

Court File No.: CV-19-614614-00CL

**IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT, INC., AND  
IMERYS TALC CANADA INC.**

**EIGHTH REPORT OF KPMG INC.,  
IN ITS CAPACITY AS INFORMATION OFFICER**

**May 28, 2024**

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

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT,  
INC., AND IMERYS TALC CANADA INC.**

**APPLICATION OF IMERYS TALC CANADA INC., UNDER SECTION 46 OF THE  
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**EIGHTH REPORT OF KPMG INC.  
IN ITS CAPACITY AS INFORMATION OFFICER**

**May •, 2024**

## I. INTRODUCTION

1. On February 13, 2019 (the “**Petition Date**”), Imerys Talc America, Inc. (“**ITA**”), Imerys Talc Vermont, Inc. (“**ITV**”) and Imerys Talc Canada Inc. (“**ITC**” and together with ITA and ITV, the “**Debtors**”), commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) in the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) by each filing a voluntary petition for relief under chapter 11 (“**Chapter 11**”) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”).
2. Also on the Petition Date, the Debtors filed various motions for interim and/or final orders (the orders entered by the US Court in respect thereof, the “**First Day Orders**”) in the Chapter 11 Proceedings to permit the Debtors to advance their reorganization. The First Day Orders included an order authorizing ITC to act as the foreign representative (in such capacity, the “**Foreign Representative**”) of the Debtors for these proceedings (the “**Foreign Representative Order**”).
3. On February 14, 2019, the US Court entered the Foreign Representative Order and other First Day Orders.
4. On February 15, 2019, ITC, in its capacity as Foreign Representative, commenced an application before the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) pursuant to Part IV of the *Companies’ Creditors Arrangement Act* (R.S.C. 1985, c. C-36, as amended) (the “**CCAA**”).
5. On February 20, 2019, the Canadian Court granted an initial recognition order, *inter alia*: (i) declaring that ITC is a “foreign representative” as defined in section 45 of the CCAA; (ii) declaring that the Chapter 11 Proceedings are recognized as a “foreign main proceeding” under the CCAA; and (iii) granting a stay of proceedings against the Debtors in Canada. The Debtors’ proceedings under the CCAA are referred to herein as the “**Recognition Proceedings**”.
6. Also on February 20, 2019, the Canadian Court granted a supplemental order, pursuant to section 49 of the CCAA, *inter alia*: (i) recognizing and giving full force and effect in Canada to certain of the First Day Orders; (ii) appointing Richter Advisory Group Inc. (“**Richter**”) as the information officer in respect of these proceedings; (iii) staying any proceedings, rights or remedies against or in respect of the Debtors, the business and property of the Debtors, the directors and officers of the Debtors in Canada, and the Information Officer (as defined herein); (iv) restraining the right of any person or entity to, among other things, discontinue or terminate any supply of products or services

required by the Debtors in Canada; and (v) granting a superpriority charge over the Debtors' property in Canada in favour of the Information Officer and its counsel, as security for their professional fees and disbursements incurred in respect of these proceedings, up to a maximum amount of CAD\$200,000.

7. On March 5, 2019, the Office of the United States Trustee for the District of Delaware (the "**Trustee**") filed a Notice of Appointment of the Official Committee of Tort Claimants (the "**TCC**"), which was formed to represent the tort claimants and ensure that their rights and interests are protected in these proceedings.
8. On June 3, 2019, the US Court entered an order appointing James L. Patton, Jr. as legal representative for future talc personal injury claimants (the "**FCR**") *nunc pro tunc* to the Petition Date (the "**FCR Order**"). On October 28, 2019, the Canadian Court granted an order which recognized and gave full force and effect in Canada to the FCR Order.
9. On July 23, 2020, the US Court entered an Order authorizing the employment and retention of Ramboll US Corporation ("**Ramboll US**") as Environmental Advisor *nunc pro tunc* to June 25, 2020 (the "**Ramboll Retention Order**").
10. On October 29, 2020, the US Court entered an Order (I) Approving Debtors' Designation of Magris Performance Materials Inc., f/k/a Magris Resources Canada Inc. ("**Magris**") as Stalking Horse Bidder and Related Bid Protections and (II) Granting Related Relief (the "**Stalking Horse Order**"). On November 3, 2020, the Canadian Court granted an order which recognized and gave full force and effect in Canada to various orders, including the Stalking Horse Order.
11. On November 3, 2020, the Canadian Court granted an order which recognized and gave full force and effect in Canada to, among other things, the Stalking Horse Order and the Ramboll Retention Order.
12. On November 17, 2020, the US Court entered an Order (I) Approving Sale of All or Substantially All of the Debtors' Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests (the "**Asset Sale**"), (II) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief (the "**Sale Approval Order**"). On November 25, 2020, the Canadian Court granted an order which recognized and gave full force and effect in Canada to the Sale Approval Order.

