

**Decision/Direction Note**  
**Department of Industry, Energy and Technology (IET)**

**Title:** Consent Agreement

**Decision/Direction Required:**

- Whether to consent to Champion Kami Partner Inc. assigning an interest in its mineral licenses and mining and surface lease associated with the Kami Project located in Labrador West.

**29.(1)(a), 35.(1)(d)**

**Background and Current Status:**

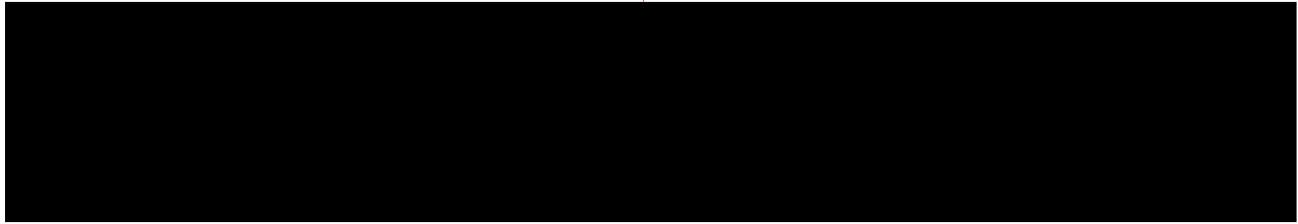
- Champion Kami Partner Inc. ('CKPI') is the registered holder of Mining Lease 234 (15980M), Surface Lease 142, and Mineral Licenses 17926M, 34335M, 36147M, 38637M, and 38638M (collectively 'the mineral tenure'). There are also four current exploration approvals to conduct work on the mineral tenure (the 'exploration approvals').
- CKPI is a wholly owned subsidiary of Champion Iron Limited (Champion).
- On December 18, 2024, Champion announced that it had entered into an agreement with Nippon Steel Corporation (Nippon) and Sojitz Corporation (Sojitz) to create a partnership to advance the development of the Kami Iron Ore Project.
- Nippon and Sojitz will own 30% and 19% of the partnership respectively through subsidiary companies, in exchange for collectively contributing \$245 million to advance the project.
- Consent of the Minister of Industry, Energy and Technology is required to allow transfer of interests in the mineral tenure to the various partners of the partnership.

**Analysis:**

- The terms and conditions of the surface lease require the prior approval of the Minister before legal title can be assigned to another holder.
- The **Mineral Act** requires approval of the Minister to assign legal title to licenses and leases to another holder.

**29.(1)(a), 35.(1)(d)**

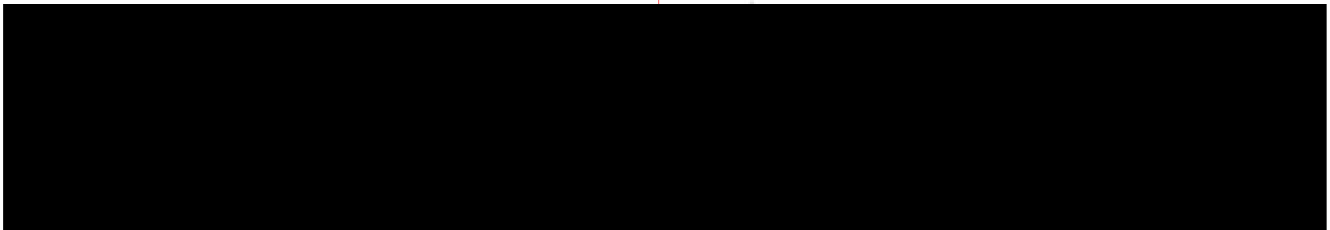
29.(1)(a), 30.(1)(b)



- The consent of the Minister is required for each of the consents.
- Section 21(4) **Interpretation Act** allows the Deputy Minister of Industry, Energy and Technology to sign the agreements.

29.(1)(a), 35.(1)(d)

**Alternatives:**



**Prepared/Approved by:**  
**Ministerial Approval:**

J. Lake/K. Sheppard/A. Smith

February 25, 2024



40.(1)

**Information Note**  
**Department of Industry, Energy and Technology (IET)**

**Title:** Julienne Lake Exempt Mineral Land

**Issue:** To provide update on results of Expression of Interest process and plans to issue invitations for submission of detailed proposals for disposition of the Exempt Mineral Land (EML)

**Background and Current Status:**

- The Julienne Lake deposit is a large, undeveloped deposit of iron ore thirty-two kilometres from the town of Wabush. It is currently EML as the mineral rights lie with the Crown.
- From 2009 to 2011, the department undertook an exploration program, contracting MPH Consulting to do the work. The resultant report contains exploration results, metallurgical results, a resource estimate, and a preliminary economic analysis. The preliminary mineral resource estimate suggested that the Julienne Lake deposit contains a minimum mineable resource of 815 million tonnes with a grade of approximately 34%.
- The grade is typical of other producing deposits in the area, and it is believed that, if proven feasible, the deposit could support a 30 year mining operation of a similar scale as Tacora Resources' Scully Mine.
- The **Mineral Act** requires that EMLs be disposed via a public tender. The Provincial Government issued a Call for Expressions of Interest in July 2024 with submissions due on December 6, 2024. Companies with successful submissions would be invited to submit detailed proposals.
- The Call for Expressions of Interest stated that invitations to submit detailed proposals would be issued by February 14, 2025.

**Analysis:**

- Expressions of Interest (EOI) were received from the following seven companies:

[REDACTED]

35.(1)(d)

- The EOIs were evaluated in accordance with the metrics described in the Call for Expression of Interest. The evaluation metrics and summary of results can be found in Annex A and Annex B, respectively.

[REDACTED]

29.(1)(a), 35.(1)(d)

- The Call for Expressions of Interest allowed that the Province may invite other entities to submit detailed proposals outside of the EOI process.

35.(1)(d),  
35.(1)(f)

- The primary elements to be included in the Terms of Reference for detailed proposals [redacted] would include commitments regarding the following:

[redacted]

35.(1)(d),  
35.(1)(f),  
35.(1)(g)

[redacted]

35.(1)(d)  
35.(1)(f)

29.(1)(a)

- [redacted] the successful bidder would be awarded an extended mineral licence with the company's commitments reflected as conditions of the licence [redacted]
- Draft language of letters to be sent to the companies can be found in Annex C.

29.(1)(a),  
35.(1)(d)

35.(1)(d)

**Action Being Taken:**

- The [redacted] successful companies will be invited to submit detailed proposals with a submission deadline of June 20, 2025.

29.(1)(a), 35.(1)(d)

[redacted]

- IET will work with the Department of Indigenous Affairs and Reconciliation (IAR) to provide an update on the process to the Indigenous and Government Organizations with asserted rights in the area.

Prepared/Approved by: A. Smith/P. Carter  
Ministerial Approval:

February 6, 2025

Annex A – EOI Evaluation Criteria  
Annex B – Review Results of EOIs  
Annex C – Text of letters

40.(1)

[redacted]

### ANNEX A - Expression of Interest Evaluation Criteria

EOI Review Stage	Information Required	Pass/Fail
<p>A. Financial Information - Good Standing</p>	<p>Provide details of ownership and management of the company or new consortium/entity.</p> <p>Provide a copy of the shareholders' agreement or draft agreement in principle for any new consortium/entity being considered.</p> <p>Provide audited financial statements for the most recent five years of existing company's operations including notes to the financial statements and most recent interim statements.</p> <p>Including for each of the five years, as well as the average of the five-year period: debt to equity ratio, debt ratio, current ratio, return on assets, and asset turnover ratio.</p> <p>If a company has not been in operation for five years, a minimum of the two previous years of audited financial statements and associated annual and average financial statements must be provided.</p> <p>If a consortium/entity is newly formed with fewer than two years of completed operations, audited financial statements are required for the most recent two years of any companies owned by any shareholder that holds a 25 per cent or greater stake in the new entity or consortium.</p> <p>Provide details about any health and safety violations, or other convictions, and notices in any court or tribunal in any jurisdiction against you or any of your partners. The respondent must note if there are any outstanding charges or investigations of a health, safety, criminal, or other nature (e.g., regulatory) in any jurisdiction. Please outline corporate occupational health and safety policies and how above noted issues are addressed.</p> <p>Provide details about any outstanding legal matters pertaining to the company, including any ongoing financial-related proceedings, convictions, and notices in any court or tribunal in any jurisdictions against you or any of your partners, and note if there are any outstanding charges or investigations related to financial matters (e.g., banking, fraud, financing, stock market regulation). Please also outline ways these issues have been addressed.</p> <p>Indicate if there has been a human rights, equity, or other similar violation against you or your partners, and whether they have been addressed to the satisfaction of the citing jurisdiction.</p>	

EOI Review Stage	Information Required	Percentage of Total
B. Project team/ Capabilities/ Ability to finance the project	Provide details of proposed project team, including key roles and personnel, and identify any specific involvement with other projects of similar nature.	20%
	Provide details on capabilities in mining, processing, and other industrial activities.	10%
	Provide details of any proposed project partners and their role in the project (i.e., exploration, teasibility studies, financing, mine development, material handling, marketing and offtake).	20%
	Identify any current operations involving the exploration, mining, processing, transportation, and/or consumption of iron ore.	10%
	Provide details on ability to raise funds to finance the project (i.e., exploration, feasibility studies, mine development).	20%
C. Development plans	Provide plans for examining the EML, plans for continued future involvement in the project, and an overview/outline of what a future Detailed Proposal would include.	20%
Total		100%

**Decision / Direction Note**  
**Department of Industry, Energy and Technology (IET)**

**Title:** Atlas Salt Inc.

**Decision / Direction Required:**

- Whether to approve Atlas Salt Inc.'s Development Plan and Rehabilitation and Closure Plan for the Ace Deposit Gypsum Mine, pursuant to sections 6(2) and 9(2) of the **Mining Act**, subject to the following:
  - Provision of an additional \$199,841.29 in financial assurance upon receipt of the letter.
  - The surface lease for the project must be revised to cover all areas of current and future disturbance.

29.(1)(a), 30.(1)(a)

**Background and Current Status:**

- In July 2017, Mining Lease 239 (022132M), covering the Ace gypsum deposit in Flat Bay, was issued to Red Moon Resources for a 10-year term. In August 2021, Red Moon Resources announced that it changed its name to Atlas Salt Inc. (Atlas).
- The development plan and rehabilitation and closure plan for the Ace Mine was previously approved in July 2018. From 2019 to 2023, the Ace Mine produced 675,432 tonnes of gypsum and anhydrite. The mine did not operate in 2024.
- The Ace Mine is projected to operate until 2036 at an annual rate of 200,000 tonnes per year. An estimated 400,000 tonnes of gypsum and 2,000,000 tonnes of anhydrite will be produced over the life of the project.
- Approximately 250,000 tonnes of overburden and 11,000 tonnes of topsoil will be removed and stockpiled for site rehabilitation during the development of the remaining deposit. The Ace Mine will produce minimal waste with an estimated 5% (240,000 tonnes) of fine screened material remaining as a waste product. This material will be stockpiled and relocated to the pit at the end of the mine life.
- Atlas will use a contracted company to operate the Ace Mine. The gypsum and anhydrite ore will be crushed and screened and transported to the Turf Point ship loading facility in St. Georges. The material will be shipped to Canadian and international markets.
- The Ace Mine will operate on a seasonal basis between May and October. Employment is expected to reach 21 positions during peak operation.

**Analysis:**

- The final version of the Development Plan and Rehabilitation and Closure Plan was submitted on February 05, 2025. The plans were reviewed by Mineral Development Division (MDD)

29.(1)(a), 35.(1)(d)

- The closure cost estimate for the Ace Mine is \$347,341.29. Currently the department holds \$147,500.00 in financial assurance for the Ace Mine. Atlas is required to provide \$199,841.29 in financial assurance upon receipt of the letter from the Minister. The closure cost estimate has been verified as reasonable by NCD Consulting Ltd.

[Redacted]

29.(1)(a), 30.(1)(a)

**Alternatives:**

[Redacted]

29.(1)(a)

**Prepared/Approved by:** A. Dettweiler/M. Snow/P. Philpott/K. Bradbury/A. Smith  
**Ministerial Approval:**

February 24, 2025

[Redacted]

40.(1)

**Backgrounder**  
**Department of Industry, Energy and Technology (IET)**  
**Minister and Champion Iron Limited**  
**Wednesday, February 5, 2025, 3:00 pm**  
**Minister's Boardroom**

**Attendees:**

David Cataford, Chief Executive Officer and Director, Champion Iron  
 Noemie Pregent-Charlebois, Director, Communications and Government Affairs, Champion Iron  
 Greg Mercer, Champion Iron

Hon. Andrew Parsons, KC, Minister  
 John Cowan, Deputy Minister  
 Staff as required

**Purpose of the Meeting:**

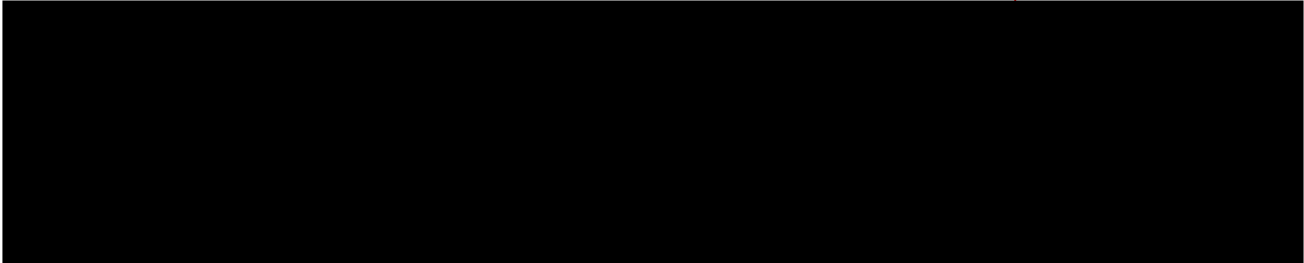
- Champion Iron Limited to provide an update and discuss its Kamistiatasset iron ore project.


**Background:**

- On April 1, 2021, Champion Iron Limited ("Champion" or the "Company") acquired Kamistiatasset ("Kami" or the "Project") through the receivership proceedings of Alderon Iron Ore Corp. The acquisition also included eight million tonnes per annum of additional port capacity at the multiuser Port of Sept-Îles.
- On January 30, 2024, Champion announced the results of its Kami Project Study that evaluated the construction of mining and processing facilities. Key highlights include:
  - A 25-year mine life.
  - Average annual DR quality iron ore concentrate production of approximately 8.6 million dry metric tonnes at a grade of 67.5% iron, with mineral reserves of approximately 643 million tonnes.
  - Total capital expenditures of \$3,864 million, a Net Present Value of \$541 million and an Internal Rate of Return of 9.8% after-tax.
- The Project will involve the construction and operation of an open-pit iron ore mine and supporting infrastructure. Iron ore concentration will be transported by rail to Pointe-Noire in Sept-Îles, Québec. The Project site is entirely within Labrador; with no activities associated with the Project taking place in Québec.
- Champion registered the Project for EA on May 3, 2024, proposing a four-year construction period with a peak construction workforce of 640 and operational employment of 677 positions. On December 19, 2024, the Government of Newfoundland and Labrador (GNL) approved final Environmental Impact Statement (EIS) guidelines for the Project.
- Under previous ownership, Kami was released from Environmental Assessment (EA) in January 2014 under the condition to have a Benefits Agreement (BA) with the province, which was signed on May 27, 2014.

29.(1)(a), 30.(1)(b)

- On December 18, 2024, Champion entered into a binding agreement with Nippon Steel Corporation (Nippon) and Sojitz Corporation (Sojitz) to jointly own and develop Kami. The partners will initially contribute \$245 million for a 49% ownership stake, with Champion retaining 51%. Nippon will hold a 30% stake, and Sojitz 19%. 29.(1)(a), 35.(1)(d)



- High-purity iron ore found in the Labrador Trough, including Kami, provides a strategic mineral resource for participation in the global green steel supply chain. Recognizing this opportunity, GNL designated high-purity iron ore as a critical mineral through the release of the Critical Minerals Plan in November 2023. The governments of Québec and Canada have since added high-purity iron ore to their respective critical minerals lists.
- The Province is aware of the strategic importance of providing clean power to Labrador West. Electrification of mining in the region is constrained by transmission capacity from Churchill Falls.
- On November 6, 2024, at Minerals Resources Review 2024, the Government of Canada announced over \$600,000 through the Smart Renewables and Electrification Pathways Program (SREPs) to support the Labrador West Transmission Study. The \$3.76 million study,  35.(1)(d) will evaluate the required upgrade to the 735-kilovolt transmission line between Churchill Falls and Labrador West.
- A recently announced Memorandum of Understanding (MOU) signed by NL and Québec outlines potential plans to increase power capacity in Labrador by 3,900 MW. These new developments would support the mining industry and include:
  - The construction of a Gull Island hydroelectric power generating facility (2,250 MW).
  - The construction of a second facility near the current Churchill Falls site (1,100 MW).
  - Upgrades to the existing Churchill Falls facility (550 MW).

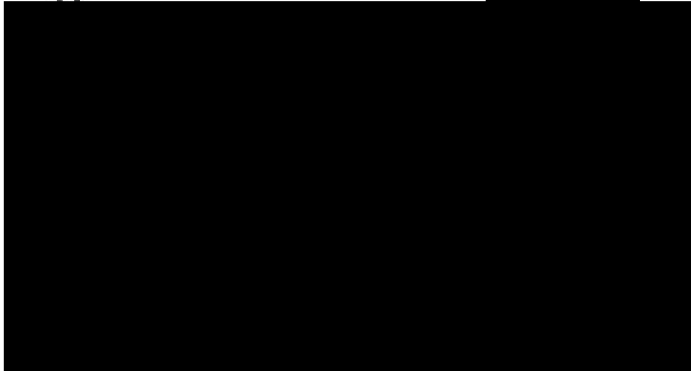
- In December 2024, the Company advised IET officials that:



35.(1)(d)

**Prepared/Approved by:** S. Brewer/J. Hart/A. Smith  
**Ministerial Approval:**

February 3, 2025



40.(1)



**David Cataford, Eng.**  
Chief Executive Officer and Director

David Cataford joined Champion Iron in 2014. He held the position of Chief Operating Officer before being appointed CEO of the Company in 2019. Mr. Cataford steered the recovery of assets, the restart of the Bloom Lake mine and today, with the support of a team of over 1,160 employees, he leads all of the company's growth projects. Under his leadership, Champion Iron has forged a strong position in the green steel supply chain, building on a trust-based partnership with First Nations communities.

Prior to joining Champion Iron, he held various management positions with other mining companies operating in the Labrador Trough, including Cliffs Natural Resources Inc. and ArcelorMittal. He was also co-founder and president of the North Shore and Labrador Mineral Processing Society.

Mr. Cataford holds a bachelor's degree in mining engineering from Université Laval. His career path has earned him several awards, including the Young Mining Professionals Award and the Brendan Woods International Top Gun CEO Award.

**Decision / Direction Note**  
**Department of Industry, Energy and Technology (IET)**

**Title:** Canada Fluorspar (NL) Limited

**Decision / Direction Required:**

- Whether to accept the Abridged Development Plan for Canada Fluorspar (NL) Inc. - St. Lawrence Fluorspar Project pursuant to section 6(2) of the **Mining Act**.

**Background and Current Status:**

29.(1)(a), 30.(1)(a)

- Canada Fluorspar (NL) Inc. (CFI) - St. Lawrence Fluorspar Project near the Town of St. Lawrence includes the AGS Mine (Grebes Nest Pit, Centre Pit, Open Cut Pit and Pond Pit), South Waste Dump, AGS East Tailings Management Facility, AGS Mill processing facility (AGS Mill), and the Blue Beach Marine Terminal.
- The St. Lawrence Fluorspar Project entered into receivership on February 21, 2022, and was acquired by Fluorspar Holdings PTE Ltd. on June 06, 2023, through the Sales Investment Solicitation Process (SISP). Renova Capital B.V, a Netherlands registered company, subsequently acquired CFI however the mine will continue to operate as CFI.
- The AGS Open Pit Pre-production and Mill Construction and Commissioning Abridged Development Plan for the St. Lawrence Fluorspar Project was approved on August 28, 2024. CFI began commissioning the project in October 2024. Activities covered under this plan included:
  - AGS mine pre-production activities including pit dewatering and widening of haul roads;
  - Commissioning of the crushing plant using waste rock and DMS rejects;
  - Removal and the deposition of the tailings in the tailings ponds; and
  - Commissioning of the grinding and flotation circuits using 150,000 tonnes of tailings.
- CFI submitted a second abridged development plan [REDACTED]. The abridged development plan addresses the following activities:
  - AGS Mine pre-production activities including widening of haul roads, pit dewatering and modifications to the ore pad area.
  - Initial development of the upper benches for the Grebes Next Pit pushback of the current pitwall.
  - Commissioning and optimization of the processing facility using tailings recovered from the tailings management facility.
  - Potential sales of aggregate produced from the DMS rejects stockpiles using the onsite Blue Beach Marine Terminal.

29.(1)(a),  
35.(1)(d)

35.(1)(d)

**Analysis:**

- CFI submitted the second abridged development plan on February 18, 2025. Mineral Development Division (MDD) has reviewed the abridged development plan, [REDACTED] 29.(1)(a)
- CFI submitted the site wide development plan for the St. Lawrence Fluorspar Project on December 13, 2024, [REDACTED] 29.(1)(a), 35.(1)(d)  
[REDACTED] CFI has committed to submitting the updated development plan and the rehabilitation and closure plan for the St. Lawrence Fluorspar Project [REDACTED] 29.(1)(a)
- The Department currently holds \$8,113,165.00 CAD in financial assurance for the project. The scope of work in the abridged plan is within the footprint of the previously approved development plan and has been confirmed by Knight Piesold Consulting (KP) as not increasing the closure cost estimate.

[REDACTED]

[REDACTED] 29.(1)(a)  
[REDACTED] 29.(1)(a), 30.(1)(a)

**Alternatives:**

[REDACTED] 29.(1)(a)

**Prepared/Approved by:** P. Philpott / K. Bradbury [REDACTED]  
**Ministerial Approval:** [REDACTED]

February 26, 2025

[REDACTED]

40.(1)

**Meeting Note  
Department of Industry, Energy and Technology (IET)  
and Vale Base Metals (VBM)  
Prospectors and Developers Association of Canada Conference  
Sunday, March 2, 2025, at 4:00 pm  
Vale Base Metals Office, 200 Bay Street**

**Attendees:**

Alfredo Santana, Chief Operating Officer, North Atlantic Operations, Vale Base Metals  
Roberto Damasceno, Head of NL Operations  
Emily Olson, Chief Sustainability & Corporate Affairs Officer, Vale Base Metals  
Jeff Gaulin, General Manager – Corporate Affairs & Communication, Vale Base Metals  
(Biographies attached)

John Cowan, Deputy Minister, IET

Paul Carter, Assistant Deputy Minister, Mining and Mineral Development, IET

Keith Bradbury, Director, Mineral Development, IET

**Purpose of the Meeting:**

- Representatives from Vale Base Metals (VBM) to meet with the Deputy Minister during the 2025 Prospectors and Developers Association of Canada Conference.

**Background:**

- In 2024, total mining-related employment in the province was approximately 8,000 person years. Vale contributed just over 2,500 person years including 1,667 from Voisey's Bay (operations, construction and contractors) and 857 at the Long Harbour Processing Plant.
- On December 3, 2024, Vale advised that the transition from open-pit to underground mining at Voisey's Bay Mine site was successfully completed. Full ramp-up is expected in the second half of 2026. With its completion, Vale's Q4 Report indicated the number of direct employees at Voisey's Bay is now 1,100, up from about 600 pre-expansion. At the peak of the expansion project, 3,400 direct and indirect employees worked at Voisey's Bay.
- The expansion to underground mining included shifting operations from the open-pit Ovoid mine to the two newly developed underground mines, Reid Brook and Eastern Deeps. The mines are expected to produce:
  - 45,000 tonnes of nickel annually,
  - approximately 20,000 tonnes of copper, and
  - 2,600 tonnes of cobalt as by-products.

**Agenda Item 1: Vale Voisey's Bay – NL Operations Update****Analysis**

- In early December 2024, Vale underwent a corporate redesign across its global operations including Canada and reported a focus on strengthening the accountability of all operations down to the local level

35.(1)(d)

- Vale indicated there would be no impact to production at Voisey's or Long Harbour and the Company remains committed to the long-term development of the mineral potential at Voisey's Bay.



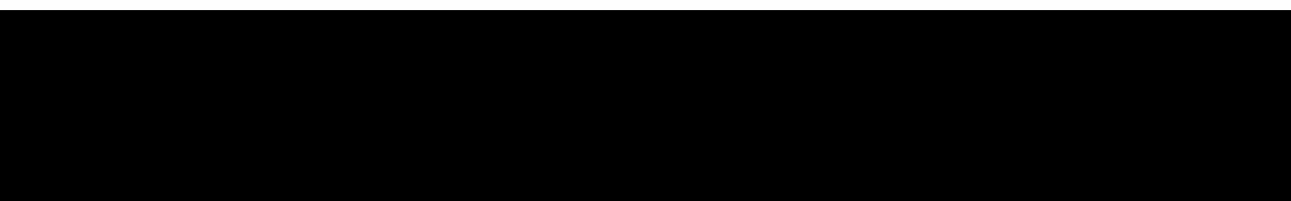
29.(1)(a), 35.(1)(d)

- Nickel production from Voisey's Bay was 19,200 metric tonnes in 2024, indicating a 42.2 per cent increase from 2023 production. Labrador nickel accounts for 27% of Canada's nickel production. 2024 copper production was 12,900 metric tonnes, indicating production had increased by 34.4 per cent from 2023. Increased production is due to the ramping up of underground mine production.
- VBM released 2024 year end financial results and included the impact on earnings by metal prices. Favorable copper prices over the year resulted in a 40% increase in copper earnings whereas unfavorable nickel prices resulted in a 64% decrease in earnings. Copper prices have been increasing since 2023 whereas nickel decreased, both are forecasted for modest increases based on Consensus Forecasts.

## Agenda Item 2: Global Trade Landscape

### Analysis:

- Based on federal trade data, Newfoundland and Labrador exported nickel valued at \$464 million to the U.S. in 2023 (52 per cent of provincial nickel shipments). During the previous four years the percentage of nickel shipments to the US ranged between 35.3 to 39.5 per cent. This data includes the value of externally sourced nickel processed in the province.

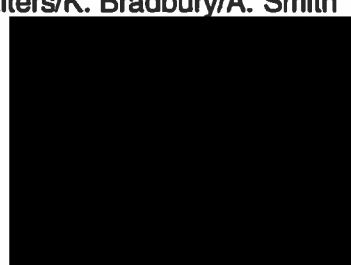


29.(1)(a),  
35.(1)(d)

- Regardless of shifting political landscapes, the global demand for critical minerals is expected to remain strong. The energy transition, defense, and advanced manufacturing sectors continue to drive the need for secure, responsible, and diversified supply chains. Newfoundland and Labrador is consistently ranked as a top-10 mining jurisdiction and is well-positioned to support via strategically located mineral resources to global markets.
- Newfoundland and Labrador's critical minerals plan is built on collaboration, recognizing that it is necessary to form strategic partnerships. One of the key criteria for identifying critical minerals in the province is the alignment with global supply chain needs. NL mineral resources, such as high-purity iron ore, nickel, and copper, can support partnerships in Canada and beyond.

**Prepared/Approved by:** S. Brewer/J. Hart/T. Walters/K. Bradbury/A. Smith  
**Deputy Minister Approval:**

February 26, 2025



40.(1)

## Biographies



**Alfredo Santana**

**Chief Operating Officer, North Atlantic Operations, Vale Base Metals**

Senior mining executive with extensive experience leading operations in Canada, the United Kingdom, Japan, Mozambique, and Brazil. Mr. Santana has been with Vale for over 17 years. In February 2022 he was appointed to the role of Chief Operating Officer, North Atlantic Operations.

