection. Our work involved inspection of equipment and facilities, including operation, only to the extent necessary to identify such equipment and facilities and the attributes of such equipment and facilities, if any, referred to in Annex A and to conclude whether such equipment and facilities have become operational. Such inspections and observations were those we, in our reasonable judgment, deemed necessary for the purposes of delivering this certificate.
- (B) We have noted in the analysis attached to this certificate as Annex A, a description of the equipment which we identified as meeting the requirements for the [• relevant agreement/plan], together with a reasonably sufficient description for the purposes of such identification. The equipment measures and amounts stated in Annex A represent approximate figures and actual measures and amounts may vary depending upon various factors, including actual characteristics of available equipment. Where measures and amounts relating to the actual equipment installed are approximately those detailed in the [• relevant agreement/plan], we have deemed the installed equipment to be substantially the same as that described in [• relevant agreement/plan] and have stated the relevant amount or measure in the description included in Annex A.
- (C) Based on and subject to the foregoing, as of the date of this certificate, equipment and physical facilities of the Project substantially the same as the Physical Facilities have been developed and built in accordance with the Phase II construction plan, Financial Model and schedule and the Material Documents, are materially complete and have become operational and have achieved design capacity.
- (D) As of the date of this certificate, (i) the Borrower has delivered all relevant taking-over certificates for the Physical Facilities under, and has accepted all works performed by, the contracts or sub-contracts for the delivery, construction or installation of each such facility, to the relevant contractor or sub-contractor, in accordance with the contracts or sub-contracts for the delivery, construction or installation of each such facility and, and (ii) all invoices for construction of the Project (but solely as they relate to the Physical Facilities described in Annex A) have been paid or have accrued to the extent required as of the date of this certificate in respect of such contracts and sub-contracts (save for those which are being disputed in good faith) and the Borrower has available the funds necessary to make any remaining payments under such contracts and sub-contracts (but solely as they relate to the Physical Facilities described in Annex A) as and when they become due.
- (E) As of the date of this certificate, all necessary operating manuals, maintenance procedures and other relevant documentation requested by the Borrower, Independent Engineer or the Engineer of Record (on behalf of the Lenders) have been received by the Borrower from relevant counterparties to the Material Documents.
- (F) [As of the date of this certificate, the items and quantities of mill consumables and capital spares inventory detailed in Annex A of this certificate are either on hand at the facilities of the Project to ensure continuous operation of the Project for thirty (30) days or the Borrower has entered into arrangements to procure such items in the quantities detailed in Annex A, and such arrangements shall have been made pursuant to an established procurement system that will provide spares in a

sound and efficient manner to ensure continuous operation of the Project such that such spares can be expected to be on hand at the Project's facilities within twenty (20) days of request by the Borrower. As of the date of this certificate, the items and quantities of consumables detailed in Annex A are either on hand at the facilities of the Project or have been purchased by the Borrower.]

- (G) The Borrower has recruited and employed adequate staff to ensure safe and continuous operation of the Project.
- (H) As of the date of this certificate, the Borrower has delivered to each Lender, the Independent Engineer and the Engineer of Record, all relevant construction and review reports relating to the Project confirming to the reasonable satisfaction of the Independent Engineer and the Engineer of Record (on behalf of the Lenders) that:
- (i) the design and construction of the tailings storage facilities is suitable in all material respects for long-term operation of the tailings storage facilities for its intended purpose; and
 - (ii) no weaknesses have been identified that would reasonably be expected to have a material adverse effect on the integrity of the tailings storage facilities, successful operation of the tailings storage facilities for its intended purpose, compliance with Applicable Laws or the operations of the tailings storage facilities in accordance with good industry practice.

This is the certificate referred to in Exhibit 8 of the Amended and Restated Credit Agreement, dated as of December [●], 2020 between the Administrative Agent, the Lenders, the Guarantors, the Borrower, the Mandated Lead Arrangers and Joint Bookrunners and the Underwriter and Coordinating Bank and certain other parties from time to time, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the "**Amended and Restated Credit Agreement**").

