

COURT FILE 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.

**SECOND REPORT OF FTI CONSULTING CANADA INC., IN ITS
CAPACITY AS COURT-APPOINTED RECEIVER AND
MANAGER OF BANKS ISLAND GOLD LTD.**

October 24, 2018

A. INTRODUCTION

1. On January 15, 2016, FTI Consulting Canada Inc. was appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Banks Island Gold Ltd. (“**BIG**” or the “**Company**”) pursuant to an order (the “**Receivership Order**”) of the Supreme Court of British Columbia (the “**Court**”).
2. The Receivership Order authorized and empowered, but did not obligate, the Receiver to, *inter alia*:
 - (a) Take possession of and exercise control over any or all assets, undertakings and properties of the Company, including any proceeds thereof (the “**Property**”) and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) Receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) Engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including, without limitation, those conferred by this Order;
 - (d) Receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
 - (e) Settle, extend or compromise any indebtedness owing to the Debtor;

- (f) Execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) Exclusively market for sale any or all of the Property, including advertising and soliciting offers in respect of Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (h) Sell, convey, transfer, lease or assign any or all of the Property or any part or parts thereof out of the ordinary course of business:
 - (a) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (b) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (i) Apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (j) Report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (k) Apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;

- (l) Take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;
 - (m) Consult with representatives of Gitxaala Nation (the “**Gitxaala**”) with regard to the potential sale of the Property and the potential future use of the Property;
 - (n) Abandon, dispose of or otherwise release any interest in the Property pursuant to Section 14.06(4)(a)(ii) of the BIA within ten days of the receipt of an order referred to in Section 14.06(4) of the BIA upon giving notice to the person who issued such an order; and
 - (o) Resign as Receiver upon issuance of three business days notice to the parties shown on pages one and two of the Petition and any other party who files a Response in these proceedings, subject to the receiver passing its accounts and a discharge order being obtained.
3. To date, the Receiver has filed one report (the “**First Report**”) on various aspects of the Receivership. The Receiver’s reports and other information in respect of these proceedings are posted on the Receiver’s website at <http://cfcanada.fticonsulting.com/banksisland>.
4. The purpose of the First Report dated September 16, 2016 was to:
- (a) Inform the Court of the Receiver’s activities since the date of its appointment;
 - (b) Seek the approval of the Court for the Receiver to enter an auction agreement with Maynards Industries Canada Ltd. (“**Maynards**”) for the sale of certain equipment and personal property of BIG;

- (c) Provide details of the Receiver's receipts and disbursements for the period from January 15, 2016 to August 31, 2016; and
 - (d) Seek the Court's approval for the Receiver's activities, fees and expenses billed from January 15, 2016 to July 31, 2016; and
 - (e) Seek the approval of the Court to increase the Receiver's Borrowing Charge from \$250,000 to \$500,000 pursuant to paragraph 20 of the Receivership Order.
5. On October 6, 2016 the Court granted an order authorizing the Receiver to enter into the Auction Agreement with Maynards and increasing the amount of the Receiver's Borrowing Charge to \$500,000 pursuant to paragraph 20 of the Receivership Order.
6. The purpose of this report, the Receiver's second report (the "**Second Report**"), is to:
- (a) Inform the Court of the Receiver's activities since the date of the First Report;
 - (b) Provide details of the Receiver's receipts and disbursements for the period from January 15, 2016 to October 22, 2018;
 - (c) Seek the Court's approval for the Receiver's activities, fees and expenses billed from August 1, 2018 to the date of its discharge;
 - (d) Seek the approval of the Court for the Receiver's legal counsel's fees and expenses for the period from January 15, 2016 to the date of the Receiver's discharge;
 - (e) Seek the Court's approval for the Asset Purchase Agreement (the "**APA**") signed between the Receiver and MCC Canadian Gold Ventures Inc. dated October 22, 2018; and

- (f) Seek the approval of the Court for the Receiver's discharge upon completion of the APA.

B. TERMS OF REFERENCE

- 7. In preparing this report, the Receiver has relied upon unaudited financial information, other information available to the Receiver and, where appropriate, BIG's books and records and discussions with various parties (collectively, the "**Information**").
- 8. Except as described in this Report:
 - (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) The Receiver has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
- 9. Future oriented financial information reported or relied on in preparing this report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
- 10. The Receiver has prepared this Report in connection with the motion described in the Receiver's Notice of Application dated October 25, 2018. The Report should not be relied on for other purposes.

11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein are as defined in the Receivership Order, other Orders granted in the Receivership proceedings or in the Receiver's previous reports.

D. RECEIVER'S ACTIVITIES SINCE THE DATE OF THE FIRST REPORT

Maynard's Auction

12. As noted previously, on October 6, 2016 an order of this Court was obtained authorizing the Receiver to enter into an Auction Agreement with Maynards substantially in the form appended to the First Report.
13. An auction brochure was prepared and mailed to approximately 4,370 customers as well as over 2,000 email addresses from Maynards international buyers' database. The brochure included photos of some of the more valuable pieces of equipment to be included in the auction.
14. In addition, advertisements were placed in the Vancouver Sun, 4 other local newspapers and 2 industry specific trade magazines informing potential buyers of the date and location for the auction.
15. The date of the live auction was set for November 22, 2016 at a storage site in Prince Rupert that had been secured by the Receiver.
16. During the period between September and October 2016, the Receiver in conjunction with its on-site consultant, organized the removal of the mining equipment and machinery from Banks Island. This involved the co-ordination of:
 - (a) Scheduling a tug boat and barge to travel to Banks Island and return to Prince Rupert;

- (b) Securing a storage facility in Prince Rupert from which an auction could be conducted;
 - (c) Managing the logistics for the rental of equipment necessary to demobilize the equipment from the mine site;
 - (d) Preparing a plan in order to minimize the waiting time for the barge and rental equipment which was being charged by the hour;
 - (e) Securing the labour necessary to dismantle, load and unload the barges; and
 - (f) Communicating with other secured parties to facilitate the removal of other secured assets.
17. The timing of barges was dependent on the availability of a minimal number of barges in the geographic area as well as the marine weather. As a result of these factors, the dates for the barges had to be revised on several occasions requiring the Receiver to re-schedule all of the logistics noted above.
18. At the request of MCC, some of the mining equipment was removed from the auction. As the primary secured lender, MCC still had hopes of being able to restart the mine with the support of the Gitxaala and recover its debt through continued mining activity.
19. The equipment that was left on Banks Island was determined to be critical to any potential restart of operations.
20. On November 22, 2016, the live auction was conducted by representatives of Maynards. The auction generated gross sales of \$449,045, which after deduction of advertising and set up expenses and the outstanding fee for an appraisal prepared by Maynards, resulted in net proceeds of \$410,643.

21. Subsequent to the auction, the Receiver continued to maintain the presence of its on-site consultant to safeguard the remaining equipment.
22. With the on-site supervision costs mounting, the Receiver contacted MCC to discuss the monthly costs and on-going funding to maintain a presence on site. Further to those discussions, it was decided that the Receiver would organize the removal of all remaining equipment and machinery that had an economic value, from Banks Island to the storage facility in Prince Rupert.
23. The Receiver advised the MEM of its plans to organize a barge to remove all remaining equipment and machinery from Banks Island. The Receiver also advised the MEM that a significant quantity of diesel fuel currently resided on the mine site and that the Receiver, with the support of the MEM, would include the removal of the fuel tanks in its demobilization from Banks Island.
24. As a result of poor weather, a barge was unable to leave Prince Rupert until early January 2017. The remaining assets and diesel storage tanks were moved to Prince Rupert where the diesel was removed from the tank and the tanks returned to the companies that had rented them to BIG.
25. Subsequent to the arrival of the remaining equipment and machinery in Prince Rupert, the Receiver entered into an agreement with Maynards to conduct an online auction for the residual assets.
26. The notice for the online auction was emailed to all of the parties that had previously participated in the live auction as well as to parties from Maynards' database that were considered as likely to have an interest in the assets.
27. The online auction was held on February 23, 2017 which resulted in gross sales of \$34,110. After deduction of its out of pocket costs, Maynards remitted net proceeds to the Receiver of \$31,454.

28. The only piece of equipment that was moved to the storage facility in Prince Rupert that remains unsold is a Tamrock truck (the “**Tamrock**”) which was appraised at between \$30,000 and \$65,000.
29. As indicated in the following section, MCC appears to be the first ranking secured creditor over the assets of BIG and accordingly at its request, the Tamrock was excluded from the auction sales.
30. The storage costs of the Tamrock were funded directly by MCC subsequent to the auction sale.
31. Subsequent to the removal of the machinery and equipment from the mine site, the Receiver terminated its contract with the party that had been providing on site security of the assets. The Receiver also advised the MEM that the site had been abandoned.

Security Review

32. As noted in the First Report, the Company filed an assignment in bankruptcy on January 8, 2016. The Receiver contacted the Trustee in Bankruptcy to enquire whether it had sought a review of the security granted to MCC by BIG.
33. The Receiver was informed by the Trustee in Bankruptcy that due to a lack of funding, it had not obtained a legal opinion on the validity of MCC’s security. Accordingly, the Receiver engaged independent legal counsel to review the security of MCC.
34. The security opinion (copy attached as Appendix A) indicates:
 - (a) The general security agreement (“**GSA**”) granted in favour of MCC by the Company is valid and enforceable as against BIG;

- (b) The GSA creates a valid security interest in favour of MCC; and
 - (c) The GSA was perfected as against the collateral of BIG and its Trustee in Bankruptcy pursuant to its financing statement filed with the Personal Property Registry in British Columbia.
35. The security opinion does not include a review of the priority of MCC with respect to the registrations of the other secured creditors. The Receiver notes however, that except for the claims of Locher Evers International and Canada Revenue Agency as noted in a subsequent section of this report, no other creditors have challenged MCC's priority as the first ranking secured creditor against the assets of the Company.

Sale of Remaining Ore

36. As indicated in the First Report, there were numerous bags of ore concentrate that had been mined by BIG in the ordinary course of business that remained unsold as at the date of the Receivership.
37. The Receiver, with the assistance of MCC, negotiated the sale of the remaining ore in three separate transactions.
38. The first two transactions consisted of shipments to customers in China. As noted in the First Report, the Receiver received payment of 90% of the provisional invoices totaling USD472,863.
39. The third transaction consisted of a shipment of high grade ore to a customer in Europe. At the time of the First Report, the Receiver had not received any of the proceeds from this sale.

40. Prior to the shipment of the ore concentrate from Banks Island, a representative of MCC took samples which were provided to a laboratory firm for preparation of assays. The assays were then used to estimate the provisional invoice.
41. Upon receipt of the ore concentrate by the customer, a second set of assays were performed to check the accuracy of the first samples. The Receiver was notified by MCC that a material variance was discovered in the assays for both the shipments to China and to Europe.
42. Accordingly, MCC had to make up for the overpayments received from the first two shipments and adjust the provisional invoice for the shipment to Europe. The result was a reduction in the final amount received for the shipment to Europe.
43. The Receiver reviewed the assays and corresponding calculations with MCC and the provisional invoices were amended to reflect the value of the ore concentrate based on its revised mineral content. As a result, the final amount due from MCC was adjusted to USD136,429.
44. Upon settlement of the amount due, MCC paid to the Receiver all of the amounts outstanding except for USD36,400. As sufficient funds were available to satisfy the Receiver's costs and expenses, the Receiver did not pursue collection and considered it as partial repayment of amounts borrowed by the Receiver from MCC pursuant to Receiver's Certificates.

Settlements with Locher Evers, Canada Revenue Agency and BMO

45. As indicated in the First Report, Bandstra Transportation Services Ltd. ("**Bandstra**") and Locher Evers International ("**LEI**"), had both claimed a warehouseman's lien over ore concentrate that had been stored at Bandstra's warehouse in Prince Rupert and was still located there at the date of the Receivership.

46. As detailed in the First Report, the Receiver, Bandstra and LEI agreed to allow for the release of the ore concentrate so that the inventory could be monetized. In return, the Receiver agreed to hold the related proceeds from the sale in trust pending a settlement as between LEI, the Petitioner and the Receiver. The amount agreed to be held in trust was \$215,000.
47. Subsequent to the date of the First Report, the Receiver was informed by LEI, that it had acquired Bandstra's claim. The Receiver's legal counsel reviewed LEI's claim and requested some additional supporting documentation necessary to analyze the claim.
48. The documentation was provided by LEI and after several discussions between legal counsel for LEI and legal counsel for the Receiver, the Receiver in consultation with MCC agreed to settle the matter rather than incur the costs and uncertainty associated with litigation. A settlement agreement was prepared by the Receiver and an amount of \$132,500 was remitted to LEI in exchange for a full and final release of its claim.
49. On January 20, 2016 the Receiver received a proof of claim from the Canada Revenue Agency (the "CRA") indicating a property claim in the amount of \$131,665 pursuant to the provisions of subsection 227(4) of the Income Tax Act (the "CRA Claim").
50. The Receiver understands that prior to the application for the Receivership Order, counsel for the Petitioner and counsel for CRA had discussions regarding the priority of the CRA Claim with respect to the Receiver's Charge and the Receiver's Borrowing Charge in the Receivership Order.
51. The Receivership Order granted priority to the Receiver's Charge and the Receiver's Borrowing Charge, but rather than incur the time and cost of arguing the issue counsel agreed that the issue could be re-visited at a subsequent hearing.

52. Subsequent to the final auction sale of the Company's machinery and equipment as detailed previously, legal counsel for the Petitioner contacted CRA's legal counsel to discuss the resolution of the CRA Claim. Legal counsel for the Petitioner indicated that the Petitioner had funded the Receivership proceedings and now had the risk of potentially not recovering those further advances.
53. As a result of further discussions between the Petitioner's legal counsel and legal counsel to CRA, it was agreed that the CRA Claim would be settled in full for the amount of \$66,665.
54. At the date of the Receivership Order, the Company had a guaranteed investment certificate (the "GIC") with Bank of Montreal ("BMO"). The GIC was provided as cash collateral for the Company's credit cards. BMO had registered its security interest with the provincial registry.
55. As the value of the GIC exceeded the outstanding balance owing on the Company's credit cards issued by BMO, the Receiver entered into an arrangement with BMO to exchange cheques as there was a net benefit of approximately \$5,000 to the Receiver.

Sale Process

56. As detailed in the First Report, subsequent to its appointment the Receiver undertook the following steps to market the Company as an en-bloc acquisition opportunity:
- (a) Prepared a marketing brochure which included an overview of the assets, the history and geology of the Yellow Giant mine site and outlining the details of the timeline for the sale process;
 - (b) Compiled materials deemed necessary for interested parties to perform due diligence procedures through an online data room;

- (c) Performed market research to determine parties considered as possible purchasers of the Company's assets; and
 - (d) Forwarded the marketing brochure along with a blank form of confidentiality agreement to each of the interested parties identified.
57. In addition to the parties identified by the Receiver from its market research, additional parties contacted the Receiver directly expressing their interest in purchasing BIG's assets.
58. As a result, 69 parties were approached by the Receiver. The deadline for the receipt of Letters of Interest ("LOI") was April 6, 2016.
59. Eighteen interested parties signed confidentiality agreements and were provided with access to the data room.
60. The Receiver arranged for the former geologist of BIG to be available for questions from interested parties and the Receiver responded to numerous requests for information during the due diligence process.
61. Despite the Receiver's efforts, no LOI's were received at the deadline.
62. The Receiver informed all of the parties that were still expressing interest in the acquisition opportunity that any competitive offers would be considered regardless of the expired LOI submission deadline.
63. The Receiver continued to respond to queries from these parties however all of those parties eventually decided to withdraw from the process.
64. MCC believed that the mine was still economically viable and continued to have discussions with the Gitxaala Nation about the possibility of re-opening the mine with its co-operation.

65. The Receiver understands that those discussions have advanced to the point where they have decided to submit an offer for the remaining assets of BIG. The assets would primarily consist of the mineral tenures held by BIG and any permits or licenses related to the mineral tenures as well as the remaining equipment and machinery that was not sold through the auctions conducted by Maynards.
66. Accordingly, MCC presented the Receiver with an asset purchase agreement (the “APA”) which is attached to this report as Appendix B.
67. The APA contemplates that the purchase price will be satisfied primarily by way of MCC’s secured debt.
68. The Receiver submits that the assets have been extensively marketed and the offer from MCC represents the highest value received from any party. In addition, it appears that MCC intends to pursue the re-opening of the mine which would among other things:
- (a) provide employment to the local area,
 - (b) provide revenue to the provincial government of British Columbia from mining royalties,
 - (c) provide economic benefits to the Gitxaala, and
 - (d) mitigate the reclamation costs that may otherwise potentially be borne by the MEM.
69. Accordingly, the Receiver respectfully recommends to this Court the approval of the APA.

Distributions to Creditors

70. As at the date of the Receivership Order, MCC was owed USD5,797,610. Using the conversion rate for USD/CAD as of January 15, 2016, the amount of MCC's secured debt was \$8,321,073.
71. As noted in a prior section of this report, during the Receivership Proceedings MCC advanced by way of Receiver's Certificates, a further \$358,820.
72. The ball mill which was used on site to process the ore into concentrate, was financed by Sepro Mineral Systems Corp. ("Sepro"). A proof of claim was filed by Sepro in the bankruptcy proceedings of BIG. The claim was filed as a secured claim in the amount of \$236,704 as at January 29, 2016 with interest accruing at a rate of 2% per month.
73. As indicated previously, the Receiver sold some ore concentrate during the Receivership Proceedings utilizing MCC as a broker. As at the date of this report, MCC still owes the Receiver USD 36,428 or \$47,747 using the USD/CAD conversion rate as at September 1, 2016 (the approximate due date for the payment).
74. MCC has advised the Receiver that it is waiving the interest on all of its debt since the commencement of the Receivership. Accordingly, the total debt owed to MCC as at the date of this report is approximately \$8,868,850.
75. The APA anticipates that \$2,720,000 of this debt will be credited toward the purchase price indicated in the APA.
76. The Receiver has advised MCC of a claim from Employment and Social Development Canada ("ESDC") relating to claims made by former employees pursuant to the Wage Earner Protection Program. The amount of the priority claim is \$29,801.

77. Accordingly, this amount will be paid in cash to the Receiver with the balance of the purchase price being offset against the debt owed to MCC.
78. As indicated previously, all other priority claims have already been satisfied.

E. PROFESSIONAL FEES AND EXPENSES

79. The activities of the Receiver have largely been covered in its reports to this Court. The primary activities included:

- (a) Conducting the sale process for the assets of the Company;
- (b) Supervising its contractor with respect to on site activity and security;
- (c) Arranging for auction proposals and negotiating the auction agreement with Maynards;
- (d) Organizing the logistics for the removal of the equipment and machinery from the mine site to a storage site in Prince Rupert;
- (e) Maintaining and recording the cash receipts and disbursements related to the receivership activities;
- (f) Liaising with the MEM with respect to the Receivership Proceedings and site issues;
- (g) Consulting with the key stakeholders with respect to strategic decisions and providing regular progress updates;
- (h) Addressing issues related to priorities including the CRA Claim and the claim of LEI;
- (i) Responding to creditor enquiries;

- (j) Reporting to this Honourable Court; and
- (k) Such other duties as required to preserve and protect the underlying value of the assets over which the Receiver was appointed.

- 80. In the First Report, the Receiver provided a summary of its fees and expenses for the period from January 15, 2016 to July 31, 2016. The fees and expenses of the Receiver for this period were approved by an Order of the Court dated October 6, 2016.
- 81. For the period from August 1, 2016 to April 30, 2018, the Receiver incurred 483.5 hours and billed fees totaling \$211,611 and expenses of \$4,801.38, exclusive of GST.
- 82. A summary of the Receiver's invoices for the period from August 1, 2016 to April 30, 2018 are attached as Appendix C. The detailed invoices of the Receiver have been provided to legal counsel and are available to the Court at its request.
- 83. At the commencement of the Receivership Proceedings, the Receiver discussed the need for independent legal counsel with the Petitioner. Due to potential duplication of costs and given the knowledge of the Petitioner's legal counsel with respect to the Company, the Receiver used the Petitioner's legal counsel for advice.
- 84. As the Trustee in Bankruptcy had limited funding, the Receiver engaged independent legal counsel to perform a review of MCC's security. The review was conducted by Clark Wilson LLP and the results of their review were disclosed in an earlier section of this report.
- 85. Given that the APA is an agreement between the Receiver and the Petitioner, the Receiver has engaged Clark Wilson LLP to act as its counsel with respect to this transaction.