He is described as a people-driven leader who has successfully led global multicultural teams through major organizational changes while maintaining strong safety performance, driving sustainable results and growth. Skilled in change management supporting the important cultural transformation underway in the mining sector to enhance Diversity, Equity and Inclusion.



**Emily Olson**

**Chief Sustainability & Corporate Affairs Officer, Vale Base Metals**

Ms. Olson was appointed the role of Vale Base Metal's Chief Sustainability and Corporate Affairs Officer in April 2023. Previously, Olson was Vice President for Global Strategic Relations with Freeport-McMoRan, responsible for driving global strategic initiatives inclusive of governments, partners and various external organizations, and integrating global advocacy and communications strategy while supporting non-technical risks across key project developments.

Before that, Olson was Senior Vice President for Europe and Russia at BP plc where she led execution of the company's sustainability strategy, from renewables to new ventures and partnerships, and helped shape strategy on climate policy. Over nearly 15 years at BP, she held key senior positions in Washington DC, Houston and London, including Vice President for BP's US\$40 billion Southern Gas Corridor and Chief of Staff to the Deputy CEO as well as to the Chairman of the Board. Olson has a degree in political science from Loyola University of Chicago and a master's degree in international strategy and diplomacy from the London School of Economics.

**Information Note**  
**Department of Industry, Energy and Technology (IET)**

**Title:** UK Export Finance

**Issue:** To provide background on UK Export Finance (UKEF).

**Background and Current Status:**

- UK Export Finance (UKEF) is the UK government's export credit agency. In 2023-2024, UKEF provided £8.8 billion in financial support to UK exporters including small and medium-sized enterprises, and large companies.
- The Critical Minerals Supply Finance program, approved in October 2024, provides financial support for overseas projects that source critical minerals for use in major UK industries.
- The program aims to increase and diversify UK access to critical minerals, building economic resilience and international partnerships while lowering the risk of supply-chain disruption.
- UKEF can offer a loan guarantee to overseas project sponsors for projects (including mining, processing, manufacturing, and recycling) that have a long-term offtake contract in place to supply UK exporters with critical minerals products.

**Analysis**

- For this program, critical minerals are defined according to the UK's list of thirty-four critical minerals. NL has twenty-four of the critical minerals identified by the UK (including iron, nickel, cobalt, manganese, antimony, REE, and lithium). Note that the UK does not specify high-purity iron on their critical minerals list.

**Action Being Taken:**

- IET will seek further information on the program during PDAC 2025.

**Prepared/Approved by:** J. Hart/K. Bradbury/A. Smith

February 26, 2025



40.(1)

**Meeting Note  
Department of Industry, Energy and Technology  
Consulate General of India  
Prospectors and Developers Association of Canada Convention  
March 3, 2025, at 3:30 pm**

**The Nova Scotia Room, Mezzanine level, Hotel Fairmont Royal York, 100 Front Street West**

**Attendees:**

H. E. Mr. Sanjay Lohiya, Additional Secretary (Mines), Government of India  
(Bio attached)

John Cowan, Deputy Minister, IET  
Paul Carter, Assistant Deputy Minister, IET  
Keith Bradbury, Director, Mineral Development, IET

**Purpose of Meeting:**

- To discuss Newfoundland and Labrador's mining industry with the Consulate General of India.

**Background and Current Status:**

- In November 2022, Canada released a five-year Indo-Pacific Strategy outlining initiatives and investments of almost \$2.3 billion. Designed to protect Canada's critical mineral supply chains while positioning Canada as a reliable supplier, the Strategy highlights Canada's goal to increase economic ties with India.
- In September 2023, India's Minister of Mines, Pralhad Joshi, met with Canadian officials to discuss enhancing cooperation in the mining sector and strengthening the critical mineral supply chain.
- India is the world's second-largest producer and consumer of steel and the third-largest producer of zinc and iron ore. India has several state-owned enterprises involved in mining. In 2024, India produced 290.5 million tonnes of iron ore. The country's consumption of iron ore, especially for steelmaking, is expected to grow significantly increasing to 350 million tonnes by 2030.
- In July 2023, India unveiled its list of 30 critical minerals, most which are similar to Canada's list. India is 100% import reliant for critical minerals such as nickel, cobalt, lithium, vanadium, niobium, germanium, rhenium, beryllium, tantalum, and strontium. Newfoundland and Labrador has 21 of India's 30 critical minerals (See Annex A – Newfoundland and Labrador and India's Critical Minerals).
- According to the Observatory of Economic Complexity, in 2023, India imported totals of US\$451 million in iron ore, US\$3.04 billion in copper ore and concentrates, and US\$900 million in manganese ore. The United Nations COMTRADE database reports that India imported US\$1.38 billion in nickel concentrate in 2023, primarily from China, the United States, and Russia. Lithium imports were dominated by China, with additional supply from Indonesia, the United States, and Japan.
- NL continues to export minerals to India. In 2024, the province exported \$4.4 million in nickel to India. In 2021 and 2022, NL exported \$2.45 million and \$1.25 million in antimony,

respectively. The province last exported iron ore to India in 2014, and silver ore or concentrate in 2015.

#### Tata Steel India and Tata Steel Minerals Canada

- Tata Steel India is among the top global steel companies with an annual crude steel capacity of 34 million tonnes and 65,000 employees. Tata is the 10<sup>th</sup> largest steel producer in the world and is striving to reduce emissions by 30 per cent by 2030 and achieve carbon neutrality in its steelmaking by 2050.
- Tata Steel Minerals Canada (TSMC) is a joint venture between Tata Steel India (82%) and Resources Quebec (18%). TSMC operates an iron ore (59% Fe) mine in the Menihek region of Labrador. TSMC has the capacity to produce 4.2 million tonnes of iron fines per year and

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#### **Agenda Item #1: Mineral Opportunities**

- India is focused on clean energy and lower emissions. As the country addresses increasing environmental, social and governance (ESG) expectations and pursues development in line with the green economy, additional mineral inputs will be required.

#### Analysis

- India's iron ore production is expected to drop to 235 million tonnes by 2030 due to the closure of several mines. By 2030, India will need to import 115 million tonnes of iron ore.
- The steel sector currently accounts for about 12 per cent of India's CO<sub>2</sub> emissions. India has set aggressive growth targets but has also started to decarbonize the steel sector including the National Green Hydrogen Mission to promote the use of green hydrogen in steelmaking.
- NL has existing high-purity iron ore production and developing projects (Julienne Lake and Champion Iron's Kami) that can facilitate lower emissions in existing steel manufacturing. This type of ore, when combined with hydrogen in steelmaking can reduce emissions by up to 95 per cent

35.(1)(d)

35.(1)(d)

- NL hosts many of the minerals India requires for its growth, including nickel, manganese, copper, and lithium.
- Tacora Resources is conducting research toward the development of a manganese sulfate purification plant. Tacora expects to be able to produce 99.7 per cent pure manganese with the construction of a new plant.
- FireFly Metals is developing the Green Bay Copper-Gold Project with a mineral resource of almost 40 million tonnes. The Company began an extensive drilling program in 2023, and the updated Resource increased 42 per cent to 1.2 million tonnes of contained metal at 2% copper.

- Spruce Ridge Resources, in a joint venture with Benton Resources, is developing the Great Burnt Copper-Gold Project in central Newfoundland which has an indicated resource of 881,000 tonnes at 2.74%.
- There are several uranium and lithium exploration projects ongoing (See Annex B – Uranium and Lithium Exploration Update) in the province.

#### **Agenda Item #2: Global Trade Enablers**

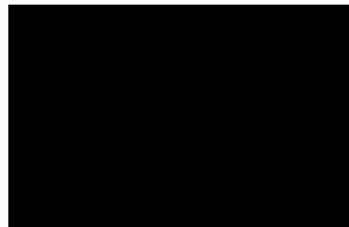
- To discuss the impacts of global political shifts on secure, diversified critical mineral supply chains.

#### **Analysis:**

- Regardless of any shifting political landscapes, the global demand for critical minerals remains strong. The energy transition, defense, and advanced manufacturing sectors continue to drive the need for secure, responsible, and diversified supply chains. Newfoundland and Labrador is well-positioned to support these needs, offering stable, ethical, and strategically located mineral resources to global markets.
- Newfoundland and Labrador's critical minerals list is built on collaboration, recognizing that it is necessary to form strategic partnerships. One of the key criteria for identifying critical minerals in the province is their alignment with global supply chain needs. NL mineral resources, such as high-purity iron ore, nickel, and copper, can support partnerships in India and beyond.

**Prepared/Approved by:** S. Brewer/J. Hart/T. Walters/K. Bradbury/A. Smith

**February 26, 2025**



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**Annex A**  
**Newfoundland and Labrador and India's Critical Minerals**

<b>Commodity</b>	<b>Newfoundland and Labrador</b>	<b>India</b>
Antimony	X	X
Arsenic	X	
Barite	X	
Beryllium	X	X
Bismuth	X	X
Cadmium		X
Cesium	X	
Chromium	X	
Cobalt	X	X
Copper	X	X
Feldspar	X	
Fluorspar	X	
Gallium		X
Germanium		X
Graphite	X	X
Hafnium	X	X
High-Purity Iron Ore	X	
Indium		X
Lead	X	
Lithium	X	X
Magnesium	X	
Manganese	X	
Molybdenum	X	X
Nickel	X	X
Niobium	X	X
PGE/PGM	X	X
Phosphorus		X
Potash	X	X
REE	X	X
Rhenium		X
Scandium	X	
Selenium		X
Silicon	X	X
Strontium		X
Tantalum	X	X
Tellurium		X
Tin	X	X
Titanium	X	X
Tungsten	X	X
Uranium	X	
Vanadium	X	X
Zinc	X	
Zirconium	X	X

## **Annex B**

### **Uranium and Lithium Exploration Update**

#### **Uranium**

Uranium exploration continues to advance in Newfoundland and Labrador and has garnered attention over the past several years due to the region's potential for significant uranium deposits.

- **Paladin Energy Ltd. (PEL) is exploring for uranium at the Michelin deposit which is one of the largest uranium deposits in North America. Aurora Energy Ltd., a subsidiary of PEL, has a proposed exploration budget of \$2,525,000. This work will qualify for support through the federal and additional provincial critical mineral assistance, announced as part of the provincial critical minerals plan, delivered through JEA.**
  
- **In March 2024, ATHA Energy Corp. acquired 100% of Latitude Uranium and continues to explore for uranium and vanadium in the Central Mineral Belt in Labrador at Anna Lake, Moran Lake, and Mustang Lake. On May 7, 2022, the company registered an independent NI-43-101 Technical Report.**
  
- **Caprock Mining Corp. and their Ackley Lithium-Tin-Molybdenum-REE property located in the southeastern part of Newfoundland near the Deer Pond area, registered a NI-43-101 on May 31, 2023.**
  
- **On December 31, 2024, Auric Minerals announced the first phase of its 2025 exploration program on the Route 500 Uranium property, located in Labrador's prospective Central Mineral Belt. The field team mobilized to the Property in January 2025.**
  
- **In October 2024, Saga Metals Corp. completed its inaugural field program at its Double Mer Uranium Project 90 km northeast of Happy Valley-Goose Bay. Field results indicated increased potential for uranium mineralization and high-priority zones for expansion. In November, the Company announced its plans for a maiden drill program at the Project, with drilling scheduled to begin in winter 2025.**
  
- **Infini Resources Ltd received drill permit approved for the Portland Creek Uranium Project on the Northern Peninsula. Staff is anticipated to mobilize in late January. The Company completed soil sampling in September 2024.**
  
- **New Peak Metals recently acquired the Steward Lake Project, a high-grade uranium project in Labrador.**

#### **Lithium**

Lithium exploration has become a significant focus due to the province's promising geological potential. Companies undertaking exploration include

- **Azincourt's Big Hill Project (lithium, cesium and tantalum) located in southwestern Newfoundland,**
  
- **Global Battery's interest in the La Poile Lithium Project located in southwestern Newfoundland, and**
  
- **Piedmont's recent interest in Vineland, a new entity established with Sokoman Minerals and Benton Resources for the Killick Lithium project in southern Newfoundland.**

### **Annex C Biographies**



**Shri Sanjay Lohiya, IAS**  
Additional Secretary to the Government of India

**Shri Sanjay Lohiya, IAS, is a distinguished officer of the Indian Administrative Service (1994 batch, Assam-Meghalaya Cadre) and currently serves as Additional Secretary to the Government of India in the Ministry of Mines, New Delhi. He has been closely associated with mining sector reforms and initiatives related to critical minerals undertaken by the Ministry of Mines.**

**With an extensive and diverse career in public administration, Shri Lohiya has held key leadership roles at both the central and state levels. Prior to his current assignment, he served as Principal Secretary to the Chief Minister of Assam, where he played a pivotal role in governance and policy implementation. In the Government of Assam, he contributed significantly across multiple departments, including Finance, Agriculture, and Urban Development, gaining extensive expertise in policy formulation and administration.**

**At the national level, Shri Lohiya has held critical positions, including Director in the Prime Minister's Office and Joint Secretary in the Ministry of Agriculture & Farmers' Welfare (2011-2016), where he was instrumental in driving key policy initiatives.**

**Meeting Note**  
**Department of Industry, Energy and Technology (IET)**  
**and BHP Group Limited (BHP)**  
**Prospectors and Developers Association of Canada Conference**  
**March 3, 2025, at 11:00 am**  
**The Oakville Room, The InterContinental Toronto Centre, 225 Front Street West**

**Attendees:**

A.J. Nichols, Vice President, Corporate Affairs – North America, BHP  
 Susan McGrady

John Cowan, Deputy Minister, IET  
 Paul Carter, Assistant Deputy Minister, IET  
 Keith Bradbury, Director, IET

**Purpose of the Meeting:**

- BHP executives to meet with IET officials during the 2025 Prospectors and Developers Association of Canada Conference.

**Background:**

- BHP is an Australian multinational mining company with a strategy to provide the metals and minerals the world needs for sustainable development and is positioning its portfolio to align with these trends. The Company's existing portfolio consists of iron ore, copper, higher-quality steelmaking coal, nickel, and they are on track to be a major global producer of potash by the end of the decade.
- In 2024, BHP achieved an annual production record of 254.9 million tonnes at Western Australia Iron Ore (WAIO). BHP's WAIO is the lowest-cost major iron ore producer globally and has one of the lowest greenhouse gas (GHG) emission production intensities of benchmarked iron ore operations.
- BHP is developing one of the world's largest potash mines in Saskatchewan, Canada. The Jansen potash project is part of a strategy to increase product diversification, customer bases and operating footprint to expand business. Production is expected to begin in late 2026.
- During 2024, BHP advanced their global programs focusing on early-stage exploration opportunities in Australia, Canada, Chile, Peru, Sweden, Serbia, and the United States. This effort involved concept evaluation work through prospect testing. BHP is looking for growth through exploration, focused on copper and nickel.

**Agenda Item 1: Mineral Opportunities**

- To discuss Newfoundland and Labrador's (NL) significant mineral potential and key competitive advantages.

**Analysis:**

- NL is a well-established mining jurisdiction, home to eight producing mines generating eleven mineral commodities. The province's mining industry generated over 8,000 person years of employment in 2024, with estimated mineral shipments valued at \$4.6 billion and exploration expenditures of \$258 million in the past year.
- In 2023, NL accounted for 34 per cent of Canada's total iron ore production and 43% of

Canada's total cobalt production. The province is expected to produce over 30 per cent of Canada's nickel once the Voisey's Bay Mine Expansion reaches full production (based on 2022 data).

- Under the provincial Critical Minerals Plan, released in 2023, the province designated thirty-four minerals as critical, aligning with global decarbonization and supply chain security efforts. NL was one of the first jurisdictions in the world to designate high-purity iron ore as a critical mineral, recognizing its importance in reducing emissions in steel production.
- NL has a diverse range of projects at all stages of development from exploration to production, across key commodities including copper, nickel, high-purity iron ore, fluorspar, uranium, lithium, and gold (See Annex A – Developing Projects and Advanced Exploration in NL).

**Agenda Item 2: Global Trade Landscape**

- To discuss the impacts of global political shifts on secure, diversified critical mineral supply chains.

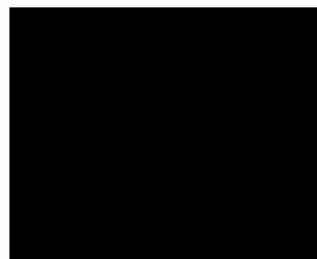
**Analysis:**

- Regardless of any shifting political landscapes, the global demand for critical minerals remains strong. The energy transition, defense, and advanced manufacturing sectors continue to drive the need for secure, responsible, and diversified supply chains. Newfoundland and Labrador is consistently ranked as a top-10 mining jurisdiction and is well-positioned to support these needs, offering stable, ethical, and strategically located mineral resources to global markets.
- Newfoundland and Labrador's critical minerals list is built on collaboration, recognizing that it is necessary to form strategic partnerships. One of the key criteria for identifying critical minerals in the province is the alignment with global supply chain needs – where our mineral resources, such as high-purity iron ore, nickel, and copper, can integrate with partners in Canada and beyond.

**Prepared/Approved by:** S. Brewer / J. Hart / T. Walters / K. Bradbury / A. Smith

**Deputy Minister Approval:**

February 26, 2025



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## **Annex A Developing Projects and Advanced Exploration in NL**

- NL has existing high-purity iron ore production and developing projects (Julienne Lake and Champion Iron's Kami) that can facilitate lower emissions in existing steel manufacturing. This type of ore, when combined with hydrogen in steelmaking can reduce emissions by up to 95 per cent.
- Tacora Resources is conducting research toward the development of a manganese sulfate purification plant. Tacora expects to be able to produce 99.7 per cent pure manganese with the construction of a new plant.
- FireFly Metals is developing the Green Bay Copper-Gold Project with a mineral resource of almost 40 million tonnes. The Company began an extensive drilling program in 2023, and the updated Resource increased 42 per cent to 1.2 million tonnes of contained metal at 2% copper.
- Canada Fluorspar Inc. owns the St. Lawrence Fluorspar Project, located at St. Lawrence. The Project includes an open pit and underground mine, mill, tailings storage facility, and a marine export facility. Production is expected to resume in 2025 with a possible mine life reaching about 30 years. High-purity acid-grade fluorspar is a key material used in the production process of lithium batteries, solar panels, and steel.
- Benton Resources is advancing its high-grade Copper-Gold Great Burnt Project in central Newfoundland, which has a Mineral Resource estimate of 442,000 tonnes at 2.50% copper indicated and 829,000 at 2.11% copper inferred. Benton recommenced drilling at the Project on December 10, 2024.
- Uranium exploration continues to advance in Newfoundland and Labrador and has garnered attention over the past several years due to the region's potential for significant uranium deposits. Paladin Energy Ltd. (PEL) is exploring for uranium at the Michelin deposit which is one of the largest uranium deposits in North America. The company is actively exploring.
- Lithium exploration has become a significant focus due to the province's promising geological potential. Companies undertaking exploration include Azincourt's Big Hill Project (lithium, cesium, and tantalum) located in southwestern Newfoundland and Labrador, Global Battery's interest in the La Poile Lithium Project in southwestern Newfoundland, and Piedmont's recent interest in Vineland, a new entity established with Sokoman Minerals and Benton Resources for the Killick Lithium project in southern Newfoundland.
- The past few years have also seen a surge in gold exploration activity in Newfoundland and Labrador. This is driven by higher gold prices and the discovery of new deposits, which have encouraged mining companies and junior explorers to invest in the region.
  - During November 2024, New Found Gold Corp. filed an update NI 43-101 Technical Report to provide an update on the Queensway Project expanded land position, including the Company's acquisition of the Kingsway Property. The Company also announced the initiation of a maiden resource and pre-liminary economic assessment for the Queensway Project.

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Search Minerals

**Issue:** Update on status of Search Minerals for Labrador West MineX

**Background:**

- Search has three rare earth element (REE) camps with a primary focus on exploration and development of the St. Lewis-Port Hope Simpson Critical Rare Earth Element (CREE) belt in southeast Labrador. This CREE belt is home to the Company's two most advanced projects: Foxtrot and Deep Fox.
- There are several other prospects in the Belt, including Fox Meadow, Silver Fox, Awesome Fox, and more than 20 other prospects have been identified. The property is road accessible, on tidewater, and located adjacent to three communities. Other properties include Henley Harbour and Red Wine Complex, both projects are in the preliminary exploration stage and are located in Labrador.
- Search registered the Foxtrot Project with provincial EA in December 2017 and with Federal EA in January 2018. Search was required to submit an EIS for the Project, however, the Provincial EIS due date lapsed in April 2021. The Federal process has also been terminated.
- In fall 2021, Search signed a non-binding MOU with USA Rare Earth, LLC for an offtake agreement for future production at the Foxtrot and Deep Fox deposits.
- In June 2022, Search announced key financial metrics of a PEA for Deep Fox and Foxtrot, and plans for the establishment of a direct extraction, and hydrometallurgical processing facility on the Island.
  - The Project's net present value was estimated at \$1.31 billion after tax at an 8% discount rate.
  - The life of mine was anticipated to be 26 years and annual mining production projected to be 720,000 tonnes at 2,000 tonnes per day.
- On December 19, 2023, the Canadian Investment Regulatory Agency halted trading of Search stock pending review of compliance with exchange requirements.
- In July 2024, Search announced that a newly constituted board of directors had been appointed, along with an advisory board and the re-establishment of an exploration team.
- On September 6, 2024, the British Columbia Securities Commission (BCSC) granted a partial revocation of the Cease Trade Order, this permitted the Company to complete a private placement financing for the purpose of finalizing its annual financial statements and to provide funding for certain operational, filing, debt and administrative expenses.
- The partial revocation also permitted the Company to issue an aggregate of 700,000 common shares of the Company under the option agreements and to issue and sell non-transferable unsecured convertible notes with an aggregate principal amount of \$1,000,000. In November 2024, Search announced successful closing of the private placements.

- Search was issued five exploration approvals for 2024 covering prospecting, backpack drilling, geochemical surveys, channel sampling and trenching on their various "Fox" properties. Three other approvals have been issued for 2025.

**Analysis:**

- In March 2023, Search was awarded \$5 million in funding from the Government of Canada under the Critical Minerals Research Development & Demonstration Program. The funds were to be used for the construction and operation of a demonstration plant for rare earth extraction and recovery. The total project cost was estimated at approximately \$9.3 million. Search Minerals' contribution to the construction costs was expected to be approximately \$3.3 million. [REDACTED]

29.(1)(a), 35.(1)(d)

- Search has reported the reopening of their field office in St. Lewis and the rehiring of seasonal workers.
- Search's reconstituted Board consists of Joseph Lanzon (Interim Chief Executive Officer & Director), Rohan Hazelton (Director), and Diane Poole (Director). Under direction of the new board, the company is working toward addressing securities regulatory issues to resume trading and exploring options to advance mineral processing research.

**Action Being Taken:**

- IET will continue to monitor the status of Search Minerals. [REDACTED]

Prepared/Approved by: A. Smith

Deputy Minister Approval:

February 14, 2025

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**Decision/Direction Note**  
**Department of Industry, Energy and Technology**

**Title:** The Mining Investment Event of the North

**Decision/Direction Required:**

- It is recommended that approval be granted to secure and service a booth for "The Mining Investment Event of the North" (TMIEN) scheduled for June 3-5, 2025.

**Background and Current Status:**

- TMIEN conference at the Centre des Congrès de Québec, is held annually in Quebec City. By invitation only, it aims to showcase the best of Canadian mining to a global audience, featuring a diverse mix of exploration, development, royalty companies, and producers across all commodities.
- Attendees can expect a range of activities, including corporate presentations, one-on-one meetings with investors, and numerous networking opportunities. The three-day event is structured around key themes: Producers and Royalty Companies, Critical and Transition Metals Day, and Explorers and Developers.
- The conference has secured several high-profile sponsors and participants, including the Government of Québec, Agnico Eagle, Glencore, Laurentian Bank Securities, National Bank Financial Markets, and others.
- Over one hundred international registrants are confirmed, with registration still growing. Several NL-affiliated companies will also be present, including Atha Energy Corp., Calibre Mining Corp., Canterra Minerals Ltd., First Mining Gold Corp., Firefly Metals Ltd., Exploits Discovery Corp., and Maritime Resources Corp.
- The 2024 event drew over 750 participants, with more than 250 global investors, setting a new attendance record since the event's launch in 2022. The attendees included a variety of investors, ranging from funds and high-net-worth individuals to family offices.
- IET participated for the first time in 2024, with only travel expenses. The event was successful, showcasing the province as a competitive mining investment jurisdiction and creating valuable connections. IET participated in the Newfoundland and Labrador Spotlight as a key panelist, showcasing high-purity iron ore. This year, IET is planning to return with a larger presence, including a dedicated area for the province, offering more opportunities to engage with key stakeholders.
- The proposed \$15,000 sponsorship package for IET's participation this year includes a designated exhibit space, two complimentary passes for delegates negotiated between the Mineral Resources Review and TMIEN shows, a speaking opportunity in the NL Spotlight panel, and the option to host up to three small-cap NL companies, which will be offered a reduced participation rate of \$4K each. A 40 percent deposit is required before March 31, 2025, to confirm participation.

**Analysis:**

- Participation aligns with the 'NL Critical Minerals Plan' and the 'Mining the Future' strategy, both of which focus on advancing the province's mineral sector by promoting exploration

and development, enhancing public awareness of critical mineral opportunities, and fostering collaboration with key stakeholders to support long-term economic growth and sustainability.

**29.(1)(a)** [redacted] with NL having attended their key mining industry conferences regularly for over a decade.

**Alternatives:**

**Option 1: Provide approval to secure a booth at TMIEN (RECOMMENDED)**

**Advantages:**

- ET promotes NL mineral resource opportunities, while supporting the province’s neighboring mining jurisdiction and connecting with NL-affiliated companies already committed to attending.
- IET enhances NL’s presence in Quebec, providing exposure to the region’s exploration industry and its investors.
- IET positions NL as an attractive destination for exploration and mineral development, showcasing its potential to a global audience and fostering new connections with potential investors and clients.

**Disadvantages:**

- IET will incur approximately \$21,000 to attend the event, which includes \$15,000 for the sponsorship package and \$6,000 for travel expenses for two staff members. Funding for this activity and travel for the Marketing and Promotions staff is allocated within the Marketing and Promotions budget.

**Option 2: Do not provide approval to secure IET’s participation at TMIEN (NOT RECOMMENDED)**

**Advantages:**

- Would results in savings.

