

C A N A D A
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

Companies' Creditors Arrangement Act, R.S.C.
(1985) c. C-36

No : 500-11-056550-193

**IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF:**

NORTH AMERICAN LITHIUM INC.

Petitioner

-and-

RAYMOND CHABOT INC.

Monitor

-and-

INVESTISSEMENT QUÉBEC

-and-

**CONTEMPORARY AMPEREX TECHNOLOGY
CANADA LIMITED**

-and-

**ATTORNEY GENERAL FOR THE PROVINCE
OF QUÉBEC ON BEHALF OF THE DEPUTY
MINISTER OF ENERGY AND NATURAL
RESOURCES, MINISTÈRE DE L'ÉNERGIE ET
DES RESSOURCES NATURELLES**

-and-

GG ENTREPRENEUR MINIER INC.

Impleaded Parties

MOTION FOR AN ORDER EXTENDING THE STAY PERIOD
(*Companies' Creditors Arrangement Act*, R.S.C. (1985) c. C-36 ("CCAA")),
section 11 and 11.02

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION FOR THE DISTRICT OF MONTREAL, THE PETITIONER RESPECTFULLY STATES:

A. BACKGROUND

1. On May 28, 2019, the Honourable Jean-François Michaud, S.C.J., granted Norther American Lithium Inc. (“**NAL**”)’s *Motion for (i) the Issuance of an Initial Order and (ii) the Granting of Administrative Charge and a Directors and Officers* and issued an initial order under the CCAA (the “**Initial Order**”¹).
2. Pursuant to the Initial Order, *inter alia*, Raymond Chabot Inc. was appointed as monitor (the “**Monitor**”) of NAL and a stay of proceedings was granted until June 27, 2019.
3. The Initial Order also provided for the creation of certain charges over the Property of NAL, which, pursuant to paragraph 33 of the Initial Order, rank as follows:
 - a) First, the Administration Charge for an aggregate amount of \$500,000;
 - b) Second, the Directors’ Charge for an aggregate amount of \$1,500,000.
4. Pursuant to an Order rendered on June 27, 2019, the Stay Period was extended until August 31, 2019.
5. Pursuant to an Order rendered on August 30, 2019, the Stay Period was extended until September 16, 2019.
6. On September 16, 2019, the Honourable Martin Castonguay granted NAL’s *Motion for an Order (i) Extending the Stay Period, (ii) Approving an Interim Facility and an Interim Lender Charge, (iii) Approving a Sale and Investment Solicitation Process and (iv) Amending and Restating the Initial Order*, which resulted in the following:
 - a) The extension of the Stay Period until January 31, 2020; and
 - b) The issuance of an Amended and Restated Initial Order, which:
 - i) approved the Interim Facility in the aggregate amount of CAN\$6 million;
 - ii) approved and created the Interim Lender Charge in favour of Investissement Québec (“**IQ**”);
 - iii) approved the launching of the SISP in accordance with the SISP Procedures; and

¹ Except as otherwise provided for herein, all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fourth Amended and Restated Initial Order dated October 30, 2020 (the “**Fourth Amended and Restated Initial Order**”).

- iv) extended the powers of the Monitor for the purpose of carrying out the SISP.
7. The Amended and Restated Order was subsequently rectified to correct a minor typographical error in the Stay Period deadline (January 31, 2019 was corrected to read January 31, 2020).
 8. On January 31, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period and to Increase the Interim Financing Facility and the Interim Lender Charge*, which resulted in the following:
 - a) The extension of the Stay Period until March 13, 2020; and
 - b) The issuance of a Second Amended and Restated Initial Order:
 - i) approving a CAN\$1,000,000 increase of the Interim Facility, for total aggregate Interim Facility of CAN\$7,000,000; and
 - ii) approving an increase of the Interim Lender Charge to CAN\$8,000,000.
 9. On March 13, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period and to Increase the Interim Financing Facility and the Interim Lender Charge*, which resulted in the following:
 - a) The extension of the Stay Period until May 15, 2020; and
 - b) The issuance of a Third Amended and Restated Initial Order:
 - i) approving a CAN\$1,000,000 increase of the Interim Facility, for total aggregate Interim Facility of CAN\$8,000,000; and
 - ii) approving an increase of the Interim Lender Charge to CAN\$9,000,000.
 10. On May 15, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period*, which resulted in the Stay Period being extended until June 30, 2020.
 11. On June 29, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period*, which resulted in the Stay Period being extended until July 31, 2020.
 12. On July 31, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period*, which resulted in the Stay Period being extended until August 31, 2020.
 13. On August 31, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period*, which resulted in the Stay Period being extended until September 30, 2020.