86. The activities of the Receiver's legal counsel have been covered in the Receiver's reports to this Court. The advice provided to the Receiver related to the activities indicated above.
87. For the period from January 16, 2016 to July 28, 2017, the Receiver's legal counsel of Gowling WLG incurred fees totaling \$42,601 and expenses of \$117.56, exclusive of GST.
88. The Receiver's legal counsel of Clark Wilson incurred fees of \$2,395 and expenses of \$66.40, exclusive of GST relating to its review of MCC's security.
89. The Receiver has reviewed the invoices and notes the work was performed by lawyers of the appropriate level of experience and at rates that are consistent within the industry.
90. A summary of the Receiver's legal counsel's invoices for the period from January 16, 2016 to date are attached as Appendix D. The detailed invoices of the Receiver's legal counsel are available to the Court at its request.
91. The summary above does not include the time or expenses of the Receiver and its legal counsel for drafting this report, reviewing and editing the APA or preparing the application materials required for the approval of the APA.
92. In addition, should the Court grant its approval for the APA, administrative matters would need to be completed including:
 - (a) Closing the APA;
 - (b) Remitting the payment to ESDC as discussed previously;
 - (c) Preparing the final governmental and regulatory returns; and

(d) Preparing a final report for the Office of the Superintendent of Bankruptcy.

93. The Receiver estimates that the fees and expenses for it and its legal counsel in preparing the application materials, attending to the Court hearing for the approval of the APA and concluding the administrative matters as indicated above would be approximately \$40,000 to \$50,000 exclusive of GST.

F. SUMMARY OF RECEIPTS AND DISBURSEMENTS

94. A summary of the Receiver's receipts and disbursements for the period of January 15, 2016 to October 22, 2018 is presented below.

Opening Cash (Canadian Dollar)	-
Cash Receipts	
Advances under Receiver's Certificates	358,820
Sale of Ore	648,240
Proceeds of sale from equipment auction	483,155
Sale of Miscellaneous Equipment	13,032
Insurance Premium Refund	25,247
Receipt of Cost Sharing Funds	9,009
Chemical Disposal Recovery	43,821
GIC Recovery	40,436
GST Recovery	53,195
Bank Interest	1,071
Total - Operating Receipts	1,676,026
Cash Disbursements	
Site Supervision	306,704
Out of pocket expenses (on site)	106,290
Trailer Rental	13,881
Insurance	96,622
WorkSafeBC premium	14,947
Labour for Mill Clean Out	7,200
Demobilization Labour	15,450
Demobilization Expenses	114,730
Barge Rental Fees	98,298
Chemical Disposal	27,713
Auction and Appraisal Expense	42,108
PST/GST collected	48,611
Receiver Fees	453,559
Legal Fees	48,443
LEI/Bandstra Settlement	132,500
BMO Payment	35,325
CRA Trust Claim Settlement	66,665
Bank Charges	3,028
Total - Operating Disbursements	1,632,073
Ending cash (Canadian Dollar)	43,954

95. The following is a description of the major cash receipts and disbursements in the above table:

- (a) Advances under Receiver's Certificates – receipts related to advances from MCC made pursuant to receiver certificates;
- (b) Sale of Ore – receipts from the three sales of ore concentrate facilitated through MCC;
- (c) Proceeds of sale from equipment auction – this represents the gross sales amount from the live auction of the Company's equipment and machinery and subsequent online auction;
- (d) Sale of Miscellaneous Equipment – proceeds from the sale of miscellaneous office and surveying equipment that was located in the Company's office in Vancouver, BC;
- (e) Insurance premium refund – the Receiver prepaid the annual premium for property and liability insurance and received a refund upon cancellation for the unused portion of the premium;
- (f) Receipt of Cost Sharing Funds – the Receiver entered into arrangements with other secured creditors for the removal of their assets from Banks Island in return for reimbursement of the associated moving costs;
- (g) Chemical disposal recovery – the Receiver entered into an agreement with the MEM to remove certain hazardous chemicals and unused fuel from Banks Island which the MEM agreed to reimburse to the Receiver from the reclamation deposit funds originally posted by the Company;

- (h) GIC Recovery – the Company had posted a security deposit with BMO (held in the form of a GIC) as collateral for the Company’s credit card debt. The Receiver entered into an agreement with BMO wherein it would exchange payment of the outstanding debt for a release of the cash collateral;
- (i) GST Recovery – relates to the collection of GST input tax credits in excess of GST collected from the sale of assets during the Receivership;
- (j) Site Supervision – contractor fees for the site manager and assistants to safeguard the assets on site at Yellow Giant;
- (k) Out of pocket expenses (on site) – expenses paid by the contractor for flights, food, hotel and miscellaneous supplies and services charged to the Receiver;
- (l) Labour for Mill Clean Out – contractor fees for the labour incurred in cleaning out the processing mill at Yellow Giant to recover ore caught up in the processing equipment;
- (m) Trailer Rental – rental payments for office and lavatory trailers on Banks Island used by the contractors on site;
- (n) Insurance – amount paid in respect of insurance premiums on equipment, general liability, and marine shipments;
- (o) Demobilization labour and expenses – represents the expense incurred relating to the removal of equipment, machinery, fuel, chemicals and other assets from Banks Island;
- (p) Barge Rental Fees – the cost of barge rentals relating to the demobilization as noted previously and the shipment of ore concentrate to Prince Rupert;

- (q) Receiver Fees – amount paid to the Receiver for fees, expenses, and GST to date; and
- (r) Legal Fees – legal fees paid in connection with the receivership proceedings to date.

TERMINATION OF RECEIVERSHIP PROCEEDINGS

96. As described earlier in this report, subsequent to closing the APA, the Receivership Proceedings are complete with the exception of a small number of matters which are administrative in nature. In order to avoid additional costs of Court appearances, and with the support of MCC, the Receiver seeks an Order terminating the Receivership Proceedings and discharging the Receiver. The Receiver will complete the final administrative tasks required.

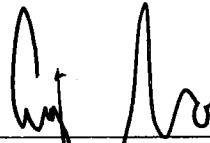
RECEIVER'S RECOMMENDATIONS AND APPROVALS SOUGHT

49. The Receiver recommends that this Honourable Court approve an order providing for the following:
- (a) Approving the Receiver's actions and conduct throughout the Receivership Proceedings;
 - (b) Approving the Receiver's schedule of receipts and disbursements;
 - (c) Approval of the APA as between the Receiver and MCC Canadian Gold Ventures Inc. dated October 22, 2018;
 - (d) Approval of the vesting of the assets to MCC Canadian Gold Ventures Inc.;
 - (e) Approval of the Receiver's fees and expenses for the period from August 1, 2018 to the completion of the Receivership;

- (f) Approval of the Receiver's legal counsel's fees and disbursements for the period from January 16, 2016 to the completion of the Receivership; and
- (g) The discharge of the Receiver.

97. All of which is respectfully submitted this 24th day of October, 2018.

FTI Consulting Canada Inc.,
in its capacity as receiver and manager of
the assets, property and undertaking of
Banks Island Gold Ltd.



Name: Craig Munro
Title: Managing Director

APPENDIX A

October 19, 2016

FTI Consulting Canada Inc.

Suite 1502-701 West Georgia St.
Vancouver, BC, V7Y 1C6
Canada

Attention: Craig Munro

Dear Sir:

Re: Review of security granted to MCC Non Ferrous Trading Inc. ("MCC") by Banks Island Gold Ltd. ("BIG") pursuant to the General Security Agreement dated September 15, 2015 (the "GSA") for all indebtedness owed by BIG to MCC arising from the Sale and Purchase Agreement dated July 13, 2013 between MCC and BIG, as amended from time to time (the "Indebtedness")

We understand that you are the court appointed receiver of BIG in this matter and that D. Manning & Associates Inc. is the trustee in bankruptcy of BIG pursuant to an assignment under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA").

In order to comply with the statutory requirements of the BIA, you seek an opinion from us on the validity and perfection of the security interest created under the GSA in favour of MCC to secure the indebtedness.

A. Interpretation

Any terms appearing in this opinion letter with initial letters capitalized and defined in the British Columbia *Personal Property Security Act* or the regulations made thereunder (collectively, the "PPSA") will have the meanings given to them in the PPSA.

B. Materials Reviewed

We have reviewed the copy of the GSA provided to us by you. We have also made such other investigations and searches as we have deemed necessary or appropriate in the preparation of this opinion.

C. Searches

In rendering this opinion we have conducted searches of the public records maintained by the following offices/registries:

1. the office of the British Columbia Registrar of Companies (the "Registrar"); and,
 2. the Personal Property Registry (the "PPR") under the PPSA,
- with respect to BIG.

A summary of the results of the above-noted searches is set out in Schedule A hereto.

D. Assumptions

With respect to the opinions expressed below, we have assumed, having made no enquiry, that:

1. all documents submitted to us as originals are complete and authentic and all photostatic, electronic, certified, notarial, telecopied or other copies conform to the originals;
2. all signatures are genuine and seals have been affixed where indicated;
3. the identity and capacity of all individuals acting or purporting to act as public officials, the accuracy, currency and completeness of the indices and filing systems maintained by the public offices and registries where we have searched or enquired or have caused searches or enquiries to be made and of the information and advice provided to us by appropriate government, regulatory or other like officials with respect to those matters referred to herein and of the results of any printed or computer search result provided to or obtained by us, including results obtained by electronic transmission from public offices;
4. each individual that executed the GSA had the legal capacity to do so;
5. the GSA is enforceable against MCC;
6. at the time of execution of the GSA, BIG was duly incorporated under the *Business Corporations Act* (British Columbia);
7. BIG has the power and capacity to enter into the GSA and to perform its obligations, and incur liabilities, as set out therein;
8. BIG has duly authorized, executed and delivered without condition the GSA;
9. value has been given by BIG to MCC in relation to the Security Interest granted pursuant to the GSA and the parties have not entered into any agreement to postpone the time for attachment of the Security Interest under the GSA;
10. perfection of the Security Interest in any manner other than by registration is not relevant;
11. the chief executive office and the principal place of business of BIG is in British Columbia;
12. there are no relevant special facts which are not ascertainable from a review of the GSA which might become the basis for a challenge to the GSA, including without limitation whether or not the granting of the Security Interest constitutes a fraudulent preference or conveyance;
13. there are no collateral agreements between MCC and BIG with respect to the subject matter of the GSA;

14. the GSA has not been supplemented, amended, restated, amended and restated or otherwise modified, or terminated; and,
15. neither the GSA nor any parties' rights, obligations or liabilities thereunder have been transferred, assigned or novated to any third party.

E. Opinions

Based and relying upon the foregoing and the other limitations, assumptions and qualifications set out in this letter, in our opinion:

1. The GSA is valid and enforceable as against BIG.
2. The GSA creates a valid Security Interest in favour of MCC in the personal property of BIG charged therein in which a Security Interest may be created under the PPSA and perfected by registration in the PPR (the "Collateral").
3. The GSA is perfected as against the Collateral pursuant to the financing statement listed at section 7 of Part Two of Schedule A hereto, and is effective against BIG and its trustee in bankruptcy.

F. Qualifications

Our opinions herein are subject to the following qualifications:

1. no opinion is expressed as to the availability of factual defences arising from the circumstances surrounding the execution of the GSA, including but not limited to, duress, undue influence, *non est factum*, mistake, unconscionability, or any other equitable remedies that would impinge upon the validity of the GSA;
2. our opinion on the validity of the GSA is provided with respect to the GSA as a whole and not on the enforceability of the GSA on a paragraph-by-paragraph basis;
3. the enforceability of the GSA is subject to bankruptcy, insolvency, reorganization, arrangement, winding-up, moratorium and other similar laws of general application limiting the enforcement of creditors' rights generally;
4. the enforceability of the GSA is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of a court;
5. the enforceability of the GSA is subject to discretion exercisable by the courts with respect to stays of enforcement proceedings and execution of judgments, to relieve from penalties and the consequences of default, particularly if the default is minor or non-substantial, and to grant relief from forfeiture;
6. with respect to any security provided for in the GSA that consists of a mortgage, pledge, charge or assignment of or upon any lease, agreement or other document or any rent, income or other real property interest derived from any lease, agreement or other document, our opinion pertaining thereto is subject to the qualification that notice of such Security Interest may have

to be given to the obligor thereunder, and further that the property intended to be secured thereby may be affected by the equities between the immediate parties thereto;

7. the enforceability of any indemnity contained in the GSA may be limited by applicable law to the extent that such indemnity directly or indirectly relates to liabilities imposed on MCC by law for which it would be contrary to public policy to require BIG to indemnify MCC;
8. we express no opinion as to the legal or beneficial title of BIG to, or any other rights of BIG in, any Collateral or other property;
9. notwithstanding that, subject to attachment, registration under the PPSA will generally perfect a Security Interest in all forms of personal property to the extent that the PPSA applies to such personal property, perfection by possession, delivery or control of certain types of personal property, including without limitation, instruments, securities, investment property, chattel paper, money, or negotiable documents of title, may provide additional rights to MCC in such personal property;
10. the PPSA imposes certain obligations on secured parties which cannot be varied by contract and it may also affect the enforcement of certain rights and remedies contained in the GSA to the extent that those rights and remedies are inconsistent with or contrary to the PPSA;
11. any Security Interest of MCC in Goods pursuant to the GSA will be defeated by certain claimants to whom BIG sells or leases such goods in the ordinary course of business in the circumstances described in the PPSA;
12. we express no opinion as to:
 - (a) the priority of the Security Interest created under the GSA;
 - (b) the registration of the crystallized floating charge contained in the GSA or the ability of the floating charge to be registered in the Land Title Office of British Columbia;
 - (c) the perfection of the Security Interest or other interest created by the GSA insofar as it relates to, any of the following property or any interest therein:
 - A. any property which is now or which may later become a fixture, crops or mineral claims (including without limitation the mineral tenures listed in Schedule 1 of the GSA);
 - B. any assignment of rents;
 - C. any policy of insurance or contract of annuity except the transfer of a right to money or other value payable under a policy of insurance as indemnity or compensation for loss of or damage to Collateral to which the PPSA applies;
 - D. any property for which, pursuant to the applicable conflict rules (including without limitation the conflicts rules of the PPSA), the validity, perfection and the effect of perfection are governed by the laws of a jurisdiction other than British Columbia;

- E. any property which is an interest in present or future wages, salary, pay, commission or any other compensation for labour or personal services other than fees for professional services;
 - F. any property which is an interest in an unearned right to payment under a contract to a transferee who is to perform the transferor's obligations under the contract; or,
 - G. any property which is an interest in a right to damages in tort;
- (d) whether a Security Interest may be created in:
- A. a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, "**Special Property**") to the extent that the terms of such Special Property or any applicable law prohibit its assignment or require, as a condition of its assignability, a notice, consent, approval or other authorization, registration or step that has not been made or given; or,
 - B. any permits, quotas, licences or other Special Property that are held by or issued to BIG and to which the PPSA does not apply or which may not be personal property;
- (e) the perfection of the Security Interest granted under the GSA with respect to:
- A. any rights which, by its terms; or,
 - B. property which, by its nature,
- cannot be the subject of a charge without consent, authorization or approval by third parties which has not been made or given; or
- (f) any Security Interest created by the GSA with respect to any property that is transformed in such a way that it is not identifiable or traceable or any proceeds of any such property that are not identifiable or traceable;
13. we express no opinion as to the enforceability of:
- (g) an assignment of or security interest in any "Crown debt" (as such term is defined in Part VII of the *Financial Administration Act* (Canada)) or any debt owing by the Crown in right of any province of Canada or any agent thereof;
 - (h) any provision of the GSA that may be characterized as a penalty or as a forfeiture;
 - (i) any provision of the GSA:
 - A. that purports to waive rights or defences that might be available to, or constitute a discharge of the liability of, BIG;

- B. to the extent it purports to exculpate BIG or MCC, or any receiver, manager or receiver-manager appointed by BIG or MCC from liability in respect of acts or omissions that may be illegal, fraudulent or involve wilful misconduct; or,
 - C. that states that amendments or waivers of or with respect to the GSA that are not in writing will not be effective;
- (j) any provision of the GSA purporting to confer any benefits thereunder on any third party;
14. we express no opinion on any Collateral which includes any Serial Numbered Goods other than the vehicle described as 2013 Marcotte M40 Scissorlift with serial number 3176; and
15. we express no opinion with respect to the validity, legality and enforceability of the agreements and documents giving rise to the indebtedness or any part thereof.

G. Laws Addressed

The opinions expressed herein relate only to the laws of the Province of British Columbia, and the federal laws of Canada applicable therein, and no opinions are expressed with respect to the laws of any other jurisdiction. Without limiting the generality of the immediately preceding sentence, we express no opinion with respect to the laws of any other jurisdiction to the extent that those laws may govern the validity, perfection, effect of perfection or non-perfection, priority or enforcement of the Security Interest created by the GSA as a result of the application of the conflict of laws rules of British Columbia. In addition, we express no opinion whether, pursuant to those conflict of laws rules, the laws of British Columbia would govern the validity, perfection, effect of perfection or non-perfection, priority or enforcement of such Security Interest.

H. RELIANCE

This opinion letter is provided solely for the benefit of the addressee hereof (the "Addressee") and its successors, permitted participants and assigns. This opinion letter may not be relied upon by or disclosed to anyone else, in whole or in part, or used for any other purpose without our prior written consent.

I. DISCLAIMER

This opinion letter speaks only as of the date hereof. We expressly disclaim any obligation to update this letter or otherwise to advise the Addressee, legal counsel for the Addressee or any agent of the Addressee, or any such successor, assignee or participant of any matters (including, but not limited to, any subsequently enacted, published or reported laws, rules, regulations or judicial decisions having retroactive effect) which may come to our attention after the date of this opinion letter and which affect any of the opinions expressed in this letter, or to provide the Addressee with any subsequent opinion for any other reason.

Yours truly,

CLARK WILSON LLP



SCHEDULE A

SEARCHES

Part One: Registrar Search

The search conducted on October 18, 2016, which is current to June 27, 2016, indicates that BIG last filed an annual report on January 18, 2015. According to the records of the Office of the Registrar, BIG is not in good standing.

Part Two: PPR Search

The search conducted on October 14, 2016 indicates that the following financing statements are registered against BIG pursuant to the PPSA:

1. In favour of Bank of Montreal under base registration number 587377G with an expiry date of February 14, 2017 against "LF269 – pledge of instrument, assignment of proceeds. Instrument described as term investment/performing portfolio GIC/variable rate GIC including all renewals and replacements thereof, substitutions therefore, accretions thereto and interest, income and money therefrom and all proceeds thereof and therefrom including accounts".
2. In favour of Selkirk Metals Corp under base registration number 046752H with no expiry date against "all of the debtor's right, title and interest, present and future, in and to the mineral products mined or otherwise recovered from the Banks Island Property as further set out in the General Security Agreement executed on November 8, 2012".

This registration was amended by registration number 845673I to note the following: "Subordination Agreement regarding the priority of the secured party's security interests vis-à-vis the security interests perfected by base registration No. 845668I registered on September 16, 2015".

3. In favour of National Leasing Group Inc. under base registration number 663258H with an expiry date of November 15, 2017 against vehicle collateral with serial number 132073404 and "all modular office trailer of every nature or kind described in lease number 2646808 between First Capital Leasing Ltd., as original lessor and the debtor, as lessee, which lease was assigned by the original lessor to the secured party, as amended from time to time, together with all attachments, accessories and substitutions".
4. In favour of New-Line Products Ltd. under base registration number 244533I with an expiry date of October 21, 2019 against "1 EA – SC20-0601 portable hose shop container c/w bench, shelving, hose storage – serial #FBXU8385655; 1 EA – FT1380-115-8 bench top crimper c/w 8 dies – serial #10588; 1EA – HYDSAW-7-110 toledo #8 hose saw – serial #801009073; and, 1EA – CT-X1-KIT eliminator hose cleaning system".
5. In favour of Sepro Mineral Systems Corp. under base registration number 262468I with an expiry date of October 30, 2017 against "one Sepro modular mineral processing plant, including 1 each: sisetec vibrating screen S/N C0904, Sepro ball mill S/N Y021040-1011, predator pump screen feed tank pump S/N 100438MST, predator pump concentration feed tank pump S/N 100439MST, predator pump hydro-cyclone feed tank pump S/N 100440MST, together with all attachments, accessories, replacements, substitutions, additions and improvements thereto and

all proceeds in any form derived directly or indirectly from any dealing with such collateral, and a right to any insurance payment relating to any loss of or damage to such collateral or proceeds [sic] of such collateral”.