**Disadvantages:**

- A loss of opportunity to promote mineral resource opportunities [redacted] **29.(1)(a)**

**Prepared/Approved by:** C. Valverde Cardenas/ M. Power/M. Nesbitt/A. Smith

**Ministerial Approval:**

February 25, 2025

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## Country Backgrounder: Iceland

### Quick Facts:

- Geography: 103,000 sq km (total land and water)
- Coastline: 4,970 km
- Population (2024): 364,036
- Ethnic Groups: Icelandic 78.7%, Polish 5.8%, Danish 1%, Ukrainian 1%, other 13.5% (2024 est.)
- Annual population growth rate in 2024: 0.85%
- Capital City: Reykjavik (pop. 139,875 (2023))
- Natural resources: fish, hydropower, geothermal power, diatomite
- Natural hazards: earthquakes and volcanic activity
- Government type: unitary parliamentary republic
  - The president is the head of state; a prime minister, usually the head of the majority party, is head of government.
  - Current president: Halla Tómasdóttir (since August 2024)
  - Current prime minister: Kristrún Frostadóttir (since December 2024)

### Background Information:

- Settled by Norwegian and Celtic (Scottish and Irish) immigrants during the late 9th and 10th centuries A.D., Iceland boasts the world's oldest functioning legislative assembly, the Althingi, established in 930.
- Independent for over 300 years, Iceland was subsequently ruled by Norway and Denmark. Fallout from the Askja volcano of 1875 devastated the Icelandic economy and caused widespread famine. Over the next quarter-century, 20% of the island's population emigrated, mostly to Canada and the US. Denmark granted limited home rule in 1874 and complete independence in 1944. The second half of the 20th century saw substantial economic growth driven primarily by the fishing industry. The economy diversified greatly after the country joined the European Economic Area in 1994, but the global financial crisis hit Iceland especially hard in the years after 2008. The economy is now on an upward trajectory, primarily thanks to a tourism and construction boom. Iceland ranks highly in literacy, longevity, and social cohesion.
- Iceland is almost entirely urban with half of the population located in and around the capital of Reykjavik. Smaller clusters are primarily found along the coast in the north and west.
- Economy
  - GDP (2023 estimate): \$26.455 billion USD. GDP growth in 2023 was 5.04%.
  - GDP composition by sector of origin (2023 estimate): agriculture – 3.8%, industry – 21.1%, services – 64.6%
  - Unemployment rate (2023 estimate): 3.56%
  - Exports: \$13.71 billion USD. Major markets: Netherlands 27%, UK 9%, US 8%, Germany 8%, France 6% (2022). Top export commodities: fish, aluminum, iron alloys, aluminum wire, animal meal (2022)
  - Imports: \$13.532 billion USD (2023). Major suppliers: Norway 12%, Netherlands 10%, Denmark 8%, Germany 8%, China 7% (2022). Top import commodities: refined petroleum, aluminum oxide, cars, carbon-based electronics, aircraft (2022)

### Canada-Iceland Trade Relations:

- Trade between Canada and Iceland is supported by the Canada-European Free Trade Association (EFTA) Free Trade Agreement, in force since July 1, 2009. Except for a few limited areas, most EU commercial legislation and directives are applied in Iceland. Iceland has a continued policy for cooperation on progressive trade, gender equality, environment and climate change, with an Arctic emphasis.
- Bilateral merchandise trade between Canada and Iceland was \$207.6 million in 2023: Canada exported \$55.4 million and imported \$152.2 million in goods.

### Canada-Iceland Bilateral Relations:

- Canada and Iceland established formal diplomatic relations in 1947; however, the shared history of the two countries began over 1,000 years ago when Icelandic explorer Leif Eriksson landed in L'Anse aux Meadows in Newfoundland. In 1875, over 200 Icelanders immigrated to Manitoba, where they established the New Iceland community alongside Lake Winnipeg in the city of Gimli. Today Canada is home to the largest population of Icelandic immigrants (and their descendants) outside Iceland. Canada and Iceland enjoy solid relations founded on people-to-people links, and common values that underpin cooperation in multilateral organizations, in support of free trade, peace and security, human rights, climate and environment protection and the promotion of gender equality.
- Canada and Iceland have a Youth Mobility Agreement, which allows young Canadians to live and work for a time in Iceland.
- Canada is represented in Iceland through an Embassy in Reykjavik. In Canada, Iceland maintains an Embassy in Ottawa, a Consulate General in Winnipeg and Honorary Consulates in Calgary, Charlottetown, Edmonton, Montréal, Halifax, Québec, Regina, St. John's, Toronto, and Vancouver.

### Trade between Iceland and NL:

Top NL Exports to and Imports from Iceland, CAD (2024)	
<b>Exports:</b> Total \$6.59M (an increase from \$6.37M in 2023)	1. Seafood product preparation and packaging - <b>\$5.67M</b> 2. Navigational, measuring, medical and control instruments manufacturing - <b>\$510.9K</b> 3. All other fabricated metal product manufacturing - <b>\$203.6 K</b> 4. Commercial and service industry machinery manufacturing - <b>\$72.6K</b>
<b>Imports:</b> Total \$1.27M (a slight increase from \$1.20M in 2023)	1. Other basic inorganic chemical manufacturing - <b>\$410K</b> 2. Industrial machinery manufacturing - <b>\$393.9K</b> 3. Ventilation, heating, air-conditioning and commercial refrigeration equipment manufacturing - <b>\$276.9K</b>

- Historically, Icelandic trawlers have fished in the waters around NL, particularly targeting the Grand Banks for cod, allowing them to access a large fishing area close to their home country. Today however, foreign trawlers, including Icelandic ones, are generally not permitted to fish in NL waters due to regulations aimed at protecting local fish stocks and managing sustainability.

- In the early 2000s, annual chartered flights arranged by an Icelandic tour company brought Icelanders to St. John's, NL to buy Christmas gifts and stock up on supplies. In 2008, NL had an MOU with Iceland to further promote the friendly relations that exist between Iceland and NL. In particular, it sought to enhance co-operation between business and industries through business ventures, technology transfer and research and development, and to enhance co-operation in cultural industries, education and the arts. The financial crisis of 2008 negatively impacted both of these initiatives.
- Iceland has direct shipping connections with NL. Eimskip has had a significant presence in Canada for the past 25 years and has become a leader for transportation requirements. Eimskip's Canada office is in St. John's. Their vessels service the ports of Argentia and St. Anthony as well as Halifax, NS. In addition, they offer offloading, stevedoring, and cold storage services from their Harbour Grace and St. Anthony operations.



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**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** ASEAN Trade Mission to Singapore, Malaysia and Vietnam

**Issue:** To inform executive of the ASEAN Trade Mission to Singapore, Malaysia and Vietnam taking place February 19-27, 2025, for which IET is an organizing partner.

**Background and Current Status:**

- Building on Canada's growing engagement in the Indo-Pacific and the recent approval of Atlantic Canada's Indo-Pacific Engagement Plan, the ASEAN region was identified as strategic market for Atlantic Canadian companies. Taste of Nova Scotia has worked in partnership with the Atlantic Trade and Investment Growth Strategy (ATIGS) Market Team to develop and host an Atlantic Canada Trade Mission to Singapore, Malaysia and Vietnam occurring February 19-27, 2025. This mission further complements and builds upon the suite of Team Canada Trade Missions to the Indo-Pacific that have been taking place since late 2023. The overall mission agenda can be found in **Annex A**.
- The in-market program will include attendance at the Canada-in-Asia Conference 2025 (CIAC) in Singapore, business-to-business (B2B) meetings organized for companies and associations across the three markets, in-market briefings, round table discussions and site tours. Kraken and Oceans Advance have been invited to speak at CIAC during the Connecting Ocean and Blue Economy Innovators in Asia and Canada and Advancing the Blue Economy Through AI session. Agendas for the Atlantic Canada Mission Briefing in Singapore and CIAC are in **Annexes B and C** respectively.
- Eighteen Atlantic Canadian organizations will be in attendance, of which three companies, two Academic Institutions and one Industry Association are from NL. Registered NL companies and entities include Kraken Robotics, Compusult, Seashore Maritime Services, College of the North Atlantic, Marine Institute, and Oceans Advance.

**Analysis:**

- This mission is the first of a series of initiatives in the Indo-Pacific planned by the ATIGS Market Team. The Internationalization Team of the Accelerated Growth Division in IET is planning to lead the second ATIGS initiative to South Korea and Japan in September, 2025. This mission will include the facilitation of an Atlantic Canadian presence at Osaka Expo 2025 in partnership with the Government of Canada.
- A Provincial Trade Commissioner from the Internationalization Team has been approved to travel for participation in the ASEAN mission and will be on the ground to support the NL organizations and represent the province.

**Action Being Taken:**

- Given the recent discussion of US tariffs on Canadian goods, IET will continue to explore ways to support companies in their market diversification efforts.

**Prepared/Approved by:** G. Chatman/D. Grant/H. Tizzard

**Ministerial Approval:**

February 4, 2025

**Annex A**  
**OVERALL MISSION AGENDA (DRAFT)**  
**Atlantic Canada Mission – Singapore, Malaysia, and Vietnam**

**WEDNESDAY, FEBRUARY 19 - SINGAPORE**

- Day - Atlantic Canada Mission Briefing, Singapore (Refer to Annex B for a detailed agenda)
- Evening - Canada-in-Asia Conference 2025 Welcome Reception

**THURSDAY, FEBRUARY 20 – FRIDAY, FEBRUARY 21 - SINGAPORE**

- Canada-in-Asia Conference 2025 (Refer to Annex C for a detailed agenda)

**SATURDAY, FEBRUARY 22**

- Travel to Kuala Lumpur, Malaysia

**SUNDAY, FEBRUARY 23 – MALAYSIA**

*Note: Elements planned for this day are still in development in collaboration with the Trade Commissioner Service.*

- Morning Market briefing and roundtable with full delegation
- Afternoon Site tour (specific location TBD)

**MONDAY, February 24**

- 9am - 10am Welcome remarks and presentation on Atlantic Canada, our companies and export opportunities
- 10am - 12pm B2B Sessions
- 12pm - 1pm Networking Lunch
- 1pm - 5pm B2B Sessions
- 5pm - 7pm Reception with in-market delegates and government officials

**TUESDAY, February 25**

- Full day B2B and/or Site tour or roundtable
- Evening Travel to Ho Chi Minh City, Vietnam

**WEDNESDAY, February 25 – VIETNAM**

*Note: Elements planned for this day are still in development in collaboration with the Trade Commissioner Service.*

- Morning Market briefing and roundtable
- Afternoon Site tour (specific location TBD)

**THURSDAY, February 27**

- Full day B2B sessions
- Evening Reception with in-market delegates and government officials

**Annex B**  
**AGENDA – Atlantic Canada Mission Briefing, Singapore**  
**19 February 2025**

Location: Borealis Orchid Room, High Commission of Canada, One George Street #11-01, Singapore, 049145

- 12:30           **Registration**
- 12:30 – 13:15 **Bento Box lunch and opportunity to network with Singapore Trade Commissioners & other High Commission team members.**
- 13:15 – 13:30 **Programme Overview and Canadian Delegate Introductions**  
*ACOIA – Emily Haines / Darlene Boone*
- 13:30 – 14:00 **Singapore Overview**  
*Simon Pierre – Commercial & Economic Officer / Andrew Threlfall – Trade Commissioner (OceanTech/Life Science/FinTech plus other Trade Commissioners (subject availability)*
- 14:00 – 14:20 **Singapore Investment Landscape**  
*Sairesh Pillai and Brendon Chew – Economic Development Board (EDB)*
- 14:20 – 14:40 **From Calgary to Singapore – Do's & Dont's**  
*Dr. Shawn Watson – Canadian Global Executive (CGE), SME Chair Canada-ASEAN Business Council (CABC) & CEO Senesence Life*
- 14:40 – 15:00 Q&A
- 15:00           **Bus departs for site visit to PSA Innovation Centre**
- 15:30 – 16:45 **Tour of PSA Innovation Centre**
- 16:45           **Bus departs direct to CIAC Welcome Reception. Raffles City Convention Centre**
- 17:15           **Arrival at CIAC Welcome Reception. Raffles City Convention Centre**
- 17:30           **CIAC Welcome Reception commences**

**Annex C**  
**AGENDA – CANADA-IN-ASIA CONFERENCE 2025**  
*Last Update: January 15, 2025*  
NOTE: All times are Singapore Time

**WEDNESDAY, FEBRUARY 19**

**5:30-7:30pm            WELCOME RECEPTION**

**THURSDAY, FEBRUARY 20**

**8:45-10:00am            CONFERENCE OPENING AND MORNING PLENARY**

Opening Remarks from the conference organizers

Plenary Session: The Global Competition for Talent

**10:30-11:30am            MORNING CONCURRENT SESSION BLOCK**

Advancing Food Security Through Innovation  
*Sector: Agri-food and Food Security*  
*Engagement Track: Innovation Ecosystems*

Facilitating Investment in Blue Economy Solutions  
*Sector: Ocean Tech & Blue Economy*  
*Engagement Track: Investment & Finance*

Canada as a Stable Provider of Critical Minerals for Asia's Clean Technologies  
*Sector: Clean Technology*  
*Engagement Track: Trade & Supply Chains*

Greening Grids Through AI  
*Sector: Energy Transitions & Energy Security*  
*Engagement Track: Artificial Intelligence*

**HIGHER EDUCATION ROUNDTABLE:  
Fostering Entrepreneurship – Universities' Role in Start Up and Scale Up Ecosystems**

**12:00-1:30pm            LUNCH PLENARY**

Canadian Investment in Research for Development in Asia

**2:00-3:00pm            AFTERNOON CONCURRENT SESSION BLOCK**

Addressing Financing Bottlenecks in Agriculture and Agri-food in Asia  
*Sector: Agri-food and Food Security*  
*Engagement Track: Investment & Finance*

Collaborating on Shipping Decarbonization  
*Sector: Ocean Tech & Blue Economy*  
*Engagement Track: Trade & Supply Chains*

Harnessing Data and AI for Clean Technology and Climate Resilience  
*Sector: Clean Technology*

*Engagement Track: Artificial Intelligence*

Innovating for Energy Transitions in Asia and Canada  
*Sector: Energy Transitions & Energy Security*  
*Engagement Track: Innovation Ecosystems*

**HIGHER EDUCATION ROUNDTABLE:  
 The Role of Universities in Supporting the Energy Transition**

**3:15-4:15pm EXECUTIVE SESSIONS**

**4:00-5:30pm BUSINESS NETWORKING RECEPTION**

**5:30-6:30pm GALA RECEPTION**

**6:30-9:00pm GALA DINNER**

**Major Partner Remarks:**  
*Laurel Broten*, President & CEO, Invest in Canada

**FRIDAY, FEBRUARY 21****8:00-9:00am BREAKFAST CONCURRENT SESSION BLOCK**

Pursuing Food Security and Regulatory Harmonization in ASEAN and Beyond  
*Sector: Agri-food and Food Security*  
*Engagement Track: Trade & Supply Chains*

Advancing the Blue Economy Through AI  
*Sector: Ocean Tech & Blue Economy*  
*Engagement Track: Artificial Intelligence*

Fostering Clean Tech Start-Up Ecosystems in Asia and Canada  
*Sector: Clean Technology*  
*Engagement Track: Innovation Ecosystems*

Powering Asia's Energy Transitions Through Investment Partnerships  
*Sector: Energy Transitions & Energy Security*  
*Engagement Track: Investment & Finance*

**9:30-10:30am MORNING PLENARY**

Navigating Geopolitical Risk, Recasting Global Supply Chains

**11:00-12:00pm MORNING CONCURRENT SESSION BLOCK**

Advancing Agri-food & Aquaculture Systems Through AI  
*Sector: Agri-food and Food Security*  
*Engagement Track: Artificial Intelligence*

Connecting Ocean and Blue Economy Innovators in Asia and Canada  
*Sector: Ocean Tech & Blue Economy*  
*Engagement Track: Innovation Ecosystems*

Clean Tech Priorities for Investors  
*Sector: Clean Technology*  
*Engagement Track: Investment & Finance*

Canadian Energy Supplying Transitions in Asia  
*Sector: Energy Transitions & Energy Security*  
*Engagement Track: Trade & Supply Chains*

**HIGHER EDUCATION ROUNDTABLE:**  
**Leveraging Diaspora and Alumni Networks: Strengthening International Education and Partnerships between Canada and Asia**

**12:30-1:45pm            CLOSING LUNCH PLENARY**

Asia's Sustainable Infrastructure Opportunity

**1:45-2:00pm            CLOSING REMARKS**

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Ocean Business 2025

**Issue:** To inform Executive of the decision to award the Ocean Business 2025 Booth Build to Insideout Events.

**Background and Current Status:**

- Building on previous initiatives promoting Atlantic Canada's ocean technology, IET has received funding approval through the Atlantic Trade and Investment Growth Agreement (ATIGA) to organize a Canada Pavilion at Ocean Business 2025 (OB25). This event is held bi-annually and is viewed as one of the top ocean technology exhibitions in Europe.
- With over 300 exhibitors, OB25 is expecting to attract 6000 national and international delegates from over 60 countries providing NL companies many opportunities to develop, nurture and grow key stakeholder relationships in the Ocean Technology sector. IET, along with the ATIGA organizing committee, is targeting 20 to 25 firms from the Atlantic region and British Columbia for this initiative with a 108 m<sup>2</sup> pavilion. Recruitment is complete with 22 companies registered to participate, seven of which are from NL.
- A budget for the initiative was submitted and approved by the ATIGA Ocean Technology Working Group in March 2024. The original budgeted amount for the pavilion build was \$84,000 with a total project budget of \$440,280.


**Analysis:**

- In December 2024, the Accelerated Growth Division issued a Request for Proposals (RFP) for professional services to build and service the Canadian Pavilion at OB2025. A limited call RFP valued at \$84,000 CAD was released on December 6, 2024 seeking proposals from Insideout Events, [REDACTED] all suggested by the conference organizers as the best providers.

**35.(1)(d)**

- One submission was received on December 17, 2024, from Insideout Events [REDACTED]
- 

**29.(1)(a), 34.(1)(a)(i), 35.(1)(d)**

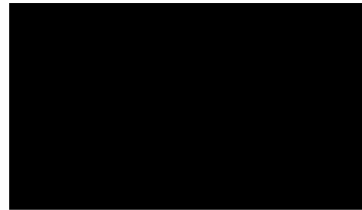
- IET, in consultation with the ATIGA OB25 planning committee, has reviewed the proposal and agreed to award the contract to Insideout Events based on the merits of the proposal as well as past experience with the company. Insideout Events were contracted as the booth build supplier for the Canadian Pavilion at Ocean Business 2019 and 2023, and also by the Government of Nova Scotia for the Canadian Pavilion at Oceanology International London 2024.  **30.(1)(a), 30.(1)(b)**
- As the successful proponent, Insideout Events will provide a work plan to be approved by the ATIGA Ocean Technology Subcommittee. Upon contract signing, 25 per cent of the contract amount will be paid, 65 per cent will be paid upon approval of the work plan, with the remaining 10 per cent held until the successful completion of the event in April 2025.
- Accordingly, 90 per cent of the booth build contract will be paid out in the 2024-2025 fiscal year, and the remaining 10 will be paid upon successful completion of the project, in the 2025-26 fiscal year. IET will incur the expenditures for the contract and subsequently be reimbursed in full by ATIGA.

**Action Being Taken:**

- A kick-off meeting with Insideout Events will be arranged at the earliest possible date to review and approve their work plan to enable them to begin work.

**Prepared/Approved by:** W. Roebathan / G. Chatman / D. Grant / J. Ludmer  
**Deputy Minister Approval:**

February 14, 2025



**40.(1)**

**Information Note**  
**Department of Industry, Energy and Technology**

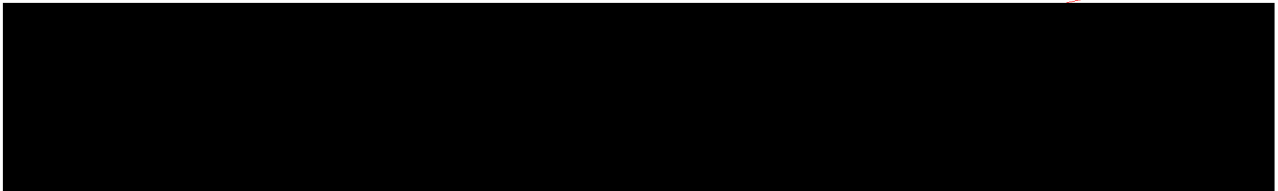
**Title:** Venture Capital Funds

**Issue:** Current and Future Provincial Investments into Venture Capital Funds

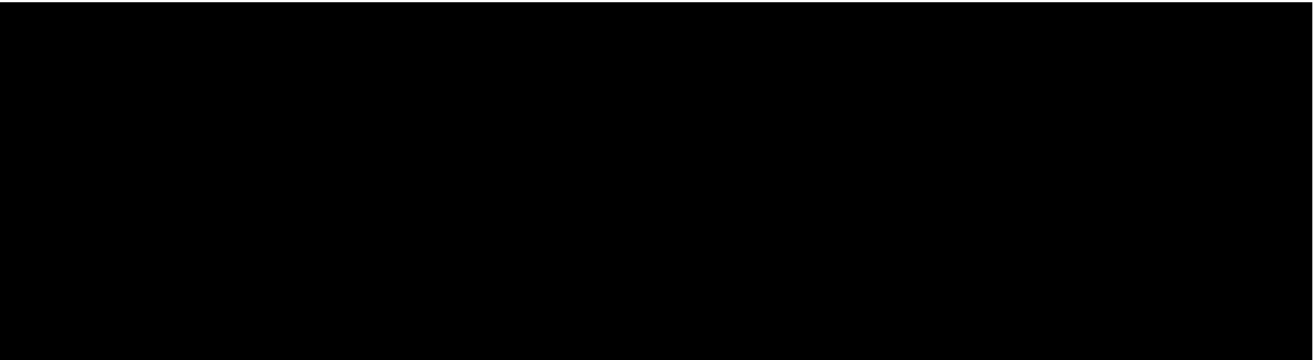
**Background and Current Status:**

- Since 2014-15, the Province of Newfoundland and Labrador has committed a total of \$37,750,000 to become a limited partner in five venture capital funds (Funds). This includes one through Build Ventures, two through Pelorus Venture Capital (Pelorus VC), and two through Sandpiper Ventures GP Limited. See Annex A for details on the five Funds.
- Over \$25 million, or 67% of the committed funds, have been disbursed to the Funds in capital calls. IET's annual allocation of \$8 million in the Investment Attraction Fund (IAF) has been used to pay for the capital calls.
- The Government of Newfoundland and Labrador's participation in the Funds is based on evidence that investing in early-stage venture capital funding is a cost-effective way for the Province to leverage investment and expertise in the technology sector to help start-ups to scale and find success in global markets. This leads to the creation of jobs, and the further diversifying and strengthening of the economy.
- Venture capital fund managers provide new entrepreneurs with invaluable hands-on advice, mentorship, entrepreneurial experience, industry knowledge, and networks of customers, suppliers, and other funders. Such support is critical to helping companies achieve and navigate rapid growth to becoming successful.

**35.(1)(d), 35.(1)(g)**



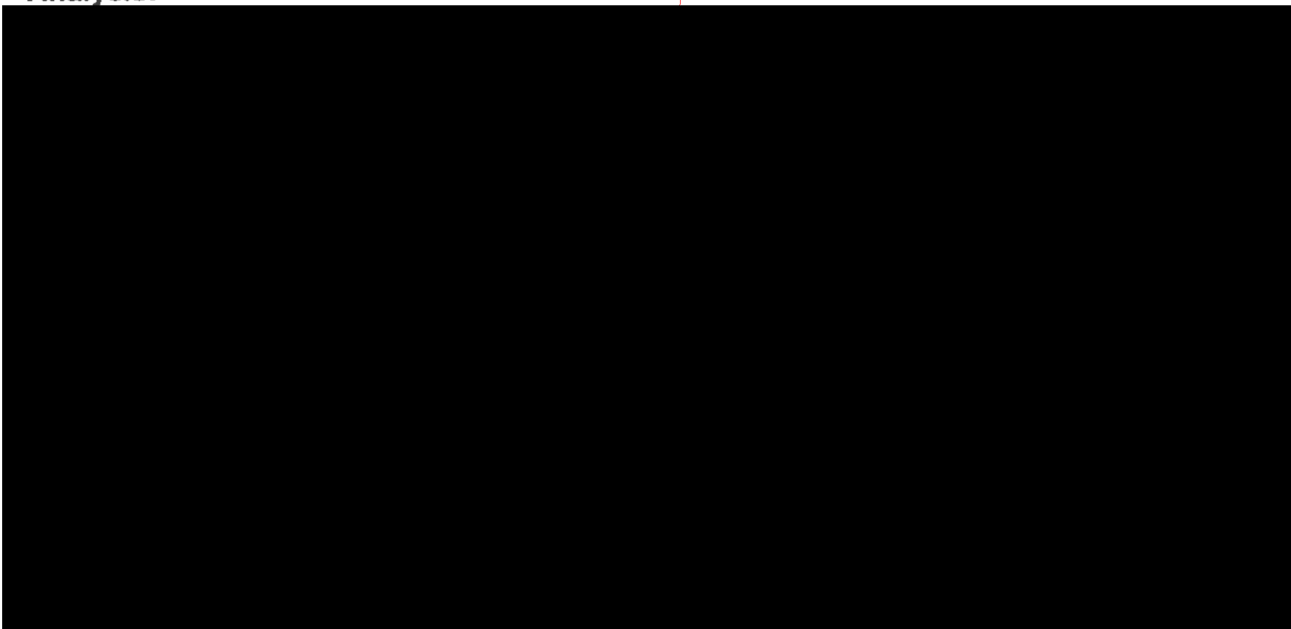
- Pelorus VC, incorporated in 2015, is the company that created Venture Newfoundland and Labrador Limited Partnership I and II (also referred to as VNL I and VNL II), two private venture capital funds with investment from the Province of Newfoundland and Labrador, BDC Capital Inc. and a number of angel investors.



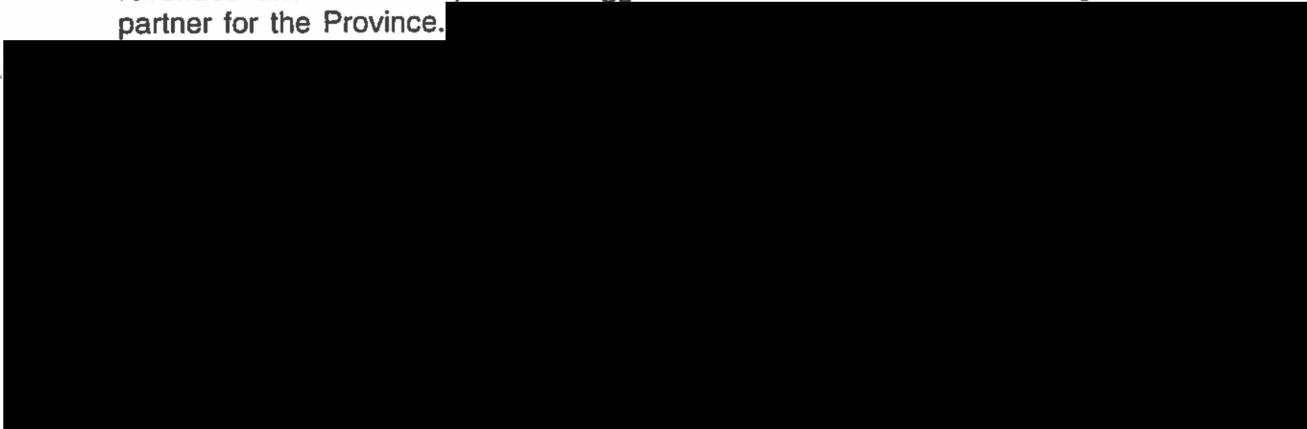
**35.(1)(d), 35.(1)(g)**

29.(1)(a), 35.(1)(d), 35.(1)(g)

**Analysis:**



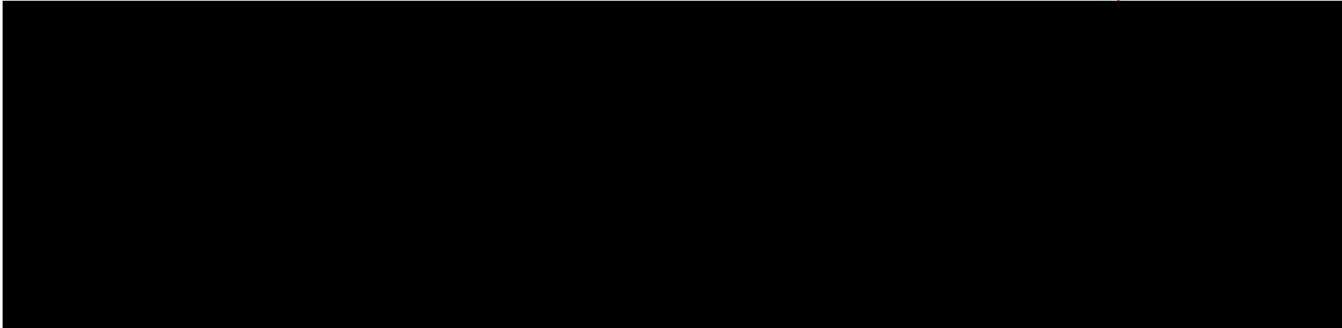
- o Pelorus VC has proven to be a reputable and sought after partner and director of its portfolio firms. Chris Moyer as the Managing Partner for Pelorus VC has expertise in finance and accounting that firms have immensely benefited from. The other Pelorus VC team includes Sarah Murphy, a Partner in Pelorus VC, and Ed Clarke and Greg Smyth as Venture Partners, who are all actively helping technology companies succeed.
- o While IET provides significant programming to technology firms (R&D, marketing, productivity improvements, travel assistance etc.), many of the technology firms do not have adequate security to avail of loans from government. As well, in late 2023, IET removed equity financing as a source of funds under the Business Investment Program. Participation in the venture capital funds, therefore, ensures that the Province is making available the financial assistance that Newfoundland and Labrador startup technology firms require.
- o A number of VNL I and II portfolio companies have been showing strong growth in revenues and valuations, which suggests that Pelorus VC is a strong and reliable partner for the Province.



