

Procedures for the Sale and Investment Solicitation Process

On November 10, 2023, Tergeo Critical Minerals Inc., Alliance Magnesium Metallurgy Inc., Alliance Magnesium Inc. and Alliance Magnesium Mines inc. (collectively the “**Debtors**”) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Superior Court of Québec (Commercial Division) in the District of Montréal (the “**Court**”) pursuant to a Transition Order granted by the Court on the same day (as amended and/or restated from time to time, the “**Transition Order**”).

Pursuant to the Transition Order, Raymond Chabot inc., a licensed insolvency trustee was appointed as monitor in the CCAA Proceedings (in such capacity, the “**Monitor**”).

On February 9, 2024, the Court granted an order (the “**Bidding Procedures Order**”), authorizing the Monitor to undertake a sale and investment solicitation process (“**SISP**”).

The SISP is conducted by the Monitor in the manner set forth in the present document and in consultation with the Interim Lender and WTNA, and defines the manner in which (i) binding bids for executable transaction alternatives involving the shares and/or the businesses, property and assets of the Debtors (collectively, the “**Business**”) will be solicited from interested parties, (ii) any such bids received will be addressed, (iii) any Successful Bid (as defined below) will be selected, and (iv) Court approval of any Successful Bid will be sought. Such transactions may include, among other things, a sale of some or all of the Business’ shares, assets and/or business and/or an investment in the Business, each of which shall be subject to all terms set forth in this SISP.

The SISP shall be conducted by the Monitor, in the manner set forth herein, and sets out the manner in which (i) binding bids for executable transaction alternatives involving the shares, assets or the businesses will be solicited from interested parties, (ii) any such bids received will be addressed, (iii) any Successful Bid (as defined below) will be selected, and (iv) Court approval of any Successful Bid will be sought.

Parties who wish to have their bids considered shall be required to participate in the SISP in accordance with the present bidding procedures governing the solicitation of offers or proposals for the acquisition of the Business or some portion thereof (the “**Bidding Procedures**”).

Defined Terms

1. Capitalized terms used in the Bidding Procedures have the meanings ascribed to them in Appendix A.

Bidding Procedures

Opportunity

2. The SISP is intended to solicit interest in, and opportunities for: (i) one or more sales or partial sales of all, substantially all, or certain portions of the Business or a combination of those elements; and/or (ii) for an investment, restructuring, recapitalization, refinancing or other form of reorganization of the business and the affairs of the Debtors or all or part of the Business. Bids considered pursuant to the SISP may include one or more of an investment, restructuring, recapitalization, refinancing or other form of reorganization of the business and affairs of the Debtors as a going concern or a sale or

[Unofficial English Translation]

partial sale of all, substantially all, or a certain part of the Business, or a combination thereof (the “**Opportunity**”).

3. The Bidding Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning the Debtors and the Business, the manner in which bidders may participate in the SISP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith. The Monitor shall conduct the SISP in the manner set forth herein.
4. The Monitor, with the prior written approval of the Interim Lender, may at any time and from time to time modify, amend, vary or supplement the SISP or the Bidding Procedures, without the need for obtaining an order of the Court, provided that the Monitor determines, that such modification, amendment, variation or supplement is useful in order to give effect to the substance of the SISP, the Bidding Procedures, the Bidding Procedures Order and the Transition Order. The Monitor will provide WTNA five business days notice prior to modifying, amending, changing or supplementing the SISP Procedures in accordance with this paragraph. Notwithstanding the foregoing, WTNA’s written consent is required for any modifications regarding WTNA’s consultation or approval rights under these Bidding Procedures.
5. The Monitor shall post on the Monitor’s website and notify the CCAA Service List, as soon as practicable, any such modification, amendment, variation or supplement to the Bidding Procedures and the Monitor shall inform the bidders impacted by such modifications.
6. In the event of a dispute as to the interpretation or application of the SISP or Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.
7. As more particularly set out herein, a summary of the key dates pursuant to the SISP are as follows:¹

Event	Date
1. Approval of Bidding Procedures	February 9, 2024
Phase 1	
2. Solicitation Letter Monitor to distribute Solicitation Letter, to potentially interested parties	February 16, 2024
3. VDR Debtors to prepare and have the VDR available for parties having executed the NDA (Potential Bidders).	February 16, 2024

¹ All capitalized terms not already defined are defined further below. Titles in the chart are for presentation purposes only.