6. In favour of Sissons Enterprises Corp. and Tanks Direct under base registration number 796701I with an expiry date of August 21, 2025 against “fuel/oil/fluid storage tanks, spill boxes and all accessions, improvements or modifications thereto, including without limitation all pumps, dispensing equipment, piping, nozzles, electrical systems, valves, leases, cardlock or keylock systems proceeds: all of the debtor's present and after acquired goods, motor vehicles, accounts, money, chattel paper, documents of title, investment property, instruments and intangibles as defined in the personal property security act, insurance proceeds and all other substitutions, renewals, alterations or proceeds of every description and of any kind whatsoever derived directly or indirectly from any dealings with the general collateral or serial number collateral (if any) described above, or proceeds therefrom”.
7. In favour of MCC under base registration number 845668I with an expiry date of September 16, 2020 against vehicle collateral with serial number 3176 and “all of the debtor's present and after-acquired personal property (including, without limitation, fixtures) and an uncrystallized floating charge on land; and all proceeds that are goods, chattel paper, investment property, documents of title, instruments, money or intangibles (each as defined in the British Columbia personal property security act, any regulations thereunder and any amendments thereto)”.
8. In favour of Locher Evers International under base registration number 088579J with an expiry date of February 1, 2026 against “lien, right of retention, and security interest in and to all goods (and documents relating to goods) in the possession or control of the secured party as security for all present and future indebtedness of the debtor to the security party”.
9. In favour of ATCO Structures & Logistics Ltd. under base registration number 390125J with an expiry date of July 5, 2017 against vehicle collateral with serial number 240062365 and 240118775, respectively.
10. In favour of ATCO Structures & Logistics Ltd. under base registration number 390308J with an expiry date of July 5, 2017 against vehicle collateral with serial number 234132244, 240062365 and 240118775, respectively.

In addition to the financing statements listed above, there is:

- one (1) registration filed pursuant to the *Mineral Tax Act* against BIG in favour of Her Majesty The Queen in the Right of the Province of British Columbia under base registration number 022158J with no expiry date against “all the debtor's present and after acquired personal property, including but not restricted to machinery, equipment, furniture, fixtures, inventory and receivables”; and
- one (1) registration filed pursuant to the *Income Tax Act (Canada)* against BIG in favour of Her Majesty the Queen in Right of Canada under base registration number 049337J with no expiry date against “all the debtor's present and after acquired personal property, including but not restricted to machinery, equipment, furniture, fixtures, inventory and receivables”.

APPENDIX B

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is dated October 22nd, 2018

BETWEEN:

FTI CONSULTING CANADA INC., in its capacity as court-appointed receiver of all assets and undertaking of Banks Island Gold Ltd., and not in its personal or corporate capacity, having an office at Suite 15-131, 555 Burrard Street, Vancouver, BC, V7X 1M3

(the "Vendor")

AND:

MCC CANADIAN GOLD VENTURES INC., a company incorporated under the laws of British Columbia and having a registered and records office at 2300 – 550 Burrard Street, Vancouver, BC, V6C 2B5

(the "Purchaser")

BACKGROUND

- A. Banks Island Gold Ltd. ("BIG") was a natural resource company engaged in the acquisition, exploration, development and operation of mineral properties (the "Business"), and it operated the Yellow Giant Gold Mine (the "Mine") on the west coast of Banks Island, British Columbia.
- B. Pursuant to an order (the "Receivership Order") of the Supreme Court of British Columbia (the "Court") made on January 15, 2016 in Supreme Court of British Columbia Action Number S-160322, Vancouver Registry (the "Receivership Action"), the Court made an order appointing the Vendor as the court-appointed receiver of all of the assets, undertakings and properties of BIG, including all proceeds thereof (the "Property").
- C. Pursuant to the Receivership Order, the Vendor was granted the power and authority to, among other things, carry on the Business of BIG and to sell the Purchased Assets (as defined below) with the prior approval of the Court in respect of any transaction in which the purchase price exceeds \$100,000 or the aggregate purchase price for all transactions exceeds \$250,000.
- D. In addition, pursuant to the Receivership Order, and a subsequent order of the Court in the Receivership Action made on October 6, 2016, the Vendor was authorized to borrow such monies as it may consider necessary up to a maximum of \$500,000 and the whole of the Property was subject to a fixed and specific charge (the "Receiver's Borrowing Charge") as security for payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (as defined in the Receivership Order) but subordinate in priority to the Receiver's Charge (as defined in the Receivership Order) and the charges as set out in Sections 14.06(7), 81.4(4) and 81.6(2) of the *Bankruptcy and Insolvency Act* (Canada), and was authorized to issue certificates

substantially in the form annexed as Schedule "B" to the Receivership Order, evidencing amounts borrowed under the Receiver's Borrowing Charge (the "Receiver's Borrowing Certificates").

- E. The Vendor wishes to sell, and the Purchaser wishes to purchase, all of BIG's right, title and interest in and to the Purchased Assets on and subject to the terms and conditions of this Agreement.

TERMS OF AGREEMENT

In consideration of the premises and the covenants, agreements, representations, warranties, and payments contained in this Agreement, the parties agree as follows:

1. Definitions

The following terms have the following meanings:

- (a) "**Agreement**" means this asset purchase agreement made as of the date first written above;
- (b) "**Books and Records**" means, as applicable, all records, account receivables, surveys, test results, certificates and certifications, operating guides and manuals for all Equipment, business reports, records for all former employees, and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form) relating to the Business and the Mine.
- (c) "**BIG**" has the meaning ascribed to it in Recital A;
- (d) "**Business**" has the meaning ascribed to it in Recital A;
- (e) "**Business Day**" means any day other than a Saturday, a Sunday or any other statutory holiday in British Columbia;
- (f) "**Court**" has the meaning ascribed to it in Recital B;
- (g) "**Closing Date**" means the date that is seven (7) days following the granting by the Court of the Vesting Order, or such other date as agreed upon in writing by the Vendor and the Purchaser;
- (h) "**Closing Time**" means 4:00 p.m., Vancouver, British Columbia time on the Closing Date, or such other time as agreed upon in writing by the Vendor and the Purchaser;
- (i) "**Computers**" means all of BIG's computers and computer equipment, including any computers or servers on which any of the Intellectual Property is stored;
- (j) "**Court**" has the meaning ascribed thereto in Recital B;
- (k) "**Encumbrance**" means any encumbrance or interest against or in the Purchased Assets of any kind whatsoever and includes, without limitation, a

security interest, mortgage, lien, hypothec, pledge, assignment, charge, title retention agreement, option, trust or deemed trust (whether contractual, statutory or otherwise arising), licence and any covenant or other agreement, restriction or limitation relating to the Purchased Assets or the transfer of the Purchased Assets to the Purchaser pursuant to this Agreement;

- (l) **"Equipment"** means all of the remaining equipment owned by BIG relating to the Business and the Mine, including, but not limited to, the Sepro Equipment and any other equipment specifically enumerated in Schedule "A";
- (m) **"ETA"** means the *Excise Tax Act* (Canada);
- (n) **"Government Entity"** means any Canadian, foreign, domestic, federal, territorial, provincial, state, municipal or local governmental authority, quasi-governmental authority, instrumentality, court, government or self-regulatory organization, bureau, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing having jurisdiction with respect to BIG, the Business, the Mine, the Property, the Purchased Assets or any other matter that is the subject of this Agreement;
- (o) **"GST"** means the goods and services tax payable pursuant to the ETA;
- (p) **"Intellectual Property"** means all of BIG's Canadian and foreign intellectual and industrial property rights of any kind, including, without limitation: trademarks, trade names, logos and business names; inventions, novel devices, processes, compositions of matter, methods, techniques, improvements, observations, discoveries, apparatuses, machines, designs, expressions, theories, distinguishing guises, formulae, processes and ideas, whether or not patentable and whether or not a patent has been issued or a patent application has been made therefor; copyrights; mask works; trade secrets, know-how, and other proprietary, confidential, technical or business information; software and technology including uniform resource locators (URLs), the internet websites related thereto and goodwill associated thereto; rights of privacy and rights to personal information; all telephone, telex, and facsimile numbers and internet protocol addresses; any data and technical expertise; BIG's corporate name; and all moral or other rights in the foregoing and in other similar intangible assets, and all rights and remedies (including the right to sue for and recover damages, profits and any other remedy) for past, present, or future infringement, misappropriation, or other violation relating to any of the foregoing;
- (q) **"MCC"** means MCC Non Ferrous Trading Inc.
- (r) **"MCC-Purchaser Assignment"** means the assignment agreement, to be executed concurrently with, or before, this Agreement, between MCC, as assignor, and the Purchaser, as assignee, under which MCC will assign to the Purchaser its right, title and interest in and to, *inter alia*, certain amounts owing by BIG to MCC and certain documents related thereto and securing such debt, all amounts owing by the Vendor to MCC, the Sepro Agreement and Security, and the Receiver's Borrowing Certificates.

- (s) **"Mine"** has the meaning ascribed to it in Recital A;
- (t) **"Mineral Tenures"** means all of the mineral tenures, mineral titles and any other similar interests held by BIG in connection with the Business and the Mine, including but not limited to those enumerated in Schedule "B";
- (u) **"Party"** means either the Vendor or the Purchaser, as applicable, and **"Parties"** means both the Vendor and the Purchaser;
- (v) **"Person"** means any individual, corporation, partnership, limited partnership, limited liability company, joint venture, association, joint-stock company, trust, society, incorporated organization or any other similar entity;
- (w) **"PPSA"** means the *Personal Property Security Act* (British Columbia);
- (x) **"Property"** has the meaning ascribed to it in Recital B;
- (y) **"Property Taxes"** means the outstanding property taxes owing under the *Taxation (Rural Area) Act* (British Columbia) in respect of the property upon which the Mine is situate.
- (z) **"Purchase Price"** has the meaning ascribed thereto in Section 4;
- (aa) **"Purchased Assets"** means all of the Property, including the 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, but does not include any part of the Property, including any equipment and personal property of BIG, that has been sold to any third party pursuant to the auction agreements, dated for reference September 16, 2016, between BIG, by and through the Vendor as court-appointed receiver and manager, and Maynards Industries Canada Ltd., as enumerated in Schedule "C", or the existing permit for the Mine.
- (bb) **"Purchaser's Solicitors"** means Gowling WLG (Canada) LLP with offices at 2300 – 550 Burrard Street, to the attention of Mr. Stephen Hedley;
- (cc) **"Receivership Action"** has the meaning ascribed thereto in Recital B;
- (dd) **"Receiver's Borrowing Certificates"** has the meaning ascribed to it in Recital D;
- (ee) **"Receiver's Borrowing Charge"** has the meaning ascribed to it in Recital D;
- (ff) **"Receiver's Certificate"** means a certificate executed by an officer of the Vendor in substantially the form attached hereto as Schedule "D";
- (gg) **"Receiver's Charge"** has the meaning given it in the Receivership Order;
- (hh) **"Receivership Order"** has the meaning ascribed thereto in Recital B;
- (ii) **"Sales Taxes"** means all transfer, sales, excise, stamp, license, production, value-added and other like taxes, assessments, charges, duties, fees, levies or

other governmental charges of any kind, and includes without limitation additions by way of penalties, interest and other amounts with respect thereto, including provincial sales tax and GST;

- (jj) **"Security Bond"** means the reclamation security deposit placed with the Province of British Columbia by BIG in respect of the Mine.
- (kk) **"Sepro"** means Sepro Mineral Systems Corp.
- (ll) **"Sepro Assignment"** means the assignment agreement dated April 27, 2017, between Sepro, as assignor, and MCC, as assignee, pursuant to which MCC acquired all rights and obligations of Sepro under the Sepro Agreement and Security, a copy of which is attached hereto as Schedule "E";
- (mm) **"Sepro Agreement and Security"** means proposal number 23947R3-SMSC, dated August 1, 2013, issued by Sepro and accepted by BIG, including the security interest in the Sepro Equipment granted by BIG in favour of Sepro pursuant to paragraph 14 thereof, a copy of which is attached to the Sepro Assignment attached hereto as Schedule "E";
- (nn) **"Sepro Equipment"** means the modular mineral processing plant and other personal property to which the Sepro Agreement and Security relate and which is more particularly described therein.
- (oo) **"Software"** means all software relating to BIG's business undertaking including all versions thereof, and all related documentation and all other material related to such software.
- (pp) **"Vendor's Solicitors"** means Clark Wilson LLP with offices at 900 – 885 West Georgia Street, to the attention of Mr. Chris Ramsay; and
- (qq) **"Vesting Order"** means an Order of the Court in the Receivership Action in form and content satisfactory to the Purchaser and the Vendor, each acting reasonably, approving the entry into the MCC-Purchaser Assignment by MCC and the Purchaser, and this Agreement by the Vendor and the Purchaser and the consummation of the transactions contemplated thereby and hereby, and vesting in the Purchaser or its nominee(s) all right, title and interest of BIG in and to the Purchased Assets free and clear of all Encumbrances upon payment of the Purchase Price.

2. Currency and Form of Payment

- 2.1** All references to currency shall mean Canadian Dollars unless otherwise expressly provided.
- 2.2** All payments to be made by the Purchaser to the Vendor to effect the transactions set out in this Agreement are to be payable by certified cheque, bank draft or wire transfer to the Vendor's Solicitors, "In Trust".

3. Purchase and Sale of Purchased Assets

3.1 Subject to the timely fulfillment or waiver of the conditions precedent herein, including the granting of the Vesting Order, the Vendor agrees to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendor, all right, title and interest of BIG in and to the Purchased Assets, if any, upon the terms hereof.

4. Purchase Price and Payment

4.1 The aggregate cash consideration payable by the Purchaser to the Vendor for the Purchased Assets is \$2,720,000 (C\$120,000 per below plus US\$2,000,000 converted to C\$ at C\$1.30 = US\$1) (the "Purchase Price"), plus all applicable Sales Taxes. For greater certainty, the parties acknowledge and agree that the Purchase Price shall be allocated as follows:

(a) Equipment	\$120,000
(b) Remaining Purchased Assets	<u>\$2,600,000</u>
Total	\$2,720,000

4.2 Subject to the terms and conditions of this Agreement, the Purchase Price shall be paid as follows at the Closing Time:

- (a) satisfaction of all amounts owing under any security interest, trust, lien, charge or encumbrance, statutory or otherwise over the Purchased Assets, in favour of any person or Government Entity, which ranks in priority ahead of any security interest held by the Purchaser, if any, by way of payment to the Vendor's Solicitors 'in Trust' in a form of payment as is acceptable under the terms of this Agreement;
- (b) satisfaction of all amounts owing under the Receiver's Charge by way of payment to the Vendor's Solicitors 'in Trust' in a form of payment as is acceptable under the terms of this Agreement;
- (c) by a set off or reduction of the amount(s), if any, that the Purchaser (pursuant to the MCC-Purchaser Assignment) is owed under the Receiver's Borrowing Certificates in respect of the Receiver's Borrowing Charge, less any amounts owing by the Purchaser (pursuant to the MCC-Purchaser Assignment) to the Vendor for ore sales;
- (d) by a set off or reduction of the amount(s), if any, that the Purchaser is owed by BIG arising from the debts and obligations assigned to the Purchaser pursuant to the MCC-Purchaser Assignment, as secured by the general security agreement dated September 15, 2015, granted by BIG in favour of MCC creating, *inter alia*, a security interest in all of BIG's present and after acquired personal property, including the mineral tenures and other property described in Schedule 1 of that general security agreement, and registered in the British Columbia Personal Property Registry under and pursuant to the PPSA;

- (e) by a set off or reduction of the amount(s), if any, that the Purchaser is owed by BIG arising from any of BIG's debts and obligations to Sepro, as secured by the Sepro Agreement and Security entered into between Sepro and BIG, as assigned to MCC pursuant to the Sepro Assignment, and as subsequently assigned to the Purchaser pursuant to the MCC-Purchaser Assignment, creating, *inter alia*, a security interest in the Sepro Equipment and registered in the British Columbia Personal Property Registry under and pursuant to the PPSA;
- (f) the remaining balance owing, if any, by way of payment to the Vendor's Solicitors 'in Trust' in a form of payment as is acceptable under the terms of this Agreement.

5. Taxes

- 5.1 The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. The Purchaser will be solely liable for and shall pay all Sales Taxes, including, without limitation, provincial sales taxes and GST payable upon and in connection with the sale and transfer of the Purchased Assets by the Vendor to the Purchaser, and will file all necessary documentation with respect to such Sales Taxes when due. If the Vendor is required under any applicable law to pay any such Sales Taxes, the Purchaser shall promptly reimburse the Vendor the full amount of such Sales Taxes upon delivery to the Purchaser of copies of receipts showing payment of such Sales Taxes. If prior to the Closing Date the Purchaser becomes a GST Registrant, the Parties will, on the Closing Date, elect jointly under section 167(1)(B) of the ETA, in the prescribed form and containing the prescribed information to permit the Purchased Assets to be conveyed without GST being payable in respect of the purchase and sale thereof hereunder, and the Parties will jointly complete the election forms in respect of such election. The Parties agree that: (a) they will claim the benefit of any provision of applicable laws which allows all or any part of the Purchased Assets to be transferred by the Vendor to the Purchaser without payment of any Sales Taxes; and (b) they will, upon reasonable request from the other, cooperate fully in connection with the preparation and filing of any documents or tax returns with any Government Entity, and to use their commercially reasonable efforts to obtain any certificate or other document from any Government Entity, or any other Person, as may be necessary or commercially advisable to mitigate, reduce or eliminate any tax that could be imposed (including, but not limited to, taxes with respect to the transactions contemplated hereby).
- 5.2 The Purchaser shall be solely liable for and shall pay, following the Closing Date, all amounts owing for the Property Taxes in respect of the Mine.

6. Representations and Warranties of the Vendor

- 6.1 The Vendor represents and warrants to the Purchaser that:
 - (a) subject to the Vesting Order being granted, the Vendor has the power, authority and capacity to enter into this Agreement, subject to its terms;
 - (b) the Vendor is not a non-resident of Canada within the meaning of section 116 of the *Income Tax Act* (Canada); and

- (c) the Vendor plans to register for purposes of the GST and will provide its registration number prior the Closing Date.

7. "As Is, Where Is"

- 7.1** The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" basis as they exist on the date hereof, and that once the Purchased Assets are in the possession of the Purchaser, the Vendor will have no further liability to the Purchaser. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity, quality, assignability or in respect of any other matter or thing concerning the Purchased Assets or the right of the Vendor to sell them, save as expressly represented or warranted in this Agreement.

8. Representations and Warranties of the Purchaser

- 8.1** The Purchaser represents and warrants to the Vendor as follows, with the intent that the Vendor will rely on these representations and warranties in entering into this Agreement, and in concluding the purchase and sale contemplated by this Agreement:

- (a) the Purchaser is a company duly incorporated, validly existing and in good standing under the jurisdiction of its incorporation and in accordance with applicable legislation governing corporations in the jurisdiction of its incorporation, and has the power and capacity to enter into this Agreement and carry out its terms;
- (b) the execution and delivery of this Agreement and the completion of the transaction contemplated by this Agreement have been duly and validly authorized by all necessary corporate action on the part of the Purchaser, and this Agreement constitutes a legal, valid and binding obligation of the Purchaser; and
- (c) the Purchaser is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada) and is not a non-Canadian person for the purposes of the *Investment Canada Act* (Canada).

9. Survival of Representations

- 9.1** All representations and warranties made by the Vendor and the Purchaser in Sections 6 and 8, respectively, shall survive the Closing and shall continue for a period of six months after the Closing and after such period neither Party shall have any further liability hereunder with respect to such representations and warranties except with respect to any claims made by the other Party within such period or in the case of fraud.

10. Covenants of the Vendor

- 10.1** Upon payment of the Purchase Price by the Purchaser at the Closing Time, and subject to the terms of this Agreement, the Vendor will transfer and assign to the Purchaser all of BIG's right, title and interest in and to the Purchased Assets in accordance with the terms of this Agreement and the Vesting Order.

