

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

THE HONOURABLE) FRIDAY, THE 28TH
)
MR. JUSTICE PENNY) DAY OF JANUARY, 2022



**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
HARTE GOLD CORP.**

**ORDER
(Monitor's Enhanced Powers)**

THIS MOTION, made by Harte Gold Corp. (the "**Company**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order, among other things, expanding the Monitor's powers and granting certain related relief, was heard this day via video-conference due to the ongoing COVID-19 pandemic.

ON READING the Notice of Motion of the Company, the affidavit of Frazer Bouchier sworn January 24, 2022 (the "**Bouchier Affidavit**"), including the Exhibits thereto, and the Second Report of FTI Consulting Canada Inc., in its capacity as the Court-appointed monitor of the Company (the "**Monitor**"), and on hearing the submissions of counsel for the Company, counsel for the Monitor, counsel for BNP Paribas, counsel for 1000025833 Ontario Inc. (a wholly owned subsidiary of Silver Lake Resources Limited) and counsel for the Appian Parties (as defined in the Bouchier Affidavit) and such other counsel that were present, no one else appearing for any party although duly served as appears from the affidavit of service of Lee Nicholson dated January 25, 2022.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Bouchier Affidavit or the Amended and Restated Initial Order dated December 20, 2021 (as may be further amended, restated, or otherwise modified, the “**Amended and Restated Initial Order**”), as applicable.

MONITOR’S ENHANCED POWERS

3. **THIS COURT ORDERS** that, in addition to the powers and duties of the Monitor set out in the Amended and Restated Initial Order or any other Order of this Court granted in these CCAA proceedings, and without altering in any way the obligations of 13699404 Canada Inc. (“**ResidualCo. 1**”) and 13699447 Canada Inc. (“**ResidualCo. 2**” and collectively, the “**ResidualCos**” and each a “**ResidualCo**”) as a result of these proceedings, effective upon the ResidualCos being added as applicants in these CCAA proceedings pursuant to the Approval and Reverse Vesting Order of this Court of even date herewith, the Monitor be and is hereby authorized and empowered, but not required, to:

- (a) cause the ResidualCos to take any and all actions and steps, and execute all agreements, documents and writings, on behalf of, and in the name of, the ResidualCos, contemplated to be taken or executed by the ResidualCos pursuant to or in connection with the Second Amended and Restated Subscription Agreement or the transactions contemplated thereby (or as otherwise may be considered necessary or desirable in connection therewith) or any Order of this Court;
- (b) cause the ResidualCos to take any and all actions and steps, and execute all agreements, documents and writings, on behalf of, and in the name of, the ResidualCos in order to facilitate the performance of any of their obligations, including, without limitation, as contemplated by the Second Amended and Restated Subscription Agreement or any Order of this Court;
- (c) cause the ResidualCos to exercise any rights of the ResidualCos under or in connection with the Second Amended and Restated Subscription Agreement or any agreement or other document related thereto;
- (d) exercise any powers which may be properly exercised by any board of directors of the ResidualCos;

- (e) cause the ResidualCos to retain the services of any person as an employee, consultant or other similar capacity, all under the supervision and direction of the Monitor and on the terms as agreed with the Monitor;
- (f) open one or more new accounts in the name of the Monitor for and on behalf the ResidualCos (the “**ResidualCo Accounts**”) into which all funds, monies, cheques, instruments and other forms of payment payable to the ResidualCos may be deposited from and after the making of this Order from any source whatsoever and to operate and control, as applicable, on behalf of the ResidualCos, the ResidualCo Accounts in such manner as the Monitor, in its sole discretion, deems necessary or appropriate to assist with the exercise of the Monitor’s powers and duties, including paying the fees and expenses of the Monitor, counsel to the Monitor and counsel to the Company in accordance with the terms of the Initial Order;
- (g) cause the ResidualCos to perform such other functions or duties as the Monitor considers necessary or desirable in order to facilitate or assist the winding-down of the ResidualCos, the distribution of the proceeds of the ResidualCos’ Property, or any other related activities, including in connection with bringing these CCAA proceedings to an end, including, without limitation, to execute and file articles of amalgamation or such other documents or instruments as may be required to permit or enable ResidualCo. 1 and ResidualCo. 2 to be amalgamated;
- (h) engage, deal, communicate, negotiate, agree and settle with any creditor or other stakeholder of the ResidualCos (including any governmental authority) in the name of or on behalf of the ResidualCos;
- (i) claim or cause the ResidualCos to claim any and all insurance refunds or tax refunds to which a ResidualCo is entitled;
- (j) assign the ResidualCos, or cause the ResidualCos to be assigned, into bankruptcy, and the Monitor shall hereby be entitled but not obligated to act as a trustee of the ResidualCos in any such bankruptcy;
- (k) cause the dissolution or winding-up of the ResidualCos;
- (l) act as an authorized representative of the ResidualCos in respect of dealings with the Canada Revenue Agency (the “**CRA**”), and the Monitor shall hereby be entitled to execute any appointment or authorization form on behalf of the ResidualCos that

the CRA may require in order to confirm the Monitor's appointment as an authorized representative of the ResidualCos for such purposes; and