<p>4. Phase 1 Qualified Bidders & Bid Deadline Phase 1 Bid Deadline (for delivery of non-binding LOIs by Phase 1 Qualified Bidders in accordance with the requirement of paragraph 18 of the Bidding Procedures)</p>	<p>April 15, 2024</p>
<p>5. Notice of Insufficient Offers If no Phase 1 Qualified Bids allow for the full payment of all Secured Claims, the Monitor will send to the Secured Creditors a Notice of Insufficient Offers.</p>	<p>April 18, 2024</p>
<p>6. Credit Bid following a Notice of Insufficient Offers Deadline to submit Credit Bids following a Notice of Insufficient Offers pursuant to paragraph 26 of the Bidding Procedures.</p>	<p>April 29, 2024</p>
<p>7. Phase 1 - Satisfactory Bid Monitor to notify each Phase 1 Qualified Bidder in writing as to whether its bid constituted a Phase 1 Satisfactory Bid, or to inform the Credit Bidder that its Credit Bid was the Successful Bid</p>	<p>At the latest on May 8, 2024</p>

Event	Date
Phase 2	
<p>8. Phase 2 Bid Deadline & Qualified Bidders Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of paragraph 27 of the Bidding Procedures)</p>	<p>July 15, 2024</p>
<p>9. Auction Auction (if needed)</p>	<p>July 22, 2024</p>
<p>10. Selection of final Successful Bid Deadline for selection of final Successful Bid</p>	<p>July 29, 2024 at 5 p.m. (Eastern Time)</p>
<p>11. Definitive Documentation</p>	<p>August 9, 2024</p>

Deadline for completion of definitive documentation in respect of Successful Bid	
12. Approval Application – Successful	August 16, 2024
Deadline for filing of Approval Motion in respect of Successful Bid	
13. Closing – Successful Bid	August 23, 2024
Anticipated deadline for closing of Successful Bid being the Target Closing Date	
14. Outside Date – Closing	September 20, 2024
Outside Date by which the Successful Bid must close	

Solicitation of Interest: Notice of the SISP

8. As soon as possible after the granting of the Bidding Procedures Order:
 - (a) a notice of the SISP and such other relevant information which the Monitor considers appropriate shall be published in *La Presse+* and the *The Globe & Mail* and in other publication it deems appropriate; and
 - (b) a press release containing the notice and any other relevant information regarding the Opportunity as deemed appropriate, shall be issued with *Canada Newswire* for distribution in Canada.
9. The Monitor shall send to potential bidders, as soon as possible after the issuance of the Bidding Procedures Order, a letter describing the Opportunity (a “**Solicitation Letter**”), outlining the salient elements of the SISP and inviting recipients of the Solicitation Letter to express their interest pursuant to the SISP.

Virtual Data Room

10. As soon as possible, a confidential virtual data room (the “**VDR**”) in relation to the Opportunity will be made available by the Monitor to Potential Bidders that have executed the NDA (as defined below) in accordance with paragraph 11 herein. Following the completion of “Phase 1”, but prior to the completion of “Phase 2”, additional information may be added to the VDR to enable Phase 2 Qualified Bidders to complete any confirmatory due diligence in respect of the Debtors and the Opportunity. The Monitor may establish separate VDRs (including “clean rooms”), if the Monitor reasonably determine that doing so would further the Debtors’ and any Potential Bidders’ compliance with applicable antitrust and competition laws, or would prevent the distribution of commercially sensitive information. The Monitor may limit the access of any Potential Bidder to any confidential information in the VDR where the Monitor reasonably determine that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value, although the Monitor cannot impose such restriction on the Secured Creditors.