13. On January 26, 2021, the Canadian Court granted various orders including discharging Richter as the information officer in these proceedings and appointing KPMG Inc. (“**KPMG**” or the “**Information Officer**”) as the Information Officer effective as of the time of Richter’s discharge.
14. On February 17, 2021 (the “**Sale Date**”), the Debtors closed the Asset Sale to Magris pursuant to the Sale Approval Order.
15. On March 12, 2021, the US Court entered an Order Authorizing The Debtors To (I)(A) Employ CohnReznick LLP (“**CohnReznick**”) to Provide Interim Management Services Pursuant to 11 U.S.C. § 363, and (B) Designate Eric Danner as Their Chief Restructuring Officer (the “**CRO**”), *nunc pro tunc* to January 28, 2021, and (II) Designate Eric Danner as Their President and Treasurer Effective Upon the Closing of the Sale (the “**CRO Retention Order**”). On April 19, 2021, the Canadian Court granted an order which recognized and gave full force and effect in Canada to various orders including the CRO Retention Order.
16. On November 30, 2021, the US Court entered an Order (I) Appointing Mediators, (II) Referring Certain Matters to Mediation, and (III) Granting Related Relief (the “**Mediation Order**”). On December 22, 2021, the Canadian Court granted an order which recognized and gave full force and effect in Canada to the Mediation Order.
17. The US Court entered orders extending the term of the Mediation on March 11, 2022, April 15, 2022, May 23, 2022, July 13, 2022, September 30, 2022, January 23, 2023, and March 29, 2023. These Mediation extension orders were recognized by the Canadian Court as part of three separate recognition orders entered on May 3, 2022, September 15, 2022, and April 26, 2023.
18. On September 17, 2021, the US Court entered an Order (I) Authorizing Employment and Retention of Ramboll US as Environmental Advisor *nunc pro tunc* to August 16, 2021 and (II) Waiving Certain Informational Requirements of Local Rule 2016-2 in Connection Therewith (the “**Supplemental Ramboll Retention Order**” and together with the Ramboll Retention Order, the “**Ramboll Retention Orders**”).
19. On August 10, 2022, the US Court entered an Order (I) Approving the Broughton Reclamation Agreement and the Escrow Agreement and (II) Authorizing ITC to Perform all Obligations Thereunder (the “**Broughton Reclamation Order**”).
20. On September 15, 2022, the Canadian Court granted an order which recognized and gave full force and effect in Canada to various orders including the Broughton Reclamation Order.

21. On January 31, 2024, the Debtors filed with the US Court the Second Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code (the “**Second Joint Plan**”) and the Disclosure Statement for the Second Plan (the “**Disclosure Statement**”). The hearing to consider approval of the Disclosure Statement and related solicitation procedures has not yet been set.
22. The primary purpose of the Chapter 11 Proceedings is to confirm a plan of reorganization pursuant to the Bankruptcy Code that channels all present and future talc personal injury claims (“**Talc Personal Injury Claims**”) against the Debtors to a trust so that the Debtors can emerge from these restructuring proceedings free of talc-related liabilities.
23. KPMG, in its capacities as proposed Information Officer and Information Officer, has previously provided the Canadian Court with eight reports in respect of these proceedings. Copies of all materials and reports filed, and orders granted by the Canadian Court in these Recognition Proceedings, are available on a website (the “**Information Officer’s Website**”) established by the Information Officer for the purposes of these proceedings at <https://home.kpmg/ca/imerystalc>. Additionally, there is a link on the Information Officer’s Website to the Debtors’ restructuring website maintained by Kroll Restructuring Administration LLC f/k/a Prime Clerk LLC, (<https://cases.ra.kroll.com/imerystalc/>) which includes copies of the US Court materials and orders, notices and additional information in respect of the Chapter 11 Proceedings.