10.2 Subject to the terms of this Agreement, the Vendor will use all commercially reasonable efforts to take or cause to be taken all other actions, and do or cause to be done all other things, necessary or appropriate to obtain the Vesting Order and to consummate the transactions contemplated by this Agreement.

10.3 From the date of this Agreement until completion of the transaction contemplated herein the Vendor covenants to maintain the Purchased Assets in a commercially reasonable manner.

10.4 From the date of this Agreement until completion of the transaction contemplated herein, and except as contemplated by this Agreement or in the ordinary course of the Business, the Vendor will not sell, transfer or otherwise dispose of, or agree to sell, transfer, pledge, lease, encumber or otherwise dispose of, any Purchased Assets, or enter into any agreement or transaction which would result in the creation of any Encumbrance on any of the Purchased Assets.

11. Covenants of the Purchaser

11.1 At Closing, the Purchaser will assume and thereafter perform all obligations and liabilities arising from and in connection with the Purchased Assets that accrue from and after the Closing.

12. Conditions Precedent in Favour of the Purchaser

12.1 The obligations of the Purchaser under this Agreement are subject to the fulfillment of the following conditions precedent:

- (a) each of the representations and warranties of the Vendor set forth in Section 6.1 shall be true and correct as if restated on and as of the Closing Date;
- (b) the covenants and obligations contained in this Agreement to be complied with by the Vendor on or before the Closing shall have been complied with and not been breached in any material respect; and
- (c) on or before the Closing Date, the Vendor will have delivered all items which it is required to deliver to the Purchaser pursuant to Section 18.3.

12.2 The Purchaser may, in its sole discretion, waive any of the foregoing conditions. Any waiver by the Purchaser must be in writing and delivered to the Vendor's Solicitors.

12.3 If any one of the conditions precedent contained in Section 12.1 has not been satisfied or waived by the Purchaser on or before the Closing Date, the Purchaser may terminate this Agreement by written notice to the Vendor.

13. Conditions Precedent in Favour of the Vendor

13.1 The obligations of the Vendor under this Agreement are subject to the fulfillment of the following conditions precedent:

- (a) each of the representations and warranties of the Purchaser set forth in Section 8.1 shall be true and correct as if restated on and as of the Closing Date;

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- (b) the covenants and obligations contained in this Agreement to be complied with by the Purchaser on or before the Closing shall have been complied with and not been breached in any material respect; and
- (c) on or before the Closing Date, the Purchaser will have delivered all items which it is required to deliver to the Vendor pursuant to Section 18.2.

13.2 The Vendor may, in its sole discretion, waive any of the foregoing conditions. Any waiver by the Vendor must be in writing and delivered to the Purchaser's Solicitors.

13.3 If any one of the conditions precedent contained in Section 13.1 has not been satisfied or waived by the Vendor on or before the Closing Date, the Vendor may terminate this Agreement by written notice to the Purchaser.

14. Mutual Conditions Precedent

14.1 The obligations of the Parties under this Agreement are subject to the following mutual conditions precedent:

- (a) before or concurrently with the execution of this Agreement, MCC and the Purchaser having executed the MCC-Purchaser Assignment;
- (b) on or before the fifth Business Day following the execution of this Agreement by both the Vendor and the Purchaser, the Vendor filing with the Court the necessary materials (including this Agreement and the MCC-Purchaser Assignment) to bring the application to obtain the Vesting Order;
- (c) the Vesting Order having been granted by and filed with the Court; and
- (d) there shall be in effect no order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of the Court or other court of competent jurisdiction or of a relevant Government Entity prohibiting the consummation of the transactions contemplated hereby and contemplated in the MCC-Purchaser Assignment and which has not been withdrawn or terminated.

14.2 The Parties may agree to amend or waive any the foregoing conditions. Any amendment or waiver by the Parties must be in writing and delivered to one another's solicitors.

14.3 Unless otherwise agreed to by the Parties in writing, if the condition precedent contained in Subsection 14.1(c) has not been satisfied on the Closing Date, then this Agreement and the obligations of the Parties hereunder shall automatically terminate without any further action on the part of either Party.

15. Efforts to Fulfill Conditions Precedent

15.1 Each Party shall proceed diligently and in good faith and use commercially reasonable efforts to satisfy and comply with and assist in the satisfaction of and compliance with the conditions precedent contained herein.

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16. Termination

16.1 This Agreement may be terminated prior to or at the Closing Time as follows:

- (a) by mutual written agreement of the Parties; or
- (b) by either Party in accordance with Section 12.3 or 13.3, as applicable.

16.2 Each Party's right of termination under this Section 16 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. Nothing in this Section 16 limits or affects any other rights or causes of action any Party may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement. If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.

17. Risk

17.1 The Purchased Assets will be at the Vendor's risk until the completion of the transaction contemplated herein on the Closing Date and thereafter at the Purchaser's risk.

18. Closing

18.1 Subject to the terms and conditions of this Agreement, and the satisfaction or the waiver of the conditions precedent in Sections 12 through 14, the purchase and sale of the Purchased Assets will be completed at the Closing Time at the offices of the Vendor's Solicitors.

18.2 At the Closing Time the Purchaser will deliver, or cause to be delivered to the Vendor, the amount of the Purchase Price, if any, that is owing over and above the amounts being set off under Subsections 4.2(c), 4.2(d) and 4.2(e), if any, plus all applicable Sales Taxes.

18.3 At the Closing Time the Vendor shall deliver, or cause to be delivered to the Purchaser:

- (a) a Court-certified copy of the Vesting Order;
- (b) an executed copy of the Receiver's Certificate;
- (c) all of BIG's Books and Records that are in the Vendor's possession;
- (d) all of BIG's right, title and interest in and to the Purchased Assets free and clear of all Encumbrances, in accordance with the Vesting Order;
- (e) all such assignments, instruments of transfer, deeds, assurances, consents, registrations and other documents executed by the Vendor as requested by the Purchaser in respect of transferring the Purchased Assets to the Purchaser and registrations in connection therewith; and

(f) a receipt for the Purchase Price and all applicable Sale Taxes;

and the Purchaser shall be entitled to possession of the Purchased Assets, in accordance with the Vesting Order, upon payment of the Purchase Price in accordance with this Agreement.

19. Vendor Liability

19.1 The Purchaser hereby expressly acknowledges and agrees that the Vendor is acting only in its representative capacity as appointed receiver of the Property and shall have no personal liability under or as a result of entering into or carrying out the transactions which are the subject of this Agreement except in such capacity and without limitation to the generality of the foregoing the Vendor shall have no liability under or as a result of entering into or carrying out of such transaction in its personal capacity.

20. Further Assurances

20.1 The parties will execute such further and other documents and do such further and other things as may be necessary to carry out and give effect to the intent of this Agreement.

21. Notice

21.1 All notices required or permitted to be given under this Agreement will be in writing and delivered by courier, to the address of the intended recipient set forth on the first page of this Agreement or at such other address as may from time to time be notified by any of the parties in the manner provided in this Agreement.

22. Entire Agreement

22.1 This Agreement constitutes the entire agreement between the parties and there are no representations or warranties, express or implied, statutory or otherwise and no collateral agreements other than as expressly set forth or referred to in this Agreement.

23. Amendment

23.1 No amendment of this Agreement will be binding unless made in writing by all the parties to this Agreement.

24. Assignment

24.1 This Agreement may not be assigned by any party hereto without the prior written consent of the other party hereto, which consent may be arbitrarily withheld, provided that the Purchaser may designate one or more nominees to take title in and to the Purchased Assets, or any part thereof, by giving the Vendor written notice of such assignment at least two clear Business Days prior to the date of the hearing of the application for the Vesting Order.

25. Time of the Essence

25.1 Time will be of the essence of this Agreement.

26. Singular, Plural and Gender

26.1 Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine, and neuter genders.

27. Certain Words

27.1 In this Agreement, the words "including" and "includes" means "including (or includes) without limitation", and "third party" means any Person who is not a Party.

28. Actions to be Performed on a Business Day

28.1 Whenever this Agreement provides for or contemplates that a covenant or obligation is to be performed, or a condition is to be satisfied or waived on a day which is not a Business Day, such covenant or obligation shall be required to be performed, and such condition shall be required to be satisfied or waived on the next Business Day following such day.

29. Applicable Law and Court Jurisdiction

29.1 This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein, and the parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of British Columbia in relation to any matter relating to this Agreement.

30. Successors and Assigns

30.1 This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

31. Headings

31.1 The headings appearing in this Agreement are inserted for convenience of reference only and will not affect the interpretation of this Agreement.

Counterparts

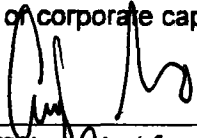
31.2 This Agreement may be signed in counterparts and each such counterpart will constitute an original document and such counterparts, taken together, will constitute one and the same instrument. A counterpart may be delivered by email or any other form of electronic transmission.

[signature page follows]

AS EVIDENCE OF THEIR AGREEMENT the Parties have executed this Agreement as of the day and year first above written.

FTI CONSULTING CANADA INC., in its capacity as court-appointed receiver of all assets and undertaking of Banks Island Gold Ltd., and not in its personal or corporate capacity,

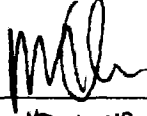
Per:



Name: CRAIG Munro
Title: MANAGING DIRECTOR

MCC CANADIAN GOLD VENTURES INC.

Per:



Name: HOWARD SIRO
Title:

SCHEDULE "A"
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.

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**SCHEDULE "B"
MINERAL TENURES**

Title Number	Claim Name	Owner	Title Type	Title Sub Type	Map Number	Issue Date	Good To Date	Status	Area (ha)
514846		276865 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	576.919
603539		276865 (100%)	Mineral	Claim	103G	2009/apr/28	2024/jan/01	GOOD	463.114
603540		276865 (100%)	Mineral	Claim	103G	2009/apr/28	2024/jan/01	GOOD	193.0103
603543		276865 (100%)	Mineral	Claim	103G	2009/apr/28	2024/jan/01	GOOD	347.251
843425	B1	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	462.8884
843426	B2	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.2071
843428	B3	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.4402
843429	B4	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6726
843430	B5	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.8683
843432	B6	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.8683
843438	B7	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	231.6721
843442	B8	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.2081
843443	B9	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.4398
843444	B10	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6725
843445	B11	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.4398
843447	B12	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.6721
843448	B13	276865 (100%)	Mineral	Claim	103H	2011/jan/18	2024/jan/01	GOOD	482.4398
843449	B14	276865 (100%)	Mineral	Claim	103H	2011/jan/18	2024/jan/01	GOOD	482.8719
843450	B15	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	424.8983
843451	B16	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	444.2863
843452	B17	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	482.8035
843453	B18	276865 (100%)	Mineral	Claim	103H	2011/jan/18	2024/jan/01	GOOD	482.9146
843454	B19	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	328.4902
843455	B20	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	193.1298
843456	B21	276865 (100%)	Mineral	Claim	103G	2011/jan/18	2024/jan/01	GOOD	192.9787
917809	B22	276865 (100%)	Mineral	Claim	103G	2011/oct/18	2024/jan/01	GOOD	425.0209
917829	B23	276865 (100%)	Mineral	Claim	103G	2011/oct/18	2024/jan/01	GOOD	463.922
1019799	BANKSE1	276865 (100%)	Mineral	Claim	103H	2013/may/26	2024/jan/01	GOOD	1933.1911
1019800	BANKSCH	276865 (100%)	Mineral	Claim	103G	2013/may/26	2024/jan/01	GOOD	771.173
1023544		276865 (100%)	Mineral	Claim	103H	2013/nov/02	2024/jan/01	GOOD	38.638
1025955	MT	276865 (100%)	Mineral	Claim	103G	2014/feb/14	2018/feb/14	FORF 2018/feb/14	57.8679
1027557		276865 (100%)	Mineral	Lease	103G	2014/apr/16	2016/apr/16	GOOD	77.17
1034018	STEPH	276865 (100%)	Mineral	Claim	103G	2015/feb/11	2016/feb/11	FORF 2018/feb/11	19.2882
1037603	DISCO	276865 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	38.5871
1037604		276865 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	1176.8014
1037605	kim	276865 (100%)	Mineral	Claim	103G	2005/jun/17	2025/jan/01	GOOD	115.7448

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SCHEDULE "C"
AUCTIONED PROPERTY
(EXCLUDED FROM PURCHASED ASSETS)

(attached)

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an

Schedule "C"
Auctioned Property (Excluded from
Purchased Assets)

Sales Report
 Banks Island Gold
 Sale Date: November 22, 2016

Lot #	Price	Sold With Lot	Description
1			Westward 3/4" Socket set
2			3/4" Socket set
3			Westward 3/4" Socket set
4			Thomas TBMS-5 Crimp tool
5			Westward 1" Socket set
6			Burndy Y35 Hypress
7			Greenlee 7238SB Knockout punch set
8			Ucan LM470 Pneumatic fastener gun
9			I-Kon-II Digital blaster and logger set
10		11	Eco Switch and turbo flares
11			MSA Personal mine masks
12			Parina Drift laser scope
13			Parina Drift laser scope
14			Fuji Digital camera
15		16	Dymo Lettering system
16			Nikon Coolpix Camera
17			Tool box
18			Westward Tool box
19			Westward Tool box
20		21	ACA Digital control system
21			Tuff 8" vise
22			Gast 1/4 hp Vacuum pump
23			6" Machinist vise
24			Partial socket sets
25			Massload Digital scale, 3,000 kg cap
26			Miller Spoolmatic 30A Gun and Arc Air CSK 4000
27			Sledge hammer
28			Power Team Hydraulic knock out kit
29			Spool of 3/4" wire
30			(2) Hilti Dispensers and supplies
31			Box of tools w/ air hammer
32			Boart Long year parts
33			Icom Repeater station and radios
34			Paslode CF325 Framing nailer
35			Ridgid R6000 Drill
36			James JM-1000 Driver
37			Ingersoll Rand 1" Impact gun
38			Grinding wheels, wire wheels, fittings bins, and tool box
39			Scott 4.5 Breathing air pack
40			Scott 4.5 Breathing air pack
41			Scott 4.5 Breathing air pack
42			Scott 4.5 Breathing air pack
43			Wacker BS60-2 Gas tamper
44			Concrete vibrator
45			(2) Caevs tires
46			Pallet of welding supplies
47			(2) OTC 1783 20 Ton support stands
48			Dewalt DW758 Grinder and D28710 cut off saw
49			Qty/Act set
50			Enerpac Hydraulic jack set
51			Paslode IMCT 30 Nailer
52			Paslode 16 Gauge straight nailer
53			Bosch Contractors 10" saw
54			Lot of Vic Groover threaders
55			Dewalt Skil saw and jig saw
56			Makita Skil saw
57			Makita HR2470F Hammer drill
58			Makita 9924DB Belt sander
59			Lot of chargers and batteries
60		61	Ryobi R5290 Palm sander
61			Roto Zip tool
62			Milwaukee Screw driver
63			Makita 6905B Electric 1/4" Impact gun
64			Ridgid R600 Drill
65			(2) Dewalt Impact guns

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65	Miller Maxstar 150 S Welder
67	Canbulk 20 Ton cap jack stands
68	Hilti TE2-A18 Hammer drill
69	Ridgid Hand threader set
70	Ryobi DP1211 Drill press
71	Qty/Act set and cart
72	Pallet of motors
73	Pneumatic mine pluggers
74	Pneumatic mine pluggers
75	Pneumatic mine pluggers
76	McElroy 711.001 PVC pipe welding system w/ stands
77	Pallet of lights
78	Pallet of starters and truck parts
79	Pallet of air hose
80	Pallet of new electric supplies
81	(5) Scott Breathing tanks, 45 min
82	CSE Gas calibration kit
83	(4) Ansul LY-A-101-30 Nitrogen cartridges
84	Electric paddle mixer
85	Bessey SC110V Bearing warmer
86	Plate clamp, 200 lb cap
87	Plate clamp, 200 lb cap
88	Thermo Scientific 658 Oven
89	Makita HR5210C Electric hammer drill
90	Makita LS1221 Chop saw w/ stand
91	Arjay Enmet Gas detector
92	Benshaw Technosub Control starter, 30 hp
93	Bomag 4C1015V Transformer, 15 KVA, 600V, 120/240
94	Bomag 4C1015V Transformer, 15 KVA, 600V, 120/240
95	(6) 2 Drawer file cabinets, paper shredder and supplies
96	Benshaw Technosub Control starter, 60 hp
97	Pallet of new air and oil filters
98	Atlas Copco PSP300RDP/30KG Swellax pump
99	Ridgid 460 Tri stand
100	Lot of GIE control valves
101	Swivel UE-7125G 7" x 12" Band saw
102	Level, parts and tri pods
103	Cat Diagnostic Dell laptop computer w/ 317-7485 communication adapter 3
104	Martand Laser level
105	TSI Velocicalc Digital tester
106	Pallet of filters and box of bearings
107	TFD Variable speed pump
108	110 Endress & Hauser Promag w/ digital flowmeter
109	110 Greyline DFMS1 Doppler flowmeter
110	Vacon Digital VFD
111	Pallet of air filters
112	KPI industrial controls 600V/200hp/100hp, starter
113	(5) Pallet of Crouse Hinds plugs
114	Canvas buildings, covers, (3) 12 x 14
115	Pallet of rubber and submersible pump
116	111 Lot of wire
117	Lot of 2" multigrade hose
118	2012 Stainless steel cyclone, 125 PSF
119	Arjay Enmet Gas detector
120	Spool of tech cable
121	Electrics
122	Millermatic 252 Welder
123	ICE IDF-350-11 Frost fighter, 350,000 BTU
124	ICE OHV-350-11 Frost fighter, 320,000 BTU
125	ICE OHV-350-11 Frost fighter, 320,000 BTU
126	ICE OHV-350-11 Frost fighter, 320,000 BTU
127	182 Plastic tank on stand
128	Jika A-lue-245 Multigrade feed system
129	Bottle rack
130	LPG rack
131	Conveyor pulley and plastic
132	Greenline Air hose 300 psi
133	LPG bottle racks
134	Kubota ACTV Diesel drill pump
135	Lot of steel and plastic pipe flanges
136	MPS Transformer, 600V/208V/120V, 75 KVA

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137	Honda Inverter SU 300 IS generator
138	Honda Inverter SU 300 IS generator
139	Honda Inverter SU 300 IS generator
140	Honda 340 2" Water pump
141	MQ OP-3TH 3 x 3 8.0 hp Pump
142	Ingersoll Rand 2475 Air compressor 2 stage, 7.5 hp
143	Steel adjustable frame stand, 5 hp
144	
176	Spiral concentrator
145	Tidy tank
146	Lot of Synvis D polymer
147	Spool of wire
148	Grindex Submersible pump
149	Pallet of Century Instruments control valves
150	Extrame heat water line heater
151	Crate of Victaulic pipe
152	Crate of Victaulic fittings
153	(3) Sand Piper Pneumatic pumps
154	Air hose 400 psi
155	UHMW sheets and disconnects
156	Parts washer
157	Lincoln Ranger 225 Portable welder, 1072.8 hrs
158	Tsurumi LH322W-G1 Submersible pump
159	Atlas Switch
160	Square D Main 2000 amp breaker, 480V/277
161	Pallet of drill steel parts
162	Miller Trail Blazer 302 Air pak portable welder (needs engine bearing fly wheel side)
163	Envioslip 633 L cap fuel tank
164	Pallet of Benschaw 30 hp starter and electric
165	(2) Greenlee Stands
166	Crate of Victaulic pipe fittings
167	Pothier Core saw w/ Hoda GX160 gas motor
168	Pothier Core saw w/ Hoda GX160 gas motor
169	Tsurumi LH311W Submersible pump
170	Krebs D158 Cyclone
171	Tube of Victaulic pipe clamps
172	Lot of rebar
173	Tsurumi LN330-60 Submersible pump, 573 GPM
174	Crate of Victaulic fittings
175	Pallet of plate steel
176	3 Station spiral concentrator system
177	Crate of Victaulic fittings
178	177 Crate of Victaulic fittings
179	Lot of 4' x 8' concrete mesh
180	Lot of drill steel parts
181	Pallet of Insood soap
182	2014 Cemen-Tech SCDG-100 Concrete mixer plant, dual auger metering system, 9' aggregate bin, 9" X 10' mixer auger, bin cap 65 Cu ft, production 30 Cu. Yd/hr, 8' twin strand drag chain discharge, Vib time control, 30 hp 1760 gpm hydraulic electric drive, Champion HRS-3 Compressor and electric
183	HVT Hurley Mine fan 38", 75 hp
184	HVT Hurley Mine fan 29 1/4" 50 hp
185	HVT Hurley Mine fan 38", 50 hp
186	HVT Hurley Mine fan 60", 100 hp
187	Lot of conduit trays
188	187 Lot of cat walking
189	2011 MQ Whisperwatt DH-07501 Genset Tandem axle trailer mounted, Isuzu 4J11X engine, 70kva, 40kw, 240v, 480v, 120v, bottom fuel tank, meter reading 22,412 hrs S/N: SSLBG14228L006304
190	Lot of steel pipe
191	Lot of compress and hose
192	Lot of plastic hose
193	Lot of sump hose
194	Tuffite Plastic storage tank
195	Tuffite Plastic storage tank
196	Tuffite Plastic storage tank
197	Tuffite Plastic storage tank
198	Tanks Direct Fuel tank Double wall fuel tank, 2,250L cap
199	2012 Atlas Copco QAS120IDS Portable air compressor generator 95 kw, 120kva, 480,240,208Vohndere power, bottom fuel storage meter reading 786.1 hrs S/N: HOP101117
200	2008 Ingersoll Rand LB-4MH Light tower meter reading 12,403 hrs (fuel line needs work)
201	Explosive Meg storage box 5'X5'X5'
202	Lot of plastic risers
203	Lot of 5" water pump, 150 psi hose