PHASE 1: NON-BINDING LOIS

Phase 1 Qualified Bidders and Delivery of Confidential Information Memorandum

11. In order to participate in the SISP, and prior to the distribution of any confidential information to an interested party (including access to the VDR), such interested party must deliver to the Monitor: (i) an executed non-disclosure agreement in form and substance satisfactory to the Monitor (each, an “**NDA**”), which shall be for the benefit of any Successful Bidder that closes a transaction contemplated by its Successful Bid, and (ii) any documentation or information required by the Monitor, acting reasonably, regarding the beneficial owners, shareholders and/or investors in the proposed transaction.
12. Pursuant to the terms of the NDA to be signed by a potential bidder (each potential bidder who has executed an NDA, a “**Potential Bidder**”), each Potential Bidder will be prohibited from communicating with any other Potential Bidder regarding the Opportunity during the term of the SISP, without the consent of the Monitor. Notwithstanding the foregoing, the Secured Creditor who (i) have confirmed to the Monitor in writing that they will not be submitting a Credit Bid (as this term is defined in paragraph 39, below), or who (ii) have not submitted a Credit Bid at the Phase 2 Bid Deadline shall be entitled to communicate with any Potential Bidder, including any Potential Bidder having submitted an LOI, a Phase 1 Qualified Bid or a Binding Offer, as the case may be, it being understood, however, that they will inform the Monitor prior to engaging in any exchanges, discussions and/or negotiations with any Potential Bidder.
13. Prior to the execution of an NDA, any Potential Bidder may be required to provide evidence, reasonably satisfactory to the Monitor, of its financial wherewithal to complete a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing). For the avoidance of doubt, a party who has executed an NDA or a joinder with a Potential Bidder for the purpose of providing financing to a Potential Bidder in connection with the Opportunity (such party a “**Financing Party**”) shall not be deemed a Potential Bidder for purposes of the SISP, provided that such Financing Party undertakes to inform the Monitor in the event that it elects to act as a Potential Bidder.
14. A Potential Bidder that has executed an NDA and that has been provided any additional information required pursuant to paragraph 11, will be deemed a Phase 1 Qualified Bidder (a “**Phase 1 Qualified Bidder**”) and will be promptly notified of such classification by the Monitor.
15. Notwithstanding the foregoing, the Secured Creditors are qualified as Phase 1 Qualified Bidders and shall abide by paragraph 12, above, without being required to sign an NDA.
16. As of February 16, 2024, the Monitor will prepare and send to each Phase 1 Qualified Bidder a teaser providing additional information considered relevant to the Opportunity. The Debtors, the Monitor and their respective advisors make no representation or warranty as to the information disclosed or otherwise made available pursuant to the SISP.
17. As of February 16, 2024, the Monitor shall provide any person deemed to be a Phase 1 Qualified Bidder with access to the VDR. The Debtors and the Monitor and their

[Unofficial English Translation]

respective advisors make no representation or warranty as to the information contained in the VDR.

18. If a Phase 1 Qualified Bidder wishes to submit a bid, it must deliver a non-binding letter of intent (an “**LOI**”) (each such LOI, provided in accordance with paragraph 19 below, a “**Phase 1 Qualified Bid**”), to the Monitor at the address specified in Appendix B hereto (including by email) so as to be received by the Monitor no later than 5:00 p.m. (prevailing Eastern Time) on April 15, 2024 or such other date or time as may be agreed by the Monitor, in consultation with the Interim Lender and WTNA (the **Phase 1 Bid Deadline**).
19. An LOI submitted by a Phase 1 Qualified Bidder will only be considered a “**Phase 1 Qualified Bid**” if the LOI complies at a minimum with the following:
 - (a) it has been duly executed by all required parties;
 - (b) it is received before the Phase 1 Bid Deadline;
 - (c) it contains an agreement by the Phase 1 Qualified Bidder to be bound by the terms of the SISP;
 - (d) it provides written evidence, satisfactory to the Monitor, of the ability to complete the transaction within the timeframe contemplated by the SISP and to satisfy any obligations or liabilities to be assumed on closing of the transaction, including, without limitation, a specific indication of the availability and sources of capital;
 - (e) it identifies all proposed material conditions to closing including, without limitation, any internal, regulatory or other approvals and any form of agreement or other document required from a government body, stakeholder or other third party, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such approvals, along with information sufficient for the Monitor, to determine that these conditions are reasonable in relation to the Phase 1 Qualified Bidder,
 - (f) it (i) identifies the Phase 1 Qualified Bidder and representatives thereof who are authorized to appear and act on behalf of the Phase 1 Qualified Bidder for all purposes regarding the contemplated transaction, and (ii) fully discloses the identity of the beneficial owners and of each entity or person that will be sponsoring, participating in or benefiting from the transaction contemplated by the LOI;
 - (g) an outline of the due diligence completed to the date of submission of the LOI and any additional due diligence required to be conducted in order to submit a binding offer;
 - (h) it clearly indicates:
 - (i) that the Phase 1 Qualified Bidder is seeking to acquire all or substantially all of the Businesses, whether through an asset purchase or a share purchase or a combination thereof (either one being, a “**Sale Proposal**”)

