

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)
JUSTICE NEWBOULD)
FRIDAY, THE 29th DAY
OF APRIL, 2016

BETWEEN:

BRIO FINANCE HOLDINGS B.V.

Applicant

- and -

CARPATHIAN GOLD INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of certain assets of Carpathian Gold Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by a share and asset purchase agreement (the "**Sale Agreement**") between the Receiver and Brio Finance Holdings B.V., in its capacity as Administrative Agent and Collateral Agent (each as defined in the Sale Agreement) (the "**Purchaser**") dated April 22, 2016 and appended to the Report of the Receiver dated April 22, 2016 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Limited Receivership Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, the Purchaser and the Debtor, no one appearing for any other person on the service list,

although properly served as appears from the affidavit of Haddon Murray sworn April 26, 2016 filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction 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 and for the conveyance of the Limited Receivership Assets to the Purchaser. The Debtor is hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Limited Receivership Assets to the Purchaser including, without limitation, any documents necessary or desirable to transfer the OLV Membership to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Limited Receivership Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, 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: (i) any encumbrances or charges created by the Order of the Honourable Justice Newbould dated April 22, 2016; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system, (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Limited Receivership Assets are hereby expunged and discharged as against the Limited Receivership Assets.

3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Limited Receivership Assets shall stand in the place and stead of the Limited Receivership Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances (other than those Claims and Encumbrances released by the Purchaser pursuant to the Carpathian Release (as defined in the Sale Agreement)) shall attach to the net proceeds from the sale of the Limited Receivership Assets with the same priority as they had with respect to the Limited Receivership Assets immediately prior to the sale as if the Limited Receivership Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. THIS COURT ORDERS that the Receiver is authorized and directed to apply any remaining proceeds of the Limited Receivership Assets in partial payment of its fees.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, notwithstanding:

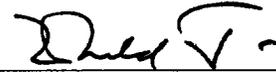
- a) the pendency of these proceedings;
- b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Limited Receivership 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 fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

7. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

8. 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 or elsewhere 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 and 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.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 29 2016

PER / PAR: 

Schedule A - Form of Receiver's Certificate

Court File No. CV-16-11359-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

BRIO FINANCE HOLDINGS B.V.

Applicant

- and -

CARPATHIAN GOLD INC.

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Newbould of the Ontario Superior Court of Justice (the "**Court**") dated April 22, 2016, FTI Consulting Canada Inc. was appointed as the receiver (the "**Receiver**") of certain assets of Carpathian Gold Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated ●, the Court approved the share and asset purchase agreement made as of April 22, 2016 (the "**Sale Agreement**") between the Receiver and Brio Finance Holdings B.V. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Limited Receivership Assets, which vesting is to be effective with respect to the Limited Receivership 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 Limited Receivership Assets; (ii) that the conditions to Closing as set out in articles 4 and 5 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 Limited Receivership Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in articles 4 and 5 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**FTI Consulting Canada Inc., in its capacity as
Receiver of certain assets of Carpathian Gold
Inc., and not in its personal capacity**

Per: _____
Name:
Title:

**BRIO FINANCE
HOLDINGS B.V.**

and

CARPATHIAN GOLD INC.

Court File No. CV-16-11359-00CL

Applicant

Respondent

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

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

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