## **II. PURPOSE OF REPORT**

24. The purpose of this eighth report (the “**Eighth Report**”) of KPMG, in its capacity as the Information Officer, is to provide the Canadian Court with information concerning:
  - (a) the motion of the Foreign Representative returnable May 30, 2024, for recognition in Canada of the Mediation Extension Orders, the Supplemental Mediation Order, the Environmental Advisor Orders, the Environmental Insurance Order, the OR Settlement Order and the Stronghold Assignment Order (each as defined herein); and
  - (b) the activities of the Information Officer since the seventh report (the “**Seventh Report**”) dated April 24, 2023.

### III. TERMS OF REFERENCE

25. In preparing this Eighth Report, KPMG has relied solely on information and documents provided by the Debtors and their advisors, including unaudited financial information, declarations and affidavits of the Debtors' executives and other information provided in the Chapter 11 Proceedings (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in the Eighth Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
26. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.
27. Capitalized terms not otherwise defined herein are as defined in the affidavit of Eric Danner, the CRO, President and Treasurer of the Debtors, sworn on May 24, 2024 (the "**May 24 Danner Affidavit**") and filed in support of the Foreign Representative's motion. This Eighth Report should be read in conjunction with the May 24 Danner Affidavit, as certain information contained in the May 24 Danner Affidavit has not been included herein in order to avoid unnecessary duplication.

### IV. ORDERS OF THE US COURT FOR WHICH RECOGNITION IS SOUGHT

28. The May 24 Danner Affidavit describes the material background with respect to the Debtors' progress to confirm a plan of reorganization, including the filing of the Second Joint Plan, and this information is not repeated herein.

#### Mediation Extension Orders

29. Cyprus Mines Corporation ("**Cyprus Mines**") commenced separate reorganization proceedings in the United States Bankruptcy Court for the District of Delaware by filing a voluntary petition for relief under Chapter 11 on February 11, 2021 (the "**Cyprus Mines Bankruptcy Case**").
30. As noted above, the US Court entered the Mediation Order on November 30, 2021, which order was recognized by the Canadian Court on December 22, 2021. Pursuant to the Mediation Order,

the term of the mediation was to expire on February 28, 2022, which date could be extended by further order of the US Court.

31. Pursuant to the Mediation Order, Mr. Kenneth R. Feinberg, Esq was appointed to mediate matters relating to the settlement (the “**Global Settlement Issues**”) among and between the Debtors, the TCC, the FCR, Cyprus Mines and Cyprus Amax Minerals Company (“**CAMC**”), the official committee of tort claimants appointed in the Cyprus Bankruptcy Case (the “**Cyprus TCC**”) and the legal representative for future talc personal injury claimants (the “**Cyprus FCR**”) of Cyprus Mines (collectively, the “**Estate Mediation Parties**”). Mediation with respect to the resolution of disputes over the obligations of certain insurers that issued insurance policies to Cyprus Mines and its past or present affiliates (the “**Insurance Issues**”) were to proceed jointly with Mr. Feinberg and another mediator, Mr. Lawrence Pollack, Esq.
32. As noted in the Seventh Report, the US Court previously entered orders, which orders were also recognized by the Canadian Court, extending the mediation period to April 30, 2023.
33. On June 8, 2023, the US Court entered an order extending the mediation period to July 31, 2023 (the “**Eighth Mediation Extension Order**”) and on October 2, 2023, the US Court entered an order extending the mediation period to December 31, 2023 (the “**Ninth Mediation Extension Order**”) and together with the Eighth Mediation Extension Order, the “**Mediation Extension Orders**”). The Mediation Extension Orders were entered without hearing through certifications of counsel filed with the US Court.
34. As noted in the May 24 Danner Affidavit, the mediation period for mediation of the Global Settlement Issues and the Insurance Issues was extended to February 29, 2024, upon certification of counsel filed with the US Court on February 5, 2024.
35. The Debtors were able to reach a consensual resolution to the Global Settlement Issues as a result of the Mediation, which ultimately contributed to the filing of the Second Joint Plan and Disclosure Statement.