[Unofficial English Translation]

or some other portion of the Businesses (a “**Partial Sale Proposal**”); and/or

- (ii) whether the Phase 1 Qualified Bidder is offering to make an investment in, restructure, recapitalize, reorganize or refinance one or more of the Debtors or one or more of their Businesses (in the case of all the Debtors, an “**Investment Proposal**” and in the case of one or two Debtors, a “**Partial Investment Proposal**”);
- (i) it contains a description:
 - (i) of the business project proposed by the Phase 1 Qualified Bidder with the target assets subject to the LOI; and
 - (ii) of the Phase 1 Qualified Bidder’s plan for the management of, and, where applicable, for the rehabilitation and remediation of the Debtors’ environmental liabilities;
 - (j) it contains such other information as may be reasonably requested by the Monitor;
 - (k) in the case of a Sale Proposal or Partial Sale Proposal, it identifies or contains the following:
 - (i) the purchase price or price range, including the cash and non-cash components thereof key assumptions supporting the valuation and the anticipated amount of cash payable on closing of the proposed transaction;
 - (ii) any contemplated purchase price allocation and adjustment;
 - (iii) a description of the specific assets that are expected to be subject to the transaction and any assets expected to be excluded;
 - (iv) a description of the liabilities and obligations (including operating liabilities and obligations to employees) which the Phase 1 Qualified Bidder intends to assume and which liabilities and obligations it does not intend to assume;
 - (v) sufficient information for the Monitor, to determine that the Phase 1 Qualified Bidder has the ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (iv) above;
 - (vi) a description of the anticipated tax planning, if any; and
 - (vii) any other terms or conditions of the Sale Proposal or Partial Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction; and
 - (l) in the case of an Investment Proposal or Partial Investment Proposal, it identifies the following:

[Unofficial English Translation]

- (i) a description of how the Phase 1 Qualified Bidder suggests structuring the proposed investment, restructuring, recapitalization, refinancing or reorganization;
 - (ii) the aggregate amount of the equity and/or debt investment to be made in the Debtors or their Business;
 - (iii) the underlying assumptions regarding the *pro forma* capital structure;
 - (iv) a description of the specific assets that are expected to be included in the proposed transaction and any assets expected to be excluded;
 - (v) a description of the liabilities and obligations (including operating liabilities, obligations to employees, and remediation obligations) which the Phase 1 Qualified Bidder intends to assume and which such liabilities and obligations it does not intend to assume;
 - (vi) sufficient information for the Monitor, to determine that the Phase 1 Qualified Bidder has the ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (v) above;
 - (vii) a description of the anticipated tax planning, if any; and
 - (viii) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction.
20. The Monitor may, with the Interim Lender's prior written approval, waive compliance with any one or more of the requirements specified in paragraph 19 and deem any such non-compliant LOI to be a Phase 1 Qualified Bid. To the extent that an LOI submitted by the Interim Lender is non-compliant, the Monitor shall decide alone whether to waive any one or more of the requirements specified in paragraph 19.

Assessment of Phase 1 Qualified Bids and Subsequent Process

21. The Monitor may, following the receipt of a LOI, seek clarification with respect to any of the terms or conditions of such LOI and/or request and negotiate one or more amendments to such LOI prior to determining if the LOI should be considered a Phase 1 Qualified Bid or a Phase 1 Satisfactory Bid (as defined below).
22. Following the Phase 1 Bid Deadline, the Monitor shall determine, in accordance with the requirements of paragraph 19, the LOI(s) that are selected as the most favorable Phase 1 Qualified Bid(s), which Phase 1 Qualified Bid(s) shall be deemed a "**Phase 1 Satisfactory Bid(s)**" and which Phase 1 Qualified Bidder(s) accordingly shall be deemed a "**Phase 2 Qualified Bidder(s)**", if any. For greater certainty, there can be more than one Phase 1 Qualified Bid that may qualify as a Phase 1 Satisfactory Bid, and more than one Phase 1 Qualified Bidder that may be qualify as a Phase 2 Qualified Bidder.
23. Only Phase 2 Qualified Bidders – being those that have submitted a Phase 1 Satisfactory Bid – shall be invited to take part in Phase 2 of the SISF.

[Unofficial English Translation]

24. The Monitor shall notify each Phase 1 Qualified Bidder in writing as to whether its Phase 1 Qualified Bid constituted a Phase 1 Satisfactory Bid – such that it qualifies as a Phase 2 Qualified Bidder – within twenty (20) days of the Phase 1 Bid Deadline, or at such later time as the Monitor deems appropriate.
25. In the event that no Phase 1 Satisfactory Bid is selected, the Monitor may terminate the SISP.

