

No. S-160322  
 Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA  
 IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF  
 BANKS ISLAND GOLD LTD.

**ORDER MADE AFTER APPLICATION**

BEFORE ) THE HONOURABLE MADAM )  
 ) JUSTICE MURRAY ) 06/Dec/2018  
 ) )

ON THE APPLICATION of FTI Consulting Canada Inc., in its capacity as the Court-appointed receiver and manager (the **"Receiver"**) of the undertaking, property and assets of Banks Island Gold Ltd. (the **"Debtor"**), for an order approving the sale transaction (the **"Transaction"**) contemplated by an asset purchase agreement (the **"Sale Agreement"**) between the Receiver and MCC Canadian Gold Ventures Inc. (the **"Purchaser"**) dated October 22, 2018, and vesting in the Purchaser (or its nominee, if any) the Debtor's right, title and interest in and to the purchased assets as defined in the Sale Agreement; coming on for hearing at Vancouver, British Columbia on December 6, 2018 and on hearing Christopher J. Ramsay, counsel for the Receiver and the counsel on the list attached hereto as **Schedule "A"**, and upon reading the materials filed, and pursuant to the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

**THIS COURT ORDERS AND DECLARES THAT:**

**SERVICE**

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given.

**APPROVAL OF CONDUCT**

2. The actions, conduct and activities of the Receiver and the Receiver's counsel set out in the First and Second Report are hereby approved and confirmed.

3. The Receiver's statement of receipts and disbursements as set out in the Second Report, are hereby approved and confirmed.

4. The Receiver's fees and disbursements from August 2016 to April 30, 2018 as described in the first Affidavit of Craig Munro, including the Receiver's legal fees from January 2016 to the completion of the Receivership are hereby approved and confirmed.

5. The Receiver's anticipated fees and disbursements from May 2018 onwards as set out in the Second Report through to the completion of the Receivership are hereby approved and confirmed.

### **Discharge of Receiver and Termination of Receivership**

6. The Receiver is hereby discharged from its duties under the Receivership Order, and these Receivership proceedings are terminated effective immediately upon the date the Receiver files in these proceedings the Receiver Discharge Certificate attached as **Schedule "B"** to this Order.

### **APPROVAL OF TRANSACTION**

7. The Transaction contemplated by the asset purchase agreement dated October 22, 2018, a copy of which is attached as Appendix "B" to the Second Report of the Receiver, is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the purchase of the assets described in the Sale Agreement and listed in **Schedule "D"** hereto (the **"Purchased Assets"**) to the Purchaser.

### **VESTING OF PROPERTY**

8. Upon the delivery of a Receiver's certificate to the Purchaser in the form set out in **Schedule "C"** to this Order (the **"Receiver's Vesting Certificate"**), all of the Debtor's right, title and interest in and to the Purchased Assets shall vest absolutely in the name of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, 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:

- (a) any encumbrances or charges created by the Receivership Order; and
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*, RSBC 1996, chapter 359 or any other personal property registry system;

For greater certainty, this Court orders that all of the Claims affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets, except for the Permitted Encumbrances.

9. Nothing in this Order exempts or relieves the Purchaser from obtaining any consents, approvals or giving any notices required under

- (a) any enactment of the Province of British Columbia (the "Province"), or,
- (b) any agreement, licence, permit, approval, certificate, mineral claim, mineral tenure, lease, or other instrument or authorization (collectively, the "Authorizations") issued by the Province,

in connection with any transfer or assignment of any of the Authorizations as contemplated in the Sale Agreement or this Order.

10. The Mineral Titles Registry is hereby requested to accept a Title Transfer of Ownership (Bill of Sale Initiation) from the Receiver to initiate a transfer of the mineral claims and tenures as listed on **Schedule "D"** to this order from Banks Island Gold Ltd. to the Purchaser.

11. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.

12. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.

13. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.

14. The Receiver is to file with the Court a copy of the Receiver's Vesting Certificate, forthwith after delivery thereof to the Purchaser.

15. Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (the "BIA") in respect of the Debtor and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtor; and
- (d) the provisions of any federal or provincial legislation:

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

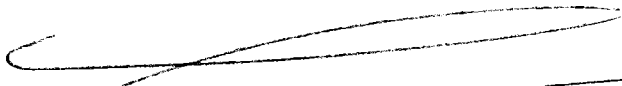
#### **MISCELLANEOUS MATTERS**

17. 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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

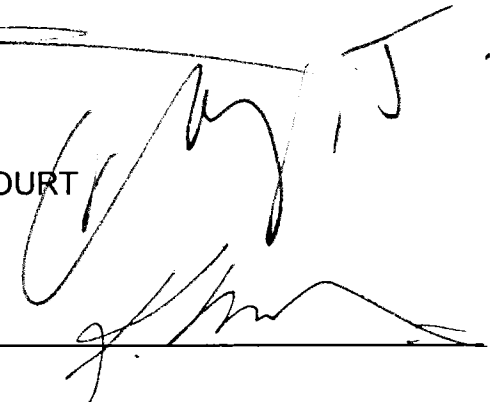
18. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

19. Service of this Order on any party not attending this application is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

  
~~Signature of Lawyer for FTI Consulting Canada Inc.~~  
Lawyer: Christopher J. Ramsay

BY THE COURT

  
Registrar



**Schedule "B"**

**No. S-160322**  
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**IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF  
BANKS ISLAND GOLD LTD.**

**RECEIVER DISCHARGE CERTIFICATE**

PURSUANT TO AN ORDER of the British Columbia Supreme Court (the "Court") granted on January 15, 2016, FTI Consulting Canada Inc. was appointed the Receiver and manager over the assets, undertakings and properties (the "Receiver") of Banks Island Gold Ltd.