### **Supplemental Mediation Order**

36. As noted in the May 24 Danner Affidavit, the Debtors were of the view that mediation with certain insurers would not result in final resolution of the Insurance Issues. As a result, on July 8, 2022, the Debtors filed a Certification of Counsel informing the US Court that the Estate Mediation Parties determined it would not be cost effective or productive to continue mediation of the

Insurance Issues, and that the Estate Mediation Parties would focus efforts on resolving the Global Settlement Issues.

37. On June 13, 2023, certain insurers<sup>1</sup> filed a motion (the “**Insurers’ Motion**”) with the US Court for entry of an order to compel the Debtors and Cyprus Mines to mediate the Insurance Issues and to appoint Timothy Gallagher as mediator. The Debtors, the TCC and the FCR, and Cyprus Mines, the Cyprus TCC and the Cyprus FCR, each filed separate joint objections to the Insurers’ Motion arguing, among other things, that mediating the Insurance Issues would detract the Estate Mediation Parties from resolving the Global Settlement Issues.
38. The US Court held a hearing on June 28, 2023, to consider the Insurers’ Motion and ultimately decided to continue the motion for a period of three months. After another hearing held on September 28, 2023, the US Court entered a Supplemental Order (I) Appointing Mediators and (II) Referring Certain Matters to Mediation (the “**Supplemental Mediation Order**”) on October 16, 2023.
39. Pursuant to the Supplemental Mediation Order, among other things:
  - (a) Mr. Gallagher was appointed as co-mediator with respect to the resolution of the Insurance Issues;
  - (b) Mr. Gallagher’s mediation fee shall be paid at an hourly rate of \$1,250 (the “**Gallagher Mediation Fee**”) for work related to the mediation of the Insurance Issues. The Gallagher Mediation Fee includes the services of any employees and staff professionals of Mr. Gallagher and is capped at \$200,000 per month;
  - (c) the Gallagher Mediation Fee shall be paid 25% by the Debtors, 25% by Cyprus Mines and 50% by the Moving Insurers; and
  - (d) the term of the mediation of the Insurance Issues shall expire on December 31, 2023, which may be extended by further order of the US Court.
40. As noted above, the term for mediation of the Insurance Issues expired on February 29, 2024.

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<sup>1</sup> The insurers are identified in the motion. Collectively, these insurers are referred to as the “Moving Insurers” herein.

## Environmental Advisor Orders

41. As noted above, the US Court entered the Ramboll Retention Orders on July 30, 2020, and September 17, 2021, which orders were subsequently recognized by the Canadian Court on November 30, 2020, and October 1, 2021, respectively.
42. Under the Ramboll Retention Orders, Ramboll US was retained as the Debtors' environmental advisor to provide services to assist with, among other things, the sale of the Debtors' assets and related due diligence process, including:
  - (a) conducting an environmental site assessment at each of the Debtors' active and inactive sites;
  - (b) conducting a desktop assessment of known and potential contamination concerns and closure costs associated with sites that the Debtors formerly owned or operated and have since divested;
  - (c) preparing a range of cost estimates to address closure costs and any significant or potentially significant contamination and compliance matters;
  - (d) preparing a summary report of its complete environmental assessment (as requested by the Debtors);
  - (e) conducting due diligence related to the Debtors' acquisition of certain real property assets in Vermont; and
  - (f) providing services at the Former Sites (as defined herein), including the former mine site located in Windham, Vermont (the "**Hamm Site**").
43. The Ramboll Retention Orders also authorized the Debtors and Ramboll US to enter into additional engagement letters or proposals under which the aggregate amount of anticipated fees with respect to such engagement or proposals is less than \$50,000, provided the Debtors sought authorization of the additional work by following certain notice and objection requirements included in the Ramboll Retention Orders.
44. On May 5, 2023, the Debtors filed a second application for entry of an Order (I) expanding the scope of services which Ramboll US may perform under the existing Ramboll Retention Orders, effective *nunc pro tunc* to April 6, 2023, (II) waiving certain informational requirements of Local Rule 2016-2 in connection therewith and (III) approving procedures pursuant to which the Debtors

and Ramboll US are authorized to enter into future proposals (the “**Second Supplemental Ramboll Retention Order**”).