Credit Bids After Phase 1

26. If no Phase 1 Qualified Bid allows for the payment in full of the amounts owing to Secured Creditors (the “**Secured Claims**”):
 - (a) The Monitor shall advise the Secured Creditors and allow the Secured Creditors whose claim would not be entirely paid by the Phase 1 Qualified Bids to submit a Credit Bid in accordance with the requirement of paragraph 39, below (a “**Notice of Insufficient Offers**”);
 - (b) The Credit Bid submitted pursuant to this paragraph 26 shall be compliant with the requirements of the Bidding Procedures, subject to the adjustments provided for in paragraph 39, below. Such Credit Bid must be filed at the latest within ten (10) days of receipt of the Notice of Insufficient Offers;
 - (c) If the Credit Bid submitted pursuant to this paragraph 26 is compliant with the requirements of the Bidding Procedures and is deemed acceptable by the Monitor, the Monitor may accept it as the Successful Bid and file an Approval Application to seek approval thereof;
 - (d) If no Credit Bid is submitted within the delay mentioned at paragraph 26(b), or if the Credit Bid is not deemed acceptable by the Monitor, the Monitor may, after consulting with the Interim Lender, decide to either continue or terminate the SISP;.
 - (e) If the Monitor decides to continue the SISP pursuant to paragraph 26(d), each Secured Creditor shall be considered a Phase 2 Qualified Bidder pursuant to the SISP and may submit a Binding Offer without being required to have submitted a Phase 1 Satisfactory Bid.

PHASE 2: FORMAL OFFERS AND REMOVAL OF CONDITIONS

Formal Binding Offers

27. Any Phase 2 Qualified Bidder that wishes to make a formal binding offer with respect to a Sale Proposal, Partial Sale Proposal, Investment Proposal or Partial Investment Proposal shall submit a binding offer (a “**Binding Offer**”) comprising: (a) in the case of a Sale Proposal or Partial Sale Proposal, a purchase agreement; or (b) in the case of an Investment Proposal or Partial Investment Proposal, a subscription agreement or investment agreement in each case to the Monitor, so as to be received by the Monitor no later than 5:00 p.m. (prevailing Eastern Standard Time) on July 15, 2024, or at such other date or time as may be determined by the Monitor, in consultation with the Interim Lender and WTNA (as may be extended the “**Phase 2 Bid Deadline**”).

[Unofficial English Translation]

28. A Binding Offer will only be considered a Phase 2 Qualified Bid (“**Phase 2 Qualified Bid**”) if the Binding Offer:
- (a) has been received before the Phase 2 Bid Deadline;
 - (b) is a Binding Offer that consists in a Sale Proposal, Partial Sale Proposal, Investment Proposal or Partial Investment Proposal, on terms and conditions reasonably acceptable to the Monitor;
 - (c) includes a description of the business project and plan of the Phase 2 Qualified Bidder for the management of and, where applicable, for the rehabilitation and remediation of the Debtors’ environmental liabilities;
 - (d) includes a confirmation that the transaction contemplated in the Binding Offer would be made on an “as is where, is basis” as contemplated in paragraph 42, below;
 - (e) In the case of a purchase and sale of assets, it also:
 - (ix) identifies the purchase price;
 - (x) describes the target assets or shares;
 - (xi) identifies the assumed obligations;
 - (xii) describes the structure of the transaction;
 - (xiii) identifies all executory contracts of the Debtors that the Phase 2 Qualified Bidder will assume and clearly describes, for each contract or on an aggregate basis, how all monetary defaults and non-monetary defaults will be remedied, as applicable;
 - (xiv) contains a proposed allocation of the purchase price; and
 - (xv) includes the Phase 2 Qualified Bidder’s comments on the draft asset purchase agreement which will be posted in the VDR;
 - (f) in the case of a purchase of shares or an Investment Proposal or Partial Investment Proposal, contains a proposed allocation of the investment amount among the Debtors;
 - (g) is not subject to any due diligence or financing condition;
 - (h) contains evidence of authorization and approval from the Phase 2 Qualified Bidder's board of directors (or comparable governing body) and, if necessary to complete the transaction, of the Phase 2 Qualified Bidder's shareholder(s);
 - (i) is unconditional, other than, with respect to the issuance of the Approval Order(s) (as defined below) and satisfaction of other customary conditions expressly set forth in the Binding Offer;
 - (j) includes a description of any approval that may be required from governmental authorities;

[Unofficial English Translation]