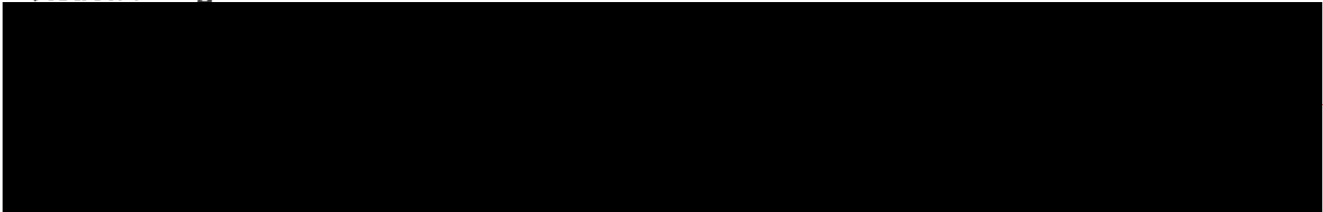
29.(1)(a), 35.(1)(d), 35.(1)(g)

- Moreover, the launch of the Job Accelerator and Growth Program in 2023, and the introduction of a new Investment Attraction team within IET in the same year who are bringing forward more potential investment projects to support, will lead to greater demands on the IAF. This will increase the importance of efficient management of the IAF in the coming years.

29.(1)(a), 35.(1)(d), 35.(1)(g)



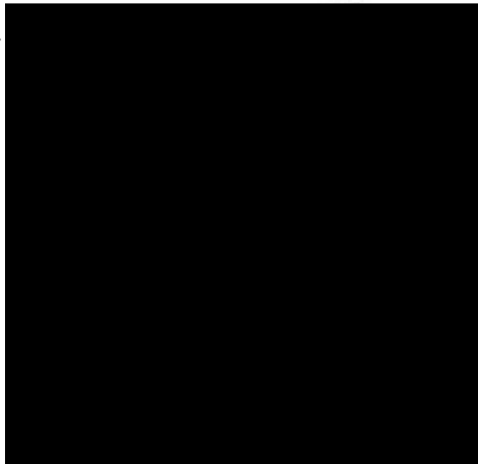
**Action Being Taken:**



29.(1)(a)  
35.(1)(d)

**Prepared/Approved by:** T. Parsons/J. Ludmer  
**Ministerial Approval:**

February 4, 2025



40.(1)

Annex A

**SUMMARY**

**Venture Capital Funds where Province is Currently a Limited Partner**

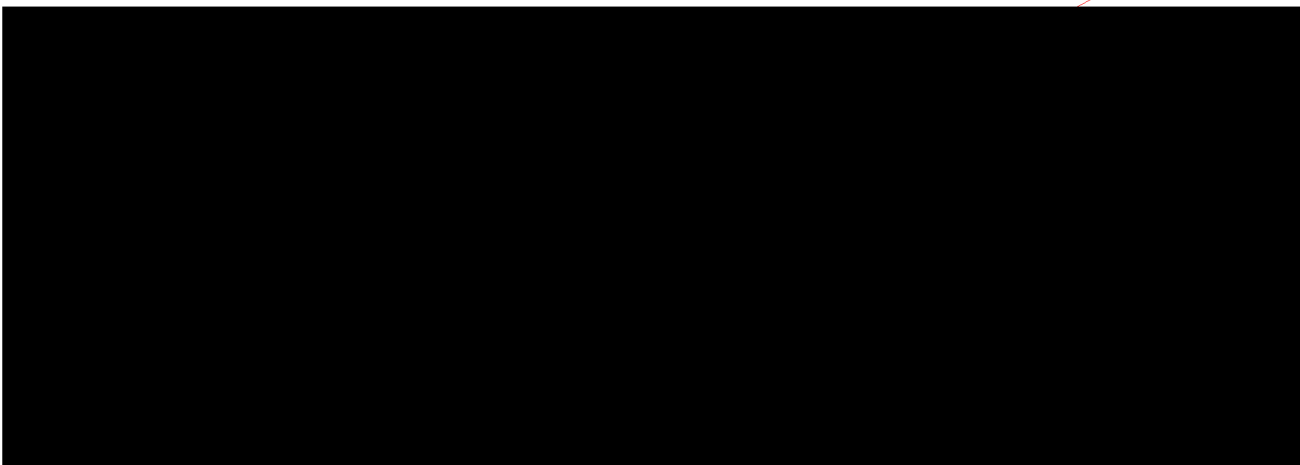
**1. The Atlantic Canada Regional Venture Fund (Build I)**

In 2014-15, the Province of Newfoundland and Labrador committed \$10 million to participate in the Atlantic Canada Regional Venture Fund (commonly referred to as Build I), a 10-year venture capital fund offered through the managing partner Build Ventures. The Province's commitment represented 15.38% of the overall commitment of \$65 million.

To date, \$8.4 million of Provincial funds was disbursed for investments into 13 companies through Build I, including two Newfoundland and Labrador firms, Celtx and Raident360 (no longer operating).

Build Ventures is located in Halifax, Nova Scotia, with Patrick Keefe and Rob Barbara as the General Partners.

29.(1)(a), 35.(1)(d)



**2. Venture NL (VNL I)**

In 2014-15, the Province of Newfoundland and Labrador committed \$10 million to participate in Venture NL (earlier referred to as Made in NL), a 10-year venture capital fund offered through the managing partner Pelorus Venture Capital. The Province's commitment represented 69.9% of the overall commitment of \$14.3 million. Other equity partner commitments include \$2 million from BDC, [REDACTED]

35.(1)(d)

The total drawdown as of September 30, 2024, from equity partners is [REDACTED] including \$9,564,443 from the Province of Newfoundland and Labrador.

35.(1)(d)

VNL I's Investee companies include:

- BreatheSuite Inc.



In 2021, to support and address early-stage financing for women in the province's growing tech sector, the Province of Newfoundland and Labrador committed to investing \$750,000 in Sandpiper I – a first of its kind venture capital fund aimed at bringing greater diversity to the venture capital ecosystem in Atlantic Canada. The Province's commitment represents 3.7% of the overall Fund of \$20,510,002 for this five-year fund.

There are twelve portfolio companies including Swiftsure and SifMed, two Newfoundland and Labrador companies. The Province's commitment requires Sandpiper I to invest at least \$750,000, the equivalent of the Province's commitment, in companies that are based in Newfoundland and Labrador.

Sandpiper Ventures GP Limited (Sandpiper) is located in Halifax and the General Partners are Cathy Bennett, Rhiannon Davies and Sarah Young.

### **5. Sandpiper Ventures Fund Limited Partnership (Sandpiper II or SVII)**

Sandpiper is currently active raising funds for Sandpiper II, a projected \$40 million venture capital fund aimed at targeting early stage/pre-revenue, seed and early series A Canadian women-led ventures. [REDACTED] 35.(1)(d)

In October 2024, the Province entered into an agreement to invest \$4 million into Sandpiper II, which is expected to be called over a five-year period and is aiming to invest in 10-15 Canadian companies. In addition to the Province, the Government of New Brunswick through the New Brunswick Innovation Foundation (NBIF) as well as the Royal Bank of Canada (RBC) and the Business Development Bank of Canada (BDC) all agreed to invest in SVII. The fundraising for this fund is still ongoing, [REDACTED] 34.(1)(a)(i), 35.(1)(d)

As with Sandpiper I, the Province's commitment requires Sandpiper to invest at least \$4 million in Newfoundland and Labrador companies.

**Meeting Note**  
**Department of Industry, Energy and Technology**  
**Kerecis**  
**Thursday, February 27, 2025**  
**77 Laugavegur, 5th Floor, 101 Reykjavík, Iceland**

**Attendees:**

- The Honourable Andrew Parsons, Minister of Industry, Energy and Technology (IET)
- John Cowan, Deputy Minister, IET
- Fertram Sigurjonsson, Founder and CEO, Kerecis (Biography attached)

**Purpose of Meeting:**

- To promote Newfoundland and Labrador's (NL) healthtech and life sciences sector and the province as an attractive and stable destination for investment.

**Background:**

- Kerecis was founded in 2007 and is based in Isafjordur, northwest Iceland. Kerecis develops, manufactures, and sells patented fish-skin soft tissue regeneration products approved in the United States, Europe, and several other jurisdictions. The company's patented products support tissue regeneration rather than simple repair, reducing the risk of scarring. Product expansion is underway in oral surgery, plastic surgery, and neurological applications. Additionally, the company provides customers with innovative digital tools, including artificial intelligence (AI)-powered solutions to support insurance billing.
- The company has regional headquarters in Reykjavik, the United States, and Germany, employing 525 people, including a 230-person salesforce in the United States. Kerecis reported \$150 million in revenue and over 30 per cent growth in December 2023. Future growth is planned with new products and market expansion in Canada and other jurisdictions.
- On August 31, 2023, Kerecis was acquired by Coloplast A/S for \$1.3 billion. Coloplast is a Danish multinational company that develops, manufactures, and markets medical devices and services related to ostomy, urology, continence, and wound care.
- Kerecis is a participant in NL Health Service's (NLHS) Canadian Market Access Program (CMAP), a joint project by the Embassy of Iceland in Ottawa, Business Iceland, and NLHS where Icelandic healthtech companies complete a six-module program and a 3-5 day in person visit to NL. During the program companies gain knowledge of the Canadian healthcare system; learn to effectively market and sell their technologies to potential clients within the Canadian healthcare system; acquire a knowledge of the Health Canada certification process; pitch and exhibit their products and services to stakeholders within the NL health system; and are eligible to be invited to conduct R&D activities and clinical trials within the NLHS system.

**Analysis:**

- The Investment Attraction Team has presented to and met with Icelandic companies as part of the CMAP, and Kerecis visited the province in June 2024 as part of the program. During the visit, Kerecis provided a presentation to Global Affairs Canada, IET's Director of Investment Attraction, and NLHS on the company and their progress in seeking Health Canada approval.



29.(1)(a), 35.(1)(d), 35.(1)(g)

**Agenda item #1: Commitment to the Healthtech and Life Sciences Sector**

- Health tech and Life Sciences is a priority sector for NL.

**Potential Speaking Points**

- The Health Accord for Newfoundland and Labrador was released in 2022 to implement a 10-year health transformation in the province. This accord includes pathways to improving health outcomes by adopting new medical and digital technologies.
- The Province released a HealthTech and BioTech Ecosystem Action Plan in 2024 to maximize industry collaboration and ensure the appropriate resources are provided to companies. Efforts by Bounce Health Innovation, the Genesis Centre and other early-stage ecosystem partners led to a significant growth of new firms within the province. The activity of NLHS has helped establish a globally competitive cluster of companies at various stages of business development.
- The Province has made, and will continue to make, strategic investments to support healthtech and biotech growth, including through Bounce Health Innovations, NLHS Living Labs within its Health Innovation Acceleration Centre, the Centre for Translational Genomics (CTG), and the Centre for Analytics, Informatics, and Research (CAIR).
- Additionally, a significant share of IET's innovation and R&D supports are provided to healthtech and life sciences companies in the province each year as this is a priority sector for the department. Furthermore, startup and early-stage companies in this sector are attracting increasing amounts of venture capital investment from within and outside the province, and more so than other Atlantic Canadian provinces. This demonstrates the sector's growing strength and potential to become a regional and national hub for innovative companies in this sector.

**Agenda item #2: Access to one Provincial Health Authority and Political Stability**

- NL offers access to one health authority and long-term political stability in partnerships.

**Potential Speaking Points**

- NLHS is now the province's single health authority, delivering healthcare to approximately 541,000 people with over 23,000 employees and physicians. NLHS offers a comprehensive range of health-care programs and services through a wide network of facilities, clinics, and community services across the province. The province has legal and regulatory requirements within the healthcare space, including Health Canada approval. NLHS partners with companies to provide a testing site within their Living Labs at the Health Innovation Acceleration Centre to prepare companies for Canadian market access.

- The Canadian Market Access Program partnership between NLHS, Business Iceland, and the Embassy of Iceland in Canada is important for our health care authority and aligns with our Health Accord on improving healthcare outcomes across the province. It also provides a smaller test market to prepare for the larger Canadian market in expanding business across the country.
- The Province's and Canada's political environments are stable and dependable, with strong commitments to health innovation. Though policy changes can occur depending on the party or parties in power, the principles that drive the Canadian and provincial economies, as well as the social and political dynamics in the country and province, continue to enjoy broad support from voters and political leaders across parties.

### **Agenda item #3: Benefits of doing Business in the Province**

- The Province is an ideal location in Canada to do business.

#### **Potential Speaking Points**

- NL is a strategic location to start growth in the healthtech sector within Canada with a supportive ecosystem to assist with entering the NL and Canadian market.
- The Province is economically stable and has a promising outlook for the future. Its real GDP is increasing and the province is experiencing the largest population increase since 1976. Similar to Iceland, as a smaller jurisdiction, the Province has a collaborative ecosystem with the ability to bring together key decision makers for swift action and effective, mutually beneficial business collaboration.
- The Province is the most easterly point in North America, which places it at the crossroads of key European and North American markets, and in the closest proximity to Iceland. It is also the closest North American region to south Asia via the Suez Canal, and should a northwest shipping passage open across the Arctic, the Province would have close access to this route to reach Asian markets.
- NL is home to many innovative companies developing leading-edge and emerging technologies and services. The province also has world-leading research facilities, and a talent pool is continuously being developed with Memorial University having nearly 19,000 students and the College of the North Atlantic (CNA) having 7,000 students. Post-secondary institutions in the province quickly adapt to meet industry needs.
- For example, there has been an increased focus on technology education programs resulting in approximately 500 new computer program graduates with 300 specializing in software development. TechNL, the province's leading industry association in the tech sector, now has a matchmaking program to ensure companies can acquire the local talent they need to grow their presence in NL.
- IET's Investment Attraction Team provides support for companies establishing operations in NL through acting as facilitator for the company, providing valuable connections, and offering a variety of financial incentives. For example, the Job Accelerator and Growth Program, provides an annual payroll incentive of 10-15 per cent for three years for approved projects with a minimum of 20 full-time equivalent new hires over three years with an average salary of at least \$50,000. In addition, the Investment Attraction Fund provides customized financial assistance in the form of loans and/or forgivable loans (based on job-

creation commitments) towards strategic investments in infrastructure and other capital assets.

**Prepared/Approved by:** A. Myers / D. Murphy / M. Cluett-Fizzard / J. Ludmer

February 24, 2025



40.(1)

**Annex A****G. Fertram Sigurjonsson, Founder & CEO, Kerecis**

Mr. Sigurjonsson is the Chief Executive Officer and founder of Kerecis. As a serial entrepreneur Mr. Sigurjonsson has been the founder and CEO of financial technology and renewable energy companies. He also served as board member and executive of both public and private companies in the healthcare, financial technology, and renewable energy space in Europe, North America, and Asia. Mr. Sigurjonsson is an advocate of the beauty and fragility of the oceans.

Mr. Sigurjonsson was named an Ernst & Young Entrepreneur of the Year in 2021 and Entrepreneur of the Year in Iceland in 2015. He has received multiple awards from the President of Iceland, including innovation and entrepreneurship awards in 2015 and 2018. Kerecis received the Icelandic Growth Symposium award for the fastest growing company in Iceland in 2017 and 2020. In 2023, Kerecis was named the Nordic Scaleup of the year and in 2024 Kerecis received the Export Award from the President of Iceland. Mr. Sigurjonsson was named the Businessman of the year 2024 by Iceland's business newspaper Vidskiptabladid.

In August 2023 Kerecis, the company that Mr. Sigurjonsson founded, became Iceland's first unicorn when it sold to the Danish company Coloplast for \$1.3 billion.

Mr. Sigurjonsson, Kerecis, and its products have been featured in Bloomberg and other media.

**Meeting Note**  
**Department of Industry, Energy and Technology**  
**Landsvirkjun and Growler Energy**  
**10:00AM – 5:30PM Wednesday, February 26, 2025**  
**Landsvirkjun Office, Katrínartún 2, 105 Reykjavík**

**Attendees:**

- The Honorable Andrew Parsons, Minister, IET
- John Cowan, Deputy Minister, IET
- Canadian Ambassador to Iceland H.E. Jenny Hill
- Robert Woolgar, President and CEO Growler Energy
- Chad Butler, Vice President, Business Development, Growler Energy
- Rikardur Rikardsson, Executive Director Business and Innovation, Landsvirkjun
- Christian Somerton, Executive Chairperson, Landsvirkjun
- Kristján Guðmundsson, Project Development Manager, Landsvirkjun
- Hörður Arnarson, Chief Executive Officer, Landsvirkjun

**Purpose of Meeting:**

- To discuss the potential cooperation and collaboration opportunities between Newfoundland and Labrador (NL), Landsvirkjun and Iceland, as well as to promote the province as an attractive destination for investment.

**Background:**

- Landsvirkjun, established in 1965, is the national power company of Iceland. It produces over 75 per cent of the country's power and is fully state owned. All of the power produced by Landsvirkjun comes from renewable sources including fourteen hydropower stations, two wind turbines and three geothermal power stations.
- Growler Energy, based in NL, produces power through partnerships on renewable energy projects. The company conducts applied research in areas that support its development objectives, including hydrogen and other clean fuels, storage technologies, and industry decarbonization.
- Growler Energy and Landsvirkjun have a signed Memorandum of Understanding that commits them to work together on future renewable developments. Most recently, Growler Energy and Landsvirkjun partnered with Nunavut Nukkiqsautiit Corporation, a subsidiary of Qikiqtaaluk Corporation, to develop the Sanikiluaq Wind Energy and BESS Project. The project aims to establish a wind energy and storage platform tailored for deployment in the remote Hamlet of Sanikiluaq in Nunavut. Growler has since divested of its interest in this development.

**Analysis:**

- Growler and Landsvirkjun are currently exploring other potential partnership opportunities.

35.(1)(d)

[REDACTED]

- [REDACTED] In 2008, the subsidiary Landsvirkjun Power was established, with one of its goals being to explore foreign markets.

29.(1)(a),  
35.(1)(d)

- Historically, Landsvirkjun has operated more as a consultancy, having worked on 40 projects in 15 countries. The company is currently seeking to move more towards investment and ownership of assets. Trial investments over the past five years have been made in the countries of Georgia and Canada, and the company plans on building on that experience while exploring more opportunities, particularly in the Arctic regions.

#### **Agenda item #1: Opportunities for Investment and Commitment to Green Transition**

- The Province is strongly committed to the green transition.

#### **Potential Speaking Points**

- NL is dedicated to supporting sustainable and green development, investing in an innovative and competitive economy, and fostering equal and inclusive communities. The province has a goal of reaching net zero by 2050.
- The province is well-positioned to benefit from the green transition while ensuring the achievement of decarbonization goals given its clean electric grid, available hydro development opportunities, and potential to be a significant producer of renewable energy, sustainable fuels, and critical minerals.
- The Province has committed to achieving net-zero by 2050, and has a Climate Change Action Plan to realize this objective. The Province also has a Renewable Energy Plan and Critical Minerals Plan that provide roadmaps to maximize its renewable energy and critical minerals potential.
- Hydroelectricity provides over 90 per cent of the power in the province, which is also a significant exporter of hydro to Quebec and the northeastern United States (US). NL has the last large hydro development opportunity in North America, Gull Island that will be capable of producing 2,250 MW. On December 12, 2024, Newfoundland and Labrador and Quebec signed a Memorandum of Understanding (MOU) that includes the co-development new projects in Labrador including Gull Island. This MOU will result in the Churchill River capacity increasing by approximately 3,900 MW.
- In 2022, the moratorium on wind energy projects that had been in place since 2007 was lifted, and in 2023 a Wind-Hydrogen Fiscal Framework was released to provide more financial certainty to potential investors and developers for such projects. In August 2023, a Call for Bids process was completed for approximately 1.7 million hectares of Crown lands for wind energy projects to support the production of green hydrogen, granting four companies the exclusive right to pursue their projects through the Crown lands application process. Since the Call for Bids process, two additional wind-hydrogen projects were approved for a total of six wind-hydrogen projects in NL. The six projects combined are currently projected to have a total installed wind capacity of more than 18 GW, total hydrogen electrolyzer capacity of almost 14 GW, and an anticipated annual production of one million tons of hydrogen and 4.7 million tons of ammonia.
- In addition to efforts onshore, IET is working towards the future development of offshore wind resources. The offshore is an area of shared jurisdiction with the Government of Canada. In December 2023, the Province signed a MOU with the Federal Government on offshore wind to enable NL to independently regulate and develop offshore wind projects within its inland bays. This is in addition to work ongoing to define the offshore area for renewable energy and a regional assessment which will help inform future planning and decision-making. On

January 31, 2025, the Government of Canada, in partnership with the Government of Nova Scotia, announced legislation to enable the development of offshore renewable energy for the first time in Canada. This follows the passage of Bill C-49 and Nova Scotia's mirror legislation. NL is expected to advance consideration of its mirror legislation this year to bring its portion of Bill C-49 into force.

- NL is a top-tier jurisdiction for mineral exploration and development with deposits of 34 of the 50 minerals identified as critical by US, EU, Japan, Australia, UK and South Korea. NL also has significant hi-grade, low-impurity iron ore resources, renewable energy resources and supporting infrastructure that give it the potential to develop cost effective green steel supply chains.
- The Province and its offshore oil industry are also studying the potential for carbon capture utilization and storage (CCUS) offshore. Operators are committed to meeting emissions reduction objectives and are actively working to decarbonize their offshore operations.

### **Agenda item #2: Regulatory Environment and Political Stability**

- NL offers an enabling regulatory environment and long-term political stability.

#### **Potential Speaking Points**

- The Province has legal and regulatory, as well as environmental, social and governance requirements that ensure responsible and sustainable production of natural resources, while also ensuring that producers and operators can be commercially successful.
- The Province's environmental permitting requirements and procedures are in line with best practices in other jurisdictions. The Province is working to streamline these processes for wind and hydrogen projects to enable them to move forward as expeditiously as possible while ensuring that all legal and regulatory requirements and considerations are satisfied.
- The Province's political environment, as well as Canada's, is stable and reliable, as are their commitments to the green transition. Though policy changes in some areas can occur depending on the party or parties in power, the principles that drive the Canadian and provincial economies, as well as the social and political dynamics in the country and province, continue to enjoy broad support from voters and political leaders across parties.

### **Agenda item #3: Benefits of doing Business in the Province**

- The Province is an ideal location in Canada to do business.

#### **Potential Speaking Points**

- The Province is economically stable and has a promising outlook for the future. Its real GDP is increasing and the province is experiencing the largest population increase since 1976. Similar to Iceland, as a smaller jurisdiction, the Province has a collaborative ecosystem with the ability to bring together key decision makers for swift business collaboration.
- The Province is the most easterly point in North America, which places it at the crossroads of key European and North American markets, and in the closest proximity to Iceland. It is also the closest North American region to south Asia via the Suez Canal, and should a northwest shipping passage open across the Arctic, the Province would have close access to this route to reach Asian markets.

- NL is home to many innovative companies developing leading-edge and emerging technologies and services. The province also has world-leading research facilities and a talent pool is continuously being developed with Memorial University having nearly 19,000 students and the College of the North Atlantic (CNA) having 7,000 students.
- Post-secondary institutions in the province quickly adapt to meet industry needs. For example, the CNA is an Academic Member of the Canadian Hydrogen and Fuel Cell Association (CHFCA) and began delivering a Wind Turbine Technician program and a Hydrogen Technician program in September 2023.
- The province also has a highly-skilled onshore and offshore workforce with considerable experience developing and delivering a variety of complex infrastructure projects.

**Prepared/Approved by:** D. Grant/M. Cluett-Fizzard/J. Ludmer

February 24, 2025



40.(1)

**Annex A – Biographies****Landsvirkjun Energy****Hörður Arnarson, Chief Executive Officer of Landsvirkjun**

Hörður Arnarson, CEO of Landsvirkjun, has a PhD in Electrical Engineering from DTU in Denmark. Hörður graduated in electrical engineering from the University of Iceland in 1986, then continued his studies at DTU and graduated with a doctoral degree in 1990.

Hörður began working at food-processing experts Marel in 1985, and was CEO there for ten years, from 1999 to 2009. In 2009, from May to November, Hörður was CEO at the insurance company Sjóvá and led its financial restructuring.

**Ríkarður Ríkarðsson Executive Vice President of Business Development and Innovation, Landsvirkjun**

Ríkarður Ríkarðsson graduated with a BSc in Electrical and Computer Engineering from the University of Denver in 2000, and an MSc in Electrical Engineering from Stanford University in 2002. He completed the PED course at IMD, Lausanne, in 2017.

Ríkarður has worked at Landsvirkjun since 2011, and for the last five years he was executive director of Business Development and Marketing. Ríkarður was a management consultant at

McKinsey & Company in 2009–2011. In 2006–2009 Ríkarður worked as executive director and advisor for Icelandic finance companies, and in 2002–2006 for an American tech company in Silicon Valley, managing its European business development from London.



**Kristján Guðmundsson, Project Development Manager, Landsvirkjun**

Kristján Guðmundsson is a seasoned expert in mechanical engineering and energy optimization with extensive experience in leadership and advisory roles. Currently serving as a Project Development Manager at Landsvirkjun. He has also served as a Board Member at both Sonomico Labs ehf and eTactica, Kristján's previous management positions include CEO and Chief Technology Officer at eTactica, where innovative systems for real-time electricity flow measurement were developed. Kristján has also contributed as a Board Member for the Federation of Icelandic Startup Companies and held sales consulting roles at DELMIA Quintiq. Academic credentials include a Ph.D. and a Master's Degree in Mechanical Engineering from Caltech, along with a Bachelor's Degree from Háskóli Íslands.

**Growler Energy**



**Robert Woolgar, Chief Executive Officer, Growler Energy**

Robert is a resident of Conception Bay South, NL, and graduated from Memorial University of Newfoundland and Labrador. A professional engineer with close to three decades of experience

in the renewable energy industry, Robert has developed strong leadership and technical skills by working on diverse projects across Canada. Robert is also a Fellow with Engineers Canada and was profiled in The Top 100 Magazine, Top 100 Canadian Professionals.