45. The Second Supplemental Ramboll Retention Order provides that, among other things:
  - (a) the Debtors retain Ramboll US to provide advisory services related to the Hamm Site pursuant to an agreement April 6, 2023 (the “**Hamm Site Services**”) to enable the Debtors to appropriately manage environmental responsibilities at the Hamm Mine and comply with the current environmental requirements the Hamm Site is subject to; and
  - (b) the notice threshold under which the Debtors are authorized to enter into additional proposals with Ramboll US for additional services be increased from \$50,000 to \$150,000 subject to the Debtors adhering to the noticing requirements under the Ramboll Retention Orders.
46. As an accommodation to the Debtors and to ensure that the Debtors were able to address environmental responsibilities and requirements for the Hamm Site, which required immediate attention, Ramboll US agreed to commence providing the Hamm Site Services in advance of approval of the Second Supplemental Ramboll Retention Order.
47. On June 8, 2023, the US Court entered the Second Supplemental Ramboll Retention Order without hearing through certification of counsel filed with the US Court.
48. Subsequent to the date of the Second Supplemental Ramboll Retention Order, the Debtors received notice from Ramboll US that, as part of an internal corporate consolidation to streamline its US-based operations, on or about September 1, 2023, (the “**Effective Date**”) all employees and projects of Ramboll US would be consolidated into an affiliated entity, Ramboll Americas Engineering Solutions, Inc. (“**Ramboll Americas**”). Ramboll US and Ramboll Americas are both wholly-owned indirect subsidiaries of Ramboll USA, Inc.
49. As part of the consolidation, all rights, obligations, liabilities, and contracts of Ramboll US related to the services provided to the Debtors pursuant to the Ramboll Retention Orders, including those ancillary proposals entered into between the parties relating to remediation tasks and obligations at the Debtors’ former mine sites (the “**Agreements**”), would be assigned to, and assumed by, Ramboll Americas (the “**Assignment**”).
50. On August 25, 2023, the Debtors sought entry of an Order authorizing the employment and retention of Ramboll Americas, as assignee of Ramboll US, as environmental advisor to the

Debtors (the “**Environmental Advisor Assignee Order**” and together with the Second Supplemental Ramboll Retention Order, the “**Environmental Advisor Orders**”).

51. The Assignment does not affect the parties’ current rights and obligations under the Agreements, and there would be no resulting change to the personnel teams or professionals performing the work under the Agreements.
52. The Environmental Advisor Assignee Order: (a) approved the Assignment of the Agreements, (b) amended Ramboll Retention Orders such that all references to Ramboll US shall be deemed to refer to Ramboll Americas from and after the Effective Date, and (c) authorized the employment and retention of Ramboll Americas, as assignee of Ramboll US, as environmental advisor to the Debtors.
53. On August 28, 2023, the US Court entered the Environmental Advisor Assignee Order without hearing through certifications of counsel filed with the US Court.

#### **Environmental Insurance Order**

54. On January 23, 2024, the Debtors filed a motion with the US Court for entry of an order, (a) authorizing the use of estate property outside the ordinary course of business to purchase environmental insurance and (b) granting related relief (the “**Environmental Insurance Order**”).
55. Prior to and after the Sale Date, the Debtors have been in the process of mitigating and resolving certain historical environmental liabilities at properties that were formerly owned and/or operated by the Debtors or their predecessors but excluded from the Sale to Magris (the “**Former Sites**”).
56. As at the date of the Debtors motion for the Environmental Insurance Order, the Debtors had identified fifteen (15) Former Sites, including two (2) located in Canada, where the Debtors, as owners and/or operators of the Former Sites, could be held liable for certain environmental issues pursuant to applicable federal, state, and local environmental laws and regulations.
57. As noted in the May 24 Danner Affidavit, the Debtors are not aware of any existing obligations at any of the Former Sites but are cognizant of the possibility of potential environmental issues arising in the future that may result in environmental obligations or liabilities. As a result, the Debtors sought to purchase environmental insurance to provide coverage in connection with the Former Sites. On December 15, 2023, Great American Insurance Group (“**Great American**”) issued two environmental insurance binders (the “**Binders**”) to the Debtors:

- (a) one for the two Former Sites located in Canada under a 10-year policy with total premiums of CAD\$102,270; and
  - (b) one for the thirteen Former Sites located in the United States also under a 10-year policy with total premiums of \$497,575.
58. Each policy provides the Debtors with coverage for pollution legal liability, on-site and off-site clean-up costs and non-owned disposal sites, as detailed further in the May 24 Danner Affidavit. The aggregate limit of liability for both policies together is \$25 million.
59. On March 12, 2024, the US entered the Environmental Insurance Order without hearing through certifications of counsel filed with the US Court.
60. As noted in the May 24 Danner Affidavit, Great American subsequently issued the environmental insurance policies effective December 15, 2023, substantially in the form of the Binders, shortly after US Court approval.

#### **OR Settlement Order**

61. As noted, the primary purpose of the Chapter 11 Proceedings is to confirm a plan of reorganization pursuant to the Bankruptcy Code that establishes a personal injury trust that will assume liability for, and the use of its assets to resolve, the Talc Personal Injury Claims against the Debtors. The proposed trust would be funded by, among other things, the rights of the Debtors and Cyprus Mines to numerous primary, excess, and umbrella comprehensive general liability insurance policies that provide coverage for product liabilities.
62. The Information Officer understands that the connection between Cyprus Mines and certain of the Debtors goes back to 1992 when Cyprus Mines sold its talc-related assets and certain liabilities to RTZ America Inc. (later known as Rio Tinto America, Inc.), which resulted in the formation of the entity now known as ITA.
63. Between 1985 and 1988, Old Republic Insurance Company (“**Old Republic**”) provided certain liability insurance policies (the “**OR Policies**”) to Cyprus Mines through its then-parent, Amoco Corporation, with original total limits of approximately \$6.0 million. The OR Policies also provide for defense costs outside of the coverage limits.

64. As noted in the May 24 Danner Affidavit, the Debtors, with assistance from the TCC and FCR, conducted extensive, good faith negotiations with Old Republic for the purpose of resolving disputes regarding the scope and accessibility of coverage that remains under the OR Policies. These negotiations resulted in a settlement assignment agreement dated April 9, 2024 by and among the Debtors, Cyprus Mines, CAMC and Old Republic (the “**OR Settlement Agreement**”).
65. The OR Settlement Agreement resolves all claims of the Debtors, Cyprus Mines, and CAMC against Old Republic in respect of the OR Policies. The material terms of the OR Settlement Agreement are outlined in the May 24 Danner Affidavit and include:
- (a) Old Republic will pay a total of \$6.25 million (the “**OR Settlement Payment**”) to the trust to be established for the benefit of claimants of Talc Personal Injury Claims;
  - (b) OR Settlement Payment will be made by Old Republic within thirty (30) days of the earliest date on which both of the following preconditions shall have occurred: (i) the US Court’s orders approving the OR Settlement Agreement become final and non-appealable, and (ii) the effective date of the plans in the Chapter 11 Proceedings and the Cyprus Mines Bankruptcy Case; and
  - (c) the OR Policies will be sold back to Old Republic free and clear of all liens, Claims, Interests, and encumbrances under section 363(f) of the Bankruptcy Code.
66. On April 18, 2024, the Debtors and Cyprus Mines filed a joint motion for entry of an Order (I) approving the OR Settlement Agreement and (II) approving the sale of the OR Policies (the “**OR Settlement Order**”).
67. On May 10, 2024, the US Court entered the OR Settlement Order without hearing through certifications of counsel filed with the US Court.

