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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

- NEVADA COPPER, INC.
- NEVADA COPPER CORP.
- NC DITCH COMPANY LLC
- NC FARMS LLC
- LION IRON CORP.
- 0607792 B.C. LTD.

Debtors.¹

Lead Case No.: 24-50566-hlb
Chapter 11

Jointly Administered with:
Case No. 24-50567-hlb
Case No. 24-50568-hlb
Case No. 24-50569-hlb
Case No. 24-50570-hlb
Case No. 24-50571-hlb

Hearing Date: September 24, 2024
Hearing Time: 10:00 a.m.

**DECLARATION OF LAURA FERNANDEZ IN SUPPORT OF
ORDER (I) APPROVING THE SALE OF ASSETS FREE AND CLEAR
OF ALL ENCUMBRANCES, AND INTERESTS, (II) AUTHORIZING
THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES, AND (III) GRANTING RELATED RELIEF**

I, Laura Fernandez, hereby declare under penalty of perjury:

1. I am a Principal of Kinterra Capital Corp. ("**Kinterra**"), an affiliate of Southwest Critical Materials LLC ("**Buyer**"). I am also a Manager of the Buyer. I offer this testimony in

¹ The Debtors in these chapter 11 cases and the last four digits of their registration numbers in the jurisdiction in which they are organized are: Nevada Copper, Inc. (1157) (Nevada); Nevada Copper Corp. (5323) (British Columbia); 0607792 B.C. Ltd. (2524) (British Columbia); Lion Iron Corp. (2904) (Nevada); NC Farms LLC (0264) (Nevada); and NC Ditch Company LLC (4396) (Nevada).

1 support of the proposed *Order (I) Approving the Sale of Assets Free and Clear of all*
2 *Encumbrances and Interests, (II) Authorizing the Assumption and Assignment of Certain*
3 *Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* (the “**Sale Order**”)²
4 filed by Nevada Copper, Inc. and its affiliated debtors in the above-captioned cases (collectively,
5 the “**Debtors**”), and specifically in support of the findings contained in the Sale Order regarding
6 good faith and adequate assurance in connection with the proposed sale of the Purchased Assets
7 to the Buyer (the “**Sale**”) pursuant to that certain Asset Purchase Agreement, by and among the
8 Debtors and the Buyer, dated as of August 9, 2024 (as amended or modified, the “**Asset Purchase**
9 **Agreement**”).

11 2. Except as otherwise indicated, the facts and statements in this declaration are based
12 on my personal knowledge, my review of relevant documents, information provided to me or
13 verified by Kinterra or its professional advisors, and my opinion is based on experience and
14 knowledge of the circumstances and negotiations in connection with the Debtors and the Buyer
15 entering into the Asset Purchase Agreement. I am authorized to make this declaration on behalf
16 of Kinterra and the Buyer. If called on to testify, I would testify competently to the facts set forth
17 in this declaration.

18 **Experience and Qualifications**

19 3. I have worked at Kinterra since 2022 in roles as a Managing Director and Principal.
20 In my role as Principal, I help to shape the strategic direction of the firm and serve as a senior
21 member on Kinterra’s Investment Committee.

22 4. Prior to joining Kinterra, from 2012 until 2022, I was a Principal, Associate General
23 Counsel and Corporate Liaison for Environmental and Permitting of Waterton Global Resource
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26
27 ² Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Sale
28 Order or the Asset Purchase Agreement (as defined below), as applicable.

1 Management, Inc., a resources-focused private equity fund with approximately \$2 billion in assets
2 under management. Throughout my career I have developed deep experience in the mining
3 industry, particularly with respect to environmental, permitting, and compliance issues. From
4 2019 until 2021 I served as a Trustee Member of the American Exploration and Mining
5 Association. Prior to my career in private equity, I was an associate at Heenan Blaikie LLP in
6 Toronto, Ontario. I hold law degrees from the University of Ottawa and Vermont Law School and
7 a Bachelor's degree from the University of Western Ontario.
8

9 5. Among my current responsibilities, I identify and evaluate potential acquisitions
10 for Kinterra. In this capacity, I was part of the transactional team that led the negotiation of the
11 Asset Purchase Agreement on behalf of Kinterra and the Buyer.

12 **Background Regarding Kinterra**

13 6. Kinterra is a private equity firm focused on developing critical materials assets and
14 associated infrastructure necessary to advance the energy transition. Kinterra brings many years
15 of experience in the mining industry, and its principals have raised over \$2.5 billion of assets over
16 the past decade from first tier institutional investors and some of the largest financial institutions
17 in North America. Pursuant to the Asset Purchase Agreement, the Buyer, an affiliate of Kinterra
18 Battery Metals Mining Fund, LP, an investment fund managed by Kinterra, has agreed to acquire
19 the Purchased Assets for approximately \$128 million in cash, plus the assumption of certain
20 liabilities (subject to certain adjustments as set forth in the Asset Purchase Agreement).
21

22 7. Kinterra's interest in the Purchased Assets is strengthened by Kinterra's deep
23 domain expertise across the mining sector and its team's track record of accelerating financial
24 performance and growth of mining companies with which it has partnered in the past. The Kinterra
25 management team has extensive experience in the global mining industry at premier investment
26 firms. Kinterra maintains an in-house team of technical experts in the domains of geology,
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1 minerals processing, mining engineering, and permitting which will allow the Buyer to
2 expeditiously assume control over the Purchased Assets and optimize them. Kinterra's
3 management team members have successfully completed multiple large-scale mergers and
4 acquisitions transactions in the mining and critical materials sectors and have a demonstrated track
5 record of executing transactions of the type contemplated by the Sale.