**Chad Butler, Vice President, Business Development, Growler Energy**

Chad is a resident of Torbay, NL, and graduated from Memorial University of Newfoundland and Labrador. A professional engineer with 18 years of project experience in the energy industry, Chad started his career working in oil and gas and 8 years ago transitioned his skills to the renewable energy industry.



**Christian Somerton, Executive Chairperson, Growler Energy**

Mr. Somerton is currently the President at Tuckamore Capital Management, with a focus on investment and financial management.

Mr. Somerton is also Chairperson at Growler Energy and co-founder of Heave Away Waste Management. He also serves as a Director at Vish, providing strategic guidance. In previous roles, Mr. Somerton has chaired Energy NL, acted as President for North America at Amba Health and Care, and served on the board at LNG Newfoundland and Labrador Limited. Earlier in his career, he was Executive Vice President at Pennecon, in charge of operations and business strategy.



**Ambassador HE Jenny Hill**

HE Ambassador Jenny Hill joined the Canadian International Development Agency in 2005. Her first assignment abroad was to Afghanistan in 2009. In 2015, she served as first secretary (development) in Ghana, and in 2017, as Head of Cooperation in Kenya. In Ottawa, her positions have included deputy director roles in the International Humanitarian Assistance and Global Health bureaus and Senior Adviser to the Assistant Deputy Minister of the Global Issues and Development Branch. She was Canada's Ambassador to South Sudan from 2020 to late 2021. Most recently, she served as Head of Office, Counsellor and Consul in Zambia. In September of 2024, Ms. Hill became the Ambassador to Iceland.

Ambassador Hill has a Bachelor of Arts from the University of Victoria and a Master of Arts in Geography from the University of Toronto.

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Icelandic Business Connections

**Issue:** To provide information relating to Icelandic businesses with which IET has connected.

**Background and Current Status:**

- Department of Industry, Energy and Technology (IET) officials have identified several Icelandic businesses that have made connections in Newfoundland and Labrador (NL): Carbix, Kerecis, Careflux, Eimskip, Hampidjan Canada, and Benchmark Genetics Iceland.
- Three of the companies, Carbix, Kerecis, and Careflux, were recently in NL as part of various events being held and have had recent connections with IET officials. Further information relating to these companies is provided below.
- The other three companies, Eimskip, Hampidjan Canada, and Benchmark Genetics Iceland already have established business presence within the province. While they have not had recent connections with IET officials as clients, as they are locally-based Icelandic companies. Company overviews are provided below for information purposes.

**Analysis:**

- Kerecis is Icelandic-based fish skin wound technology company.
  - The company visited the province in June, 2024, as part of their follow-up from the Canadian Market Access Program. During the visit, Kerecis provided a presentation to Global Affairs Canada, IET's Director of Investment Attraction, and NL Health Services on their patented fish-derived soft tissue regeneration products, as well as their progress in seeking Health Canada approval.
  - Valued at over \$1.56 billion, [REDACTED]
- Investment Attraction has met with NLHS to discuss ongoing Canadian Market Access clients, including Kerecis, and intends to follow up with the company.
- Careflux is an Icelandic-based company involved in healthcare AI.
  - Careflux was introduced to IET officials at the NLHS Health Innovation Symposium on October 8-9, 2024.
  - IET reiterated support for Careflux in navigating the Canadian Healthcare Market Access Program, acknowledged their interest in aligning with NL's healthcare system, and highlighted that the province's single health authority and dedicated innovation team could facilitate collaboration. Correspondence from IET invited Careflux to share their next steps relating to NL so potential areas of assistance could be explored.
- Carbfix is an Icelandic company involved in CO<sub>2</sub> storage.
  - Carbfix's technology accelerates a natural process where dissolved CO<sub>2</sub> reacts with rock formations to form stable carbonate minerals, offering a permanent and environmentally safe carbon storage solution.
  - The company is interested in exploring market opportunities for its technology in NL; [REDACTED]

29.(1)(a),  
35.(1)(d)

29.(1)(a)

- Eimskip is an Icelandic transportation company with direct connections to Europe and freight forwarding services to other international destinations.
  - The company has had Canadian presence for the past 25 years. While Eimskip Canada's office is located in St. John's, its vessels also service the ports of Argentia and St. Anthony.
  - In addition to transportation services, Eimskip provides offloading and cold storage services at Harbour Grace and St. Anthony.
- Hampidjan Canada is an Icelandic fishing supply company.
  - The company has provided fishing supplies to the commercial fishing industry in Canada for over 40 years. It has four locations in Atlantic Canada, including offices in Spaniard's Bay, Paradise, and Port au Choix.
  - Hampidjan Canada also collaborates with industry and academia to actively engage in the research and development of ecologically sustainable and fuel-efficient fishing gear, fisheries value chains, and technology innovation and transfers.
- Benchmark Genetics Iceland is a leading company in the field of breeding and genetics for Atlantic Salmon.
  - The company supplies Atlantic salmon eggs on a year-round basis to more than 29 countries and is the exclusive supplier of salmon eggs for Grieg Seafood in Marystown.
  - The company is also involved in ongoing research with respect to developments in breeding.
- In addition to the above, NL Health Services has been involved in work with Iceland through the "Canadian Market Access Program", a market access facilitation series focused on helping Norwegian and Icelandic health tech companies better understand the Canadian healthcare market and how the Canadian health system evaluates and adopts new solutions.
- On the academic side, Memorial University and multiple universities in Iceland are a part of the UArctic Partnership (<https://www.mun.ca/uarctic/>), a network of universities, colleges, research institutes, and other organizations concerned with education and research in and about the North.

**Action Being Taken:**

- IET officials will continue to provide support for any company seeking to do business in NL.

**Prepared/Approved by:** S. Butler/M. Cluett-Fizzard/H. Tizzard

**Ministerial Approval:**

February 18, 2025

40.(1)

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Enhanced Cellular Coverage Utilizing Province-Wide Radio System Agreement

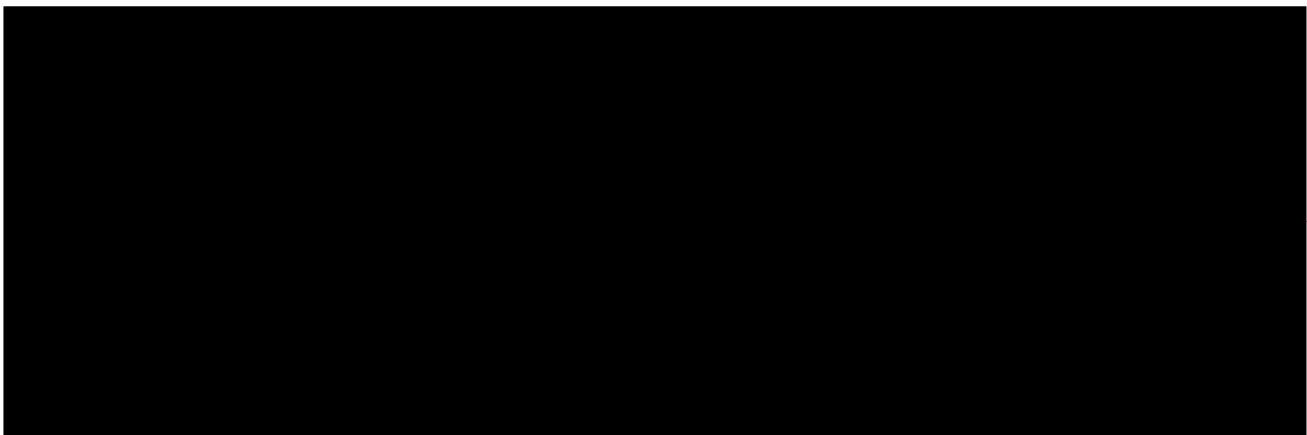
**Issue:** To provide cost estimates for enhanced cellular coverage in underserved areas.

**Background and Current Status:**

- Budget 2022 included over \$21 million to support the procurement of a Province-Wide Radio System (PWRS) that will enable emergency responders to communicate timely.
- As part of the PWRS project, Bell committed to investing \$2 million over the next five years to further grow rural cellular coverage in the province by using commercially reasonable efforts towards enhancing coverage. IET was tasked with identifying areas where Bell may most effectively invest the \$2 million to improve cellular coverage.

**Analysis:**

- To shortlist the areas for consideration, IET utilized a variety of criteria to develop a listing of potential sites including proximity to existing towers, existing coverage, need/impact, along with data available from federal agencies.



29.(1)(a),  
35.(1)(d)

- Based on information and cost estimates provided, to maximize investment and remain close to the required expenditure, IET recommends Heart's Delight, Trinity East, and Holyrood.

**Action Being Taking**

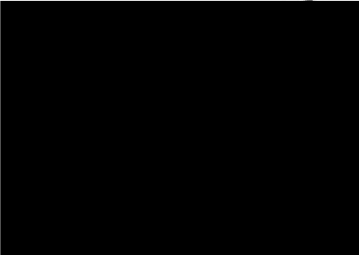


29.(1)(a)

**Prepared/Approved by:** H. Tizzard

**Ministerial Approval:**

February 19, 2025



40.(1)

Information Note

35.(1)(d)

Department of Industry, Energy and Technology

Title: [Redacted]

Issue: To provide an overview [Redacted] by the Department of Industry, Energy and Technology (IET)

35.(1)(d)

Background and Current Status:

- On January 31, 2025, the United States (U.S.) government announced that it would be imposing a 25 per cent tariff on all Canadian goods (with exceptions for energy products), effective February 4, 2025. On February 3, it was announced that tariff implementation would be paused for 30 days, pending Canada's response to concerns relating to border security. Despite the announced pause, on February 10, the U.S. announced that 25 per cent steel and aluminum tariffs will be introduced effective March 12, 2025.
- Various businesses and industry associations have indicated that the implementation of such tariffs would be challenging and, for some, "devastating". Impacts on specific businesses will vary depending on the nature of the industry and the extent to which they export to the U.S.
- In addition, the Government of Canada has announced that it will implement retaliatory tariffs on certain goods imported from the U.S. Such retaliatory tariffs could also have an impact on those businesses that import from the U.S.

[Redacted]

35.(1)(d)

Analysis:

[Redacted]

29.(1)(a),  
35.(1)(d)

Action Being Taken:

[Redacted]

29.(1)(a),  
35.(1)(d)

Prepared/Approved by:  
Ministerial Approval:

H. Tizzard

[Redacted]

February 25, 2025

40.(1)

**Information Note**  
**Department of Industry Energy and Technology**

**Title:** CFI Benefits Agreement

**Issue:** [REDACTED]

35.(1)(d)

**Background and Current Status:**

- In September 2018, IET entered into a Benefits Agreement (BA) with Canada Fluorspar Inc. (CFI) for the reactivation of the St. Lawrence AGS Vein Fluorspar Mine, which is located within the municipal boundaries of the Town of St. Lawrence on the Burin Peninsula. The BA included commitments typically found in other mining projects with respect to employment, procurement, etc.
- The Project consisted of the construction, operation, and decommissioning of open pit and potential underground mines, a concentrator, waste rock piles, and a man-made tailings facility with sufficient storage for the ten-year mine life. Mine Construction began in early 2016 and mining commenced in 2018 with the first commercial shipment that year.
- In March 2022 CFI filed for bankruptcy protection under the **Companies' Creditors Arrangement Act** as the company had become insolvent. At that time, the vast majority of the mine's employees were laid off and the mine put into an idle state. The mine was subsequently shut down.
- In June 2023, the Supreme Court of Newfoundland and Labrador approved the sale of CFI to a new buyer, who is currently undertaking work to restart the mine. CFI submitted its updated Mine Development Plan to IET on December 16, 2024 and are in the process of finalizing the Rehabilitation and Closure Plan as well as the 2025 Operating Plan. [REDACTED]
- In December 2023 a meeting was held between officials of CFI (new owners) and IET's Economics and Benefits Division (EBD) to discuss the BA for the Mine. It was agreed that CFI would provide an update on the project, including information with respect to procurement and employment activities since project restart. Following the meeting, IET provided a list of items requiring updates by CFI. [REDACTED]

35.(1)(d)

29.(1)(a), 35.(1)(d), 35.(1)(g)

- On June 13, 2023, the Provincial Government entered into a Contribution Agreement with Canada Fluorspar (NL) Inc. and Fluorspar Holdings PTE. LTD. to provide up to \$3.785 million toward the costs associated with a water treatment management plan at the site, which would assist with the restart of the mine. In December 2023, the Province was advised by CFI that after further scientific and technical studies, it had determined the nitrate levels in the water on site were lower than anticipated and within acceptable levels.
- An amendment to the Contribution Agreement was signed on July 29, 2024, to reduce the Province's contribution to \$2.0 million towards the revised water treatment management plan, and also to remove Fluorspar Holdings PTE. LTD. from the Agreement and adding Renova Capital B.V., to simplify the corporate structure of the purchaser of the mine. The Contribution Agreement requires the entire Provincial contribution to be disbursed by March 31, 2025. [REDACTED]

35.(1)(d)

**Action Being Taken:**

[REDACTED]

29.(1)(a), 30.(1)(a)

**Prepared/Approved by:** H. Butt (in consultation with Mines and Business Analysis) / A. Philpott  
/ N. Abundo / C. Martin

**Ministerial Approval:**

February 3, 2025

[REDACTED]

40.(1)

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IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of Grant Thornton Limited, as Court-Appointed Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., Newspaper and CFI Newspaper Holdings Inc. (collectively, "CFI" or the "Company");

AND IN THE MATTER OF the Companies' Creditors Arrangement Act, R.S.C. 1985, C. c-36, as amended

APPROVAL AND REVERSE VESTING ORDER

THIS APPLICATION, made by Grant Thornton Limited ("GTL" or the "Monitor"), in its capacity as Court-Appointed Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. ("CFI"), Newspaper and CFI Newspaper Holdings Inc., (collectively referred to herein as the "Acquired Entities", and individually as an "Acquired Entity"), pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an order, *inter alia*: (a) approving the share purchase agreement entered into between the Acquired Entities, as vendors, and the new successful bidder, as purchaser (the "Purchaser"), made as of the 26<sup>th</sup> day of May, 2023 (the "Share Purchase Agreement"), a copy of which is attached as Exhibit "A" to the Monitor's Third Confidential Report (as defined below), as amended and restated on the 5<sup>th</sup> day of June, 2023 as well as the Transactions contemplated therein; (b) adding 92834 Newfoundland and Labrador Inc., a company recently incorporated by the Monitor ("ResidualCo") as an applicant to these proceedings (the "CCAA Proceedings"); (c) vesting out of the Acquired Entities and into ResidualCo all Excluded Assets, Excluded Contracts and Excluded Liabilities and discharging all Claims, Liabilities and Encumbrances against the Acquired Entities (other than Permitted Encumbrances), including, without limitation, any and all Agreements Affecting the Shares/Partnership Interests; (d) vesting into and to the Purchaser the Purchased Shares free and clear from all Encumbrances (other than Permitted Encumbrances), including all encumbrances and registrations outlined in Schedule "B"; (e) confirming that the transfer of the Existing Interests to the Purchaser shall be effective notwithstanding the provisions of any Agreement Affecting the Shares/Partnership Interests, and any and all Agreements Affecting the Shares/Partnership Interests shall be cancelled and of no further force and effect; (e) confirming that any and all shares, securities, warrants, options, equity interests and partnership interests in

Filed June 8, 23

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- 2 -

the Acquired Entities, if any, other than the Purchased Shares, the CFNL Equity Interests, the CFI Newspaper Equity Interests, and the Newspaper Partnership Interests, shall be cancelled and of no further force and effect, for no consideration such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspaper Equity Interests, and the Newspaper Partnership Interests shall represent 100% of the outstanding equity or partnership interests, as applicable, in the Acquired Entities as of the Closing Time, and (g) amending the 5<sup>th</sup> Amended ARIO to extend the stay of proceedings until October 31 2023.

ON READING the application of the Monitor, including the affidavit of Phil Clarke sworn the 29<sup>th</sup> day of May, 2023 (the "Clarke Affidavit") and the Exhibits thereto, the Monitor's Third Confidential Report dated the 29<sup>th</sup> day of May, 2023 and the Monitor's Supplemental Third Confidential Report dated the 5<sup>th</sup> day of June, 2023 (collectively the "Confidential Report"), the Ninth Report of the Monitor dated the 26<sup>th</sup> day of May, 2023 and Ninth Supplemental Report of the Monitor dated the 5<sup>th</sup> day of June, 2023 (collectively the "Ninth Report"), and on being advised that the DIP Lenders and the senior secured creditors who are likely to be affected by this Order herein, as well as the existing shareholders of CFI, were each given notice of this Application;

UPON HEARING the submissions of counsel for the Monitor, counsel to the Purchaser, and such other counsel as they may appear,

#### SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and material filed, as set out in the affidavit of service is hereby deemed adequate notice such that this Motion is properly returnable today and hereby dispenses with further service thereof.

#### DEFINITIONS

2. THIS COURT ORDERS that, unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meanings given to them in the Share Purchase Agreement, the Initial Order and the ARIO (as amended).

#### STAY PERIOD

3. THIS COURT ORDERS that the Stay Period, as defined in the Initial Order granted by this Court on 11<sup>th</sup> day of March 2022 (the "Initial Order") as amended and restated on the 18<sup>th</sup> day of March 2022 (the "ARIO"), the Amended ARIO-Amendment #1 dated the 10<sup>th</sup> day of June, 2022



(the "Amended ARIO"), the Amended ARIO-Amendment #2 dated the 30<sup>th</sup> day of August 2022 ("2<sup>nd</sup> Amended ARIO"), the Amended ARIO-Amendment #3 dated the 12<sup>th</sup> day of October, 2022 ("3<sup>rd</sup> Amended ARIO") and the Amended ARIO-Amendment #4 dated February 21, 2023 ("4<sup>th</sup> Amended ARIO") and the Amended ARIO-Amendment #5 dated May 18, 2023 ("5<sup>th</sup> Amended ARIO ") is hereby extended until October 31, 2023.

#### APPROVAL AND VESTING

4. THIS COURT ORDERS AND DECLARES that the Share Purchase Agreement and the Transactions contemplated therein are hereby approved and the execution of the Share Purchase Agreement by the Monitor, on behalf of the Acquired Entities, is hereby authorized and approved, with such minor amendments as the Monitor, on behalf of the Acquired Entities, and the Purchaser may deem necessary or otherwise agree to. The Monitor, on behalf of the Acquired Entities, is hereby authorized and directed to perform the Acquired Entities' obligations under the Share Purchase Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions.

5. THIS COURT ORDERS AND DECLARES that notwithstanding any provision hereof, the closing of the Transactions shall be deemed to occur in the manner, order and sequence set out in the Share Purchase Agreement, with such alterations, changes or amendments as may be agreed to by the Monitor, on behalf of the Acquired Entities, and the Purchaser, provided that such alterations, changes or amendments do not materially alter or impact the Transactions or the consideration which the Acquired Entities and/or their applicable stakeholders will benefit from as part of the Transactions.

6. THIS COURT ORDERS AND DECLARES that this Order shall constitute the only authorization required by the Monitor, and the Monitor on behalf of the Acquired Entities, to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

7. THIS COURT ORDERS AND DECLARES that, at the time of the delivery of the Monitor's certificate (the "Monitor's Certificate") to the Acquired Entities and the Purchaser (the "Effective Time"), substantially in the form attached as Schedule "A" hereto, the following shall occur and shall be deemed to have occurred at the Effective Time, all in accordance with the Share Purchase Agreement and the steps contemplated thereunder:

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- 4 -

- (a) the Monitor, on behalf of the Acquired Entities, shall be deemed to have transferred to ResidualCo the Cash Consideration, Excluded Assets, Excluded Contracts, and Excluded Liabilities, which, for greater certainty, shall include any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions hereunder and to which the Acquired Entities may be bound as at Closing, and any and all liabilities for Employees, if any, whose employment with CFI or its Affiliates is terminated on or before Closing;
- (b) the Acquired Entities shall be released from all Excluded Liabilities, Claims and Encumbrances (except for Permitted Encumbrances), including for greater certainty, and without limitation, all amounts and obligations owing by the Acquired Entities under: (i) the Bridging Loans, including the principal amount of indebtedness outstanding thereunder and interest accrued thereon as of the Closing Date, plus any other fees owing by the Borrower under the Bridging Loans or any other ancillary agreement or document related thereto; (ii) the PNL Loan, including the principal amount of indebtedness outstanding thereunder and interest accrued thereon as of the Closing Date, plus any other fees owing by the Acquired Entities under the PNL Loan or any other ancillary agreement or document thereto, and (iii) the DIP Financing Agreement including the principal amount of indebtedness outstanding thereunder and interest accrued thereon as of the Closing Date, plus any other fees owing by the Acquired Entities under the DIP Financing Agreement;
- (c) all of the right, title and interest in and to the Existing Interests shall be transferred to and vest absolutely in the Purchaser, and the Retained Assets will be retained by the Acquired Entities, in each case, as applicable, free and clear of and from any and all right or entitlement under any outstanding or authorized purchase agreements, partnership interests, options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares or partnership interests in the Acquired Entities or obligating the Acquired Entities to issue or sell any shares or interests of, or any other interest in, the Acquired Entities, any voting trusts or agreements, pooling agreements, unanimous shareholder agreements, other shareholder agreements, partnership agreements, proxies or other agreements or understandings in effect with respect



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to the voting or transfer of any shares or interests of the Acquired Entities, or any other like agreements that relate to the shares or interests of the Acquired Entities or that are exchangeable or convertible into shares or interests of the Acquired Entities (collectively referred to herein as "Agreements Affecting the Shares/Partnership Interests"), or any other security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens (maritime or otherwise), executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other Order of the Court in these CCAA Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Newfoundland and Labrador), or any other personal property registry system, or pursuant to the *Registration of Deeds Act, 2009* (Newfoundland and Labrador) the *Mechanics' Lien Act* (Newfoundland and Labrador) or the *Mineral Act* (Newfoundland and Labrador) or any other real property or real property related registry or recording system (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances listed on Schedule "C" hereto ("Permitted Encumbrances"), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Acquired Entities, the Existing Interests and the Retained Assets, including, for greater certainty, any outstanding Agreements Affecting the Shares/Partnership Interests, are hereby cancelled, expunged and discharged as against the Acquired Entities, the Existing Interests and the Retained Assets and shall be of no further force and effect:

- (d) any and all shares, securities, equity interests and partnership interests in the Acquired Entities (for greater certainty, not including the Purchased Shares, the CFNL Equity Interests, the CFI Newspaper Equity Interests, and the Newspaper Partnership Interests) that remain issued and outstanding immediately after Steps (a)-(c) above (if any) shall be cancelled and of no further force and effect, for no consideration, such that the Purchased Shares, the CFNL Equity Interests, the CFI Newspaper Equity Interests, and the Newspaper Partnership Interests shall represent



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100% of the outstanding equity or partnership interests, as applicable, in the Acquired Entities as of the Closing Time;

- (e) any and all warrants and options in the Acquired Entities (for greater certainty, not including the Purchased Shares, the CFNL Equity Interests, the CFI Newspaper Equity Interests, and the Newspaper Partnership Interests) that remain issued and outstanding immediately after Step (a)-(c) above (if any), and any and all Agreements Affecting the Shares/Partnership Interests, shall be deemed cancelled and extinguished without any Liability, payment or other compensation in respect thereof, and any and all Claims, Liabilities and Encumbrances with respect to the equity and partnership interests of the Acquired Entities, or any and all Agreements Affecting the Shares/Partnership Interests, shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any Liability, payment or other compensation in respect thereof; and
- (f) the Acquired Entities shall be deemed to cease being Applicants in these CCAA proceedings, and the Acquired Entities shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA proceedings, save and except for this Order, the provisions of which (as they relate to the Acquired Entities) shall continue to apply in all respects.

8. THIS COURT ORDERS AND DIRECTS for greater certainty, and without limiting the generality of the foregoing that nothing contained herein shall be deemed to be a release of any obligation of the Acquired Entities in relation to:

- (i) the Licenses and Leases and obligations arising (i) under any applicable legislation, including without limitation, the *Mines Act* (Newfoundland and Labrador) or the *Mining Act* (Newfoundland and Labrador); or (ii) pursuant to the terms and conditions contained therein, in each case arising after the Closing Date;
- (ii) the Acquired Entities rights to the \$8,084,965, financial assurance currently held by the Government of Newfoundland and Labrador in relation to any rehabilitation and closure plan as contemplated by the *Mining Act* (Newfoundland and Labrador) of CFI in respect of the St. Lawrence

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Fluorspar Project located in St. Lawrence, Newfoundland and Labrador, Canada; or

(iii) any environmental liabilities arising after the Closing Date.

9. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

10. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Acquired Entities and the Purchaser regarding the satisfaction of the Cash Consideration and satisfaction or waiver of conditions to Closing under the Share Purchase Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

11. **THIS COURT ORDERS** that upon delivery of the Monitor's Certificate, and upon filing of a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Acquired Entities, the Purchased Shares, the Retained Assets, or the Excluded Assets and Excluded Contracts (collectively, the "Governmental Authorities") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register, as applicable, such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to give effect to the terms of this Order and the Share Purchase Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register, as applicable, transfers of title or interest and cancel and discharge registrations against any of the Acquired Entities, the Purchased Shares or Retained Assets of any Claims or Encumbrances, and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations against any of the Acquired Entities, the Purchased Shares or Retained Assets, as applicable.

12. **THIS COURT ORDERS** that no authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Acquired Entities, Purchased Shares or the Retained Assets is required for the due execution, delivery and performance by the Acquired Entities of the Share Purchase Agreement.



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13. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Existing Interests and the Financing Amount (including, for greater certainty, the Deposit and the Cash Consideration) (the "Proceeds") shall stand in the place and stead of the Acquired Entities, the Purchased Shares and the Retained Assets, and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the Proceeds, Excluded Contracts and Excluded Assets, with the same priority as they had with respect to the Acquired Entities, the Purchased Shares and the Retained Assets, as applicable, immediately prior to the sale.

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act (Canada)*, as amended, the Acquired Entities or the Monitor, as the case may be, is authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Acquired Entities records pertaining to past and current employees of the Acquired Entities. The Purchaser shall maintain and cause the Acquired Entities, from and after the Closing Date, to maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Acquired Entities prior to the Closing Date.

15. THIS COURT ORDERS AND DECLARES that, at the Effective Time and without limiting the provisions of paragraph 7 hereof, the Acquired Entities, the Monitor and the Purchaser shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon), as well as penalties for failure to file returns pursuant to section 162 of the *Income Tax Act (Canada)* (the "Act"), or that relate to, the Acquired Entities, including without limiting the generality of the foregoing all taxes, penalties and interest that could be assessed against the Acquired Entities or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 of the Act, as amended, or any provincial equivalent, in connection with the Acquired Entities (provided, as it relates to the Acquired Entities, such release shall not apply to (a) transaction taxes, or (b) taxes in respect of the business and operations conducted by the Acquired Entities after the Effective Time). For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to taxes or obligations in respect thereof that are transferred to ResidualCo.

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16. THIS COURT ORDERS that except to the extent expressly contemplated by the Share Purchase Agreement, all Contracts (with the exception of any Agreements Affecting the Shares/ Partnership Interests) to which the Acquired Entities are a party upon delivery of the Monitor's Certificate will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "Persons" and each being a "Person") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Acquired Entities);
- (b) any monetary defaults in relation to the Contracts incurred on or prior to the delivery of the Monitor's Certificate;
- (c) the insolvency of the Acquired Entities or the fact that the Acquired Entities sought or obtained relief under the CCAA;
- (d) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Share Purchase Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (e) any transfer, assignment or change of control of the Acquired Entities arising from the implementation of the Share Purchase Agreement, the Transactions or the provisions of this Order.