Capitalized terms used in this Certificate, except as otherwise defined in this Certificate, shall have the meanings assigned to them in the Amended and Restated Credit Agreement.

IN WITNESS OF, the undersigned, on behalf of the Borrower, has caused this certificate to be duly executed.

Dated: []

QUEBEC IRON ORE INC.

By:

Name:

Title: [Title of Senior Officer]

[Name of Independent Engineer] a **[•]** organized under the laws of **[•]** has performed such inspections, observations, analyses and other procedures which we have, in our reasonable judgment, deemed necessary for purposes of this certificate. Based on such procedures and following consultation with the Engineer of Record, we certify that we have no reason to believe that each of the certifications of the Borrower detailed in the certificate above is not true and correct in all material respects as of the date of this certificate.

IN WITNESS OF, **[Name of senior officer of [Independent Engineer]]** has caused this certificate to be duly executed.

Dated: []

[Name of Independent Engineer]

By:

Name

Title: *[Title of Senior Officer]*

[Annex redacted for confidentiality reasons]

APPENDIX 8-3 TO THE AMENDED AND RESTATED CREDIT AGREEMENT

FORM OF ENVIRONMENTAL AND SOCIAL CERTIFICATE

I, [Name of Senior Officer], [title of Senior Officer] of the Borrower, certify, for and on behalf of the Borrower, acting on its own behalf and not in my personal capacity, and without personal liability, that, on the date of this Certificate:

Construction and operation of the Project complies in all material respects, and the Project is being operated in compliance with, Applicable ESG Standards, Environmental Laws and the E&S Assessment Documentation, except for such non-compliance for which appropriate remedial action acceptable to the relevant Governmental Authorities has been or is being taken or as is otherwise disclosed in the Borrower E&S Monitoring Report.

This is the certificate referred to in Exhibit 8 of the Amended and Restated Credit Agreement, dated as of December [●], 2020 between the Administrative Agent, the Lenders, the Guarantors, the Borrower, the Mandated Lead Arrangers and Joint Bookrunners and the Underwriter and Coordinating Bank and certain other parties from time to time, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the “**Amended and Restated Credit Agreement**”).

Capitalised terms used in this Certificate, except as otherwise defined in this Certificate, shall have the meanings assigned to them in the Amended and Restated Credit Agreement.

IN WITNESS WHEREOF, the undersigned, on behalf of the Borrower, has caused this certificate to be duly executed.

Dated: []

QUEBEC IRON ORE INC.

By: _____

Name:

Title: [Title of Senior Officer]

[We, [Name of Independent Environmental Social Consultant], a [●] organized under the laws of [●] have performed such inspections, observations, analyses and other procedures which we have, in our reasonable judgment, deemed necessary for purposes of this certificate. Such inspections, observations, analyses and other procedures, and the names of our employees or agents who performed them, are described in Annex A to this certificate. Based on such procedures and following consultation with the IESC, we certify that we have no reason to believe that any of the certifications of the Borrower set forth hereinabove is not true and correct in all material respects as of the date hereof.

IN WITNESS WHEREOF, [Name of senior officer of [Name of Independent Environmental Social Consultant]] has caused this certificate to be duly executed.]

Dated:

[Name of Independent Environmental Social Consultant]

By:

[Name]

[Position]

[Annex redacted for confidentiality reasons]

APPENDIX 8-4 TO THE AMENDED AND RESTATED CREDIT AGREEMENT

FORM OF LEGAL AND FINANCIAL CERTIFICATE

I, [Name of Senior Officer], [*title of Senior Officer*] of the Borrower, certify, for and on behalf of the Borrower, acting on its own behalf and not in my personal capacity, and without personal liability, that, as of the date of this Certificate:

1. Each of the Material Documents, other than those which have been terminated or lapsed in accordance with their terms and, in each case, are no longer necessary for the operation of the Project, remains in full force and effect or has been replaced in accordance with the relevant provisions of the Amended and Restated Credit Agreement;
2. All Authorizations that are required for the operation of the Project to ensure:
 - (a) compliance in all material respects with all Applicable Laws;
 - (b) compliance in all material respects, with Applicable ESG Standards; and
 - (c) the performance of the Finance Documents and Material Documents,
 - (d) have been obtained and are in full force and effect (except for those that are not required as at the date of this Certificate under Applicable Law);
3. The Project's assets are free and clear of all Liens except Permitted Liens;
4. The security interests created pursuant to and in accordance with the Security Documents are in full force and effect and have been perfected to the extent required in the Finance Documents;
5. No Event of Default or Default has occurred and is continuing or, to the best knowledge of the Borrower, will occur immediately following the occurrence of the Phase II Completion Date;
6. The Borrower is operating the Project in all material respects:
 - (a) in accordance with the Financial Model;
 - (b) in accordance with Applicable Law; and
 - (c) in a manner consistent with good industry practice;
7. During the Phase II Construction Period and until the Phase II Completion Date, and on the date of this Certificate, the Borrower certifies the following financial covenants, as calculated based on the previous twelve (12) month period, as applicable:⁷
 - (a) the Total Debt to EBITDA Ratio is less than or equal to 4.25:1;
 - (b) the EBITDA to Interest Expense Ratio, as calculated on such date, is no less than or equal to 2.50:1;
 - (c) the Reserve Tail Ratio of the Borrower is greater than 30%;

⁷ **NTD:** Champion to provide this information based on the most recent financial information available to them.

(d) the Minimum Liquidity is no less than \$25,000,000; and

(e) the Tangible Net Worth of the Borrower is greater or equal to CDN\$281,157,550, which Tangible Net Worth of the Borrower represents 75% of the Tangible Net Worth of the Borrower as of June 30, 2019; the Tangible Net Worth of the Borrower set forth in Section 10.3(a)(v) of the Amended and Restated Credit Agreement will be increased on a quarterly basis by an amount equal to 50% of the Borrower's positive Net Income;

8. [Easements, surface rights, property rights, usufructs, mortgages, rights of way, consents and other similar rights that are necessary for the operation of the Project in all material respects in accordance with the Financial Model and that were agreed to be obtained after the Effective Date, but on or prior to the Phase II Completion Date, pursuant to section [●] of the Amended and Restated Credit Agreement have been obtained and are in full force and effect.]⁸

The certification required by Section 4 (insofar as it relates to security interests created under Newfoundland and Labrador and Québec law) above are based upon the written opinion of McCarthy Tétrault LLP, Québec counsel to the Borrower and Stewart McKelvey LLP, Newfoundland and Labrador counsel to the Borrower, copies of which are attached to this certificate as Annex A and Annex B respectively and addressed to the undersigned, the Administrative Agent and the Lenders.

The data on which I have relied for purposes of the certifications detailed in Sections 6 and 7 above are attached as Annex C.

This is the certificate referred to in Exhibit 8 of the Amended and Restated Credit Agreement, dated as of December [●], 2020 between the Administrative Agent, the Lenders, the Guarantors, the Borrower, the Mandated Lead Arrangers and Joint Bookrunners and the Underwriter and Coordinating Bank and certain other parties from time to time, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the "**Amended and Restated Credit Agreement**").

Capitalised terms used in this Certificate, except as otherwise defined in this Certificate, shall have the meanings assigned to them in the Amended and Restated Credit Agreement.

IN WITNESS WHEREOF, the undersigned, on behalf of the Borrower, has caused this certificate to be duly executed.

Dated:

QUEBEC IRON ORE INC.

By: _____
Name: _____
Title: [*Title of Senior Officer*]

⁸ To be inserted if there are any further land (or other) rights acquired post signing and prior to the Phase II Completion Date.

