

Court File No.: CV-14-509885-00CP

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

CLAIRE BALDWIN

Plaintiff

- and -

IMPERIAL METALS CORPORATION, J. BRIAN KYNOCH, ANDRE DEEPWELL,
LARRY G. MOELLER, LAURIE PARE, N. MURRAY EDWARDS,
EDCO FINANCIAL HOLDINGS LTD. and EDCO CAPITAL CORPORATION

Defendants

Proceeding under the *Class Proceedings Act, 1992*

AFFIDAVIT OF CLAIRE BALDWIN
(sworn April 28, 2023)

I, CLAIRE BALDWIN, of the City of Calgary, in the Province of Alberta, MAKE

OATH AND SAY:

INTRODUCTION

1. I am the Plaintiff in this action. Accordingly, I have personal knowledge of the matters to which I hereinafter depose. Where that knowledge is based on information I have obtained from others, I have so indicated and believe that information to be true.
2. No portion of this affidavit is meant to waive nor should it be construed as a waiver of attorney client, litigation or any other privilege.

RETAINER

3. I retained Siskinds LLP (“**Siskinds**”) as my counsel in this case. Groia & Company Professional Company (“**Groia**”) acted as co-counsel (Groia together with Siskinds are referred to as “**Class Counsel**”). A copy of my retainer agreement is attached as **Exhibit “A”** to this affidavit. It is a contingency fee retainer. I would not have been able to retain Siskinds or Groia on an hourly fee basis for this case.
4. I am a class member within the class definition certified by this Court on consent on February 10, 2023.

MY ONGOING INVOLVEMENT IN THE ACTION

5. Since retaining Class Counsel, I have been in contact with Michael Robb a partner at Siskinds. He has provided me with details regarding the status of the action, provided key documents, made recommendations to me, and sought my instructions on all material matters.
6. I have been actively involved in the litigation. Among other things:
 - (a) I reviewed the Statement of Claim and Amended Statement of Claim;
 - (b) On August 17, 2016, I swore an affidavit in support of my motion for leave of the court to assert the claims in section 138.3 of the *Securities Act*;
 - (c) I reviewed key material filed in support of my motion for leave;
 - (d) I reviewed key material filed by the Defendants in response to my leave motion;

- (e) I discussed the mediation with and provided instructions to Mr. Robb prior to the mediation;
 - (f) I reviewed the Settlement Agreement and proposed Plan of Allocation;
 - (g) I am making this affidavit in support of settlement approval, counsel fees and the Plan of Allocation; and
 - (h) I have been in regular contact with Mr. Robb about the progress of the action.
7. I estimate that I have dedicated at least 80 hours to the prosecution of this action on behalf of the Class.

SETTLEMENT AGREEMENT AND PLAN OF ALLOCATION

8. In the summer of 2022, I agreed to a mediation with the Defendants. The mediation was held on August 22, 2022. In advance of the mediation, I discussed the terms of a potential settlement with Mr. Robb. Following this discussion, I provided Mr. Robb with my instructions. At the August 22, 2022 mediation, an agreement in principle was reached with the Defendants to resolve the litigation for \$6,000,000.00 without admission of liability and in exchange for full and final releases.
9. On November 16, 2022, a term sheet was signed confirming the settlement of the action on specific terms. A formal settlement agreement was entered on January 31, 2023.
10. I have reviewed the terms of the Settlement Agreement with Mr. Robb. I approve the terms of the Settlement Agreement, which are reasonable to me given the risks associated with the action and the Defendants' limited insurance.

11. From my review of the settlement, I understand that payments will be made to members of the class (after payment of lawyers' fees, repayment of disbursements incurred by my lawyers, taxes, administration expenses, and any honorarium that the Court might award me), based on a formula in the Plan of Allocation. I have reviewed the Plan of Allocation. I understand from Mr. Robb that the Plan of Allocation is based on the damages formula in the part of Ontario's *Securities Act* that the majority of this action was brought under. I am not an expert in these matters, but that seems fair.
12. In my opinion, people who lost money should be compensated where it is economical to do that, and I believe this process has a good chance of doing so with the resources available. I feel I have contributed something to other class members by having helped achieve this.
13. I understand that the settlement must be approved by the Court. I have instructed Class Counsel to seek approval of the Settlement Agreement.
14. Even if the Settlement Agreement is not approved, I am prepared to continue acting as a representative plaintiff.

CLASS COUNSEL FEES AND DISBURSEMENTS

15. The action was prosecuted on a contingency fee basis, and I knew Class Counsel would not be paid for fees or disbursements they incurred unless the action was successful. The fee provided under the retainer agreement is 25% of the amount recovered. I understand from Mr. Robb that Class Counsel will seek a fee of 25% of the value of the settlement, plus disbursement and applicable taxes on those fees and disbursements.