17. THIS COURT ORDERS, for greater certainty, that: (a) nothing in paragraph 16 hereof shall waive, compromise or discharge any obligations of the Acquired Entities in respect of any Retained Liabilities, and (b) the designation of any Claim as a Retained Liability is without prejudice to the Acquired Entities' right to dispute the existence, validity or quantum of any such Retained Liability, and (c) nothing in this Order or the Share Purchase Agreement shall affect or

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waive the Acquired Entities' rights and defences, both legal and equitable, with respect to any Retained Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Retained Liability.

18. THIS COURT ORDERS that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Acquired Entities then existing or previously committed by the Acquired Entities, or caused by the Acquired Entities, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any Contract, existing between such Person and the Acquired Entities (including, for certainty, those Contracts constituting Retained Assets or Retained Liabilities) arising directly or indirectly from the filing by the Acquired Entities under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 18 hereof, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Acquired Entities from performing their obligations under the Share Purchase Agreement or be a waiver of defaults by the Acquired Entities under the Share Purchase Agreement and the related documents.

19. THIS COURT ORDERS that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Acquired Entities, the Purchased Shares, the Retained Assets, or the Purchaser, relating in any way to or in respect of any Excluded Assets, Excluded Contracts or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order, including, for greater certainty, the Claims and Encumbrances being discharged pursuant to this Order.

20. THIS COURT ORDERS that, from and after the Effective Time:

- (a) the nature of the Retained Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;



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- (b) the nature of the Excluded Contracts and Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to ResidualCo;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Acquired Entities, the Purchased Shares or the Retained Assets, under or in respect of any Excluded Contract or Excluded Liability (each an "Excluded Liability Claim") shall no longer have such right or claim against the Acquired Entities, the Purchased Shares or the Retained Assets, but will have an equivalent Excluded Liability Claim against ResidualCo in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against ResidualCo; and
- (d) the Excluded Liability Claim of any Person against ResidualCo following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Acquired Entities, the Purchased Shares or the Retained Assets, prior to the Effective Time.

21. THIS COURT ORDERS AND DECLARES that:

- (a) as of the Effective Time, the Acquired Entities shall cease to be an applicant in these CCAA Proceedings and the Acquired Entities shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to the Acquired Entities) shall continue to apply in all respects;
- (b) as of the date of this Order, ResidualCo shall be a company to which the CCAA applies, and ResidualCo shall be added as an applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) an "Applicant" shall refer to and include ResidualCo, *mutatis mutandis*, (ii) "Property", as defined in the Initial Order, shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of ResidualCo (including the Cash Consideration) (collectively, the "ResidualCo Property"), and,



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for greater certainty, each of the Charges (as defined in the Initial Order) shall constitute a charge on the ResidualCo Property.

22. THIS COURT ORDERS that for greater certainty, nothing in this Order, including the release of the Acquired Entities from the purview of these CCAA Proceedings pursuant to paragraph 21(a) hereof and the addition of ResidualCo as applicant in these CCAA Proceedings shall affect, vary, derogate from, limit or amend, and GTL shall continue to have the benefit of, any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, this Order, any other Orders in these CCAA Proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of GTL in its capacity as Monitor, all of which are expressly continued and confirmed.

23. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these CCAA Proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)*, as amended (the "BIA") in respect of the Acquired Entities or ResidualCo and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Acquired Entities or ResidualCo;
- (d) the provisions of any federal or provincial statutes pertaining to fraudulent preferences, assignments, fraudulent conveyances, transfers at undervalue, other reviewable transactions, or oppressive or unfairly prejudicial conduct;
- (e) any negative covenants, prohibitions or other similar provisions with respect to the Purchased Shares contained in any Agreements Affecting the Shares/Partnership Interests or other agreement which binds any of the Acquired Entities, and notwithstanding any provision to the contrary in any such agreement;

the Share Purchase Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets and Excluded Liabilities in and to ResidualCo, and transfer of the Existing Interests and Retained Assets, to the Purchaser free and clear of all Claims and Encumbrances) and any payments by or to the Purchaser, the Acquired



Entities, ResidualCo, or the Monitor authorized herein or pursuant to the Share Purchase Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Acquired Entities or ResidualCo, and shall not be void or voidable by creditors of the Acquired Entities or ResidualCo, as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

#### RELEASES

24. THIS COURT ORDERS that effective upon the delivery of the Monitor's Certificate to the Acquired Entities and the Purchaser, (a) the present and former directors, officers, employees, legal counsel and advisors of Canada Fluorspar Inc., or ResidualCo, (b) the Monitor and its legal counsel and advisors, and their respective present and former directors, officers, partners, employees and advisors, (c) the Purchaser, its directors, officers, employees, legal counsel and advisors, (d) the DIP Lenders, its counsel, and their respective present and former directors, officers, partners, employees and advisors (the Persons listed in (a), (b), (c) and (d) being collectively, the "Released Parties") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, offer, investment proposal, dealing, or other fact, matter, occurrence or thing existing or taking place prior to the delivery of the Monitor's Certificate or completed pursuant to the terms of this Order and/or in connection with the Transactions in respect of the Acquired Entities or its assets, business or affairs, prior dealings with the Acquired Entities (wherever or however conducted or governed), or the administration and/or management of the Acquired Entities or these proceedings (collectively, the "Released Claims"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to ResidualCo or to any other entity and are extinguished, provided that nothing in this paragraph shall waive, discharge, release, cancel or

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bar any claim for fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA.

25. THIS COURT ORDERS that nothing in this Order waives, discharges or in any way releases any person, including the Released Parties, from any responsibility or obligation, including any Encumbrance, that was, is or may be owed to or enforceable by the Province of Newfoundland and Labrador or any Ministry or agency thereof (collectively, "Newfoundland and Labrador Governmental Authorities"), that is not a "claim" as defined in section 2(1) of the CCAA, including from any environmental Liability that was, is or may be owed to or enforceable by any Newfoundland and Labrador Governmental Authority that is not a "claim" as defined in section 2(1) of the CCAA, and nothing in this order in any way bars, estops, stays or enjoins any and all steps or proceedings by any Newfoundland and Labrador Governmental Authorities or any servant, agent or employee thereof in respect thereof; it being understood that nothing in this paragraph 25 shall impact the protections in favour of the Monitor pursuant to paragraph 30 hereof.

26. THIS COURT ORDERS that, upon the Monitor paying Four Hundred Thousand Dollars (\$400,000.00) to Newfoundland Fluorspar Exploration Ltd., pursuant to a royalty agreement dated November 23, 2015 (the "Royalty Agreement"), the Royalty Agreement shall be terminated and removed from the Confidential Registry at the Registry Mines for the Province of Newfoundland and Labrador, and the Monitor and the Purchaser shall be authorized to discharge any registrations against any of the Acquired Entities, the Purchased Shares or Retained Assets, as applicable, in accordance with paragraph 11 above.

#### THE MONITOR

27. THIS COURT ORDERS that the Ninth Report, the Confidential Report and the activities of the Monitor set out in the Ninth Report and Confidential Report, are hereby approved, provided however, that only the Monitor, in its personal capacity and only with respect to its own liability, shall be entitled to rely upon or utilize in any way such approval.

28. THIS COURT ORDERS that the Monitor, its employees and representatives shall not be deemed directors of ResidualCo, de facto or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of the Monitor.



29. THIS COURT ORDERS that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Monitor and its legal counsel. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under the present paragraph.

30. THIS COURT ORDERS that the Monitor shall not, as a result of this Order or any matter contemplated hereby, (a) be deemed to have taken part in the management or supervision of the management of the Acquired Entities or ResidualCo, or to have taken or maintained possession or control of the business or property of any of the Acquired Entities or ResidualCo, or any part thereof, or (b) be deemed to be in Possession (as defined in the Initial Order) of any property of the Acquired Entities or ResidualCo within the meaning of any applicable Environmental Legislation (as defined in the Initial Order) or otherwise.

#### SEALING ORDER

31. THIS COURT ORDERS that the Third Confidential Report, the Supplemental Third Confidential Report and the Share Purchase Agreement shall be sealed with the Court until such time as the Transactions are closed pursuant to the Closing as outlined in the Share Purchase Agreement.

#### GENERAL

32. THIS COURT ORDERS that, following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Acquired Entities, Purchased Shares and the Retained Assets.

33. THIS COURT ORDERS that, following the Effective Time, the title of these proceedings is hereby changed to:

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
RESIDUALCO


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34. THIS COURT DECLARES that this Order shall have full force and effect in all provinces and territories in Canada.

35. THIS COURT DECLARES that the Monitor and the Acquired Entities shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Acquired Entities and the Monitor as may be deemed necessary or appropriate for that purpose.

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

37. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Newfoundland and Labrador Time on the date hereof, provided that the Transaction steps set out in paragraph 7 hereof shall be deemed to have occurred sequentially, one after the other, in the order set out in therein.

  
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COURT OFFICER

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**SCHEDULE A**

**Form of Certificate of Monitor**

**(see attached)**

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2022 01G 0709  
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of Grant  
Thornton Limited, as Court-Appointed Monitor of  
Canada Fluorspar (NL) Inc., Canada Fluorspar Inc.,  
Newspar and CFI Newspaper Holdings Inc.,  
(collectively, "CFI" or the "Company");

AND IN THE MATTER OF the *Companies' Creditors  
Arrangement Act*, R.S.C. 1985, C. c-38, as amended

MONITOR'S CERTIFICATE

RECITAL

A. Pursuant to an Initial Order of the Newfoundland and Labrador Supreme Court, in Bankruptcy and Insolvency dated the 11<sup>th</sup> day of March 2022 (the "Initial Order"), which was amended and restated on the 18<sup>th</sup> day of March, 2022 (the "ARIO"), Amendment #1 of ARIO dated June 10<sup>th</sup>, 2022 (the "Amended ARIO"), Amendment #2 to the ARIO dated August 30<sup>th</sup>, 2022 ("2<sup>nd</sup> Amended ARIO"), Amendment #3 to the ARIO dated October 12<sup>th</sup> 2022 ("3<sup>rd</sup> Amended ARIO") Amendment #4 to the ARIO dated February 21, 2023 ("4<sup>th</sup> Amended ARIO") and Amendment #5 to the ARIO dated May 18<sup>th</sup> 2023 ("5<sup>th</sup> Amended ARIO"), Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., Newspar and CFI Newspaper Holdings Inc., (collectively referred to herein as the "Acquired Entities", and individually as an "Acquired Entity") were granted creditor-protection pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") and Grant Thornton Limited was appointed as court-appointed monitor of the Acquired Entities ("GTL" or the "Monitor")

B. Pursuant to an Order of this Honourable Court dated the \_\_\_ day of \_\_\_\_\_, 2023 (the "Approval and Reverse Vesting Order"), the Court approved the Share Purchase Agreement made as of the 26<sup>th</sup> day of May, 2023, as amended and restated on the 5<sup>th</sup> day of June, 2023 (the "Share Purchase Agreement") entered into by and between the Acquired Entities, as vendor, and the new successful bidder, as purchaser (the "Purchaser"), as well as the Transactions as defined in the Share Purchase Agreement.



**C** Unless otherwise indicated or defined herein, capitalized terms used herein shall have the meanings given to them in the Approval and Reverse Vesting Order.

**THE MONITOR CERTIFIES as follows:**

1. The Monitor has received written confirmation from the Acquired Entities and the Purchaser, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Share Purchase Agreement, including, without limitation, the payment of the Cash Consideration (as defined in the Share Purchase Agreement) by the Purchaser, and
2. This Certificate was delivered by the Monitor at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**Grant Thornton Limited, in its capacity as  
Monitor of Canada Fluorspar (NL) Inc., Canada  
Fluorspar Inc., and Newspar, and not in its  
personal capacity**

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

**Name:**

**Title:**

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## Schedule "B"

## (Non-Exhaustive List of Specific Encumbrances to be Deleted)

Registration in the name of the Acquired Entities registered at the Personal Property Security Registry for the Province of Newfoundland and Labrador, including but not limited to,

1. Registration Number 14986145 as amended by Amendment Number 15687900 in favor of Government of Newfoundland and Labrador, Department of Tourism, Culture, Industry and Innovation;
2. Registration Number 15980576 registered in favor of HSBC Bank of Canada;
3. Registration Number 15980618 registered in favor of HSBC Bank of Canada;
4. Registration Number 17728072 registered in favor of Caterpillar Financial Services Limited;
5. Registration Number 17788076 registered in favor of Caterpillar Financial Services Limited;
6. Registration Number 17938135 as amended by Amendment Number 17943606 in favor of Meridian Onecap Credit Corp.;
8. Registration Number 19074921 as amended by Amendment Numbers 19194646, 19268622 and 19274877 in favor of Caterpillar Financial Services Limited;
9. Registration Number 19074947 in favor of Caterpillar Financial Services Limited;
12. Registration Number 14560924 in favor of Bank of Montreal;
13. Registration Number 15980345 in favor of HSBC Bank Canada;
14. Registration Number 15980584 in favor of HSBC Bank Canada;
15. Registration Number 15980600 in favor of HSBC Bank Canada;
16. Registration Number 15980626 in favor of HSBC Bank Canada;
17. Registration Number 16028888 in favor of HSBC Bank Canada;
18. Registration Number 16483109 and amended by Renewal Number 19729250 in favor of Komatsu International (Canada) Inc.;



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19. Registration Number 14667497 as amended by Amendment Numbers 14712368, 15199193, 15667934, 16737959, and Renewal Numbers 16737991, 17931833 and 19391762 in favor of Bridging Finance Inc., as Agent;
20. Registration Number 14667521 as amended by Amendment Numbers 14712517, 15199169, 15667884, 16737986, and Renewal Numbers 16738007, 17931825 and 19391770 in favor of Bridging Finance Inc., as Agent and Sprott Bridging Income Fund LP;
21. Registration Number 17133950 in favor of Komatsu International (Canada) Inc.;
22. Registration Number 17203423 as amended by Amendment Number 17265760 in favor of Komatsu International (Canada) Inc.;
23. Registration Number 17542499 as amended by Amendment Number 17578709 in favor of Hickman Leasing Limited;
24. Registration Number 17691296 in favor of Komatsu International (Canada) Inc.;
25. Registration Number 17821000 in favor of Bank of Montreal;
26. Registration Number 17840695 in favor of Ford Credit Canada Leasing, Division of Canadian Road Leasing Company;
27. Registration Number 18204024 in favor of Ford Credit Canada Leasing, Division of Canadian Road Leasing Company;
28. Registration Number 18585851 as amended by Amendment Number 19552025 in favor of Komatsu International (Canada) Inc.;
29. Registration Number 18591297 in favor of Komatsu International (Canada) Inc.;
30. Registration Number 19074905 as amended by Amendment Numbers 19194653, 19288614 and 19274889 in favor of Caterpillar Financial Services Limited;
31. Registration Number 19129444 in favor of Do Lage Landan Financial Services Canada Inc.;
32. Registration Number 19219492 as amended by Amendment Number 19223015 in favor of Komatsu International (Canada) Inc.;



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- 33. Registration Number 19424100 in favor of Komatsu International (Canada) Inc.;
- 34. Registration Number 19432152 in favor of Komatsu International (Canada) Inc.;
- 35. Registration Number 19433895 in favor of Komatsu International (Canada) Inc.;
- 36. Registration Number 19434125 in favor of Komatsu International (Canada) Inc.;
- 40. Registration Number 19605021 in favor of Komatsu International (Canada) Inc.;

Litigation including but not limited to:

- (a) Milkan Scientific Incorporated vs. Canada Fluorspar (NL) Inc., Small Claims Division 0122C00055;
- (b) Arkema France vs. Canada Fluorspar (NL) Inc., et al Case Number CV21006632470000;
- (c) Canada Fluorspar Inc., Case Number CV140001054100CL, Business Corporations Act NN;
- (d) Inaminka Marine Services vs. Canada Fluorspar (NL) Inc., et al, Federal Court File No. T-279-22
- (e) Brandon Burke vs. Canada Fluorspar Inc., Human Rights Complaint 13862
- (f) Labour Relations Board File Number 5761

*P*

- 23 -

**Schedule "C"**  
**(Permitted Encumbrances)**

1. The obligations set out in paragraph 8 of the Approval and Reverse Vesting Order.
2. Reservations, limitations, provisions and conditions, if any, expressed in any original grant from the Crown.
3. Title defects or irregularities which are of minor nature, encroachments, easements, rights-of-way, rights to use, servitudes or similar interests provided that same does not materially adversely affect value, use or exploitation.
4. Servitudes, easements, rights of way or similar rights in land granted to or reserved by other persons including minor title defects affecting real property such as reservations and limitations expressed in any original grant from the Crown or as a result of statutory reservations and exceptions to title.
5. Encumbrances securing Retained Liabilities to the extent that such Retained Liabilities are secured by Encumbrances as of the Closing Time.
6. Encumbrances permitted in writing by the Purchaser.

*OR*

**Information Note**  
**Department of Industry Energy and Technology**

**Title:** Calibre Mining Corp.

35.(1)(d)

**Issue:**

**Background and Current Status:**

- Marathon Gold Corporation (Marathon) is a Toronto-based gold company advancing its Valentine Gold Project located southwest of Millertown, near Valentine Lake. Marathon was recently acquired by Calibre Mining Corp. (Calibre).
- In July 2022, IET entered into a benefits agreement (BA) with Marathon for the Project, which included commitments around employment and procurement (full and fair opportunity for local contractors and employment); education and training; research and development; maintaining project offices in the province, gender equity, diversity and inclusion; and reporting throughout the life of the project. The BA was amended in 2024 to include the Berry Pit expansion, effectively updating the definition of the Project to include the Berry Pit and updating workforce projections.

29.(1)(a), 35.(1)(d), 35.(1)(g)

**Analysis:**

29.(1)(a), 35.(1)(d)

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** The Petroleum Products Pricing Review (“the Review”)

**Issue:** The PUB has released the results of the Petroleum Products Pricing Review (the Review) for the Island that was requested by GNL in June 2022.

**Background and Current Status:**

- The Board of Commissioners of Public Utilities (the PUB) regulates maximum fuel oil prices for gasoline, diesel and heating fuels, in accordance with the **Petroleum Products Act (the Act)** and Regulations. The PUB also has authority to review and approve adjustments to pricing mark-ups and/or zone differentials. See Annex A for an overview.
- On June 7, 2022, the Minister of Digital Government and Service NL requested a review to be conducted by the PUB in accordance with Section 8.1(3) of the Act. The Review aimed to assess the suitability of the pricing mechanism for benchmark prices, as well as the maximum markup between the wholesale price to the retailer and the retail price to the consumer for all regulated fuels (gasoline motor fuel, diesel motor fuel, furnace oil, stove oil and propane).
- Pursuant to Subsection 8.1(5) of the Act, the PUB was also directed “to hold a hearing as part of this review to enable direct public input into the Review. The hearing should provide an opportunity for input from residents throughout Newfoundland and Labrador, through both in-person and written and electronic correspondence.”
- The Review began in November 2022 and consisted of three phases; Phase 1 identified the issues, Phase 2 examined supply dynamics, pricing benchmarks, and wholesale markups, and Phase 3 examined retail mark-ups and related issues. The PUB engaged Kalibrate Canada for Phase 1 and R Cube Economic Consulting for subsequent phases. The PUB informed industry and the public about the Review and received input from stakeholders. Stakeholder submissions, including from fuel companies, retailers, associations, MHAs, MPs, municipalities and the public, are published on the PUB’s website.
- The PUB has completed the Review and released its report on January 27, 2025. The PUB also advised that it will be releasing a review report on Labrador in the coming weeks although no date was provided. The Labrador petroleum pricing review has been ongoing since 2020.

**Analysis:**

- The Review highlighted multiple changes that the PUB will be implementing to petroleum products pricing for the Island. These changes include (further outlined in Annex B):
  - The weekly maximum price adjustments that historically occurred on Thursdays, will now occur on Fridays to be consistent with the process in the other Atlantic provinces. Maximum prices will now be based on five days of data from Argus Media for gasoline, diesel, and furnace oil, to better reflect supply costs and maintain consistency with the other Atlantic provinces. Previously, these calculations were based on seven days of data from Platts. These changes will be implemented on March 21, 2025.
  - The wholesale mark-ups for Island gasoline, diesel and furnace oil will remain unchanged. The PUB indicated that current wholesale mark-ups sufficiently cover related costs.

- There will be a 2.0 cent per litre (cpl) increase in zone differentials for gasoline, diesel, and furnace oil to account for higher supply costs. As well, the retail mark-ups for gasoline, diesel, and furnace oil will rise by 4.0 cpl to reflect related increased costs. Price increases will start on February 6, 2025, and will be phased in over six weeks with the weekly increase limited to no more than 1.0 cpl. See Schedule of Dates in Annex B.
- Due to changes in the supply method for propane heating fuel to the Island, Zone 6 (Deer Lake, Corner Brook, Bay of Islands, and Gros Morne) will become the new Island base zone instead of the Northeast Avalon Peninsula. Adjustments to total allowed mark-ups and zone differentials are to account for higher supply costs with increases ranging from 0.5 to 5.0 cpl, although the increase for most zones will be 2.0 cpl or less. These changes will be implemented on February 6, 2025.
- The current criteria for extraordinary adjustments, when benchmark market prices vary by +/-6 cpl or more, will remain in place to ensure maximum prices reflect product costs during market volatility similar to other Atlantic provinces. Additionally, the Review highlighted that a minimum pricing model will not be implemented.
- The ongoing use of 100% conventional Unleaded 87 market data to determine maximum regular gasoline prices for the Island is currently supported. For diesel fuel, the current blending schedule will remain unchanged as it accurately represents the products sold.
- Since stove oil heating fuel is no longer available on the Island, maximum prices for this product will no longer be set by the PUB.
- Beginning in 2026, the PUB will review mark-ups and zone differentials annually instead of approximately every five years as has been historical practice. This process will ensure the gradual implementations of adjustments that accurately reflect the cost of supply.
- The Review highlighted additional items for GNL consideration:
  - Whether the Petroleum Products Act Regulations should be amended to grant the PUB greater discretion in calculating maximum prices; and
  - Whether the Petroleum Products Act Regulations should be revised to permit market-based pricing for mid-grade and premium gasoline fuels.
- The PUB review report did not mention the status of the interim wholesale markup adjustments approved in October 2020 for Island gasoline (+5 cpl) and diesel (+4 cpl). These were ordered following application by NARL Marketing and closure of the NARL Refinery. The markups data released by the PUB in the Review report suggest that these adjustments continue for the Island although there doesn't appear to be any commentary on whether these have been made permanent or continue on an interim basis.

**Action Being Taken:**

- This note is for informational purposes.

**Prepared/Approved by:** J. Osmond/ P. Parsons/ A. Philpott / N. Abundo / C. Martin  
**Deputy Minister Approval:**

February 12, 2025



40.(1)

## Annex A – Public Utilities Board (PUB)

- The Public Utilities Board (the PUB) regulates maximum fuel oil prices for gasoline, diesel and heating fuels. Fuel price adjustments must be in accordance with the approach prescribed in the **Petroleum Products Act (the Act)** and Regulations. The PUB does not have authority to change the fuel oil pricing approach (e.g. add a pricing component) without Government amending the Act and/or Regulations. Although, the PUB does have authority to review and approve adjustments to pricing mark-ups and/or zone differentials, which are existing pricing components under the Act, based on its own motion or an application from a fuel supplier.
- Currently, the pricing approach for regulated fuel oil prices includes the following components:
  - **Benchmark Price:** The benchmark component fluctuates regularly and is normally adjusted by the PUB on a weekly basis, as that is market driven and based on external market pricing and exchange rates.
  - **Mark-Ups:** The wholesale and retail mark-up components are fixed pursuant to pricing determined by the PUB based on pricing reviews.
  - **Zone Differential:** The zone differential is a fixed component set by the PUB, to reflect incremental costs for storage and distribution of fuel products regionally (or by zone) in NL.
  - **Carbon Price Adjustment:** This Adjustment reflects costs associated with the carbon intensity reduction compliance requirements under the federal Clean Fuel Regulations.
  - **Taxation:** For gasoline and diesel, taxation in regulated prices includes the Provincial Fuel Tax, Federal Excise Tax, federal carbon tax and HST. Taxation is not included in heating fuel pricing (furnace oil, stove oil, propane) set by the PUB although any applicable GST/HST is added at customer billing. The Federal Government has paused the carbon tax on heating fuel oil until April 2027.
- The Act prohibits a wholesaler or a retailer from charging a price for heating fuel or motor fuel greater than the maximum price set by the PUB.
- The Act authorizes the PUB to conduct a review of the maximum mark up between the wholesale price to the retailer and the retail price to the consumer or allowed service costs to ensure they are justified. The PUB may order adjustments to the mark up or the allowed service costs after a review is completed.
- The Act also allows a wholesaler or a retailer to apply to the PUB for a change in the price of a type of heating fuel or motor fuel and after investigation of the request, the PUB may deny the application, approve the application and the requested price change, or set another price based on its investigation.
- The Act authorizes the PUB to investigate to determine whether a price being charged by a wholesaler or a retailer for heating fuel or motor fuel exceeds the maximum allowable price. Where a person is determined to have violated or participated in the violation of the Act, Regulations, or a PUB order, or causes or participates in causing another person directly or indirectly violate this Act, the regulations, or a PUB order, the Board may impose a fine of up to \$5,000 for each day of the violation.

## Annex B PUB Petroleum Products Pricing Review - Highlights



### PETROLEUM PRODUCTS PRICING REVIEW HIGHLIGHTS FOR ISLAND CONSUMERS AND INDUSTRY

#### THE PETROLEUM PRODUCTS PRICING REVIEW

The Petroleum Products Pricing Review (the "Review") was conducted by the Board in accordance with the direction of the Minister of Digital Government and Service NL, pursuant to Section 8.1(3) of the Petroleum Products Act.

Based on the information and feedback provided during the Review, a number of changes will be implemented to petroleum products pricing on the Island.

#### Island Mark-Ups and Zone Differentials

- Current wholesale mark-ups for gasoline, diesel and furnace oil on the Island will not be changed.
- Zone differentials for gasoline, diesel and furnace oil on the Island will increase by 2.0 cpl or less to reflect higher costs of supply.
- Retail mark-ups for gasoline, diesel and furnace oil on the Island will increase by 4.0 cpl in most zones to reflect higher costs of supply.

These increases will be implemented beginning on February 6, 2025 over the course of six weeks so that the impact on maximum prices will be no greater than 1.0 cents per litre per week. The retail mark-up increases will be implemented first, in an equal amount each week over the first four weeks. The zone differential increases will be implemented second, in an equal amount each week, over the last two weeks. The mark-up and zone differential changes, as well as a schedule of dates, are set out in the attached tables.

#### Island Propane Heating Fuel Mark-Ups and Zone Differentials

- The combined total allowed mark-ups and zone differentials for propane heating fuel will increase to reflect increases in the cost of supply. These increases range from 0.5 cents per litre to 5.0 cents per litre, but will increase by 2.0 cents per litre or less in most zones.

The changes for propane are set out in the attached tables and will be effective February 6, 2025.



#### **The Weekly Price Setting Process for the Island**

- Maximum price adjustments will occur on Friday rather than Thursday to bring consistency with other Atlantic provinces.
- Maximum prices will be calculated using five days of data from Argus Media for gasoline, diesel and furnace oil to better reflect the cost of supply and be consistent with other Atlantic provinces.

These weekly price setting process changes will be implemented on March 21, 2025.

#### **Other Changes**

- Maximum pricing will cease for stove oil heating fuel on the Island, effective February 6, 2025.
- Maximum pricing will cease for Zone 5b: Little Bay Islands, effective February 6, 2025.
- The Board will review mark-ups and zone differentials annually, beginning in 2026.

#### **GOVERNMENT CONSIDERATIONS**

Based on the information provided in the Review, Government may wish to consider:

- whether there should be changes to the Regulations to give the Board additional discretion in the calculation of maximum prices; and
- whether there should be changes to the Regulations to allow for market-based pricing for mid-grade and premium gasoline fuels.