14. On September 30, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period*, which resulted in the Stay Period being extended until October 30, 2020.
15. On October 30, 2020, the Honourable Martin Castonguay granted NAL's *Motion for an Order Extending the Stay Period and to Increase the Interim Financing Facility and the Interim Lender Charge*, which resulted in:
 - a) the Stay Period being extended January 22, 2021; and
 - b) the issuance of a Fourth Amended and Restated Initial Order:
 - i) approving a CAN\$1,500,000 increase of the Interim Facility, for total aggregate Interim Facility of CAN\$9,500,000; and
 - ii) approving an increase of the Interim Lender Charge to CAN\$11,000,000.

B. ORDERS SOUGHT

16. On this Motion, NAL hereby seeks an extension of the Stay Period in respect of NAL until March 26, 2021.

C. EXTENSION OF THE STAY PERIOD AND EXTENSION OF SISP

17. Since the issuance of the Initial Order, NAL has acted, and continues to act in good faith and with due diligence.
18. On November 11, 2020, the Monitor a letter to all parties having either submitted a proposal in the SISP or having expressed interest and signed a confidentiality agreement in the SISP to advise them *inter alia* of the following:
 - a) All bids received prior to the bid deadline are not acceptable and have therefore been rejected by the Monitor;
 - b) Certain unsolicited revised proposals were received by the Monitor and the Secured Creditors after the bid deadline;
 - c) The SISP is being relaunched to provide all parties having expressed an interest with a limited and ultimate opportunity to put their best foot forward (the "**Relaunched SISP**"); and
 - d) The new bid deadline under the Relaunched SISP shall be January 15, 2021.
19. Since the extension of the Stay Period on October 30, 2021, NAL, with the support of the Monitor, has:
 - a) Continued care and maintenance work, including maintenance and repair work for production equipment as well as for the plant, to preserve its value;

- b) Continued certain contracts that would promote the resumption of operations;
 - c) Taken actions to comply with environmental requirements; and
 - d) Continued to actively carry out the SISP by:
 - i) updating information and documentation in the Monitor's virtual data room; and
 - ii) responding to questions and requests for information from the potential bidders.
 - e) Received bids under the Relunched SISP.
20. Subsequently to the receipt of bids on January 15, 2021, the Monitor has:
- a) Reviewed the bids; and
 - b) Provided copies of the bids to NAL's two main secured creditors, IQ and Contemporary Amperex Technology Canada Limited (the "**Secured Creditors**");
21. The steps taken by the Monitor during the previous Stay Period, namely the steps taken in the context of the SISP are more fully set out in the Thirteenth Report of the Monitor that will be filed in support of this Motion (the "**Monitor's Thirteenth Report**").
22. In light of the foregoing, it is respectfully submitted that the extension of the Stay Period to March 26, 2021 is required to provide the Monitor, with the collaboration of NAL and its counsel and the Secured Creditors, with sufficient time to continue to carry out the Relunched SISP, which could include:
- a) Review and assessment of the bids;
 - b) Seeking clarifications in respect of the bids;
 - c) Discussions between the Monitor, the Secured Creditors and the bidders;
 - d) Acceptance of one or more bids;
 - e) Review of restructuring options, including a draft plan of compromise based on the bids submitted; and
 - f) Preparation and hearing before the court of a motion to move forward in accordance with the SISP and the results in respect thereof. Potential successful bids would be submitted before the court by the Monitor for assessment.
23. The Monitor's Thirteenth Report includes, inter alia, the Monitor's recommendations in respect of the requested extension of the Stay Period.

24. The Monitor's Thirteenth Report also includes NAL's revised and extended cash flow forecast for the period ending March 26, 2021 (the "**Forecast**").
25. Based on the Forecast and subject to the underlying assumptions contained therein, including the approval of the requested increase to the Interim Facility, NAL believes that there is sufficient liquidity to fund these CCAA Proceedings until March 26, 2021.
26. It is the position of NAL that no parties will suffer any undue prejudice from the extension of the Stay Period and that the extension sought is appropriate under the present circumstances.
27. In light of the foregoing, NAL asks this Court to extend the Stay Period to March 26, 2021, which date shall, for the purposes of the Second Amended and Restated Initial Order, be the last day of the Stay Period, the whole subject to all other terms of the Second Amended and Restated Initial Order.