Sworn remotely by Claire Baldwin in the City
of Calgary, in the Province of Alberta, before
me before me in the City of London, in the
Province of Ontario on April 28, 2023, in
accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)



CLAIRE BALDWIN

This is Exhibit "A" mentioned and referred to in the Affidavit of Claire Baldwin SWORN/AFFIRMED before me at the City of Calgary, in the Province of Alberta, this 28th day of April, 2023.

A handwritten signature in black ink, appearing to read "Garth Hunter". The signature is fluid and cursive, with the first name "Garth" and last name "Hunter" clearly distinguishable.

A Commissioner etc.

CONTINGENCY FEE RETAINER AGREEMENT

1. I, Claire Baldwin, of 1115 Hunterston Road NW, Calgary AB T2K 4M9, hereby retain and employ the law firm of Siskinds LLP (“**Siskinds**”) as my lawyers in relation to class proceedings pursuant to the Ontario *Class Proceedings Act, 1992*, naming me as the plaintiff and a proposed representative plaintiff on behalf of a class of persons who acquired securities of Imperial Metals Corporation (“**Imperial**”) from August 15, 2011 to August 4, 2014, inclusive, and held some or all of those securities as of August 5, 2014, other than certain excluded persons affiliated with the defendants (the “**Class**”), or such other Class that Siskinds may propose or may be approved by the Ontario Superior Court of Justice (the “**Court**”).
2. I have authorized Siskinds to commence proceedings, on my behalf, against Imperial and such other defendants associated with Imperial as Siskinds deems appropriate to name, who may include J. Brian Kynoch, Andre Deepwell, Larry G. Moeller, Laurie Pare, N. Murray Edwards, Edco Financial Holdings Ltd. and Edco Capital Corporation.
3. I understand that the Ontario *Class Proceedings Act, 1992* (“**CPA**”) contemplates that a proposed class proceeding must be certified by the Court as a class proceeding in order that the proposed representative plaintiff(s) can represent the Class.
4. I authorize Siskinds, when acting on my behalf as representative plaintiff, to take such actions and conduct the class proceeding as it considers appropriate. However, I understand that I retain the right to make all critical decisions regarding the conduct of the class proceeding, but always with a view to the best interests of the Class. If I make a decision regarding the conduct of the class proceeding that Siskinds does not consider to be in the best interests of the Class, Siskinds will seek directions from the Court on the issue.

Taxes and Disbursements

5. Harmonized Sales Tax (“**H.S.T.**”), currently at the rate of 13%, is payable on legal fees and disbursements. H.S.T. and any other taxes payable will be paid at the prevailing rate.
6. I have been advised and understand that disbursements will include the costs of obtaining financial reports, expert opinions and such items as postage, courier charges, long distance telephone charges, photocopies, fax charges, and all costs associated with the proceeding such as court filing fees, service of documents, court reporter fees and transcript costs, as well as other disbursements such as experts’ fees to quantify economic losses, mediation costs, travel and accommodation costs, and other miscellaneous expenses, including the taxes thereon.
7. I understand that the *CPA* permits Siskinds to charge interest on disbursements incurred, as totaled at the end of each six-month period following the date of this Retainer Agreement. Interest charged on disbursements will be calculated in accordance with the post-judgment interest rate set by the Ministry of the Attorney General, as required under the *Courts of Justice Act* and the *Publication of Postjudgment and Prejudgment Interest Rates* regulation.

8. I understand that Siskinds will pay all disbursements and taxes with respect to this action and that I will not pay for any disbursements and taxes relative to this litigation, other than the contingency fee and expense reimbursement referenced below to be paid from a settlement, judgment or award and approved by the Court.

Contingency Fee

9. I understand that this litigation is to be pursued on a contingency basis such that fees and disbursements with respect to the common issues will be payable only in the event of success in the class proceeding. For greater certainty, I understand that in the event that no “success” (as defined below) is achieved, I will not be indebted to Siskinds for the fees, disbursements and applicable taxes incurred by Siskinds in prosecuting this proceeding.
10. I understand that, according to the *Ontario Class Proceedings Act, 1992*, “success” in a class proceeding includes:
- (a) judgment on the common issues in favour of some or all members of the Class; and
 - (b) a settlement, including a partial settlement with less than all named defendants where the proceeding is ongoing against non-settling defendants, that benefits one or more class members.
11. I understand that legal fees will be charged on a percentage basis. I understand that, pursuant to this agreement, Siskinds may request approval from the Court of a legal fee at the applicable percentage rate(s) determined in accordance with the paragraphs below, plus disbursements and interest thereon, plus applicable taxes on the fees and disbursements, to be paid in a lump sum from any settlement, judgment or award obtained for the benefit of some or all members of the Class.
12. I understand that the legal fee will be calculated based on all benefits obtained for the Class by settlement, judgment or award, including, without limitation, settlement funds, damages award, pre-judgment interest and/or post-judgment interest, plus interest earned on such benefits while held in trust (collectively, the “**Amount Recovered**”). The Amount Recovered does not include the defendant’s contribution to costs.
13. The applicable percentage rate shall be 25%.