#### **ADDITIONAL INFORMATION**

Throughout the Review the Board and its consultants gathered data and commentary from industry and other interested persons. As the Review progressed the Board issued Consultation Documents and provided additional opportunities for interested persons to provide further information and commentary.

Detailed information with respect to this Review and the changes that are being implemented, including the Board's Final Report - Island and the Board's Island Consultation Document can be found on the Board's website [here](#). The Board will issue its final report for Labrador in the coming weeks.



<b>Regular Gasoline Motor Fuel Mark-Up, Zone and Zone Differential Changes Cents Per Litre</b>			
<b>Island Zones</b>	<b>Mark-Ups and Zone Differentials</b>		<b>Total Change<sup>1</sup></b>
	<b>Current</b>	<b>New</b>	
<b>1 - Avalon Peninsula</b>	<b>25.93</b>	<b>29.93</b>	<b>4.00</b>
1a - Bell Island	26.41	30.61	4.20
<b>2 - Burin Peninsula / Bonavista Peninsula</b>	<b>27.54</b>	<b>32.34</b>	<b>4.80</b>
<b>3 - Central Newfoundland / Notre Dame Bay East</b>	<b>28.11</b>	<b>33.21</b>	<b>5.10</b>
3a - St. Brendan's (Island)	31.81	36.91	5.10
3b - Fogo Island	32.25	37.35	5.10
3c - Change Islands	35.53	40.63	5.10
<b>4 - Connaigre Peninsula</b>	<b>31.05</b>	<b>37.05</b>	<b>6.00</b>
4a - Gaultois / McCallum / Rencontre East	36.41	40.02	3.61
<b>5 - Springdale - Green Bay / Triton / Baie Verte Peninsula</b>	<b>29.35</b>	<b>34.55</b>	<b>5.20</b>
5a - Long Island	32.90	38.10	5.20
<b>6 - Deer Lake / Corner Brook / Bay of Islands / Gros Morne</b>	<b>26.55</b>	<b>30.85</b>	<b>4.30</b>
<b>7 - Stephenville / Port au Port / Codroy Valley / Channel-Port aux Basques / Burgeo</b>	<b>27.32</b>	<b>32.02</b>	<b>4.70</b>
7a - Ramea	36.72	41.42	4.70
7b - Grey River / François / Grand Brûit / La Poile	40.38	42.69	2.31
<b>8 - Northern Peninsula - Gros Morne National Park to Bellburns</b>	<b>27.48</b>	<b>32.28</b>	<b>4.80</b>
<b>9 - Northern Peninsula to Englee and St. Anthony</b>	<b>29.21</b>	<b>34.31</b>	<b>5.10</b>

<sup>1</sup> After phase-in process is complete.



<b>Diesel Motor Fuel Mark-Up, Zone and Zone Differential Changes Cents Per Litre</b>			
<b>Island Zones</b>	<b>Mark-Ups and Zone Differentials</b>		<b>Total Change<sup>2</sup></b>
	<b>Current</b>	<b>New</b>	
<b>1 - Avalon Peninsula</b>	<b>28.10</b>	<b>32.10</b>	<b>4.00</b>
1a - Bell Island	28.58	32.78	4.20
<b>2 - Burin Peninsula / Bonavista Peninsula</b>	<b>29.71</b>	<b>34.51</b>	<b>4.80</b>
<b>3 - Central Newfoundland / Notre Dame Bay East</b>	<b>30.28</b>	<b>35.38</b>	<b>5.10</b>
3a - St. Brendan's (Island)	33.98	39.08	5.10
3b - Fogo Island	34.42	39.52	5.10
3c - Change Islands	37.70	42.80	5.10
<b>4 - Connaigre Peninsula</b>	<b>33.22</b>	<b>39.22</b>	<b>6.00</b>
4a - Gaultois / McCallum / Rencontre East	36.19	42.19	6.00
<b>5 - Springdale - Green Bay / Triton / Baie Verte Peninsula</b>	<b>31.52</b>	<b>36.72</b>	<b>5.20</b>
5a - Long Island	35.07	40.27	5.20
<b>6 - Deer Lake / Corner Brook / Bay of Islands / Gros Morne</b>	<b>28.72</b>	<b>33.02</b>	<b>4.30</b>
<b>7 - Stephenville / Port au Port / Codroy Valley / Channel-Port aux Basques / Burgeo</b>	<b>29.49</b>	<b>34.19</b>	<b>4.70</b>
7a - Ramea	31.78	36.48	4.70
7b - Grey River / François / Grand Bruit / La Poile	37.70	42.40	4.70
<b>8 - Northern Peninsula - Gros Morne National Park to Bellburns</b>	<b>29.65</b>	<b>34.45</b>	<b>4.80</b>
<b>9 - Northern Peninsula to Englee and St. Anthony</b>	<b>31.38</b>	<b>36.48</b>	<b>5.10</b>

<sup>2</sup> After phase-in process is complete.



<b>Furnace Oil Heating Fuel Mark-Up, Zone and Zone Differential Changes Cents Per Litre</b>				
Island Zones	Mark-Ups and Zone Differentials		Total Change <sup>3</sup>	
	Current	New		
<b>1ANE - Avalon Peninsula Northeast</b>	27.38	31.38	4.00	
1ANW - Avalon Peninsula Northwest	30.38	35.88	5.50	
1AS - Avalon Peninsula South	31.68	37.18	5.50	
1a - Bell Island	28.68	33.28	4.60	
<b>2 - Burin Peninsula / Bonavista Peninsula</b>	31.68	37.18	5.50	
<b>3 - Central Newfoundland / Notre Dame Bay East</b>	31.38	36.88	5.50	
3a - St. Brendan's (Island)	34.38	39.88	5.50	
3b - Fogo Island	33.88	39.38	5.50	
3c - Change Islands	35.78	41.28	5.50	
<b>4 - Connaigre Peninsula</b>	34.58	40.58	6.00	
4a - Gaultois / McCallum / Rencontre East	44.68	50.68	6.00	
<b>5 - Springdale - Green Bay / Triton / Bale Verte Peninsula</b>	31.88	37.38	5.50	
5a - Long Island	32.38	37.88	5.50	
<b>6 - Deer Lake / Corner Brook / Bay of Islands / Gros Morne</b>	28.28	32.68	4.40	
<b>7W - Stephenville / Port au Port / Codroy Valley / Channel-Port aux Basques</b>	31.68	37.68	6.00	
<b>7SE - Burgeo</b>	34.18	40.18	6.00	
7a - Ramea	37.78	43.78	6.00	
7b - Grey River / François / Grand Brûlé / La Poile	43.88	49.88	6.00	
<b>8 - Northern Peninsula - Gros Morne National Park to Bellburns</b>	29.28	34.18	4.90	
<b>9 - Northern Peninsula to Englee and St. Anthony</b>	33.88	39.38	5.50	

<sup>3</sup> After phase-in process is complete.



<b>Propane Heating Fuel Mark-Up, Zone and Zone Differential Changes Cents Per Litre</b>			
<b>Island Zones</b>	<b>Mark-Up and Zone Differentials</b>		<b>Change</b>
	<b>Current</b>	<b>New</b>	
<b>1ANE - Avalon Peninsula Northeast</b>	73.59	75.1	1.5
<b>1ANW - Avalon Peninsula Northwest</b>	73.59	75.1	1.5
<b>1AS - Avalon Peninsula South</b>	73.59	75.1	1.5
<b>1a - Bell Island</b>	74.59	76.6	2.0
<b>2 - Burin Peninsula / Bonavista Peninsula</b>	71.59	74.2	2.6
<b>3 - Central Newfoundland / Notre Dame Bay East</b>	70.99	71.5	0.5
<b>3a - St. Brendan's (Island)</b>	73.09	73.6	0.5
<b>3b - Fogo Island</b>	72.59	73.1	0.5
<b>3c - Change Islands</b>	74.49	75.0	0.5
<b>4 - Connaigre Peninsula</b>	66.79	71.8	5.0
<b>4a - Gaultois / McCallum / Rencontre East</b>	78.39	83.4	5.0
<b>5 - Springdale - Green Bay / Triton / Bale Verte Peninsula</b>	66.59	71.0	4.4
<b>5a - Long Island</b>	66.09	71.1	5.0
<b>6 - Deer Lake / Corner Brook / Bay of Islands / Gros Morne</b>	67.69	69.6	1.9
<b>7W - Stephenville / Port au Port / Codroy Valley / Channel-Port aux Basques</b>	68.99	70.4	1.4
<b>7SE - Burgeo</b>	68.99	70.4	1.4
<b>7a - Ramiea</b>	71.49	72.9	1.4
<b>7b - Grey River / François / Grand Brûit / La Poile</b>	77.59	79.0	1.4
<b>8 - Northern Peninsula - Gros Morne National Park to Bellburns</b>	68.79	70.4	1.6
<b>9 - Northern Peninsula to Englee and St. Anthony</b>	70.79	73.2	2.4



<b>SCHEDULE OF DATES</b>		
<b>DATE</b>	<b>CHANGE</b>	<b>IMPACT</b>
February 6, 2025	Retail Mark-Up Increases (Gasoline, Diesel and Furnace Oil)	1.0 cpl
	Propane Heating Fuel Changes	0.5 cpl to 5.0 cpl <sup>4</sup>
	Elimination of Stove Oil Maximum Prices	N/A
	Elimination of Zone 5b: Little Bay Islands	N/A
February 13, 2025	Retail Mark-Up Increases (Gasoline, Diesel and Furnace Oil)	1.0 cpl
February 20, 2025	Retail Mark-Up Increases (Gasoline, Diesel and Furnace Oil)	1.0 cpl
February 27, 2025	Retail Mark-Up Increases (Gasoline, Diesel and Furnace Oil)	1.0 cpl
March 6, 2025	Zone Differential Increases (Gasoline, Diesel and Furnace Oil at 50% of change)	0.0 cpl to 1.0 cpl
March 13, 2025	Zone Differential Increases (Gasoline, Diesel and Furnace Oil at remaining 50% of change)	0.0 cpl to 1.0 cpl
March 21, 2025	Friday Maximum Price Adjustments Begin (Using Argus 5-Day Benchmark Average)	Minimal <sup>5</sup>

<sup>4</sup> Most zones will increase by 2.0 cents per litre or less.

<sup>5</sup> Actual impact will be dependent on reported market data at the time of implementation.

**Information Note**  
**Department of Industry Energy and Technology**

**Title:** Internal Trade Barriers

**Issue:** The federal government is exploring ways to remove provincial trade barriers.

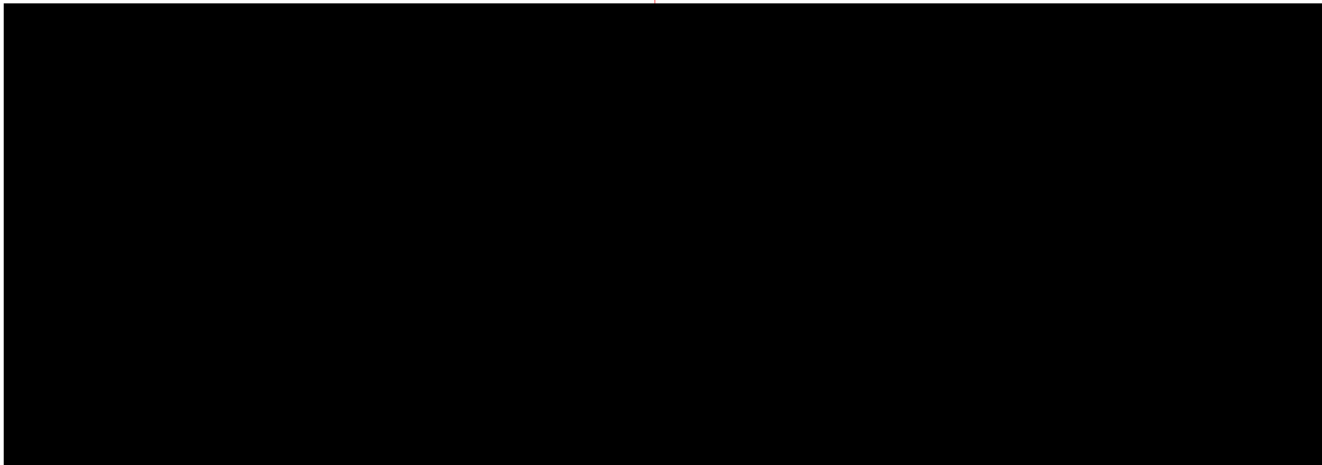
**Background and Current Status:**

- In response to threats from the United States to implement significant tariffs on imports from Canada, the federal government has been exploring opportunities to reduce or eliminate provincial trade barriers and increase interprovincial trade opportunities.
- Natural Resources Canada (NRCan), has reached out to IET to discuss exceptions from the Canada Free Trade Agreement (CFTA) related to the Atlantic Accord Acts.

**Analysis:**

- The CFTA includes an exception for NL for the energy sector which states: *The Government of Newfoundland and Labrador reserves the right to adopt or maintain any measure, including measures adopted jointly with Canada, relating to any aspect of, and issue various authorizations relating to, the exploration, production, extraction, development, and transportation of hydrocarbons, and the granting of exclusive rights to operate hydrocarbon distribution systems and storage facilities, including related hydrocarbon pipelines, marine distribution, transshipment facilities, and transport services. Without limiting the generality of the foregoing, such measures may involve discretionary decisions based on various factors, restrictions or limitations on the movement of goods across Provincial boundaries, limitations on market access, imposition of performance requirements, and/or discrimination in favour of residents of Newfoundland and Labrador and/or entities established in accordance with the laws of Canada or a province or territory thereof and having a place of business and substantive operations within Newfoundland and Labrador.*

29.(1)(a), 34.(1)(a)(i), 35.(1)(d), 35.(1)(g)



**Action Being Taken:**



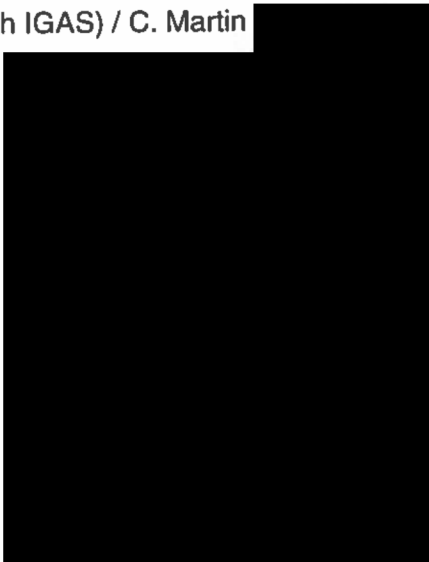
29.(1)(a), 34.(1)(a)(i), 35.(1)(d)

Prepared/Approved by: N. Abundo (in consultation with IGAS) / C. Martin



**Ministerial Approval:**

February 7, 2025



40.(1)

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Regional Assessment of Offshore Wind Development in Newfoundland and Labrador Final Report

**Issue:** The Regional Assessment (RA) Committee has submitted its Final Report to Ministers.

**Background and Current Status:**

- On March 23, 2023, the Governments of Canada and Newfoundland and Labrador launched the RA which was intended to provide information, knowledge and analysis regarding future offshore wind development activities and their potential effects in a defined Study Area.
- The RA was conducted by a five-person committee agreed to by both governments with the intent to inform and improve future planning, licensing and impact assessment processes for these activities.
- The Committee submitted its Final Report (Final Report) to Ministers on January 23, 2025. The Report supersedes the Draft Final Report (Draft Report) and is intended to be a standalone document addressing all aspects of the RA.

**29.(1)(a), 34.(1)(a)(i), 35.(1)(d), 35.(1)(g)**

**Analysis:**

- Recommendations for 10 km buffers around the island portion of the Province and the island of Ramea that were in the Draft Report remain, as does a 5 km buffer around each island with bird colonies, a 65 km buffer around Cape St. Mary's, and a 3 km buffer around any coastal islands not already removed.

**29.(1)(a), 34.(1)(a)(i), 35.(1)(d), 35.(1)(g)**

- The Final Report notes that while the RA Committee considered the experience of local offshore oil and gas industry as well as expertise from the offshore wind energy sector in other jurisdictions, they stated that it would be imprudent to assume these effects and mitigation measures can be applied to offshore wind development activities in Newfoundland and Labrador without first having on-the ground studies and monitoring of local projects to address current knowledge and data gaps.
- Further research on the impacts of offshore wind development to fisheries was recommended by the RA Committee. The Final Report provides additional details on fisheries compensation including a recommendation for the development of a compensation framework as well as the

creation of an industry group to support collaboration.

- The RA Committee says in the Final Report that while the RA focused on a reduced portion of the Study Area, much of their assessment of environmental, health, social, and economic effects draws on information from other jurisdictions and is therefore applicable on a regional scale.

[Redacted]

29.(1)(a), 34.(1)(a)(i), 35.(1)(d), 35.(1)(g)

- The Final Report states that it is beyond the scope of the committee to determine whether offshore wind is needed. The Committee says it has proceeded based on governments' view that NL has an abundance of wind resources, and these are needed to address climate change and drive economic growth.

29.(1)(a), 34.(1)(a)(i), 35.(1)(d), 35.(1)(g)

[Redacted]

- The Final Report states that the preliminary offshore wind licencing areas identified are Committee recommendations and that the federal and provincial governments will ultimately decide on licencing areas. The Committee states that it anticipates licencing areas will evolve as more information and data becomes available and as experience is gained in offshore wind development and operation. The Committee's recommendations are not binding on governments.
- The Impact Assessment Agency posted the Final Report to its Registry on Friday, February 7, 2025.

**Action Being Taken:**

- For information purposes only

[Redacted]

29.(1)(a), 34.(1)(a)(i)

**Prepared/Approved by:** H. Simms / C. Carter / N. Abundo / C. Martin

**Ministerial Approval:**

February 17, 2025

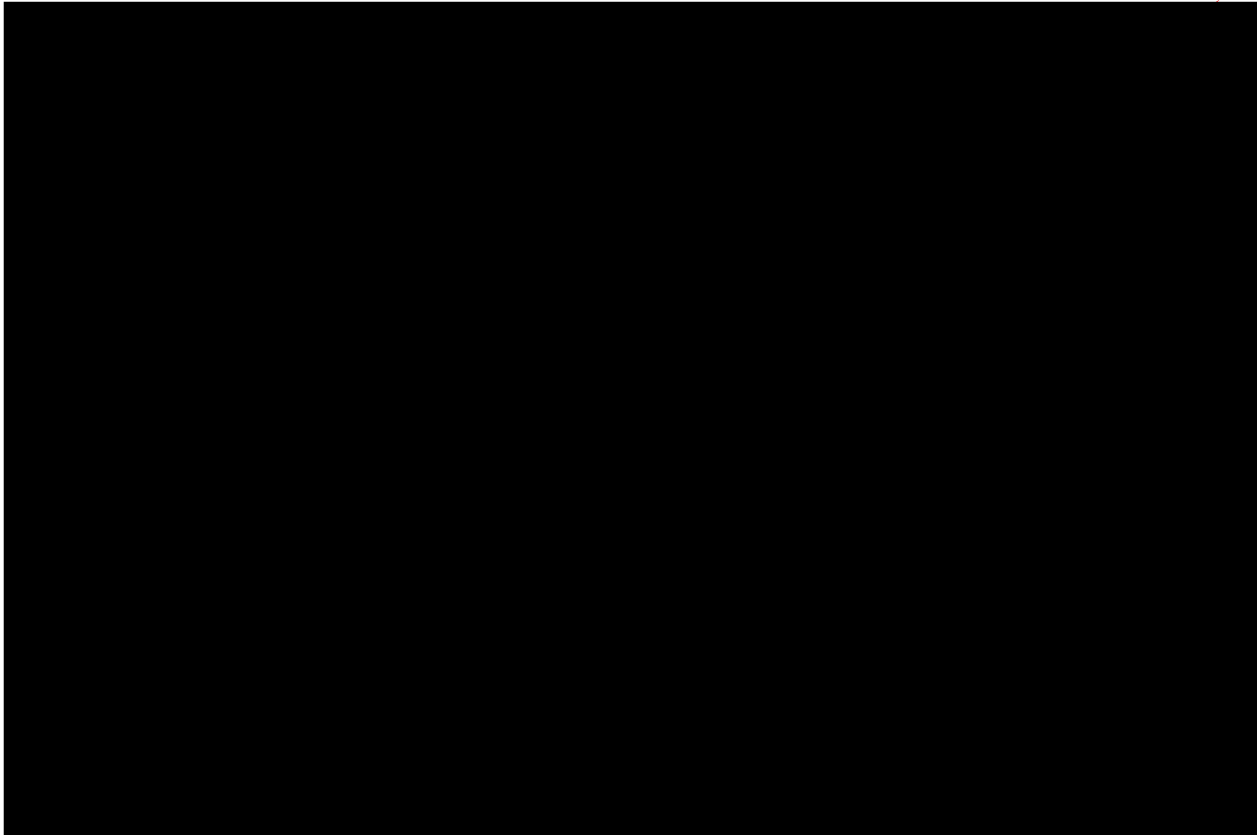
[Redacted]

40.(1)

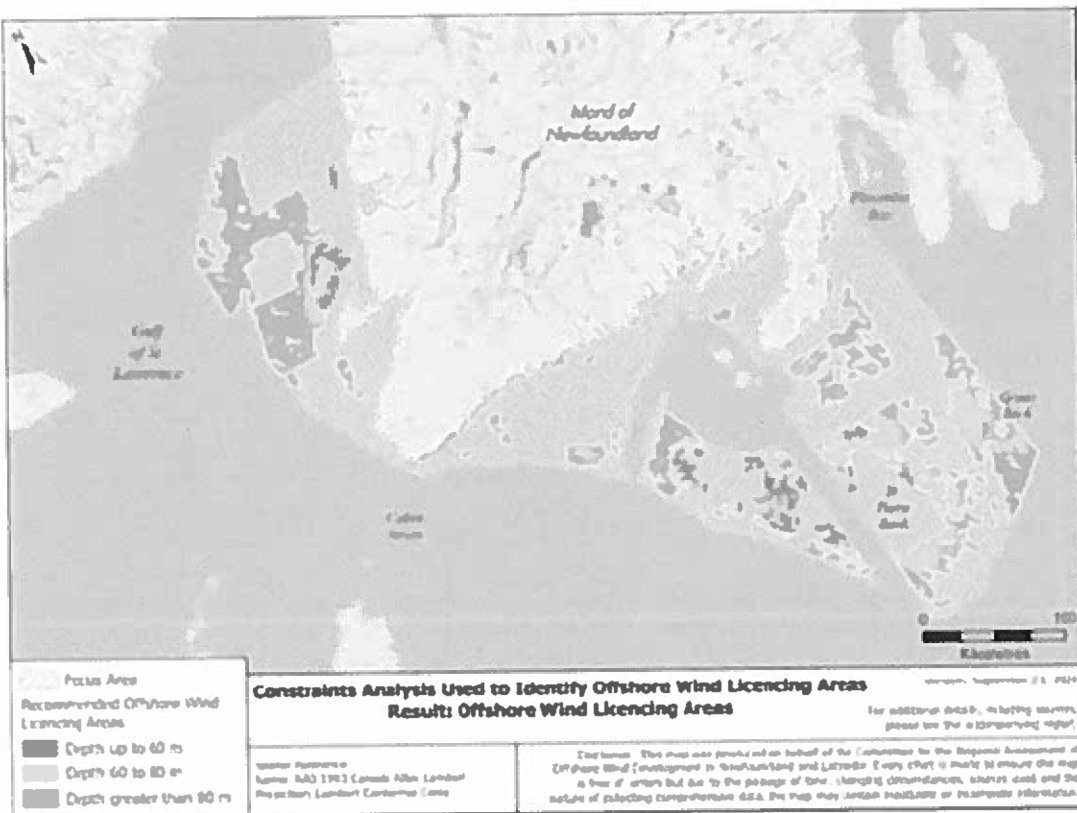
Annex 1

Recommended Offshore Wind Licence Areas

29.(1)(a), 34.(1)(a)(i), 35.(1)(d)



Final Recommended Offshore Wind Licensing Areas



**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Upcoming Federal C-NLOPB Reappointments

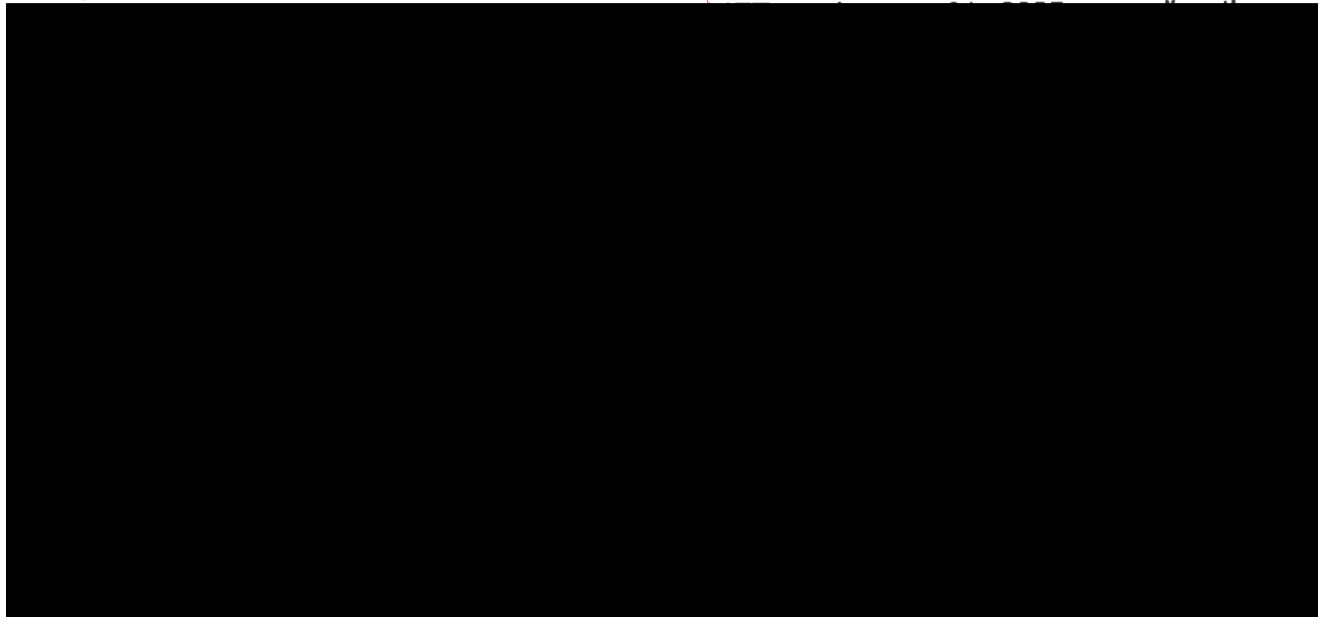
**Issue:** The federal government is seeking concurrence from the Province on the salary and other terms and conditions for two federal reappointments to the Board of Directors

**Background and Current Status:**

- The Canada-Newfoundland and Labrador Offshore Petroleum Board (Board) was established under the Accord Acts to administer, on behalf of the provincial and federal governments, offshore petroleum resources. It is responsible for the day-to-day administration of petroleum activities in the NL offshore area including exploration, development, production, conservation and transportation activities.
- The Accord Acts state that, of the seven required members of the Board, three are to be appointed by the federal government, three by the provincial government and the Chair is to be jointly appointed. No member of the Board shall, during the term of office, be employed in the Public Service of either Canada or NL. The appointments are for six-year terms.
- Subsection 13(2) of both versions of the Accord Acts, states that when a member is appointed by either the federal or provincial government, both governments shall agree on the salary and other terms and conditions of the appointment.