PURSUANT TO THE ORDER of the Court made in these proceedings on December 6, 2018 the Receiver hereby certifies as follows:

1. The Receiver has completed all its obligations, duties and responsibilities as Receiver of Banks Island Gold Ltd and the Receivership is concluded.

DATED at the City of Vancouver, in the Province of British Columbia, this \_\_\_\_ of \_\_\_\_\_, 2018

**FTI CONSULTING CANADA INC.**, in its capacity as the Court-appointed receiver and manager of **BANKS ISLAND GOLD LTD.** and not in its personal capacity

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

Name: Craig Munro

Title: Managing Director

**Schedule "C"**

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**RECEIVER'S VESTING CERTIFICATE**

**RECITALS**

A. PURSUANT TO AN ORDER of the British Columbia Supreme Court (the "Court") granted on January 15, 2016, FTI Consulting Canada Inc. was appointed the Receiver and manager over the assets, undertakings and properties (the "Receiver") of Banks Island Gold Ltd.

B. Pursuant to an Order of the Court dated December 6, 2018, the Court approved the asset purchase agreement made as of October 22, 2018 (the "**Sale Agreement**") between the Receiver and MCC Canadian Gold Ventures Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets in accordance with section 4.1 and 4.2 of the Sale Agreement (ii) that the conditions to Closing as set out in Sections 12, 13 and 14 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.



**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The conditions to Closing as set out in Sections 12, 13, 14 and 18 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser.
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [•] on [•].

**FTI CONSULTING CANADA INC.**, in its capacity as the Court-appointed receiver and manager of **BANKS ISLAND GOLD LTD.** and not in its personal capacity

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

Name: Craig Munro

Title: Managing Director

## Schedule "D"

### PURCHASED ASSETS

All Equipment, Books and Records, Computers, Intellectual Property and Software, and all right, title and interest in and to the Mineral Tenures and the Security Bond, including

#### Equipment

1. Tamrock twin arm jumbo bolter, type THC 500, fire suppression, 12.00R20 tires, 15' arms (4) outriggers, motor meter reading 12,070, meter reading 5,713 on boom, meter reading 12,497 on boom 2, 2000 on engine.
2. Sepro Modular Grinding and Flotation Plant.

#### Mineral Tenures

Title Number	Claim Name	Owner	Title Type	Title Sub Type	Map Number	Issue Date	Good To Date	Status	Area (ha)
514646		276665 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	578.919
803536		276665 (100%)	Mineral	Claim	103G	2006/apr/28	2024/jan/01	GOOD	463.114
803540		276665 (100%)	Mineral	Claim	103G	2006/apr/28	2024/jan/01	GOOD	193.9103
803543		276665 (100%)	Mineral	Claim	103G	2006/apr/28	2024/jan/01	GOOD	347.251
843425	B1	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	462.8684
843426	B2	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.2071
843428	B3	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.4402
843429	B4	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6726
843430	B5	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.0663
843432	B6	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6663
843436	B7	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	231.6721
843442	B8	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.2061
843443	B9	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.4398
843444	B10	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6725
843445	B11	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.4398
843447	B12	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6721
843448	B13	276665 (100%)	Mineral	Claim	103H	2011/jan/18	2024/jan/01	GOOD	482.4398
843449	B14	276665 (100%)	Mineral	Claim	103H	2011/jan/18	2024/jan/01	GOOD	482.6719
843450	B15	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	424.8983
843451	B16	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	444.2663
843452	B17	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.9035
843453	B18	276665 (100%)	Mineral	Claim	103H	2011/jan/18	2024/jan/01	GOOD	482.9146
843454	B19	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	328.4802
843455	B20	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	193.1296
843456	B21	276665 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	192.9787
917808	B22	276665 (100%)	Mineral	Claim	103G	2011/oct/18	2024/jan/01	GOOD	425.0209
917829	B23	276665 (100%)	Mineral	Claim	103G	2011/oct/18	2024/jan/01	GOOD	463.922
1019799	BANKSE1	276665 (100%)	Mineral	Claim	103H	2013/may/28	2024/jan/01	GOOD	1933.1911
1019800	BANKSCH	276665 (100%)	Mineral	Claim	103G	2013/may/28	2024/jan/01	GOOD	771.173
1023544		276665 (100%)	Mineral	Claim	103H	2013/nov/02	2024/jan/01	GOOD	38.638
1025955	MT	276665 (100%)	Mineral	Claim	103G	2014/feb/14	2016/feb/14	FORF 2016/feb/14	57.8879
1027557		276665 (100%)	Mineral	Lease	103G	2014/apr/16	2016/apr/16	GOOD	77.17
1034018	STEPH	276665 (100%)	Mineral	Claim	103G	2015/feb/11	2016/feb/11	FORF 2016/feb/11	18.2882
1037803	DISCO	276665 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	38.5871
1037804		276665 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	1176.8014
1037805	kim	276665 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	115.7448

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**ORDER MADE AFTER APPLICATION**

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File No.: 43663-0002

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LAWYER: Christopher J. Ramsay  
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