Example Fee Calculation, Costs and Funding

14. In the event of a success, Siskinds’ fee will be calculated by multiplying the Amount Recovered by 25% (pursuant to paragraph 13 above), plus disbursements, interest on disbursements and applicable taxes.

By way of example:

If the proceeding settles for damages and prejudgment interest of \$6,000,000.00 and Siskinds has incurred \$50,000.00 in disbursements, Siskinds' fee will be calculated as follows:

Siskinds fee (\$6,000,000.00 x 25%)	\$1,500,000.00
H.S.T. on fee (\$1,500,000.00 x 13%)	\$195,000.00
Disbursements	\$50,000.00
H.S.T. on disbursements (\$50,000.00 x 13%)	\$6,500.00
Total Siskinds account	\$1,751,500.00

In this example the net recovery to the Class after the legal fee and H.S.T. thereon, plus disbursements and H.S.T. thereon would be \$4,248,500.00, calculated as follows:

Total settlement (inclusive of damages, pre-judgment interest, interest while held in trust, and defendant's contribution to costs)	\$6,000,000.00
Siskinds' account	\$1,751,500.00
Net proceeds of settlement (to be distributed among class members)	\$4,248,500.00

15. Siskinds and I understand that if the Court orders that I pay some portion of the costs incurred by the defendants in this litigation while Siskinds is counsel of record, Siskinds will indemnify me against any such award and I will not personally have to satisfy such an award.

Court Approval of Fee Request

16. I understand that Siskinds' legal fees shall be subject to approval by the Court.
17. Siskinds undertakes to seek approval of legal fees, disbursements and taxes in accordance with the terms of this Contingency Fee Retainer Agreement. If I am concerned that the fees sought for approval are not in compliance with this Contingency Fee Retainer Agreement, I am entitled to raise this objection at the fee approval hearing.
18. I understand that, in considering Siskinds' fee request, the court may consider, among other things, this retainer agreement, the amount of any settlement or judgment obtained, the risk undertaken by Siskinds in prosecuting the action, and the time and expense incurred by Siskinds in prosecuting the action.
19. I have been advised by Siskinds that they will not recover more in fees than the Class recovers as damages or receives by way of settlement.

Payment of Monies

20. I agree and direct that all funds claimed by Siskinds for legal fees, cost, taxes and disbursements shall be paid to Siskinds in trust from any judgment or settlement money.

Association with Other Law Firms

21. I understand that Siskinds may associate with other law firms in the prosecution of this action, including, without limitation, Siskinds' Quebec affiliate law firm, Siskinds Desmeules sncrl and GROIA & COMPANY Professional Corporation.

Acknowledgements

22. I acknowledge:
- (a) having been advised by Siskinds that I retain the right to make all critical decisions regarding the conduct of this action, but always with a view to the best interests of the Class;
 - (b) that the standard hourly rates of the Siskinds lawyers who are expected to be the principal lawyers in this matter are:
 - (i) Michael Robb: \$900; and
 - (ii) Garrett Hunter: \$425;
 - (c) that the aforementioned standard rates may be increased in the ordinary course of business;
 - (d) that I have been advised that hourly rates may vary among solicitors and that I can speak with other solicitors to compare rates;
 - (e) that I have chosen to retain Siskinds by way of a contingency fee agreement; and
 - (f) that I understand that all usual protections and controls on retainers between a solicitor and client, as defined by the Law Society of Ontario and the common law, apply to this agreement.

Termination of Relationship

23. I understand that, if either I or Siskinds wish to terminate this relationship, I or Siskinds will forthwith move before the Court for directions. I acknowledge that Siskinds has incurred and will continue to incur significant time and financial risk in the prosecution of this action. Accordingly, if I engage another solicitor to act in the action or if I otherwise terminate this agreement and the action is successful, Siskinds will be paid fees and disbursements in accordance with the terms of this agreement.