D. PROCEDURAL MATTERS

28. The service of the present Motion serves as notice pursuant to paragraph 58 of the Fourth Amended and Restated Initial Order.
29. Pursuant to paragraph 52 of the Fourth Amended and Restated Initial Order, that subject to further Order from this Court, all motions in these CCAA Proceedings are to be brought on not less than five (5) calendar days' notice to all Persons on the service list. Each motion must specify a date (the "**Initial Return Date**") and time (the "**Initial Return Time**") for the hearing.
30. Given the ongoing COVID-19 crisis and the bid deadline of January 15, 2021, it was not possible or appropriate for NAL to bring the present Motion on five (5) calendar days' notice.
31. The present Motion must be heard prior to January 22, 2021, considering that the current Stay Period is set to expire as of this date.
32. NAL therefore requests the Court to relieve it of the requirement to bring the present Motion on at least five (5) calendar days' notice and to declare that this Motion is properly returnable on its date of presentation.
33. Accordingly, any Person wishing to object to the relief sought on this Motion should also be relieved of the requirements set forth in paragraph 53 of the Fourth Amended and Restated Initial Order.

E. CONCLUSIONS

34. For the reasons set forth above, the Petitioner believes it is both appropriate and necessary that the relief being sought be granted.
35. The present Motion is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

1. **GRANT** this Motion;
2. **EXTEND** the Stay Period ordered in Fourth Amended and Restated Initial Order until March 26, 2021;
3. **ORDER** that paragraph 7 of the Fourth Amended and Restated Initial Order shall be further amended as follows:
 7. **ORDERS** that, until and including March 26, 2021, or such later date as the Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Petitioner, or affecting the Petitioner's business operations and activities (the "**Business**") or the Property (as defined herein below), including as provided in paragraph 10 hereinbelow except with leave of this Court. Any and all Proceedings currently under way against or in respect of the Petitioner or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court, the whole subject to subsection 11.1 CCAA.
4. **ORDERS** the provisional execution of the Order notwithstanding any appeal;
5. **THE WHOLE WITHOUT COSTS**, save and except in case of contestation.

Montréal, this 19th day of January 2021

Fasken Martineau DuMoulin LLP

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Attorneys for the North American Lithium Inc.

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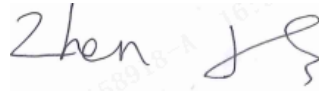
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SWORN STATEMENT

I, the undersigned, Janet Huang, acting Chief Financial Officer for North American Lithium Inc, having my professional address at 500, route du Lithium, La Corne, Québec, J0Y 1R0, do solemnly declare:

1. Since March 2018, I am acting as Chief Financial Officer for North American Lithium Inc. (“NAL”);
2. I am a duly authorized representative of NAL in the present case;
3. I either have personal knowledge or became aware, from information obtained and reviewed in the context of my duties, of all the facts alleged in the *Motion for an Order Extending the Stay Period*.

AND I HAVE SIGNED :



Janet Huang

Solemnly affirmed before me by
videoconference in Montréal, on January
19th, 2021



Commissioner for Oaths for Québec
#86 084

NOTICE OF PRESENTATION

ADDRESSEE(S) :

TO SERVICE LIST

TAKE NOTICE that the present *Motion for an Order Extending the Stay Period* will be adjudicated by the Honourable Martin Castonguay, J.S.C. without a hearing, save and except if there is a contestation. If a party wishes to contest the Motion, a written notice of objection must be communicated to the service list, with a copy to the Honorable Martin Castonguay (martin.castonguay@judex.qc.ca) by no later than January 21, 2021 at 12:00 p.m (Montreal time).

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, this 19th day of January 2021

Fasken Martineau DuMoulin LLP

Fasken Martineau DuMoulin LLP

Attorneys for North American Lithium Inc.

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**IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT, RSC
(1985), CH. C-36, AS AMENDED (“CCAA”) :
NORTH AMERICAN LITHIUM INC.
500-11-056550-194
SERVICE LIST
(January 28, 2020)**

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LOCALITY OF MONTRÉAL

**IN THE MATTER OF THE COMPROMISE
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RAYMOND CHABOT INC.

Proposed Monitor

INVESTISSEMENT QUÉBEC ET AL

Impleaded Parties

10760/309753.00018

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**MOTION FOR AN ORDER EXTENDING
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(Companies' Creditors Arrangement Act,
R.S.C. (1985) c. C-36 ("CCA")),
section 11 and 11.02
SWORN STATEMENT
NOTICE OF PRESENTATION**

ORIGINAL

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