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204	8' x 8' Wood shack w/ 15 KVA, transformer and electric
205	2007 Sullivan Palatak D9000CA Portable compressor, Tandem axle 98,899 hrs Cat 3126 Power S/N: 4YAFF16275N560593
206	2011 Tanks Direct Fuel tank 3,000 gal cap, tandem axle trailer S/N: 2P9UT1296CP078336
207	2013 Tanks Direct Double wall fuel tank 4,540L cap w/ Filtright pump
208	4' x 8' Skid mounted air receiving tank
209	Sullivan Palatak D375QBCADS Portable skid mount compressor, Cat Power 5,002 hrs, (needs work compressor side)
210	Pneumatic stoper
211	210 Pneumatic stoper
212	Pneumatic stoper
213	Pneumatic stoper
214	210 Pneumatic stoper
215	210 Pneumatic stoper
216	Featherlite 6' Step ladder
217	Featherlite 10' Step ladder
218	Eagle Step ladder
219	218 Lot of ladders
220	Qty/Act set
221	Nokian mine 18.00-25 L-55 28PR nylon tire (New)
222	Jumba tire and rim, R20 2.00
223	Truck tire and rim, 11R 22.5
224	Lot of 17 1/2" rims
225	Rim 23 1/2" dia
226	(2) Cat 966 R25 26.5 tires (1) new no rim
227	Lot of pump hose
228	Cable slings and turler
229	(3) Come alongs and 1 ton chain hoist
230	Lot of hand tools
231	230 Remaining unsold items in sea can
232	8' Shipping container tare 1,984 lbs
233	Hydraulic reel
234	Electric supplies on right side of container
235	234 Electric supplies on left side of container
236	8' Shipping container tare 1,984 lbs
237	Lot of tires and rims with cage
238	Xerox Phaser 7500 Printer
239	238 Remaining contents in container
240	8' Shipping container tare 1,984 lbs
241	M2 OP-4TH 4" x 4" Gas pump
242	149 Dodge 24.95 Ratio shaft mount reducer
243	149 Via de Gaspari Type VV55B/6 Motor 1200 rpm 5.0 output
244	Toshiba New motor 20 hp, 575 V, 1770 rpm, 254T
245	Bredel SPX40 Pump #26636, 3 hp, 1750 rpm
246	Weg New motor 5 hp, 575 V, 1755 rpm, 182/4TC
247	246 Weg New motor 5 hp, 575 V, 1755 rpm, 182/4TC
248	246 Weg New motor 5 hp, 575 V, 1755 rpm, 182/4TC
249	Weg New frame motor 40 hp, 1775 rpm, 324T
250	Weg New frame motor 25 hp, 1180 rpm, 324/6T
251	Toshiba New T frame motor 10 hp, 1760 rpm, 215
252	251 Weg New frame motor 7.50hp, 1175 rpm, 254 TC
253	Weg New frame motor 15 hp, 1765 rpm, 254 /6TC
254	253 Weg New frame motor 20 hp, 1765 rpm, 254 /6TC
255	Toshiba New frame motor 50 hp, 1775 rpm, 326T
256	255 Weg Frame motor 15 hp, 1765 rpm, 254 /6JM, w/Goulds 2.5 x 3 -13 water pump
257	Strongarm 30 Ton adjustable hydraulic shop press
258	Westward PP270F Drill press
259	Approx 50 hp motor
260	259 Weg New frame motor 7.5 hp, 1775 rpm, 364 /5TC
261	Toshiba New frame motor 7.5 hp, 1760 rpm, 213T
262	261 Weg New frame motor 15 hp, 1765 rpm, 254 /6T
263	Weg New frame motor 10 hp, 1760 rpm, 213 /5T
264	263 Weg New frame motor 10 hp, 1760 rpm, 213 /5T
265	263 Weg New frame motor 7.5 hp, 1765 rpm, 213 /5T
266	Pallet of diaphragm pump parts and valves
267	266 Pallet of pump parts
268	266 Crate of pump parts and valves
269	266 Crates of pump parts
270	2003 40' Shipping container
271	Lot of new oil and air filters on both sides of container
272	Lot of drill bits

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273	Lot of Sandvik splined shanks 45mm T381
274	(2) M & S Hydraulic pumps
275	Lot of Roc bit rock tool bits button bit MT 32R0455
276	275 Lot of Roc tools dia bits 1 3/4 R32
277	74' 1/2" Cut bar
278	Qty of new electrics on shelves
279	Lot of new electrics
280	Lot of disconnects and stands
281	(2) Zacon Limited Type ranch Gas injectors
282	Lot of coveralls, heaters, spill kit and marked parts
283	Lot of wire and electrics
284	Lot of drill steel on floor
285	Benshaw Technosub Switch
286	Bucket of parts and belts on wall
287	Benshaw Technosub 75 hp VFD
288	Benshaw Technosub 30 hp VFD
289	Thermal Transfer EKS-1048-6-7 Heat exchanger
290	289 Buckets of parts
291	2000 40' Shipping container w/ lights and electrics
292	Qty of new bags of lime hydrated type N, Magna floe 24, Magna floe 55, 35' poly clear N103, soda ash, zinc sulphate, sodium nitrate
293	2002 20' Shipping container
294	2006 Detroit Diesel MTU 1500 Diesel genset, meter reading 3,165, 1200 kw 1714 KVA, 120/248
295	2006 Detroit Diesel MTU 1500 Diesel genset, meter reading 6,535, 1200 kw 1714 KVA, 120/248
296	12" and 32" Culvert
297	(4) New Eriex, 3600 rpm, vibrators S/N: 1520185
298	Qty of new hydraulic fluid, gear oil, motor oil safety skids, and v-belts
299	1997 20' Shipping container, inner door and lights
300	10' x 10' Poly storage tank approx 5000 L
301	10' x 10' Poly storage tank approx 5000 L
302	Lot of 125' x 48" insulated bubble tape
303	Spool of new 3" poly tube S3 ISPSDR17 pipe
304	Spool of new 3" poly tube S3 ISPSDR17 pipe
305	Westward Battery charger
306	(2) Diaphragm pump
307	Lot of Silca green streak 705 50' rolls
308	2 Parts chain saws and cutter
309	Electric extension cord
310	2013 8' Shipping container w/ electrics
311	2005 Sullivan Palatek D9000 Tandem axle air compressor, 2,823 hrs, Cat Power S/N: 4YAFF16275N560593
312	Gallon 503 Grader Series A, 8' mold board, meter reading 1,536 hrs S/N: UT2551
313	Mack RD6095 Mixer truck Triaxle 11 cu yard cap S/N: 1MT2P264G8RM015703
314	Mack RD6095 Mixer truck Triaxle, 11 cu yard cap S/N: 1M2P264CORM015700
315	Mack R560GLS Mixer truck Tandem tandem, 11 cu yard cap S/N: 1MT2152C2FM002490
316	2000 Ford F350 XLT Super Duty Pick up truck 8' steel service deck S/N: 1FTWW33F01E839074
317	2001 Dodge Ram 2500 Pick up truck V8 S/N: 1B7KF23261J57B418
318	1996 Ford Econoline 350 Ambulance Stretcher S/N: 1FDJ534FXTH838404
319	Ford F350 XLT Super Duty Pick up truck Crewcab, 8' deck
320	2006 Ford F150 XLT Pick up truck Ext cab S/N: 1FTWK31P57E837127
321	2008 Ford F150 XLT Pick up truck Crew cab S/N: 1FTRW14W38FC35981
322	2006 Ford F350 XLT Super Duty Pick up truck 8' steel and wood deck S/N: 1FDSW35PX7E820539
323	2007 Ford F350 XLT Super Duty Passenger van Advance trac RSL S/N: 1FB5521L97D824997
324	1997 Chev Surburban 2500 Truck S/N: 1GKGG26R5WJ724204
325	2006 Ford E450 Craasline coach Ambulance Dual rears, stretcher S/N: 1FDXE45P56HA28962
326	1999 Chev Surburban 2500 Truck S/N: 3GKGG26R4XG537376
327	Mine ladders
328	2013 Zinex AS Hydraulic self leveling diamond core drill system AS head, 20' X 10' hydraulic levelling steel shack with 4 out riggers, 2 part main boom, 40,000 lb pressure cap, p/w John Deere mod 6068TF250, 6.8L 6 cyl engine, heat exchanger, hydraulic pack drive meter reading 3,839 hrs, American pump, approx 10' X 8' drill pipe steel skid with vise S/N: 2013-009
329	2012 Container mud pump system 8' Shipping container skid mounted, AmericanAW1122BCD, 37.4 gpm, 1000psi pump, tidy tank, Jo box, Kubota mod D1005-ET01 1.0L diesel engine
330	2008 Volvo A30E Rock truck 28 ton cap, p/w D89 engine 9.4 L 324 hp, 4 speed, 23.5R25 tires, meter reading 8045 hrs S/N: VCE0A30E00072294
331	2002 Dux DT20 Rock Truck 20 ton cap, 17 yard box, 16.00R25 tires, fire suppression system, currently has above ground engine, meter reading 7627 hrs S/N: 981
332	2002 Dux DT20 Rock Truck 21 ton cap, 17 yard box, 16.00R25 tires, fire suppression system, currently has above ground engine, meter reading 7118 hrs S/N: 963
333	2010 Cummins/Dux Q586.7 Underground Dux rock truck engine 6.7 L 275 hp
334	2010 Cummins/Dux Q586.7 Underground Dux rock truck engine 6.7 L 275 hp
334.01	Package lot: Lots 331 to 334 2 Dux rock trucks plus 2 Dux engines

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	2011 Boart Longyear Slope Mate Drill system 4 hydraulic outriggers, 6' boom, cap of drilling 51mm-76mm holes, drilling depths 12 to 25 M S/N: 2011-032
	2006 Kenworth T300 Hiab truck Tandem axle, Chassis # 997259, Engine mod ISC260, Trans RTX14710, Rear axle Dana spicer DSP41 Ratio 4.88, Eaton Fuller Raodranger, Day cab, 11R22.5 tires, 25' deck, 2012 Dunbar Tico type 1585T s/n 150579 hiab boom, twin outriggers, 3 section, 15,000 lb cap S/N: 997259
	Rigidid plastic pipe on truck deck Rigidid plastic pipe on truck deck
	2012 Marcotte M40RU4000 Scissor deck boifer 12' X 8' scissor deck platform, 4,000 lb cap, 3 speed, ROPS, fire suppression, (4) outriggers, Daimler Chrysler engine, meter reading 2357.7 hrs S/N: 3176
	Drill steel on boifer deck

Total Sales _____

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MAYNARDS INDUSTRIES CANADA LTD (VANCOUVER DIVISION)
 1837 MAIN STREET, VANCOUVER, BC, CANADA, V5T 3B8
 PHONE : 1-604-876-6787 FAX : 1-604-876-2678

Sales Report

2017-02-23

Event Name :
 Banks Island Gold Ltd
 Jan 23, 2017 to Feb 23, 2017
 341 Kaien Road, Prince Rupert, BC, Canada

1	Maynards Industries Canada LTD Ladders, Lot of step and extension ladder (Vancouver Division)	5,015
2	Maynards Industries Canada LTD Hand tools, pipe wrenches, pry bars, bolt cutters, jerry cans, (Vancouver Division) safety float rings	5,015
3	Maynards Industries Canada LTD Tools, (2) OTC 20 ton jack stands, Jet 1 1/2 ton chain hoist. (2) (Vancouver Division) 12 ton hydraulic jacks	5,015
4	Maynards Industries Canada LTD (2) Cole Parmer Masterflex 07528-30 Pumps, New 1- (Vancouver Division) 100rpm, 0.1 hp with digital control air pump	5,001
5	Maynards Industries Canada LTD Disconnects, Lot of 3 disconnects (Vancouver Division)	5,023
6	Maynards Industries Canada LTD Tools, Dewalt DW758 bench grinder and Dewalt D28715 cut (Vancouver Division) off saw	5,018
7	Maynards Industries Canada LTD Solar Pro Logix Battery charger (Vancouver Division)	5,018
8	Maynards Industries Canada LTD Safety gear, (4) Western Safety Oxygen tanks, eyewear and (Vancouver Division) supplies	5,023
9	Maynards Industries Canada LTD Tools, Makita 1/2" impact gun, fittings bins, tool kits, router bit (Vancouver Division) set, trouble light, hand tools	5,015
10	Maynards Industries Canada LTD Fill Rite FR3200 Fuel pump, 1/2 HP (Vancouver Division)	5,010
11	Maynards Industries Canada LTD Honda WH15X Water pump, 2" gas (Vancouver Division)	5,010
12	Maynards Industries Canada LTD Honda WB20XT Water pump, 2" gas (Vancouver Division)	5,015
13	Maynards Industries Canada LTD Honda EM5000 Portable genset, Electric start, gas, 120/240 V (Vancouver Division) Video of machine in operation	5,015
14	Maynards Industries Canada LTD 2014 Shipping container, 20' complete with Square D 7 section (Vancouver Division) 35 switch MCC and disconnects	5,023
15	Maynards Industries Canada LTD (2) Michelin Dux rock truck tires, New 16.00R25, radial, steel (Vancouver Division) cord tires with rims	5,023
16	Maynards Industries Canada LTD (2) Scharco Water pumps, 1X11 electric pumps (Vancouver Division)	5,000
17	Maynards Industries Canada LTD Shijiazhuang Water pump, New in crate (Vancouver Division)	5,000
18	Maynards Industries Canada LTD Victaulic fittings, Crate of fittings (Vancouver Division)	5,018
19	Maynards Industries Canada LTD Victaulic fittings, Crate of fittings (Vancouver Division)	5,018
20	Maynards Industries Canada LTD Aluminium electric wire, Spool of new wire (Vancouver Division)	5,018
21	Maynards Industries Canada LTD Bulk bags, Pallet of approximately 120 bags (Vancouver Division)	5,018
22	Maynards Industries Canada LTD Bulk bags, Pallet of approximately 120 bags (Vancouver Division)	5,018
23	Maynards Industries Canada LTD Bulk bags, Pallet of approximately 120 bags	5,018

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	(Vancouver Division)		
24	Maynards Industries Canada LTD Bulk bags, Pallet of approximately 120 bags (Vancouver Division)	5,018	-
25	Maynards Industries Canada LTD Vibratory screen parts, Crate of screen parts (Vancouver Division)	5,021	.
26	Maynards Industries Canada LTD 1999 Kaeser CS121 Rotary screw air compressor, 125 psig, (Vancouver Division) 429 cfm, 60/1800 rpm, 100 hp, 575 volt, 1003	5,018	.
27	Maynards Industries Canada LTD Conveyor belt, Pallet of conveyor belt and rollers (Vancouver Division)	5,019	-
28	Maynards Industries Canada LTD Fire Extinguishers, Pallet of Extinguishers (Vancouver Division)	5,010	..
29	Maynards Industries Canada LTD Fire Extinguishers, Pallet of Extinguishers (Vancouver Division)	5,018	.
30	Maynards Industries Canada LTD Fire Extinguishers, Pallet of Extinguishers (Vancouver Division)	5,010	-
31	Maynards Industries Canada LTD Fire Extinguishers, Pallet of Extinguishers (Vancouver Division)	5,010	.
32	Maynards Industries Canada LTD Square D Disconnects, Lot of disconnects (Vancouver Division)	5,010	-
33	Maynards Industries Canada LTD Transformer, Approximately 45 kva dry type (Vancouver Division)	5,023	-
34	Maynards Industries Canada LTD 2007 Ingersoll Rand LB-4MH Light tower/generator, Single (Vancouver Division) axle, p/w Kubota D1105-BG-ES01, 240 V meter reading not available Video of machine in operation, 390124UHR819	5,015	.
35	Maynards Industries Canada LTD 2012 MQ Power DCA-125US1 Genset, Whisper Watt Ultra (Vancouver Division) Silent 125 Tandem axle, Ac Gen mod DB-13811, 125 KVA (100KW) 240/480V, engine mod Isuzu 4HK1X, Multiquip s/n 8510670, meter reading 19062 hrs Video 1 of machine in operation Video 2 of machine in operation, SSLBG152XCL010651	5,015	.
36	Maynards Industries Canada LTD 2005 Ford F-550 XLT Super Duty Pick up truck, Power (Vancouver Division) stroke turbo diesel, V8, crew cab, single axle dual rears, 5' steel service deck, fuel tank with 12V DC pump series 42100, tool lock up boxes, 4X4, 4 speed, milage n/a needs a jump unit is a runner. 1FDAW57P96EB17022	5,000	.
37	Maynards Industries Canada LTD 2006 Ford F-550 XLT Super Duty Pick up truck, Triton V10, (Vancouver Division) crew cab, single axle dual rears, 8' steel service deck, wood sides, metal job box, Automatic, 4X4, meter reading 117,474 kms Video of machine in operation, 1FDAW57Y37EA25352	5,013	.
38	Maynards Industries Canada LTD Westward Tool chest, 2 tier, 9 drawer complete with tools (located at Rupert Truck and Trailer 101 Kaien Road contact is Ben) (Vancouver Division)	5,001	..
		Total	

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SCHEDULE "D"
FORM OF RECEIVER'S CERTIFICATE

TO: MCC CANADIAN GOLD VENTURES INC. (the "Purchaser")

RE: Asset Purchase Agreement dated _____, 2018 (the "Agreement") between FTI CONSULTING CANADA INC., in its capacity as court-appointed receiver of all assets and undertaking of Banks Island Gold Ltd., and not in its personal or corporate capacity, (the "Vendor") and the Purchaser.

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "Certificate").

I, _____, a _____ of FTI Consulting Canada Inc., hereby certify that as of the date of this Certificate:

1. I am personally familiar with the matters hereinafter mentioned.
2. Each of the representations and warranties of Vendor contained in Section 6.1 of the Agreement were true and correct in all material respects when made and are true and correct in all material respects as of the Closing Date.
3. All obligations of Vendor contained in the Agreement to be performed prior to or at the Closing Time have been timely performed in all material respects.
4. This Certificate is made by FTI Consulting Canada Inc. in its capacity as court-appointed receiver of all assets and undertaking of Banks Island Gold Ltd., and not in its personal or corporate capacity, and is binding upon Vendor.
5. This Certificate is made with full knowledge that Purchaser is relying on the same for the closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF I have executed this Certificate this ____ day of _____, 2018.