Privacy & Protection of Information

24. I understand and agree that, in having retained Siskinds to provide the legal services described in this Contingency Fee Retainer Agreement, the collection, use, retention, and disclosure of personal and other sensitive information may be required in order to fulfil

those services and related obligations. I have read the Siskinds Privacy Policy respecting the management of personal and sensitive information and understand that such information will be used by Siskinds for only the purposes set out in this Contingency Fee Retainer Agreement and for no other purpose without my express written consent pursuant to this Privacy Policy.

25. Regarding electronic transmission of personal information (i.e. email), I acknowledge that there is no method of transmitting or storing data that is completely secure and that, notwithstanding the technological safeguards used by Siskinds, all Internet transmissions are susceptible to possible loss, misrouting, interception and misuse. Notwithstanding the potential risk, I specifically consent to Siskinds transmitting personal information electronically where necessary in the prosecution of the action.
26. I understand that, as of July 1, 2014, legislation requires Siskinds to obtain consent to send certain electronic communications that may not be related to this retainer. By initialing below, I specifically consent and agree herein to receive communications from Siskinds, which are expected to be very infrequent, including, without limitation, announcements regarding class actions, practice updates, newsletters, publications, event invitations or other information that may be of interest to me. Siskinds and I understand that, to the extent any such information is sent to me, it is intended that it be relevant and useful information. I understand that consent to receive such electronic communications may be withdrawn at any time by contacting Siskinds at subscriptions@siskinds.com or by mail.

Initial: _____

Conflicts of Interest

27. I understand that because Siskinds is a large multi-disciplinary firm, Siskinds frequently represents clients that are competitors, customers or suppliers, or have other commercial, and at times legal, interests that are adverse to one another. It is possible that during or following the time Siskinds represents me, another existing or new client may have disputes with me that are unrelated to the matters that Siskinds is handling or has handled for me. I understand that Siskinds will represent me in this and future matters on the understanding that Siskinds represents other clients and may accept engagements from them on other matters that may be adverse to me. However, I understand that Siskinds will not act for another client against my interests if the matter is substantially related to any matter in which Siskinds is representing me. If the foregoing conditions are satisfied, I agree that Siskinds may undertake the adverse representation and that all conflict of interest issues will be deemed to have been waived by me.

Enforcement

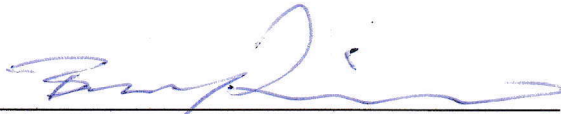
28. This Contingency Fee Retainer Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective heirs, executors, successors and permitted assigns.

29. This agreement may be executed in counterparts, each of which when so executed and delivered shall be an original, but all such counterparts together constitute one and the same instrument.
30. This Contingency Fee Retainer Agreement replaces any former agreement(s) that the parties may have previously executed and shall remain in full force and effect until cancelled in writing.
31. This Contingency Fee Retainer Agreement shall be governed by the laws of Ontario and the laws of Canada applicable in Ontario.


I accept the terms and conditions as outlined herein, and acknowledge receipt of a copy of this Contingency Fee Retainer Agreement.

DATED at the City of Calgary, in the Province of Alberta, this 15th day of April, 2023.

WITNESS



Name: Barry Quinn
Address: 1115 Hunterston Road NW
Calgary AB T2K 4M9
403-808-2972



Name: Claire Baldwin
Address: 1115 Hunterston Road NW
Calgary AB T2K 4M9
403-966-0658

DATED at the City of _____, in the Province of _____, this _____ day of _____, 2023.

WITNESS

SISKINDS LLP

Name:
Address:

Per:
275 Dundas Street, Unit 1
London ON N6B 3L1
519-660-7872

- 6 -

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WITNESS


 Name: Barry Quinn
 Address: 1115 Hunterston Road NW
 Calgary AB T2K 4M9
 403-808-2972

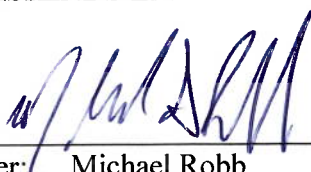
 Claire Baldwin
 1115 Hunterston Road NW
 Calgary AB T2K 4M9
 403-966-0658

DATED at the City of London, in the Province of Ontario, this 17th day of April, 2023.

WITNESS

SISKINDS LLP


 Name: Garrett Hunter
 Address: 272 Dundas Street, Unit 1
 London ON N6B 3L1
 519-660-7802


 Per: Michael Robb
 275 Dundas Street, Unit 1
 London ON N6B 3L1
 519-660-7872