**29.(1)(a), 30.(1)(a), 30.(1)(b), 34.(1)(a)(i), 35.(1)(d)**

**Analysis:**



**Action Being Taken:**

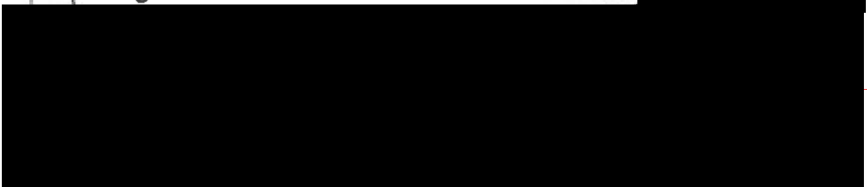


**29.(1)(a)**

**Prepared/Approved by:**  
**Ministerial Approval:**

**40.(1)**  
F. Montague / C. Carter / N. Abundo / C. Martin

February 13, 2025



**40.(1)**

**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** 2025 Exploits Assets Capital Plan

**Issue:** To provide an overview of Newfoundland and Labrador Hydro's (NLH) 2025 Exploits Assets Capital Plan

**Background and Current Status:**

- Government expropriated the Exploits Generation Assets (EG Assets) under the Abitibi-Consolidated Rights and Assets Act in 2008. The assets included dams and generation stations at Star Lake (18 MW), Buchans (2 MW offline), Grand Falls (70 MW), and Bishop's Falls (18 MW) as well as other related infrastructure. Government paid \$54 million in compensation to Enel and Fortis and assumed \$104 million in existing loans.
- Government assigned the assets to Nalcor Energy, which assigned them to NLH to operate and purchase the output under a Power Purchase Agreement (PPA) at 4 cents/kWh.
- Until 2016, the PPA provided sufficient revenue to maintain the assets, including capital costs and loan payments. However, in 2018, Government provided \$38.1 million to Nalcor to cover capital and operating expenses through 2019. Upon reconciliation of 2024 data, the excess in PPA sales and government's contribution over operating, capital, debt and other expenses results in a cumulative payable to Government as of December 31, 2024, of approximately \$19 million.
- NLH advises the anticipated 35.(1)(f), 35.(1)(g) in 2025 operating and capital expenditures, as well as debt payments [REDACTED] in PPA sales revenue, resulting in [REDACTED]. As a result, as of December 31, 2025, the net payable to government is forecast to be [REDACTED]. As per past practice, NLH will retain this surplus and apply it to any 2025 operational shortfall from the assets.

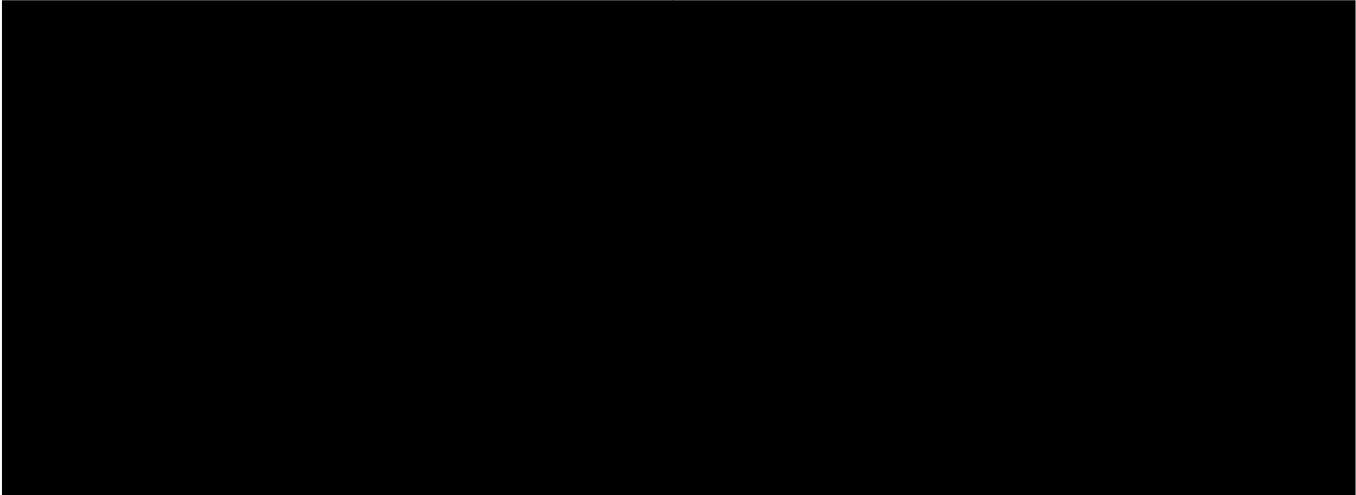
**Analysis**

[REDACTED] 29.(1)(a)  
[REDACTED] No additional cash is required from Government in 2025. Annex A provides an overview of cash flow reconciliation/planned capital projects from a NLH presentation to IET.

- The Assets are over 40 years old and require sustaining capital investment. Proceeding with the capital investments NLH proposed will ensure safe operation of the assets and their continued contribution to the electricity system. For example, the dam at Grand Falls is upstream from the hydroelectric plant and must be maintained properly for safe operation of the generating facilities. The assets are in proximity to municipalities and town infrastructure, therefore public safety and liability considerations are paramount.

29.(1)(a), 35.(1)(f), 35.(1)(g)

29.(1)(a), 35.(1)(d), 35.(1)(f), 35.(1)(g)

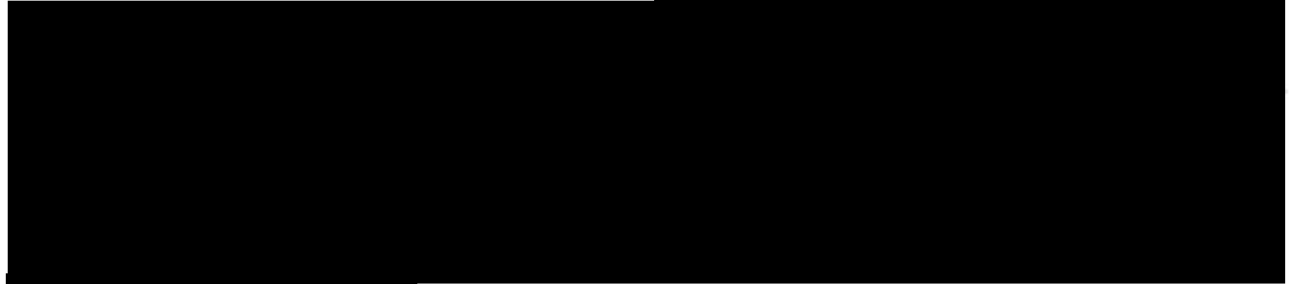


29.(1)(a),  
35.(1)(d)

- Electricity system reliability is currently under PUB review [redacted]. The EG Assets provide 755 GWh/year of energy on average and 81 MW of firm capacity, which NLH relies on for system reliability.

35.(1)(d)

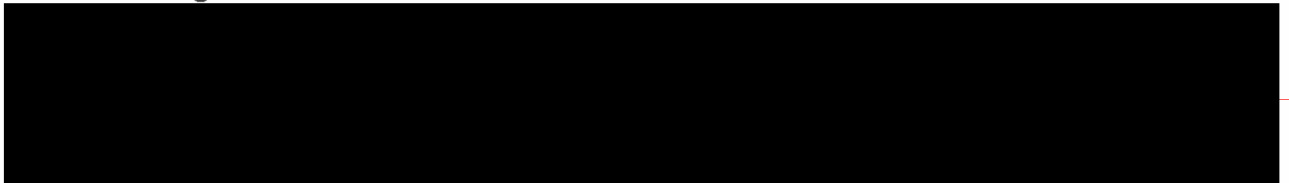
[redacted] NLH notes those assets are not required for executing the 2025 capital plan, but rather are assets required to support day-to-day operations of the Exploits assets on an ongoing basis. Each of these assets are used solely to support the Exploits Generation assets (including Star Lake) and are not used to support regulated Hydro assets. These will be set up as capital assets on the Exploits books and depreciated over their useful lives.



29.(1)(a), 35.(1)(d)

- IET has shared this note with FIN whose comments are addressed above.

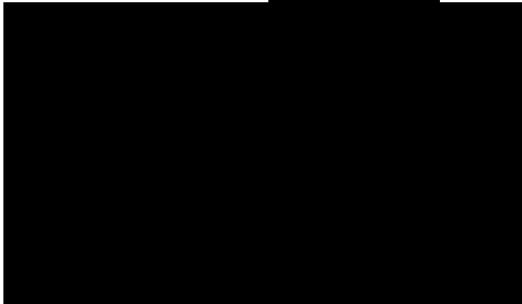
**Action Being Taken**



29.(1)(a)  
35.(1)(d)

Prepared/Approved by: R. Bates / C. Snook / C. Martin  
Deputy Minister Approval:

February 3, 2025

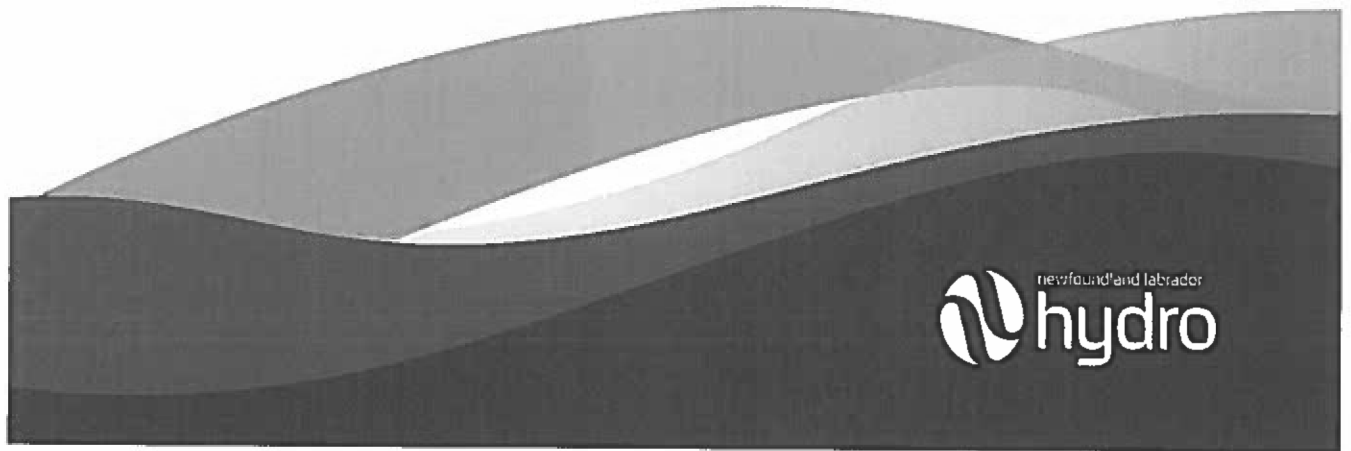


40.(1)

**Annex A**  
**NLH 2025 Exploits Capital Budget Presentation**

**Exploits Generation**  
2025 Capital Budget Package

January 2025



# Agenda

Purpose

2025 Funding Position

2025 Capital Details

5-year Capital Plan

35.(1)(d)

Additional Information: Capital Summary

# PURPOSE

## Purpose

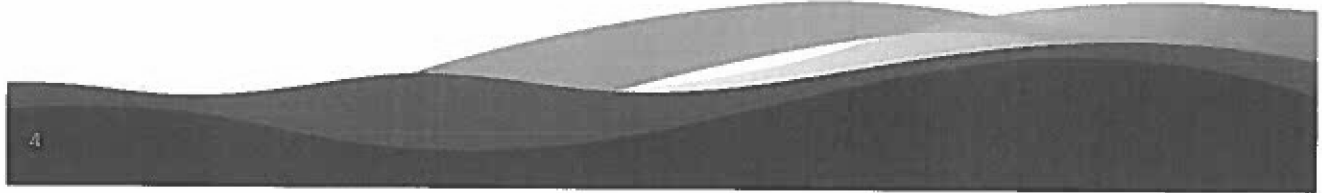
- To report budgeted Exploits Generation forecast funding position at December 31, 2025.



29.(1)(a)

- To receive approval from the Department of Industry, Energy and Technology for the proposed 2025 capital budget.
- To provide an overview of the Exploits and Star Lake five-year capital plan and forecast funding position.

35.(1)(d)



# 2025 FUNDING POSITION

## Exploits Generation 2009–2024 Cash Flow

**Table 1: Exploits Forecast Cash Flow Summary (\$ Millions)<sup>1</sup>**

	2009 – 2019	2020	2021	2022	2023	2024 <sup>2</sup>	Forecast Total
Power Purchase Agreement Sales	289.1	28.0	28.5	28.7	29.8	28.4	432.3
Operating and Capital Expenses	(192.9)	(14.2)	(13.2)	(14.4)	(17.3)	(20.4)	(272.3)
Debt and Other	(131.6)	(11.4)	(11.4)	(11.4)	(7.3)	(5.9)	(179.0)
Funding Received from GNL <sup>3</sup>	38.1						38.1
<b>Total</b>							<b>19.1</b>

Cumulative Forecast Payable to Government as of December 31, 2024: **\$19.1 million.**

<sup>1</sup> Numbers may not add due to rounding.

<sup>2</sup> Includes actuals to end of November 2024, with a forecast for the month of December 2024.

<sup>3</sup> In December 2018, the Government of Newfoundland and Labrador ("GNL") paid Nalcor Energy \$38.1 million based on the cumulative cash flow requirement for the period 2009–2019.

# Exploits Generation 2025 Budget

**Table 2: Exploits 2025 Budget (\$ Millions)**

	Total
Power Purchase Agreement Sales	
Exploits Operating and Removal Costs	
Star Lake Operating and Removal Costs	
Exploits and Star Lake Capital	
Exploits and Star Lake Forecast Capital Carry-Forward	
Debt Payments	
(Deficit) Surplus	

29.(1)(a),  
35.(1)(f),  
35.(1)(g)

- The Exploits Generation 2025 budget indicates that the anticipated operating and capital expenditures, as well as debt payments

[Redacted]

[Redacted]

29.(1)(a), 35.(1)(f), 35.(1)(g)



# Exploits Generation 2025 Forecast Payable to Government

**Table 3: Exploits 2025 Budget Payable to Government (\$ Millions)**

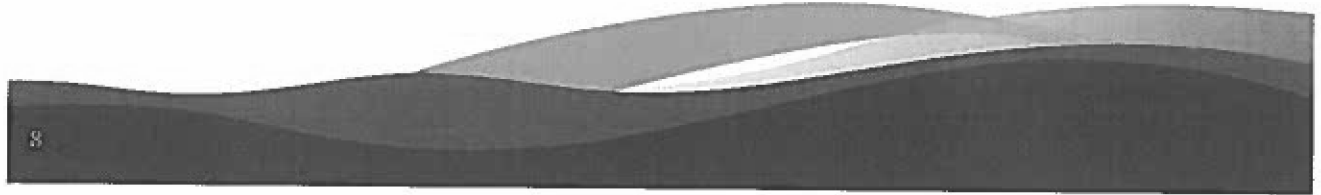
	Total
2024 Forecast Closing Cumulative	
2025 Budget Deficit	
2025 Forecast Closing Cumulative	

35.(1)(f), 35.(1)(g)

- Forecast payable to the Government of Newfoundland and Labrador as of December 31, 2025:

[Redacted]

29.(1)(a), 35.(1)(f), 35.(1)(g)



# 2025 CAPITAL DETAILS

# Exploits and Star Lake 2025 Capital Projects

Table 4: Exploits and Star Lake 2025 Capital Projects (\$000) <sup>1,2,3</sup>

Project	Project Title	Project Type	Budget	
A	Refurbish Spillway Gate (2024-2028) - Bishop's Falls	Multi-Year (Year 2 of 5)	[REDACTED]	
B	Replace Chamber Gates Crane (2024-2025) - Bishop's Falls	Multi-Year (Year 2 of 2)		
C	Life Extension - Phase 2 (2025-2027) - Goodyear's Dam	New (Year 1 of 3)		
D	Remediate Forebay Dam (2024-2025) - Buchans	Multi-Year (Year 2 of 2)		
E	Install Head Pond Fence (2025) - Grand Falls	New Single-Year		
F	Refurbish Forebay - Phase 1 (2025-2026) - Bishop's Falls	New (Year 1 of 2)		
G	Perform ROV inspection and Design Stoplogs (2025) - Millertown Dam	New Single-Year		
H	In-Service Failures (2025) - Exploits Generation	New Single-Year		
I	Install Concrete Abutment Extension - Outside Spillgate (2025-2026) - Grand Falls	New (Year 1 of 2)		
J	Replace Intake Trash Rake System (2025-2026) - Grand Falls	New (Year 1 of 2)		
K	Overhaul Unit 1 (2025) - Bishop's Falls	New Single-Year		
L	Replace Fleet Vehicles (2025) - Exploits	New Single-Year		
M	Hydraulic In-Service Failures (2024) - Exploits	Extended <sup>4</sup>		
N	Modernize Protection and Unit Controls (2024-2026) - Star Lake	Multi-Year (Year 2 of 3)		
O	Replace Vibration Monitoring System - Unit 9 (2024-2025) - Grand Falls	Multi-Year (Year 2 of 2)		
P	Purchase Tools and Equipment (2025) - Exploits and Star Lake	New Single-Year		
Q	In-Service Failures (2025) - Star Lake	New Single-Year		
<b>Total</b>				

<sup>1</sup> Budget numbers consider 2024 forecast activity, where applicable.

<sup>2</sup> Excludes carryover projects, which are listed on Slide 11.

<sup>3</sup> Numbers may not add due to rounding.

<sup>4</sup> Projects noted as "Extended" from prior year where additional, new spend has been identified for approval.

29.(1)(a), 35.(1)(f), 35.(1)(g)

# Exploits and Star Lake Carryovers to 2025

**Table 5: Exploits and Star Lake Carryovers to 2025 (\$000)<sup>1,2,3</sup>**

Project Title	2025 Carryover <sup>4</sup>	Multi-Year Cash Flow <sup>5</sup>	Total
Refurbish Spillway Gate (2024-2028) – Bishop’s Falls			
Modernize Protection and Unit Controls (2024-2026) – Star Lake			
Perform Level 2 Condition Assessment - Inside Spillgate (2024) – Grand Falls			
Refurbish Exciter - Units 2 to 7 (2022-2024) – Bishop’s Falls			
Hydraulic In-Service Failures (2024) – Exploits			
Perform Life Extension (2024) – Goodyear’s Dam			
Remediate Forebay Dam (2024-2025) - Buchans			
Replace Generator PLC Control – Units 4 and 5 (2023-2024) – Bishop’s Falls			
Replace Fleet Vehicles (2024) – Exploits			
Perform Miscellaneous Upgrades – Exploits and Star Lake			
<b>Total</b>			

**29.(1)(a), 35.(1)(f), 35.(1)(g)**

<sup>1</sup> Budget numbers are updated to reflect 2024 forecast activity.

<sup>2</sup> Carryover refers to previously budgeted funds carried forward to 2025 due to incomplete project scope.

<sup>3</sup> Numbers may not add due to rounding.

<sup>4</sup> Amounts in the 2025 Carryover column represent previously-approved amounts for projects that were originally ending in 2024 but have had their schedules extended into 2025.

<sup>5</sup> Amounts in the Multi-Year Cash Flow column represent previously-approved amounts for multi-year projects ending in 2025 or beyond where the applicable amount is being rescheduled from a previous year into 2025.

# FIVE-YEAR CAPITAL PLAN

# Exploits and Star Lake: Five-year Funding Forecast

**Table 6: Exploits and Star Lake Five-year Funding Forecast (\$ Millions)**

	2026	2027	2028	2029	2030
PPA Sales	29.(1)(a), 35.(1)(f), 35.(1)(g)				
Expenditures - Capital, Operating, and Debt					
Net Annual Surplus (Funding Required)					
Opening Balance Payable to (Receivable from) GNL					
Ending Net Payable to (Receivable from) GNL					

	29.(1)(a), 35.(1)(f), 35.(1)(g)
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# QUESTIONS

# **ADDITIONAL INFORMATION: 2024 CAPITAL SUMMARY**

# Exploits and Star Lake 2024 Forecast Expenditures

**Table 7: Exploits and Star Lake 2024 Forecast Expenditures (\$000)<sup>1</sup>**

Project Title	Original 2024 Budget	2024 Carryover from 2023	2024 Forecast	2025 Carryover	Multi-Year Cash Flow	Status
Perform Miscellaneous Upgrades – Exploits and Star Lake						Carryover
Improve Intakes 2 and 4 (2022-2024) – Grand Falls						Closed
Refurbish Exciter – Units 2 to 7 (2022-2024) – Bishop's Falls						Carryover
Perform Stator Phase and Neutral Reversal and Condition Assessment – Unit 9 (2023) – Grand Falls						Closed
Hydraulic In-Service Failures (2023) – Exploits						Closed
Refurbish Inside Spillway Gate Guidance and Sealing System (2023) – Grand Falls						Closed
Perform Level 2 Condition Assessment – Powerhouse Concrete Structure and Roof (2023) Bishop's Falls						Closed
Replace Generator PLC Control – Units 4 and 5 (2023-2024) – Bishop's Falls						Carryover
Replace Fleet Vehicles (2023) – Exploits						Closed
Modernize Protection and Controls (2023) – Star Lake – FEED <sup>2</sup>						Closed
Modernize Protection and Unit Controls (2024-2026) – Star Lake						Open
Purchase Hydraulic Tools and Equipment (2024) – Exploits and Star Lake						Closed
Hydraulic In-Service Failures (2024) – Exploits						Carryover
Perform Level 2 Condition Assessment – Inside Spillgate (2024) – Grand Falls						Carryover
Perform Life Extension (2024) – Goodyear's Dam						Carryover
Remediate Forebay Dam (2024-2025) – Buchans						Open
Replace Fleet Vehicles (2024) – Exploits						Carryover
Overhaul Units 3 and 6 (2024) – Bishop's Falls						Closed
Replace Chamber Gates Crane (2024-2025) – Bishop's Falls						Closed
Replace Vibration Monitoring System – Unit 9 (2024-2025) – Grand Falls						Closed
Refurbish Spillway Gate (2024-2028) – Bishop's Falls						Open
Upgrade Site Fencing (2024) – Grand Falls						Closed
<b>Total</b>						

<sup>1</sup> Numbers may not add due to rounding.

<sup>2</sup> Front End Engineering Design ("FEED").

29.(1)(a), 35.(1)(f), 35.(1)(g)

[nlhydro.com](http://nlhydro.com)



**Information Note**  
**Department of Industry, Energy and Technology**

**Title:** Potential Tariff Impacts

**Issue:** Potential Impacts of U.S. Tariffs on Industry, Energy and Technology (IET) Sectors

**Background and Current Status:**

- On January 31, 2025, the United States (U.S.) government announced that it would be imposing a 25 per cent tariff on all Canadian goods, effective February 4, 2025, an exception was provided for energy products, which would see a tariff of ten per cent. It is anticipated that a 25 per cent tariff on all Canadian goods would have broad and negative impacts on the provincial economy as more than a third of provincial exports currently go to the U.S. In 2022, the province exported \$7.3 billion of goods to the U.S., with these exports primarily comprising oil, minerals, and seafood.
- Various businesses and industry associations have indicated that the implementation of such tariffs would be challenging and, for some, “devastating”. The impact on specific businesses and industries will vary depending on the nature of the industry and the extent to which they export to the U.S.
- In addition, the government of Canada has announced that it will implement retaliatory tariffs on certain goods imported from the U.S. with a view to tariffs on additional good later if the U.S. tariffs continue.
- The following provides an overview of anticipated impacts specifically for IET stakeholders.

**Analysis:**

Small and Medium Enterprises (SMEs)

- A number of SMEs within the province export to the U.S. and will be directly impacted by the implementation of broad tariffs. [REDACTED] 29.(1)(a)
- Canadian Manufacturers and Exporters (CME) have provided information relating to potential impacts on a national level, however, anticipated provincial level impacts have not been provided. The tech sector has provided some provincial information (see next section), [REDACTED]

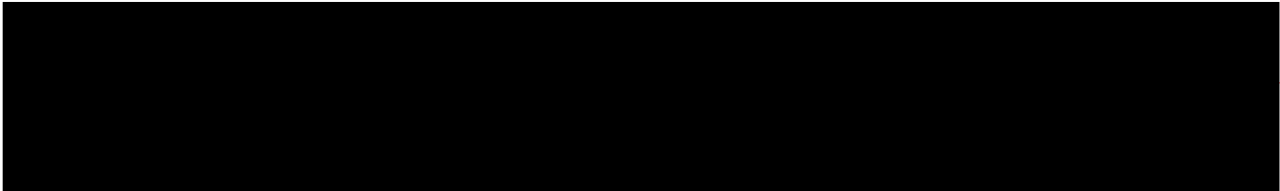
29.(1)(a), 35.(1)(d)

Tech Sector



Mining

- In 2023, NL exported nickel valued at \$464 million to the U.S., reflecting 52 per cent of provincial nickel shipments, as well as almost \$23 million in aggregate shipments. In addition, approximately 86 per cent of provincial limestone and dolomite production, valued at \$7.6 million, was shipped to the U.S. in 2023, the highest level over five years. There has been limited trade activity with the U.S. for iron ore and copper over the last five years.
- The U.S. has designated certain minerals as critical to safeguard its economic and national security, recognizing the essential role these minerals play in key industries such as energy technology, defense, and electronics. Of note, for minerals that NL currently supplies, the U.S. has identified in the short term that nickel has a near-critical supply risk, and that cobalt has a critical supply risk. In the medium-term the U.S. consider both these minerals to be at a critical supply risk level while also elevating copper to a near critical supply risk level.



29.(1)(a),  
35.(1)(d)

- In addition, NL exports of stone aggregate to the U.S. have increased in recent years. This has included mine waste rock from the Baie Verte region (Shoreline Aggregates) and mine production from the Port Aux Port peninsula (Cemex). In 2024, Cemex provided 92 person years of employment. Shoreline Aggregates have indicated they employ 65 positions when at maximum production. Cemex is the lone producer of limestone and dolomite in the province.



29.(1)(a), 35.(1)(d)


- The addition of tariffs to Canadian mineral commodities may result in U.S. sourcing its minerals from countries, however, given the immediate dependence of the U.S. on some of the above-noted minerals and existing supply chains,



29.(1)(a)

- Retaliatory tariffs may have broader impacts due to increased costs for operating supplies.

Oil and Gas

-  Unlike Alberta which is land-locked and has limited transportation options, NL's location and international shipping by oil tankers means that sales can (and do) occur anywhere accessible by tanker, including western Europe, the UK, Ireland, and other countries.

29.(1)(a)

- In 2023, approximately 50 per cent of Hibernia oil sales and 54 per cent of Hebron oil sales were to non-U.S. buyers/locations, and the sales proportion to non-U.S. buyers/locations over the years has increased.
- Oil sales occur at international pricing (virtually all sales are based on Brent pricing, an international standard benchmark), which is available to any buyers worldwide. There is no special pricing or discounts available for U.S. buyers specifically.
- The U.S. is a net importer of oil, including NL oil, [REDACTED]

29.(1)(a)

Renewable Energy

- With respect to the Wind-Hydrogen (W-H) projects that are currently in development in the Province, IET does not anticipate any direct impacts should the U.S. impose import tariffs as none of the W-H projects have advanced beyond the development stage, [REDACTED]

29.(1)(a)

**Action Being Taken:**

- IET will continue to monitor stakeholder impacts.
- IET is exploring potential supports in the event stakeholders are adversely impacted.

**Prepared/Approved by:** H. Tizzard/J. Ludmer/A. Abundo/A. Smith/S. Wilkins/C. Martin

**Ministerial Approval:**

February 3, 2025

40.(1)