- (k) includes acknowledgments and representations of the Phase 2 Qualified Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Business in making its Binding Offer; (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; and (iv) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition, antitrust or other applicable governmental authorities;
 - (l) the Binding Offer must be accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by the Monitor by countersigning it, and (ii) is irrevocable and may be accepted until the earlier of the following dates (A) two business days after the date of closing of the Successful Bid; and (B) the Outside Date (as defined herein below);
 - (m) does not provide for any break fee, expense reimbursement or similar type of payment;
 - (n) is accompanied by a cash deposit of at least 10% of the cash purchase price payable at closing or of the total new investment contemplated, as the case may be (the “**Deposit**”), along with acknowledgement that if the Phase 2 Qualified Bidder is selected as the Successful Bidder (as defined below), the Deposit will be non-refundable, subject to the approval of the Successful Bid (as defined below) by the Court and of the terms described in paragraph 33 below;
 - (o) contemplates and reasonably demonstrates the ability to close the transaction set out therein on or before August 23, 2024, or such earlier date allowing the parties to close the contemplated transaction, following the satisfaction or waiver of the closing conditions (the **Target Closing Date**) and in any event no later than September 20, 2024 (the **Outside Date**); and
 - (p) contemplates that the Phase 2 Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid, is agreeing to refrain from and waive any assertion or request for reimbursement on any basis.
29. The Monitor may, with the prior written consent of the Interim Lender and WTNA, waive compliance with any one or more of the requirements specified in paragraph 28 and deem any such non-compliant Binding Offer to be a Phase 2 Qualified Bid.

Selection of Successful Bid

30. The Monitor may, following the receipt of any Binding Offer, seek clarification with respect to any of the terms or conditions of such Binding Offer and/or request and negotiate one or more amendments to such Binding Offer prior to determining if the Binding Offer should be considered a Phase 2 Qualified Bid.

31. The Monitor will: (a) review and evaluate each Phase 2 Qualified Bid with respect of, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in item (i) above; (iii) the likelihood of the Phase 2 Qualified Bidder's ability to close a transaction and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Phase 2 Qualified Bid as a Successful Bid, (v) the net benefit to the Debtors and its stakeholders, and (vi) any other factors the Monitor may deem relevant; and (b) identify the highest or otherwise best non-overlapping bids (the "**Successful Bid(s)**", and the Phase 2 Qualified Bidder(s) making such Successful Bid(s), the "**Successful Bidder(s)**"). Any Successful Bid shall be subject to approval by the Court.
32. In the alternative, the Monitor may: (a) continue negotiations with a selected number of Phase 2 Qualified Bidders (collectively, the "**Selected Bidders**") with a view of finalizing an agreement with one or more of the Selected Bidders and declaring such bids to constitute Successful Bids, or (b) conduct one or more auctions (the "**Auction(s)**") to determine the highest or otherwise best non-overlapping Sale Proposals, Partial Sale Proposals, Investment Proposals or Partial Investment Proposals, pursuant to Auction rules to be determined by the Monitor.
33. In the event that one or more Auctions are held, all Phase 2 Qualified Bidders who submitted a Phase 2 Qualified Bid that the Monitor determines entitles them to participate in the Auction, will be promptly advised by the Monitor of such determination, and informed of the procedures applicable to such Auction.
34. In the event no Phase 2 Qualified Bidder submits a Phase 2 Qualified Bid, the Monitor, may, with the prior written consent of the Interim Lender, and in consultation with WTNA, terminate the SISP.
35. The final Successful Bid(s) shall be selected by no later than July 29, 2024 and the definitive documentation in respect of the Successful Bid must be finalized and executed no later than August 9, 2024, which definitive documentation shall only be conditional upon the issuance of the Approval Order(s) and the express conditions set out therein and shall provide that the Successful Bidder shall use all reasonable efforts to close the proposed transaction by no later than the Target Closing Date, or such longer period as shall be agreed to by the Monitor and the Successful Bidder. In any event, the Successful Bid must be closed by no later than the Outside Date.

Approval of Successful Bid

36. The Monitor shall apply to the Court (the "**Approval Application**") for one or more orders: (i) approving the Successful Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by the Successful Bid(s), as applicable, so as to vest title to any purchased assets in the name of the Successful Bidder(s) and/or vesting unwanted liabilities out of one or more of the Debtors (collectively, the "**Approval Order(s)**"). The Approval Application will be held on a date to be scheduled by the Monitor and confirmed by the Court upon application by the

Monitor. With the consent of the Successful Bidder(s), the Approval Application may be adjourned or rescheduled without further notice, by an announcement of the adjourned date at the Approval Application or in a notice to the CCAA Service List prior to the Approval Application. The Monitor shall consult with the Successful Bidder regarding the application material to be filed by the Monitor for the Approval Application.