- (m) apply to this Court for advice and directions or any further orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court, including for advice and directions with respect to any matter.

4. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the ResidualCos to proceed with an amalgamation, and no director or shareholder approval, if applicable, shall be required, and no other authorization, approval or notice is required for the ResidualCos to amalgamate. Without limiting the foregoing, the ResidualCos shall not be required to comply with the requirements of subsection 185(2) of the *Canada Business Corporations Act* (the "**CBCA**").

5. **THIS COURT ORDERS** that the Director appointed under section 260 of the CBCA shall accept and receive any articles of amalgamation or such other documents or instruments filed by ResidualCo. 1, ResidualCo. 2 or the Monitor on behalf of the ResidualCos, as the case may be, as may be required to permit or enable ResidualCo. 1 and ResidualCo. 2 to be amalgamated.

6. **THIS COURT ORDERS** that, notwithstanding anything contained in this Order, the Monitor is not and shall not be or be deemed to be, a director, officer or employee of the ResidualCos.

7. **THIS COURT ORDERS** that, without limiting the provisions of the Amended and Restated Initial Order, the ResidualCos shall remain in possession and control of their Property and the Monitor shall not take, or be deemed to have taken, possession or control of such Property, or any part thereof.

8. **THIS COURT ORDERS** that the Monitor shall not be liable for any employee-related liabilities of the ResidualCos, including any successor employer liabilities as provided for in Section 11.8(1) of the CCAA, other than amounts the Monitor may specifically agree in writing to pay. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee related liabilities of the ResidualCos, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts.

9. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, the Monitor and its legal counsel shall

continue to have the benefit of all of the indemnities, charges, protections and priorities as set out in the Amended and Restated Initial Order and any other Order of this Court and all such indemnities, charges, protections and priorities shall apply and extend to the Monitor in carrying out of the provisions of this Order and exercising any powers granted to it hereunder. Without limiting the generality of the foregoing: (i) in exercising any powers granted to it hereunder, the Monitor shall not be deemed to have taken or maintained possession or control of the Business or Property of the ResidualCos, or any part thereof; and (ii) the Monitor shall incur no liability or obligation as a result of exercising any powers granted to it hereunder, save and except for any gross negligence or wilful misconduct on its part.

10. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of the ResidualCos within the meaning of any relevant legislation and that any distributions to creditors of the ResidualCos by the Monitor will be deemed to have been made by the ResidualCos.

11. **THIS COURT ORDERS** that the powers and authority granted to the Monitor by virtue of this Order shall, if exercised in any case, be paramount to the power and authority of the ResidualCos with respect to such matters and, in the event of a conflict between the terms of this Order and those of the Amended and Restated Initial Order or any other Order of this Court, the provisions of this Order shall govern.

GENERAL

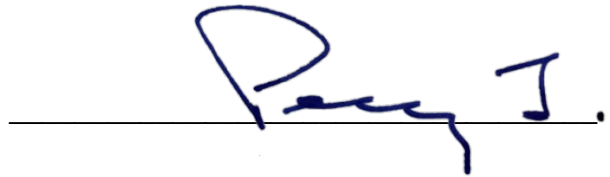
12. **THIS COURT ORDERS** that, for the avoidance of doubt, all of the powers, rights and protections of the Monitor specified herein shall be construed so as to refer to powers, rights and protections in respect of both ResidualCos or either ResidualCo individually, including as the ResidualCos may be amalgamated.

13. **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 ResidualCos, 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 ResidualCos and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding,

or to assist the ResidualCos and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the ResidualCos and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

15. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

A handwritten signature in blue ink is written over a horizontal line. The signature appears to be "Ray J." with a period at the end.

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

Court File No.: CV-21-00673304-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
HARTE GOLD**

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

Proceeding commenced at Toronto

**ORDER
(Monitor's Enhanced Powers)**

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