### **Stronghold Assignment Order**

68. Between 1980 and 1984, Stronghold Insurance Company Limited (“**Stronghold**”) provided certain insurance policies (the “**Stronghold Policies**”) to Cyprus Mines through its then-parent, Amoco Corporation, with original total limits of approximately \$7.8 million.

69. Stronghold commenced voluntary insolvency proceedings pursuant to Companies Act 2006 under the laws of the United Kingdom. ITA, on behalf of the Debtors, submitted a claim in the Stronghold proceedings for full amount of the original coverage limit (the “**ITA Scheme Claim**”).
70. As noted in the May 24 Danner Affidavit, the Debtors, with assistance from the TCC and the FCR, conducted extensive, good faith negotiations with Stronghold for the purpose of resolving disputes regarding the value of the ITA Scheme Claim and the scope of Stronghold’s obligations to provide coverage for Talc Personal Injury Claims. These negotiations resulted in an assignment agreement dated April 12, 2024, by and among ITA and Stronghold (the “**Stronghold Assignment Agreement**”).
71. The Assignment Agreement resolves all claims of ITA against Stronghold in respect of the Stronghold Policies. Pursuant to the Stronghold Assignment Agreement, Stronghold shall assign to ITA all of Stronghold’s rights, title and interest in, and the full benefit of, any Indemnity from the Indemnitor and all rights and benefits in respect of amounts receivable or accruing to Stronghold under any Indemnity. Upon confirmation of any plan, ITA shall assign such rights, title and interest in, and the full benefit of, any such Indemnity to the personal injury trust to be established thereto. The other material terms of the Stronghold Assignment Agreement are outlined in the May 24 Danner Affidavit.
72. On April 18, 2024, the Debtors filed a motion for entry of an Order approving the Stronghold Assignment Agreement (the “**Stronghold Assignment Order**”).
73. On May 13, 2024, the US Court entered the Stronghold Assignment Order without hearing through certifications of counsel filed with the US Court.

## **V. ACTIVITIES OF THE INFORMATION OFFICER**

74. The activities of the Information Officer since the date of the Seventh Report include:
  - (a) communicating with the Debtors’ advisors, including the CRO, and the Information Officer’s counsel regarding the status of matters related to the Chapter 11 Proceedings and the Recognition Proceedings;
  - (b) reviewing materials filed by various parties in the Chapter 11 Proceedings in connection with the Mediation Extension Orders, the Supplemental Mediation Order, the

Environmental Advisor Orders, the Environmental Insurance Order, the OR Settlement Order and the Stronghold Assignment Order;

- (c) reviewing the Debtors' cash flow reporting and professional fee reimbursement requests, and corresponding with the CRO and CohnReznick on same;
- (d) communicating with the CRO regarding the status of matters related to the mediation and the Second Joint Plan;
- (e) attending before the Canadian Court in respect of the Foreign Representative's motion for recognition of, among other things, the Stipulation Order;
- (f) maintaining and updating, as necessary, the Information Officer's Website; and
- (g) preparing this Eighth Report.

## **VI. INFORMATION OFFICER'S RECOMMENDATION**

75. Based on the Information received and reviewed, the Information Officer is of the view that it is reasonable to recognize the Mediation Extension Orders, the Supplemental Mediation Order, the Environmental Advisor Orders, the Environmental Insurance Order, the OR Settlement Order and the Stronghold Assignment Order, and respectfully recommends that the Canadian Court grant the recognition order being sought by the Foreign Representative in its motion returnable May 30, 2024.

All of which is respectfully submitted this 28<sup>th</sup> day of May, 2023.

**KPMG Inc.**

**In its capacity as the Information Officer of**

**Imerys Talc America, Inc., Imerys Talc Vermont, Inc. and Imerys Talc Canada Inc.**

**And not in its personal or corporate capacity**

Per:

A handwritten signature in black ink, appearing to read 'P. Patel', with a long horizontal flourish extending to the right.

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**Pritesh Patel, CIRP, LIT**  
Senior Vice-President

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
PROCEEDING COMMENCED AT TORONTO

**EIGHTH REPORT OF THE INFORMATION OFFICER**  
**May 28, 2024**

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