37. Any Phase 2 Qualified Bid (other than a Successful Bid as the case may be) shall be deemed rejected on and as of the date of the closing of an overlapping Successful Bid, with no further or continuing obligation of the Monitor to such unsuccessful Phase 2 Qualified Bidder.

Deposits

38. The Deposit(s):
- (a) shall, upon receipt from the Phase 2 Qualified Bidder(s), be retained by the Monitor and deposited in a non-interest-bearing trust account.
 - (b) received from the Successful Bidder(s), shall:
 - (i) be applied to the purchase price or investment amount to be paid by the applicable Successful Bidder whose Successful Bid is the subject of an Approval Order, upon closing of the approved transaction; and
 - (ii) shall otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid, provided that all such documentation shall provide that the Deposit shall be retained by the Monitor and forfeited by the Successful Bidder, if the Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the Successful Bid; and
 - (c) received from a Phase 2 Qualified Bidder that is not an overlapping Successful Bidder shall be fully refunded, to the Phase 2 Qualified Bidder that paid the Deposit as soon as possible following the closing of the transaction contemplated by the Successful Bid of such Successful Bidder and in any event no later than August 9, 2024 or any other later date in accordance with these SISF Procedures.

Credit Bid

39. Secured Creditors shall be entitled to participate in the SISF in accordance with these SISF Procedures and to submit a bid which may consist of or include a credit bid up to the maximum amount of the Secured Lender's secured claim (each a "**Credit Bid**"), on any of the assets encumbered by its security (each a "**Credit Bidder**"), the whole subject to compliance with the SISF Procedures, as they may apply, provided that: (i) a Credit Bid cannot exceed the total value of the Credit Bidder's secured claim and (ii) the consideration for the Credit Bid must be deemed sufficient by any Secured Creditor having a claim taking rank before the Credit Bidder. Any Secured Creditor with a claim taking rank before the Credit Bidder cannot withhold its consent if its debt is assumed or paid in full.

40. A Secured Creditor is not required to provide a Deposit or provide proof of sufficient funds to close the transaction.

“As is, Where is”

41. Any transaction made pursuant to this SISP will be on an "as is, where is" basis except for representations and warranties that are customarily provided in purchase agreements for a company subject to CCAA proceedings. Any such representations and warranties provided for in the definitive documents shall not survive closing.

Further Orders

42. At any time during the SISP, the Monitor may apply to the Court for advice and directions with respect to any aspect of this SISP and the Bidding Procedures including, but not limited to, the continuation of the SISP or the discharge of their powers and duties hereunder.

Additional Terms

43. In addition to any other requirement of these Bidding Procedures:
- (a) The Monitor shall at all times, prior to the selection of a Successful Bid, use commercially reasonable efforts to facilitate a competitive bidding process in the SISP including, without limitation, by actively soliciting participation by all persons who would be customarily identified as high potential bidders in a process of this kind or who may be reasonably proposed by any of the Debtors' stakeholders as a high potential bidder. To the extent that the Monitor provides one Secured Creditor a list of or any information regarding the identity of parties or potential bidders solicited, this information must be provided to all Secured Creditors.
 - (b) Any consent, approval or confirmation to be provided by the Monitor is ineffective unless provided in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the CCAA or as otherwise required at law in order to implement a Successful Bid. For the avoidance of doubt, a consent, approval or confirmation provided by email shall be deemed to have been provided in writing for the purposes of this paragraph.
 - (c) The Court at all times retains the discretion to direct the clarification, termination, extension or modification of the SISP and Bidding Procedures on application of any interested party.
 - (d) Prior to seeking Court approval for any transaction or bid contemplated by this SISP, the Monitor will provide a report to the Court on the SISP process, parts of which may be filed under seal, including in respect of any and all bids received.
44. The Monitor will be entitled to communicate and will communicate any and all information in respect of the SISP, including copies of all bids/offers received by the Monitor to Secured Creditors (i) who have confirmed in writing to the Monitor that they renounce to their right to submit a Credit Bid (ii) who have not submitted a bid at the Phase 2 Bid Deadline, and (iii) if no Phase 1 Qualified Bid allows for repayment of the Secured Claims in accordance with paragraph 26.

[Unofficial English Translation]

45. The Debtors and the Monitor will consult with the Secured Creditors who have not submitted Credit Bids in connection with any Phase 1 Satisfactory Bids, Bindings Offers or Successful Bids.