FTI CONSULTING CANADA INC., in its capacity as court-appointed receiver of all assets and undertaking of Banks Island Gold Ltd., and not in its personal or corporate capacity,

Per:

Name:
Title:

Handwritten initials: Hk and An

SCHEDULE "E"
SEPRO ASSIGNMENT
AND
SEPRO AGREEMENT AND SECURITY

(attached)

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ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT is dated April 27, 2017

BETWEEN: SEPRO MINERAL SYSTEMS CORP. (the "Assignor")

AND: MCC NON FERROUS TRADING INC. (the "Assignee")

CONTEXT:

- A. The Assignor is a party to Proposal Number: 23947R3-SMSC dated August 1, 2013 relating to the sale of a modular mineral processing plant and other personal property more particularly described therein (the "Equipment"), a copy of which is attached hereto as Schedule "A" (the "Purchase Proposal") between the Assignor as the vendor and Banks Island Gold Ltd. (the "Purchaser") as the purchaser.
- B. The Purchaser is indebted to the Assignor for the unpaid purchase amount and interest thereon pursuant to the Purchase Proposal, and as at the date of this Assignment Agreement (the "Effective Date"), the total amount owed by the Purchaser to the Assignor, together with accrued interest, fees and other expenses (the "Assigned Amount") is \$236,704.43.
- C. As security for the payment of the Assigned Amount owing under the Purchase Proposal, the Assignor retained a security interest in the Equipment pursuant to Paragraph 14 of the Sepro Standard Terms and Conditions of Sale attached to the Proposal, notification of which was registered by the Assignor in the British Columbia Personal Property Registry on October 30, 2014 under Base Registration #2624681 expiring on October 30, 2017, (such security, together with any and all other instruments, security agreements, debentures, mortgages, assignments, pledges and other similar instruments held by the Assignor in connection with the Assigned Amount, including for certainty any third party agreements such as postponements, subordinations or other similar documents, being hereinafter called the "Security").
- D. The Assignor wishes to assign to the Assignee all rights and obligations of the Assignor under the Purchase Proposal and the Security, and the Assignee wishes to accept assignment of those rights from the Assignor, all on the terms of this Agreement.



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THEREFORE, the parties agree as follows:

1. Assignment

1.1 Subject to the terms of this Agreement, the Assignor sells, transfers and assigns to the Assignee, and the Assignee purchases and assumes from the Assignor, without recourse and without representation or warranty (except as provided in this Agreement):

1.1.1 the Assigned Amount, including without limitation all obligations owing by the Purchaser to the Assignor under the Purchase Proposal; and

1.1.2 the Purchase Proposal and the Security.

1.2 With effect on and after the date of this Agreement (the "Effective Date"), the Assignee will:

1.2.1 succeed to all of the rights of the Assignor under, the Purchase Proposal and the Security, resulting in a direct obligation of the Purchaser to the Assignee.

2. Payments

As consideration for the sale, transfer and assignment contemplated in Section 1 of this Agreement, the Assignee will pay to the Assignor by certified cheque, bank draft or electronic funds transfer the amount of Canadian \$150,000.00 (the "Total Payout Amount") forthwith upon the execution of this Agreement by the Assignor and the Assignee.

3. Representations and Warranties

3.1 The Assignor represents and warrants that:

3.1.1 the Assigned Amount is outstanding under the Purchase Proposal as of the Effective Date;

3.1.2 the Security is a valid, perfected security interest as against the Purchaser and the Equipment;

3.1.3 it is the legal and beneficial owner of the rights and interests being assigned by it under this Agreement and those rights and interests are free and clear of any or other adverse claim and are not subject to any prior sale, transfer, assignment or



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participation by the Assignor or any agreement to assign, convey, transfer or participate, in whole or in part:

- 3.1.4 it is duly organized and validly existing under the laws of British Columbia;
- 3.1.5 it has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement; and
- 3.1.6 the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Assignor.

3.2 The Assignee represents and warrants that:

- 3.2.1 it is duly organized and validly existing under the laws of New York;
- 3.2.2 it has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement; and
- 3.2.3 the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Assignee.

4. Further Assurances

4.1 Each party will, at the requesting party's cost and expense, execute and deliver any further agreements and documents, take any other actions and provide any further assurances, undertakings and information as may be reasonably required by the requesting party to give effect to this Agreement, including without limitation:

- 4.1.1 the delivery of any notices or other documents or instruments to the Purchaser; and
- 4.1.2 the execution by the Assignor and the Assignee of any document, instrument or deed necessary or advisable for the proper assignment and registration (or discharge, as applicable) of the Security.

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4.2 The Assignor shall have no obligation to, and the Assignee shall be solely responsible for notifying the Purchaser of the assignment effected herein as and when required and for filing and any all financing change statements, financing amendment statements, assignments or similar documents, as may be necessary in each applicable personal property and real property registry office to reflect the assignment and assumption of the Security and any other security contemplated by the Purchase Proposal.

5. **General**

5.1 No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by each party. No waiver of, failure to exercise, or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

5.2 All payments made under this Agreement will be made without any set-off or counterclaim.

5.3 Except as otherwise specified in this Agreement, all costs and expenses (including the fees and disbursements of accountants, financial advisors, lawyers and other professional advisers) incurred in connection with this Agreement, the obligations under this Agreement and the completion of the transactions contemplated by this Agreement, are to be paid by the party incurring those costs and expenses.

5.4 Any taxes exigible as a result of the transactions contemplated by this Agreement, other than taxes imposed on or measured on the Assignor's net income, capital gains, or capital by the jurisdiction, or any political subdivision of that jurisdiction, under the laws of which the Assignor is organized, will be for the account of the Assignee.

5.5 This Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

5.6 This Agreement constitutes the entire agreement between the Assignor and Assignee pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings,


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negotiations and discussions, whether oral or written, of the Assignor and Assignee, other than the provisions of and there are no representations, warranties or other agreements between the Assignor and Assignee in connection with the subject matter of this Agreement except as specifically set out in this Agreement. No party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement.

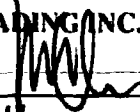
5.7 This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of British Columbia.

5.8 Each of the parties has executed and delivered this Agreement as of the Effective Date.

SEPRO MINERAL SYSTEMS CORP.

Per: 
Name: **KENNETH W. KIRK**
Title: **CEO**

MCC NON-FERROUS TRADING INC.

Per: 
Name: **Howard SA**
Title: **4/21/17**
MCC NON FERROUS TRADING INC.
222 BLOOMINGDALE ROAD
WHITE PLAINS, NY 10605



SCHEDULE A
PROPOSAL NUMBER: 23947R3-SMSC

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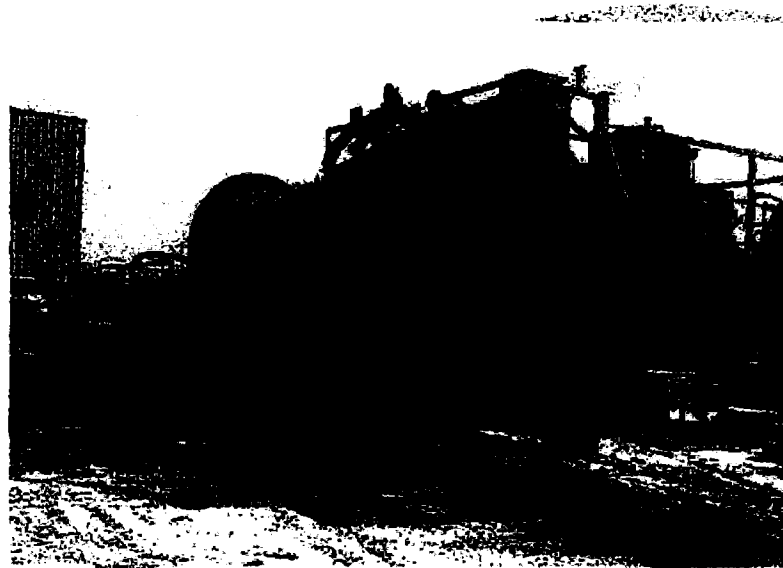
PROPOSAL

BANK ISLAND GOLD

SEPRO PROPOSAL NUMBER: 23947R3-SMSC

DATE: AUGUST 1, 2013

MODULAR MINERAL PROCESSING PLANT



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PROPOSAL NUMBER: 23947R3-SMSC

sepro mineral systems corp
 unit 107a - 8850 - 80th street
 langley british columbia
 canada v1m 4s3

office: +1) 604.888.5288
 fax: +1) 604.888.5221

sepro@seprosystems.com
 www.seprosystems.com

August 1, 2013

Bank Island Gold Ltd.
 300 1055 West Hastings St.
 Vancouver, BC
 V6E 2E9

Attention: Mr. Mossman
 Subject: **MODULAR MINERAL PROCESSING PLANT**

Sepro is pleased to provide a proposal for our modular milling and flotation plant for your project in British Columbia.

We have based on our offering on the process design criteria as submitted to us by ConsumET titled Process Design Criteria Yellow Giant Project (revision A).

We trust that this proposal is in accordance with your requirements and look forward to your positive response.

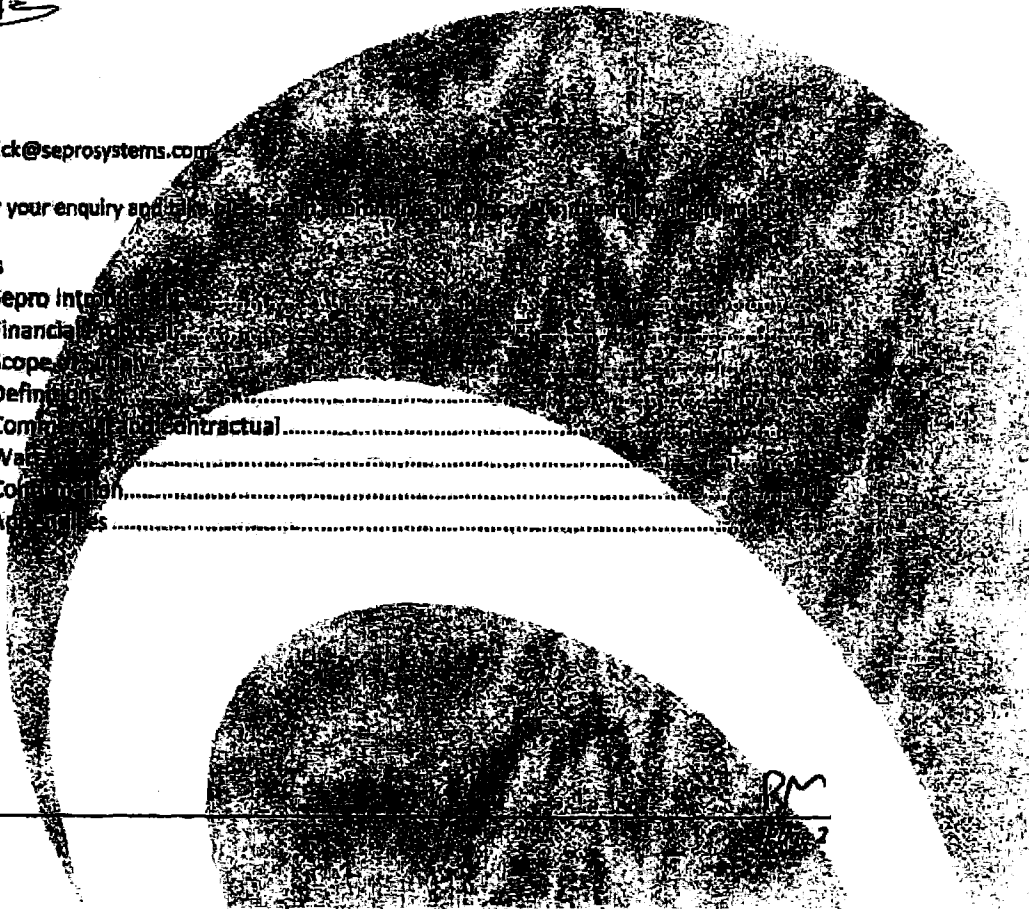
Yours faithfully,

Dave Hornick
 VP -Sales
 Email: dave.hornick@seprosystems.com

We thank you for your enquiry and for the opportunity to provide you with a proposal.

Table of Contents

SECTION 1.	Sepro Introduction
SECTION 2.	Financial Proposal
SECTION 3.	Scope of Work
SECTION 4.	Definitions
SECTION 5.	Contractual/Non-Contractual
SECTION 6.	Warranties
SECTION 7.	Compliance
SECTION 8.	Appendices



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SECTION 1. SEPRO INTRODUCTION

SEPRO MINERAL SYSTEMS CORP. is a Canadian company operating internationally in the mining and metals industries. Sepro's core business for the last 25+ years has been the supply of mineral processing equipment, metallurgical testing and process consulting. Basic services range from evaluative studies through equipment design, fabrication and commissioning. Sepro is committed to providing state-of-the-art equipment and process solutions for new and existing projects worldwide.

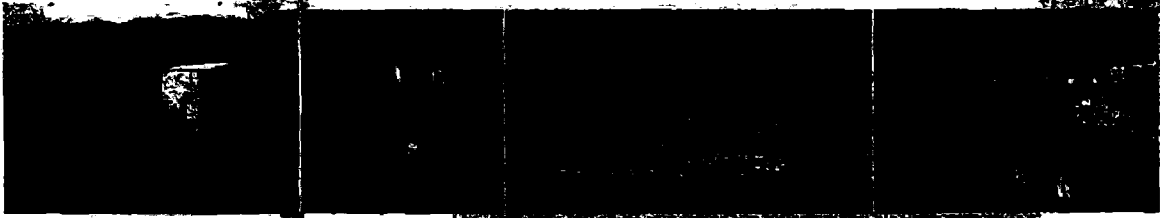
SEPRO MANUFACTURES

- SEPRO-Pneumatic tyre driven:
 - Grinding Mills
 - Material Scrubbers
 - Agglomeration Drums
- Three specialized lines of FALCON enhanced centrifugal mineral processing concentrators:
 - Falcon 'C' – continuous concentrators
 - Falcon 'SB' – semi-batch concentrators
 - Falcon 'UP' – ultrafine concentrators
- SEPRO-Modular milling, sizing and gravity plants
- SEPRO-Szetec sizing screens
- SEPRO-Atalay fine sizing screens
- SEPRO-Dense Media Separators

With hundreds of installations worldwide, Sepro has the experience and knowledge to assist with a variety of processes including grinding, screening, scrubbing, washing, agglomeration, dense media separation, flotation and dewatering.

OUR COMMITMENT AND SERVICE TO OUR CUSTOMERS
 Sepro's head office is located in Vancouver, Canada. We also have offices in many other countries as well as many knowledgeable representatives worldwide. Our experienced and approachable personnel can easily be reached via telephone, email and Skype. SEPRO MINERAL SYSTEMS CORP. is committed to provide leading edge technology in a timely and cost effective manner to our global customer base.

MINERAL PROCESSING AND AGGREGATE SPECIALISTS



HR
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SECTION 2. FINANCIAL PROPOSAL

2.1. MODULAR MINERAL PROCESSING PLANT

QTY	DESCRIPTION	TOTAL PRICE
1	<p>GRINDING MODULE: The function of the grinding module is to reduce the size of the material generated in the crushing plant to the point where the gold is liberated from the waste rock and may be recovered by gravity and or flotation.</p> <ul style="list-style-type: none"> Grinding Mill feed hopper which accepts feed from the fine ore bin discharge conveyor 2.1 meter X 4.0 meter Sepro Tyra Drive Type Ball Mill with 220 kW connected motor power complete with drive system, rubber mill liners and lifter bars. Ball charge (grinding media by customer) Mill Discharge sump and mill discharge slurry pump Salter Cyclones 10" Hydro cyclone for finish product sizing (per recommendation of Lyn Jone) Concentrator protection screen 2' X 8' Sepro Sisetec single deck vibrating screen with poly urethane modular panel system for sizing material prior to feeding the gravity concentrator. One Gravity Concentrator Falcon SB 750 SB complete with variable frequency drive, plc and dynamic brake all to be mounted on the mill module chassis. Gravity concentrator feed pump, Vertical Tank Pump (no gland water required) Cyclone feed pump, Vertical Tank Pump (no gland water required) Interconnecting piping (slurry hose) and required valves. Process water manifold will distribute customer supplied fresh water to the various components. Manual valves will be supplied on the manifold. Concentrate storage tank All equipment mounted on a good used flat deck highway trailer with maintenance platforms and an plant lighting 	\$1,344,500 CAD
1	<p>FLOTATION MODULE: This module will receive material from the grinding module and will float by gravity to the agitated condition. The various vessels for the flotation module, frother and collector will be added to the system. The flotation module, frother and collector pumps. A provision for a lime addition system in the form of re-circulating pump and storage tank is also included for the flotation module.</p> <ul style="list-style-type: none"> Fabricated steel conditioning tank with agitator and drive (agitator Philadelphia Mixer or Equal) Two (2) polypropylene storage vessels and associated metering pumps One (1) polypropylene storage tank and associated re-circulating pump Two bank of (2) 50 cubic ft Denver type self aerating flotation cells All components mounted on a good used flat deck highway trailer with fabricated stairs for access to upper deck, appropriate catwalks and service platforms, on plant halogen lighting 	\$475,200 CAD

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BANK ISLAND GOLD
SEPRO PROPOSAL NUMBER: 23947R3-SMSC
August 1, 2013

QTY	DESCRIPTION	TOTAL PRICE
1	ELECTRICAL CONTROLS AND WIRING	Included in above
	<ul style="list-style-type: none"> • A electrical control station housed in a good used 20' shipping container with a complete MCC for the equipment listed above. Includes a complete operator station. • Variable Frequency Drive for Sepro Ball Mill • Variable frequency drive for Mill discharge pump, concentrator feed pump, cyclone feed pump • All other drive motors will be supplied with simple contactors. • Motor start stop station with push buttons • Wiring (SOW type cable) will be supplied for all motors cut to rough length for installation in the field by customer's electrical contractor 	

TOTAL EQUIPMENT (EXW - LANGLEY, BC) \$1,819,700 CAD
Any applicable taxes or Import duties extra

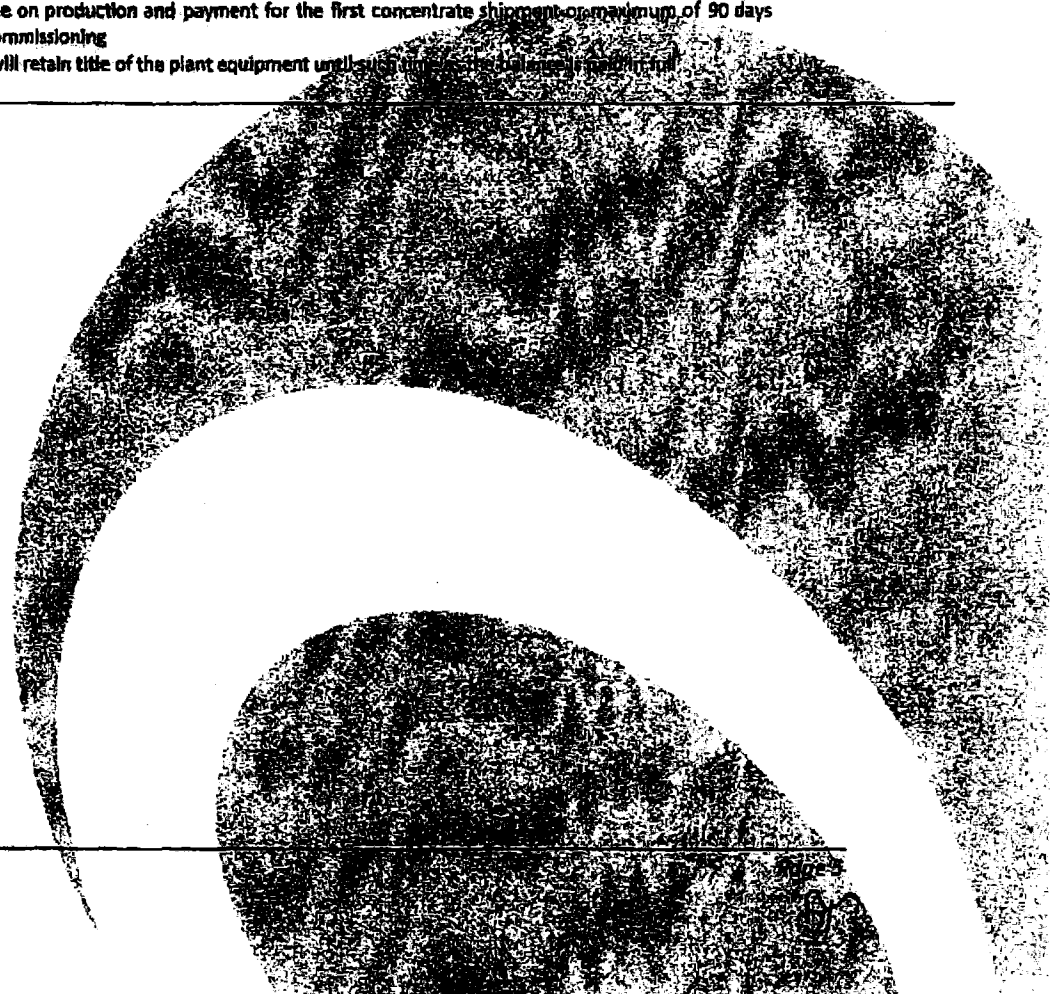
Delivery Schedule 20-24 weeks from approved GA

Delivery: Subject to shop loading. Please see Section 6.2 of this proposal.