[Name of Administrative Agent] a [•] organised under the laws of [•] has performed such inspections, observations, analyses and other procedures which we have, in our reasonable judgment, deemed necessary for purposes of this certificate. Such procedures, and the names of our employees or agents who performed them, are described in Annex D to this certificate. Based on such procedures and following consultation with our legal, financial and other advisers, we certify that we have no reason to believe that each of the certifications of the Borrower detailed above is not true and correct in all material respects as of the date of this Certificate.

IN WITNESS WHEREOF, [Name of senior officer of the [Administrative Agent] has caused this certificate to be duly executed.

Dated: []

[Name of Administrative Agent]

By:

[Name]

[Position]

[Annexes redacted for confidentiality reasons]

EXHIBIT 9
FORM OF APPROVED COST OVERRUN CERTIFICATE AND CONTINGENT FUNDING REQUEST

TO: The Bank of Nova Scotia, as Administrative Agent as defined below

Attn:
Email:
Fax:

[Details redacted for confidentiality reasons]

FROM: Québec Iron Ore Inc., as Borrower

DATE: _____, 20__

Dear Sirs

1. We refer to the credit agreement dated [●], by and among the Borrower, Bank of Nova Scotia., as Administrative Agent, and the Lenders party to it from time to time (as amended, amended and restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”). This is an Approved Cost Overrun Certificate and Contingent Funding Request. Terms defined in the Credit Agreement have the same meaning unless given a different meaning in this Certificate.
2. This Contingent Funding Request is irrevocable and represents the Borrower’s request to borrow, and the following information is provided pursuant to Section 2.13 (*Approved Cost Overrun and Contingent Funding Request*) of the Credit Agreement.
3. In accordance with the Credit Agreement, we confirm that an Approved Cost Overrun exists and set out below the relevant costs that:
 - a) are due and payable; and/or
 - b) will become due for payment within sixty (60) days from the Drawdown Date and hereby certify that as at the date of this Certificate, the credit balance on the Contingent Proceeds Account is [●].
4. We anticipate that on the proposed Drawdown Date, immediately prior to the Drawdown the credit balance on the [Contingent Proceeds Account] will be [●].
5. Details of the Approved Cost Overrun:

Approved Cost Overrun	[●] Dollars (\$)
-----------------------	------------------
6. Details of the Contingent Funding Request:

Funding:	Contingent Funding
Source of funds:	[Contingent Proceeds Account balance]/[Contingency Excess Availability] ⁹
Drawdown Date:	_____, 20__

⁹ **NTD:** Delete as appropriate.

Amount of Approved Cost Overrun: \$ _____

Requested Credit: _____

Contract/Interest Period (if applicable): _____

Additional information: _____

8. The Borrower, and the undersigned officer to the best of his/her knowledge in his capacity as an officer of the Borrower, each certify that:
- a) the amount of requested credit is sufficient to satisfy the Approved Cost Overrun;
 - b) the conditions contained in Article 8 of the Credit Agreement have been satisfied, as applicable;
 - c) no Default or Event of Default has occurred and is continuing as at the date of this Certificate or would arise immediately after giving effect to or as a result of such Advance;
 - d) the representations and warranties made under the Credit Agreement are true and correct as at the date of this Certificate, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty was true and correct as of such date;
 - e) no Material Adverse Change has occurred with respect to the Obligors as at the date of this Certificate or would arise immediately after giving effect to or as a result of such Advance; and
 - f) [all customary credit documentation required from time to time by the issuing Bank and the Lenders as applicable, in connection with each Letter of Credit has been delivered]¹⁰;
 - g) all Construction Accounts are fully-funded in accordance with the Credit Agreement.

¹⁰ **NTD:** Delete as applicable. Only relevant to a letter of credit issuance under the Revolving Facility.

Yours faithfully

.....

[●]

for and on behalf of

Quebec Iron Ore Inc.

We confirm that we do not disagree with any of the matters set out in this Approved Cost Overrun Certificate.

.....

[●]

for and on behalf of

Independent Engineer

We confirm that we do not disagree with any of the matters set out in this Approved Cost Overrun Certificate.

For personal use only