APPENDIX A
DEFINED TERMS

“**Approval Application**” shall have the meaning set forth in paragraph 36.

“**Approval Order(s)**” shall have the meaning set forth in paragraph 36.

“**Auction**” shall have the meaning set forth in paragraph 32.

“**Bidding Procedures**” shall have the meaning set forth in the preamble.

“**Bidding Procedures Order**” shall have the meaning set forth in the preamble.

“**Binding Offer**” shall have the meaning set forth in paragraph 27.

“**Business**” shall have the meaning set forth in the preamble.

“**Business Day**” means a day on which banks are open for business in Toronto and Montreal but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario, or the Province of Quebec.

“**CCA**” shall have the meaning set forth in the preamble.

“**CCA Proceedings**” shall have the meaning set forth in the preamble.

“**CCA Service List**” means the Debtors’ service list as posted on the Monitor’s website (<https://www.raymondchabot.com/fr/entreprises/dossiers-publics/alliancemagnesiumtergeo/>) as the same may be updated from time to time in the context of the CCA Proceedings.

“**Court**” shall have the meaning set forth in the preamble.

“**Credit Bid**” shall have the meaning set forth in paragraph 39.

“**Credit Bidder**” shall have the meaning described in paragraph 39

“**Debtors**” shall have the meaning set forth in the preamble.

“**Deposit**” shall have the meaning set forth in paragraph 28(n)

“**Financing Party**” shall have the meaning set forth in paragraph 13.

“**Transition Order**” shall have the meaning set forth in the preamble.

“**Interim Lender**” shall mean Investissement Québec;

“**Investment Proposal**” shall have the meaning set forth in paragraph 19(h)(ii).

“**LOI**” shall have the meaning set forth in paragraph 18.

“**Monitor**” shall have the meaning set forth in the preamble.

“**NDA**” shall have the meaning set forth in paragraph 11.

“**Notice of Insufficient Offers**” has the meaning set forth in paragraph 26(a).

“**Opportunity**” shall have the meaning set forth in paragraph 2.

“**Outside Date**” shall have the meaning set forth in paragraph 28(o).

“**Partial Sale Proposal**” shall have the meaning set forth in paragraph 19(h)(i).

“**Partial Investment Proposal**” shall have the meaning set forth at paragraph 19(h)(ii).

“**Phase 1 Bid Deadline**” shall have the meaning set forth in paragraph 18.

“**Phase 1 Qualified Bid**” shall have the meaning set forth in paragraph 18.

“**Phase 1 Qualified Bidder**” shall have the meaning set forth in paragraph 14.

“**Phase 1 Satisfactory Bid**” shall have the meaning set forth in paragraph 22.

“**Phase 2 Bid Deadline**” shall have the meaning set forth in paragraph 27.

“**Phase 2 Qualified Bid**” shall have the meaning set forth in paragraph 28.

“**Phase 2 Qualified Bidder**” shall have the meaning set forth in paragraph 22.

“**Potential Bidder**” shall have the meaning set forth in paragraph 12.

“**Sale Proposal**” shall have the meaning set forth in paragraph 19(h)(i).

“**Secured Creditors**” means Investissement Québec, WTNA, Giampaolo Group inc.²

“**SISP**” shall have the meaning set forth in the preamble.

“**Sale Proposal**” shall have the meaning set forth in paragraph 19(h)(i).

“**Solicitation Letter**” shall have the meaning set forth in paragraph 9.

“**Secured Claim**” shall have the meaning set forth in paragraph 26.

“**Successful Bid**” shall have the meaning set forth in paragraph 31.

“**Successful Bidder**” shall have the meaning set forth in paragraph 30.

“**Target Closing Date**” shall have the meaning set forth in paragraph 28(o).

² The Monitor has not yet proceeded with an independent review of the validity of the security of the Secured Creditors.

[Unofficial English Translation]

“**VDR**” shall have the meaning set forth in paragraph 10.

“**WTNA**” means Wilmington Trust, National Association and the lenders it represents, Nineteen77 Capital Solutions A L.P. and Bermudez Mutuari Ltd.

[Unofficial English Translation]

APPENDIX B

MONITOR'S CONTACT INFORMATION

RAYMOND CHABOT INC.

600, rue De La Gauchetière Ouest Bureau
2000 Montréal, QC H3B 4L8

M. Ayman Chaaban

1 514 393-4734

Chaaban.Ayman@rcgt.com

M. Gautier Péchadre

1 514 954-4647

Pechadre.Gautier@rcgt.com