Proposal Validity 30 days from date of proposal unless previously withdrawn in writing

PAYMENT TERMS:

- 50% of the contract price due on acceptance of order and issue of down payment invoice.
- 20% of the contract price due on submission of GA for approval
- 30% due on production and payment for the first concentrate shipment or maximum of 90 days from commissioning
- Sepro will retain title of the plant equipment until such time as the balance is paid in full



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SECTION 3. SCOPE OF SUPPLY

3.1. SCOPE OF SUPPLY

One modular and mobile Sepro grinding and flotation plant

3.2. EXCLUSIONS

The following items are specifically excluded from our scope of supply:

- Delivery beyond Ex Works Fabrication Shop
- Insurance after Ex Works Fabrication Shop
- Fresh water pump and piping to one fresh water manifold
- Initial ball charge for grinding mill
- Flotation reagents
- Electrical power supply (Supply voltage 575v/3/60)
- Tailings disposal (additional pumps, ponds or piping)
- Foundation design (load plan only supplied);
- Foundation bolts;
- Erection other than supervision at quoted rates;
- Electrical controls, cables not specified in the above proposal
- Lubricants and consumables, except first fill of gearbox oil and grease installed during shop testing;
- Provision of workshop drawings of any kind;
- Documentation other than manuals, general arrangement drawing and parts list necessary for installation and maintenance, which will be supplied in three stages;
- Any additional guards where required by local regulations;
- Any applicable local taxes, import duties;
- Site civil works

3.3. BATTERY LIMITS

- Feed :Ball Mill Feed Hopper
- Process Water: Water tank
- Gravity Concentrate: Feed
- Flotation Concentrate: Feed
- Flotation Tails: At discharge of flotation tank pump
- Electrical: Main distribution panel MCC (575v/3/60)

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SECTION 4. DEFINITIONS

The prices in this section are given in accordance with the following definitions:

4.1. "SEPRO"

Shall mean Sepro Mineral Systems Corporation.

4.2. "CLIENT"

Shall mean Bank Island Gold

4.3. "SUPPLY"

Shall mean Design, Procurement, Manufacturing, Expediting, Inspection and Delivery, on EXW Langley, B.C. CANADA basis of equipment as specified and defined in the technical specification unless stated otherwise.

4.4. "SUPERVISION OF INSTALLATION"

Shall mean supervision of the installation of mechanical equipment by a competent field service engineer.

Supervision of installation is not included in this quotation but can be arranged upon requests. Travel and accommodation will be charged at cost and manpower at \$1,050 CAD per man day unless stated otherwise.

4.5. "SUPERVISION OF COMMISSIONING"

Shall mean supervision of the process commissioning and performance testing of the equipment by a competent commissioning technician. At the same time operating personnel will be instructed in the use of the equipment. It is essential that the relevant personnel be available on site for this time.

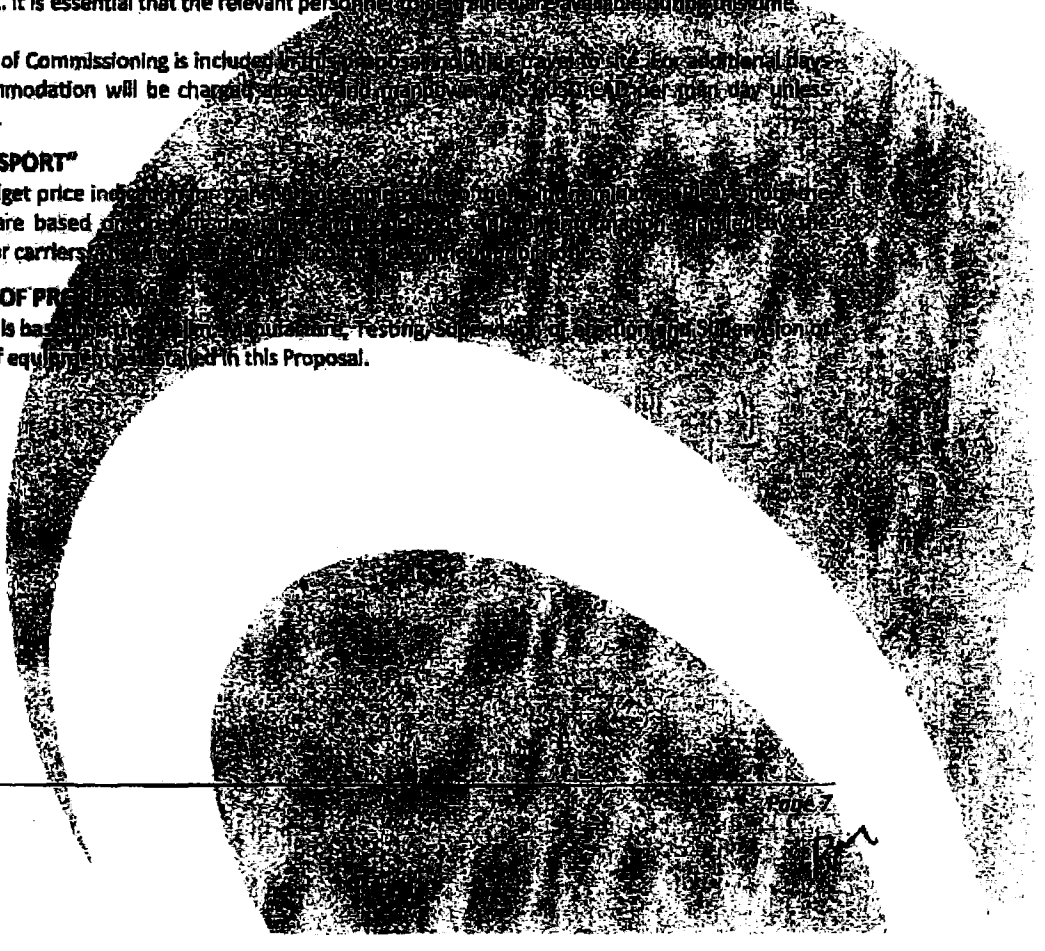
Fifteen (15) days of Commissioning is included in this quotation. This amount is for additional days travel and accommodation will be charged at cost and manpower at \$1,050 CAD per man day unless stated otherwise.

4.6. "TRANSPORT"

Shall mean a budget price including the cost of transport to and from the site. Transport costs are based on current rates and are subject to change without notice. All charges are subject to the rates and conditions of authorities and/or carriers.

4.7. "BASIS OF PRICE"

Sepro's proposal is based on the quantities, purchase, testing, supervision of installation and supervision of commissioning of equipment as stated in this Proposal.



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SECTION 5. COMMERCIAL AND CONTRACTUAL

5.1. COMMERCIAL AND CONTRACTUAL

5.1.1. Price Basis

No taxes, import or other duties of whatsoever nature have been included, and will be for the account of the client.

Prices quoted for supply are EXW – Langley, Canada unless stated otherwise.

5.1.2. Terms of Payment

Sepro's proposal is based on the following Terms of Payment unless otherwise stated IN SECTION 2.

- 50% on receipt of order
- 50% upon notification of readiness to ship EXW Langley, BC

Site Related Services:

- 100 % payable within 15 days from completion of a work portion

5.1.3. Deposit and Progress Payments

Goods that have been manufactured, or are in the process of manufacture by Sepro may require progress payments as defined in this agreement. In the event that progress payments milestones are not met by the Client, Sepro at its sole discretion may terminate this agreement and subject the Client to forfeiture of any deposit monies.

5.1.4. Commercial Conditions

Sepro's standard terms and conditions are applicable to this proposal.

5.1.5. Rates of Exchange

All prices are CAD unless otherwise stated.

5.1.6. Proposal Validity

This proposal will be valid for 30 calendar days from the date of issue unless otherwise stated. The validity will expire at the end of this period, after which the validity will be subject to Sepro's further confirmation.

5.1.7. Storage Fees

Storage fees will be charged for goods stored in a warehouse or other storage facility. The fee will be based on the warehouse location/creating site. The fee will be subject to Sepro's further confirmation of readiness to ship order.

5.2. DELIVERY

The EXW delivery date is applicable from the date of the receipt of financial documents for loading at the time of order. Please contact Sepro prior to issuing a Purchase Order to confirm production schedule.

5.3. SHIPPING AND INSURANCE

Please note that shipping and insurance is not included in this quotation unless otherwise stated. If not stated in financial quotation Sepro can arrange a quotation at client's request.

5.4. SITE WORK

Installation site work to be performed by others. Installation to be performed by a qualified Sepro technician at the rate given in section 5.5.

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5.5. RATES FOR SITE WORK

- \$1,050.00 CAD per 10 hour day + travel + expenses
- \$1,050.00 CAD X 1.5 for overtime

5.6. RESERVATION OF OWNERSHIP

Ownership in the goods remains vested in Sepro until the purchaser has paid all amounts owing in terms of the contract. The risk in the goods passes to the purchaser upon completion of assembly and testing EXW.

5.7. COPYRIGHT AND OWNERSHIP

Notwithstanding anything to the contrary anywhere contained, copyright and ownership of any proprietary equipment or technology remains the property of Sepro.

5.8. DRAWINGS AND DOCUMENTATION

Our proposed price allows for the drawings produced to Sepro's standard. Should the Client require additional drawings or specifications, these will be invoiced at normal rates.

5.9. SEPRO SAFETY STANDARD

Safety standards are in compliance with local WorkSafe BC Regulations.

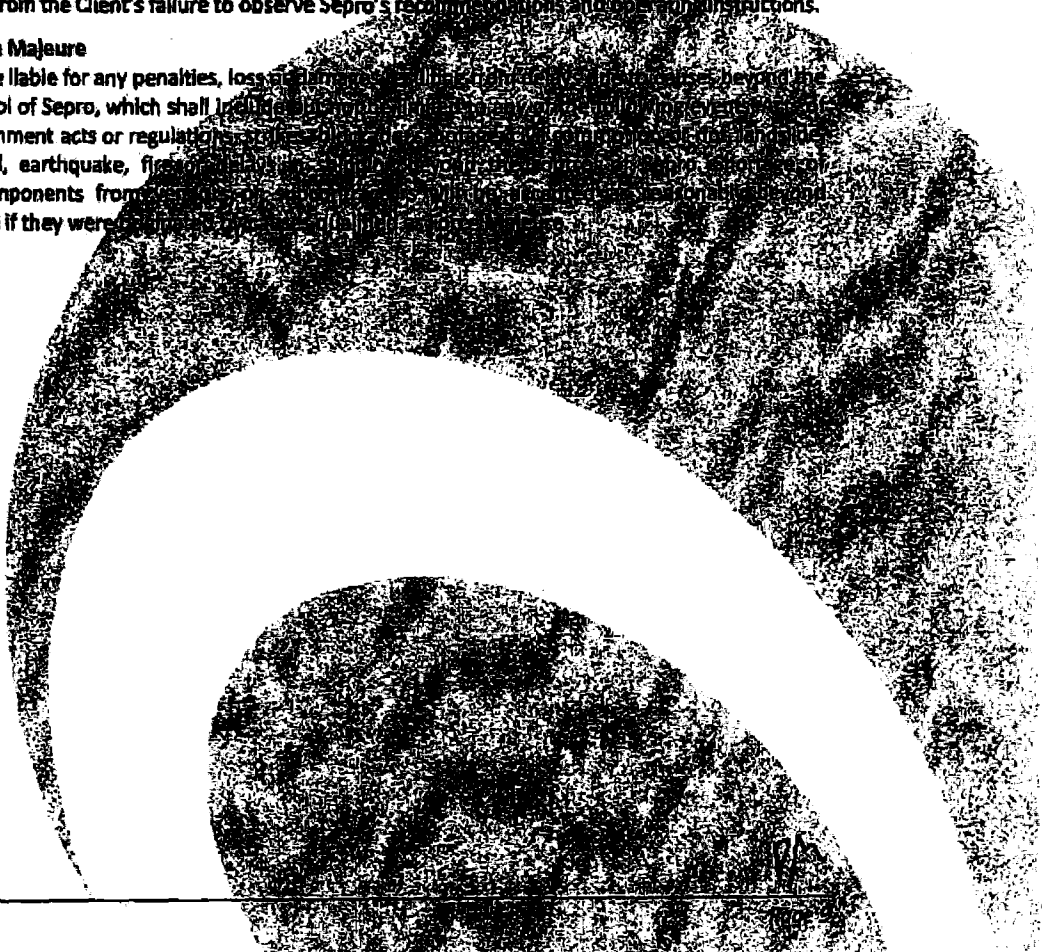
5.10. DAMAGES AND LIABILITY

5.10.1. Maximum Damages and Total Liability

Sepro will, under no circumstances, be liable for any consequential damages or losses, nor for any damages arising from the Client's failure to observe Sepro's recommendations and operating instructions.

5.10.2. Force Majeure

Sepro shall not be liable for any penalties, loss or damages resulting from any causes beyond the reasonable control of Sepro, which shall include but not be limited to: fire, lightning, explosion, war, God, War, Government acts or regulations, strikes, riots, civil commotion, epidemics, windstorm, flood, earthquake, fire or other natural disasters, or any other causes beyond the control of Sepro or its Supplier's control if they were not caused by the negligence of Sepro or its Supplier.



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SECTION 6. WARRANTY

18 MONTH SEPRO WARRANTY

Sepro equipment is tested and inspected before leaving the factory. Our equipment is warranted to be free from defects in material or workmanship for a period of 18 months from the date of shipment or 5,000 operating hours, whichever comes first. This warranty is limited to the repair or replacement of parts other than designated wear parts when operated and maintained properly in accordance with the owner's manual. In no event shall Sepro be liable for any direct, indirect, incidental or consequential damages resulting from the sale or use of the product during or after the term of this warranty.

SEPRO WARRANTY RETURN POLICY

Return Defective Parts: To obtain warranty service during the warranty period, notify Sepro and return parts (freight prepaid) to Sepro for inspection. If problem is caused by defects in material or workmanship then Sepro will repair or at our option, replace the defective part.

Order Emergency Replacements: If required in emergency situations where no suitable spare parts are on site, a replacement part may be ordered from Sepro (and shipped from closest inventory stock to avoid down-time) while failed parts are being returned to Sepro for evaluation by Sepro or its suppliers for possible warranty repair or replacement (or credit at customers request). It is strongly recommended that critical parts be carried as spares on site by the customer as per the owner's manual.

Transportation Costs: All shipping, duty or related costs associated with warranty claims to transport the parts to/from Sepro factory are the responsibility of the customer.

ENTIRE WRITTEN WARRANTY

This warranty is expressly made by Sepro Mineral Systems, Inc. and is intended to be the entire warranty in lieu of all other warranties, including those made by the manufacturer of the equipment, for the purpose, whether written, oral, expressed or implied, in any contract, agreement, or purchase order, or by any other person, employee, associate, agent, or representative of Sepro, for any equipment or designs. Sepro shall not be liable for consequential damage or expense, including but not limited to, lost production, lost profits, or any other consequential damage or expense, in any event, for any reason whatsoever.

This warranty is entirely for the benefit of the customer and is subject to inspection (by Sepro or its representative) of the equipment and parts.

Warranty parts may be subject to pro-rata charge based upon Sepro's estimate of the value realized from the part.

This warranty shall not apply to equipment or parts thereof that have been altered or repaired outside of the Sepro factory, or damaged by improper installation, application or subject to misuse, abuse, neglect, or accident. This warranty is void if the plant/equipment supplied by Sepro is installed and commissioned without the supervision of Sepro professional. Equipment supplied by the Client is outside of Sepro's specifications.

Sepro makes no warranty and accepts no liability for equipment or components or accessories supplied by Sepro but manufactured by other manufacturers. The only warranty is that offered by their respective manufacturers as facilities for the equipment.

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SECTION 7. CONFIRMATION

The undersigned customer agrees to the purchase from SEPRO MINERAL SYSTEMS CORP. ("SMSC") of the products described in Sepro proposal# : 23947R3-SMSC and will be subject to all the terms and conditions set forth in this document.

Order taken by:

Customer: (If corporation, authorized officer must sign and show title. If a partnership, a general partner must sign. If owner or partner please show which.)

Accepted by:

By: *[Signature]*

By: *[Signature]*

Title: CFO

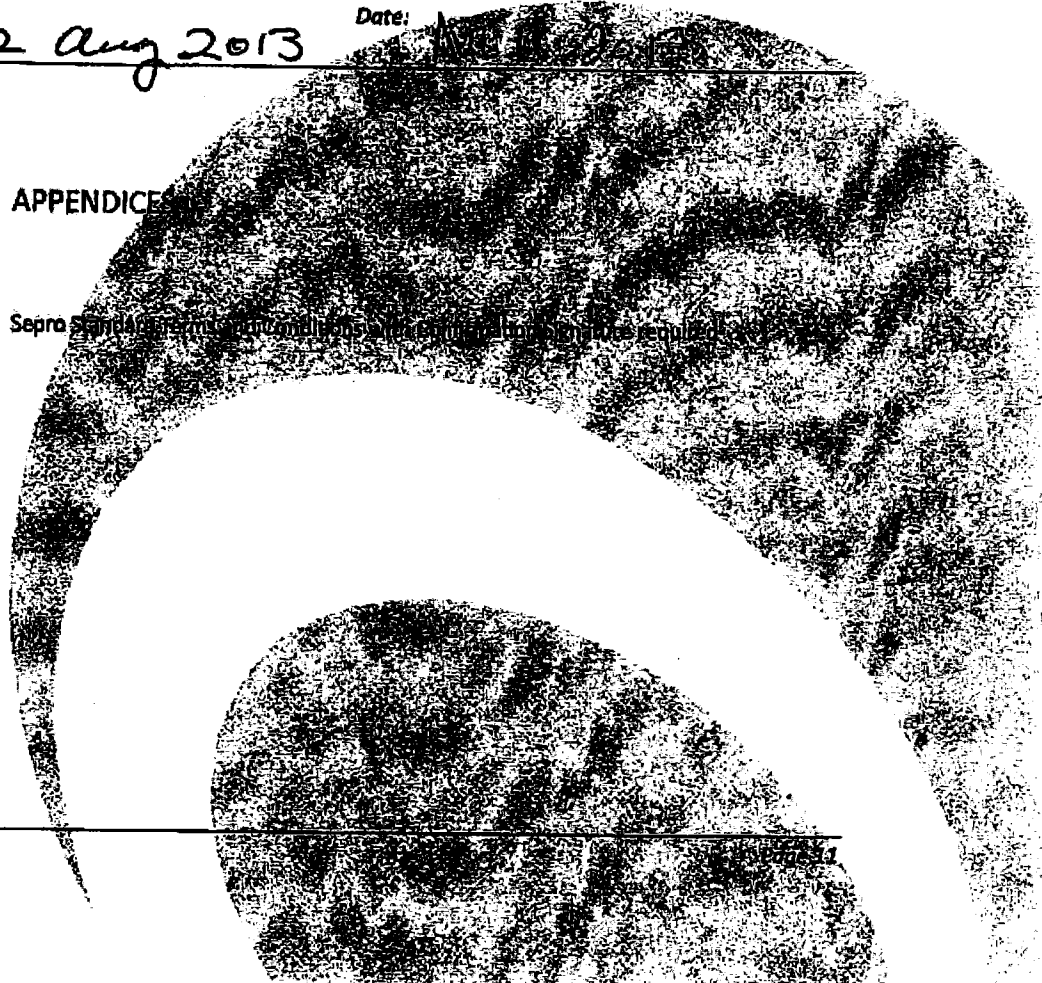
Title: PRESIDENT

Date: 22 Aug 2013

Date: *[Signature]*

SECTION 8. APPENDICES

1. Sepro Standard Terms and Conditions of Sale



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Sepro Mineral Systems Corporation
 Unit 101a - 9850 201 Street
 Langley, BC, V1M 4A3 Canada

DOCUMENT No.	T&CFEB13-1
Prepared By:	Inside Sales
Appendix 1 of Proposal	23947R3-SMSC
August 1, 2013	

SEPRO STANDARD TERMS AND CONDITIONS OF SALE

- OFFER:** This document is an offer by Sepro to sell to the purchaser to which this offer is addressed ("Buyer"), the products and/or services described more particularly on the face hereof and/or on the attached Schedule(s), if applicable, subject to the terms and conditions set forth herein. This document is not an acceptance of any offer made by Buyer, and Sepro hereby objects to any additional or different terms which may be contained in any of Buyer's purchase order, acknowledgement or other forms, or in any other communication heretofore or hereafter received from Buyer. This offer expires 30 days from its date, unless extended by Sepro.
- PRICE AND PAYMENT:** The prices for the goods covered by this offer are Sepro prices for such goods and/or services with (1) the limited Warranty set forth in this document and in Equipment Proposal, and (2) the Liability Limitations, set forth in this document and in Equipment Proposal, including the disclaimer of negligence, strict liability and other tort liability, enforceable against Buyer. If Buyer desires Sepro to provide a greater or additional warranty and/or to be liable for some or all of the matters disclaimed, then Buyer must notify Sepro before Buyer accepts (or is deemed to accept) this offer, in which event Sepro will amend this offer to reflect higher sales prices reasonably compensating Sepro for assuming that additional exposure. In the absence of such a notification, by accepting this offer Buyer is accepting such limitations and disclaimers in exchange for the lower prices set forth herein.