6 **Good Faith of the Buyer**

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8 8. I have been actively involved in the due diligence and negotiations leading to the
9 Sale. Kinterra, the Buyer, and their respective employees, directors, officers, agents, advisors, and
10 other representatives, have acted in good faith in all respects relating to the bidding process,
11 Auction, and Sale. The Debtors were free to deal with any other party interested in acquiring the
12 Purchased Assets and, from my perspective, the Debtors thoroughly pursued a marketing and sale
13 process facilitated by their investment bankers at Moelis & Company. The Asset Purchase
14 Agreement and related documents were extensively negotiated by the parties and entered into by
15 the Buyer and its applicable Affiliates in good faith, without any collusion, fraud, or attempt to
16 take unfair advantage of any party, including any other potential purchaser. Without the
17 protections of section 363(m) of the Bankruptcy Code, the Buyer would not have entered into the
18 Asset Purchase Agreement and would not proceed to consummate the Sale.
19

20 9. The Asset Purchase Agreement is the result of hard-fought, arm's-length
21 negotiations among Kinterra and the Buyer, on one hand, and the Debtors on the other hand, each
22 of which was represented by separate and sophisticated counsel and other advisors. The
23 transaction memorialized in the Asset Purchase Agreement was selected by the Debtors as the
24 highest or otherwise best bid after no other Qualified Bids were received by the Debtors prior to
25 the deadline approved by the Court pursuant to the Bidding Procedures Order.
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1 10. Kinterra and the Buyer have not engaged in any collusion or other similar conduct
2 that would cause or permit the Sale to be avoidable under section 363(n) of the Bankruptcy Code.
3 To the best of my knowledge and after reasonable due inquiry, neither Kinterra, the Buyer, nor
4 any of their respective Affiliates, officers, directors, managers, equity holders, members or any of
5 their respective successors or assigns is an “insider” or “affiliate” of any of the Debtors, and no
6 common identity of directors and officers exists between Kinterra, Kinterra Battery Metals Mining
7 Fund, LP, or the Buyer, on the one hand, and any of the Debtors, on the other hand.
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9 **Negotiation of the Terms of the Sale Order**

10 11. Kinterra and the Buyer specifically negotiated for the form of the proposed Sale
11 Order, including, without limitation, the provisions regarding: (i) the good-faith-purchaser
12 protections under section 363(m) of the Bankruptcy Code; (ii) the Sale being free and clear of any
13 and all liens, claims, and interests (except for certain liens expressly permitted and liabilities
14 expressly assumed in accordance with the Asset Purchase Agreement); and (iii) the assignment of
15 Contracts. Without the inclusion of such terms in the Sale Order, the Buyer would not have entered
16 into the Asset Purchase Agreement and will not consummate the Sale.
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18 **Ability to Provide Adequate Assurance**

19 12. The Buyer has the financial wherewithal necessary to consummate the Sale and
20 meet its obligations under any executory contracts and unexpired leases to be assumed and
21 assigned pursuant to the Asset Purchase Agreement (the “**Assigned Contracts**”).
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23 13. Kinterra and the Buyer have at their disposal an experienced team that has strong
24 relationships with government and community leaders. Furthermore, the Buyer intends to keep
25 key personnel of the Debtors in place to mitigate any transition risks inherently associated with
26 new ownership. As such, the Buyer will have in place personnel with extensive knowledge and
27 experience with respect to the engineering, safety, efficiency, permitting, regulatory,
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1 environmental, technological, and contractual aspects of the mining operations with respect to the
2 Purchased Assets.

3 14. The Buyer will be well capitalized after consummating the Sale. At the closing of
4 the Sale, the Buyer will have sufficient cash on hand to meet its operational obligations. Post-
5 closing, the Buyer will further invest in the Purchased Assets on annual and quarterly budgets
6 determined by its operational needs and obligations, including those under the Assigned Contracts.
7 The Buyer will also have access to additional capital from its sole shareholder, Kinterra Battery
8 Metals Mining Fund LP, as necessary to meet its budgetary needs.
9

10 15. Accordingly, the Buyer has the support necessary to perform its obligations in
11 connection with the Sale, including (i) the payment of all required cure amounts, and (ii) future
12 performance, in each case under the Assigned Contracts.

13 16. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing
14 is true and correct to the best of my knowledge and belief.
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16 Dated: September 24, 2024

17 /s/Laura Fernandez
18 Name: Laura Fernandez
19 Title: Principal
20 KINTERRA CAPITAL CORP.
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