Sepro reserves the right to adjust the purchase price to reflect additional costs incurred by Sepro resulting from or in connection with any changes made by Buyer, including, but not limited to, costs incurred as a result of a shipment delay caused by Buyer, overtime work authorized by Buyer, and special packing, painting or engineering costs in excess of that customarily incurred by Sepro. No penalties, discounts, or reductions in price shall be permitted unless expressly agreed to in writing by Sepro. **ALL ORDERS ARE SUBJECT TO CREDIT APPROVAL.** Unless otherwise stated, this price does not include any services of a Sepro representative to assist in the installation, inspection or start-up of the equipment. Unless otherwise agreed in writing, payment shall be made in full before shipment. Invoices are due upon Buyer's receipt of Sepro invoice ("due date"). Sepro may invoice Buyer when the products are ready for shipment, whether or not such shipment is delayed by Buyer.

Goods that have been manufactured, or are in the process of manufacture by Sepro may require progress payments as agreed upon. In the event that progress payment milestones are not achieved, Sepro, at its sole discretion may terminate the agreement and subject the Buyer to forfeiture of any payments made.

Invoices not paid in full on their due date shall bear interest at the rate of 12% per annum, calculated and payable monthly until paid, or at the highest rate permitted by law.

- DELIVERY AND DELAY:** All quoted delivery times are estimates only. Delays may occur due to circumstances beyond Sepro's control. Sepro shall not be liable for any damages, including but not limited to, any act of God, fire, accident, strike, slowdown, war, or any other event beyond Sepro's control, which may result in a delay of delivery. In such event, the Buyer shall be responsible for any necessary labor and materials. In such event, the Buyer shall be responsible for any delay, including but not limited to, the time lost by reason of such event.
- CANCELLATION OR SUSPENSION:** Buyer shall be responsible for the cost of any cancellation or suspension of the order, including but not limited to, the cost of any materials, labor, and transportation. Buyer shall indemnify Sepro against any and all claims, damages, losses, and expenses, including but not limited to, attorney's fees, arising from the cancellation or suspension of the order, including but not limited to, the cost of any materials, labor, and transportation.

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Sepro Mineral Systems Corporation
 Unit 101a - 9850 201 Street
 Langley, BC, V1M 4A3 Canada

DOCUMENT No.	T&CFEB13-1
Prepared By:	Inside Sales
Appendix of Proposal	23947R2-SMSC

SEPRO STANDARD TERMS AND CONDITIONS OF SALE

- SHIPMENT:** Unless otherwise set forth on the face hereof or in Equipment Proposal for international delivery, all shipments are ex-works manufacturing facility or other loading point, and regardless of shipping terms or freight payment, all risk of loss or damage in transit shall be borne by Buyer. Any freight allowances applicable to the quotation are contained herein. For all warranty replacement parts, freight shall be prepaid at the reasonable commercial rate. If shipment as originally specified is delayed by Buyer Sepro reserves the right to store the products at Buyer's expense. If shipping instructions are not furnished by Buyer, Sepro may ship in accordance with its own judgment.
- WARRANTIES: WARRANTY TERMS FOR NEW AND USED EQUIPMENT AND SEPRO SERVICES ARE SET FORTH IN SEPRO QUOTATION THE WARRANTIES SET FORTH IN THE SEPRO QUOTATION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED.** Without limiting the foregoing, any statements or suggestions by a representative of Sepro regarding the use, application or suitability, as the case may be, of the products or services shall not be considered to be an express or implied warranty and are not binding on Sepro unless confirmed to be so in writing by Sepro.
- LIABILITY LIMITATIONS: Sepro liability shall in no event exceed the payments received from the Buyer with respect to the purchase price of the products or services furnished. SEPRO SYSTEMS SHALL NOT BE SUBJECT TO AND DISCLAIMS: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR WARRANTY (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY SEPRO, OR ANY UNDERTAKING, ACTS OR OMISSIONS RELATING THERETO, (3) ANY OBLIGATIONS OR LIABILITIES ARISING IN CONNECTION WITH THE REALTY ON WHICH THE PRODUCTS ARE INSTALLED, AND (4) ALL CONSEQUENTIAL, INCIDENTAL AND CONTINGENT DAMAGES WHATSOEVER.** Without limiting the generality of the foregoing, SEPRO specifically disclaims any liability for penalties (including administrative penalties), special or punitive damages, damages for lost profits or business, revenues or goodwill, loss of use of equipment or any associated equipment, cost of capital, facilities or services, downtime, shutdown or slowdown costs, storage of material, or for any other types of damaged property or economic loss. And Sepro shall not be liable for damages occasioned by delays or non-performance due to causes beyond the reasonable control SEPRO, or due to any other causes which in the sole discretion of Sepro render performance by Sepro this agreement not viable.

Buyer shall **INDEMNIFY** Sepro Mineral Systems Corp. against any and all losses, liabilities, damages and expenses (including, without limitation, attorneys' fees and other costs of defending any action) which Sepro may incur as a result of any claim by a **THIRD PARTY** arising in connection with any used equipment or services sold hereunder and based on product or service defects not proven to have been caused solely by Sepro negligence.

- PATENTS, COPYRIGHTS AND TRADEMARKS: IN NO EVENT SHALL SEPRO BE LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES ATTRIBUTED TO THE BUYER OR TO ANY OTHER PARTY, AND SEPRO WILL HOLD HARMLESS THE BUYER AGAINST ALL CHARGES OF INFRINGEMENT OF PATENTS, TRADEMARKS OR COPYRIGHTS AT THE TIME THE PRODUCTS ARE ORDERED FROM SEPRO, PROVIDED THAT THE BUYER HAS ADVISED SEPRO IN WRITING BY PRODUCTS DESIGNED AND MANUFACTURED BY SEPRO. SEPRO WILL BE RESPONSIBLE FOR OBTAINING WRITING WITHIN TEN DAYS AFTER RECEIPT OF THE CLAIM OF INFRINGEMENT AND FOR MAKING NECESSARY CHANGES FOR THE PURPOSE OF AVOIDING INFRINGEMENT.**
- MANUFACTURING DEVICES AND INFORMATION: ALL INFORMATION, INCLUDING BUT NOT LIMITED TO, MANUFACTURING DEVICES, DESIGNS, DATA OR OTHER TECHNICAL INFORMATION, AND ALL INFORMATION OF A CONFIDENTIAL NATURE, SHALL BE TREATED AS CONFIDENTIAL INFORMATION AND SHALL NOT BE DISCLOSED TO ANY OTHER PARTY WITHOUT THE WRITTEN PERMISSION OF SEPRO. THE BUYER SHALL NOT COPY OR PERFORM ANY ACTS THAT WOULD BE PREJUDICIAL TO THE DETRIMENT OF SEPRO TITLE INCLUDING TRADEMARKS, PATENTS, COPYRIGHTS OR OTHER RIGHTS. WITHOUT THE GENERALITY OF THE FOREGOING, SEPRO DOES NOT PERMIT THE REMOVAL OR ALTERATION OF ANY PATENT NUMBERS, TRADEMARKS OR MARKS, NOTICES, NAME PLATES, SERIAL NUMBERS OR SIMILAR MARKS OR DESIGNS AFFIXED TO ANY EQUIPMENT.**
- SAFETY DEVICES: The products are provided with only those safety devices identified in writing hereon. THE RESPONSIBILITY OF BUYER TO FURNISH ALL OTHER SAFETY DEVICES REQUIRED BY APPLICABLE LAW OR DESIRED BY BUYER.**

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Sepro Mineral Systems Corporation
 Unit 101a - 9850 201 Street
 Langley, BC, V1M 4A3 Canada

DOCUMENT No.	T&CFEB13-1
Prepared By:	Inside Sales
Appendix of Proposal	23947R2-SMSC


SEPRO STANDARD TERMS AND CONDITIONS OF SALE

1. **TAXES AND OTHER CHARGES:** Any G.S.T., manufacturer's tax, occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or any other tax, fee or charge of any nature whatsoever imposed by any governmental authority, on or measured by the transaction between Sepro and Buyer shall be paid by the Buyer in addition to the prices quoted or invoiced. In the event Sepro Systems is required to pay any such tax, fee or charge, the Buyer shall reimburse Sepro therefore on demand.
2. **PERMITS:** Buyer shall provide and pay for all permits and licenses required for the completion of installation and operation or transportation of any equipment.
3. **FOUNDATIONS:** Approximate equipment static and dynamic reactions at foundation locations will be furnished to Buyer upon request, if available. However, due to variations in local conditions, Buyer shall be solely responsible for foundations and their construction. Any foundation plans furnished by Sepro shall be considered as examples only, and Sepro assumes no responsibility for foundation adequacy or for any direct or indirect damages whatsoever incurred as a result of inadequate foundations or reactions to foundations of products sold hereunder.
4. **SECURITY INTEREST:** Buyer hereby grants to Sepro a continuing security interest in the products described herein and in the proceeds thereof (including insurance proceeds), as security for the payment and performance of all present and future obligations of Buyer to Sepro. Buyer shall execute any and all financing statements and other documents and instruments, and do and perform any and all other acts and things which Sepro may consider necessary, desirable or appropriate to establish, perfect or protect Sepro security interest. In the event of default in payment for any reason, the full amount unpaid shall become due and payable at any time during the continuance of such default, and Sepro may repossess the products and retain the right to collect the balance of the contract price. The products or any part thereof shall not be considered a fixture or be incorporated into realty. Sepro does not assume any responsibility for, nor claim any interest in, any realty on which products sold hereunder may be installed. Sepro retains exclusive title and ownership in the equipment or parts which shall remain personal or movable property, until full payment is received by Sepro (subject only to the rights of the Buyer to use such goods pursuant to the conditions of sale). The Buyer agrees to be liable on a replacement cost basis for all loss or damage to the equipment or parts however caused an agrees to indemnify and save harmless Sepro from any and all loss or claims for loss or damage to persons or property caused by, or alleged to arise of or be connected with, the installation, use, operation, condition or possession of the equipment or parts and Buyer shall maintain adequate insurance coverage therefor and furnish proof on request.
15. **NET SALE:** Buyer shall not be entitled to any abatement, compensation or reduction of, or set-off against, any payment, including but not limited to, abatements, reductions, compensation or set-off due or alleged to be due to, or by reason out, any past, present or future claims of the Buyer against Sepro under this agreement or otherwise.
16. **ENTIRE AGREEMENT - GOVERNING PROVISIONS:** These terms and conditions (together with any Exhibits incorporated herein by reference), when accepted by Buyer shall constitute the entire agreement between Sepro and Buyer. This agreement, and these terms and conditions shall be governed by and construed according to the Internal Law of the State of California. If any of Sepro rights or benefits is in effect of, void or altered by operation of law, this agreement shall be performed wholly therein, without reference to its principles governing the contract between the parties and their successors in interest irrevocably atton and shall be governed by the law of the courts of the Province of British Columbia sitting in the City of Vancouver. This agreement shall be binding upon or related thereto. Sepro may terminate this agreement without incurring any liability to Buyer in the event of Buyer's non-compliance with performance of any of the terms and conditions of this agreement. Buyer's failure to perform shall not be considered a continuing waiver of any such term or condition. The provisions of the complete agreement shall survive any termination or expiry of the agreement. The provisions of this agreement shall be necessary to give effect to the indemnities and other terms hereof for any reason whatsoever. This agreement shall be binding upon and enforceable upon termination or expiry. The rights and obligations of the parties hereunder shall not be governed by the provisions of the 1980 U.N. Convention on Contracts for the International Sale of Goods.

The parties hereto have expressly requested that this agreement and all agreements contemplated or permitted herein be drawn up and signed in English and that all notices to be given hereunder be in the same language.

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	Sepro Mineral Systems Corporation Unit 101a - 9850 201 Street Langley, BC, V1M 4A3 Canada	DOCUMENT No.	T&CFEB13-1
		Prepared By:	Inside Sales
		Appendix of Proposal	23947R2-SMSC
SEPRO STANDARD TERMS AND CONDITIONS OF SALE			

Confirmation:

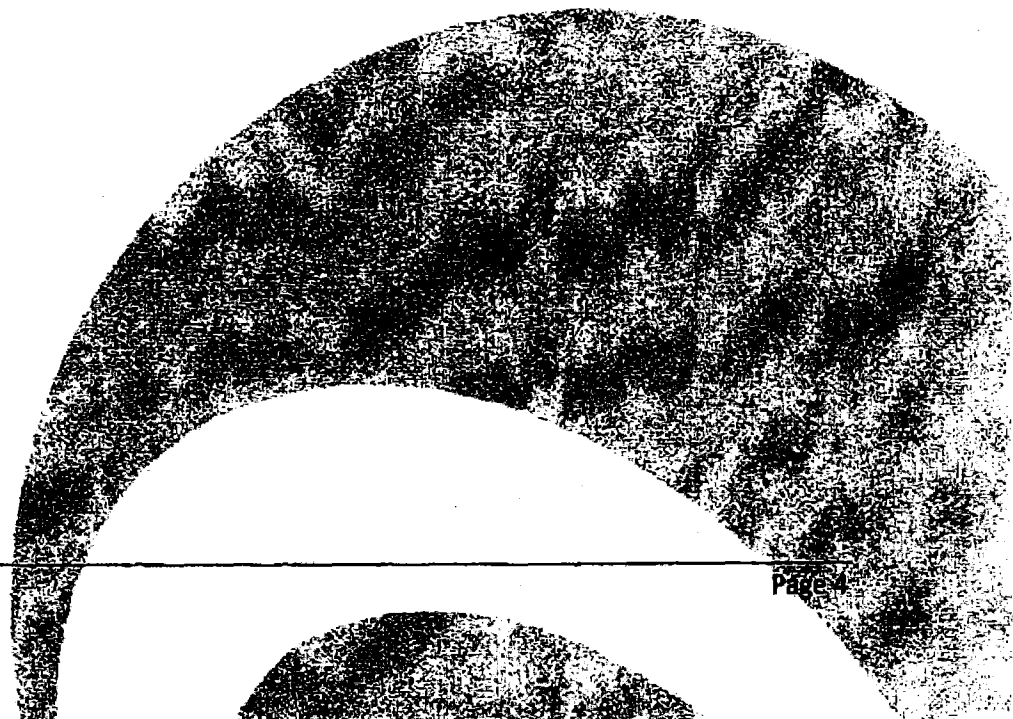
The undersigned customer agrees to the purchase from SEPRO MINERAL SYSTEMS CORP. ("SMSC") of the products described in Sepro proposal# : 23947R3-SMSC and will be subject to all the terms and conditions set forth in this document.

Order taken by:

Customer: (If corporation, authorized officer must sign and show title. If a partnership, a general partner must sign. If owner or partner please show which.)

Accepted by:

By: <u><i>[Signature]</i></u>	By: <u><i>[Signature]</i></u>
Title: <u>CFO</u>	Title: <u>PRESIDENT</u>
Date: <u>22 Aug 2013</u>	Date: <u>AUG 16 2013</u>



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APPENDIX C

Banks Island Gold Ltd.

Summary of Receiver's fees and disbursements

<u>Invoice Number</u>	<u>Period Covered</u>	<u>Hours</u>	<u>Fees</u>	<u>Expenses</u>	<u>GST</u>	<u>Total</u>
29002214	August 1, 2016 - August 31, 2016	79.8	34,090.00	200.00	1,714.50	36,004.50
29002256	September 1, 2016 - September 30, 2016	75.0	32,510.00	118.00	1,631.40	34,259.40
29002306	October 1, 2016 - October 31, 2016	50.5	22,515.00	100.00	1,130.75	23,745.75
29002356	November 1, 2016 - November 30, 2016	78.2	33,390.00		1,669.50	35,059.50
29002398	December 1, 2016 - December 31, 2016	72.4	30,100.00	1,414.12	1,575.71	33,089.83
29002444	January 1, 2017 - January 31, 2017	36.4	15,020.00	2,773.10	889.66	18,682.76
29002497	February 1, 2017 - February 28, 2017	13.6	5,640.00		282.00	5,922.00
29002534	March 1, 2017 - March 31, 2017	27.2	13,860.00	153.59	700.68	14,714.27
29002602	April 1, 2017 - April 30, 2017	14.3	6,585.00		329.25	6,914.25
29002632	May 1, 2017 - May 31, 2017	9.0	3,750.00		187.50	3,937.50
29002691	June 1, 2017 - June 30, 2017	7.1	3,085.00		154.25	3,239.25
29002755	July 1, 2017 - July 31, 2017	1.2	660.00	18.00	33.90	711.90
29002866	August 1, 2017 - September 30, 2017	6.8	3,740.00		187.00	3,927.00
29002922	October 1, 2017 - October 31, 2017	4.0	2,200.00	24.57	111.23	2,335.80
29003026	November 1, 2017 - December 31, 2017	1.4	770.00		38.50	808.50
29003135	January 1, 2018 - February 28, 2018	1.2	672.00		33.60	705.60
29003166	March 1, 2018 - March 31, 2018	2.6	1,456.00		72.80	1,528.80
29003214	April 1, 2018 - April 30, 2018	2.8	1,568.00		78.40	1,646.40
		<u>483.5</u>	<u>\$ 211,611.00</u>	<u>\$ 4,801.38</u>	<u>\$ 10,820.63</u>	<u>\$ 227,233.01</u>

APPENDIX D

Banks Island Gold Ltd.

Summary of Receiver's legal counsel's fees and disbursements

Gowling WLG

<u>Invoice Number</u>	<u>Period Covered</u>	<u>Fees</u>	<u>Expenses</u>	<u>PST</u>	<u>GST</u>	<u>Total</u>
18402261	January 15, 2016 - February 29, 2016	1,070.00	34.25	74.90	55.21	1,234.36
18424944	March 1, 2016 - March 31, 2016	2,140.00	1.30	149.80	107.07	2,398.17
18447409	April 1, 2016 - May 9, 2016	2,140.00	1.55	149.80	107.08	2,398.43
18478342	May 10, 2016 - June 23, 2016	11,128.00	1.80	778.96	556.49	12,465.25
18496679	June 24, 2016 - July 19, 2016	4,226.50	1.55	295.86	211.41	4,735.32
18517315	July 20, 2016 - August 12, 2016	2,889.00	1.30	202.23	144.52	3,237.05
18534340	August 13, 2016 - September 22, 2016	9,844.00	18.30	689.08	493.12	11,044.50
18553569	September 23, 2016 - October 6, 2016	5,296.00	39.00	370.72	266.75	5,972.47
18569939	October 7, 2016 - November 23, 2016	535.00	12.50	37.45	26.78	611.73
18601737	November 24, 2016 - December 14, 2016	802.50	1.55	56.18	40.21	900.44
18656232	December 15, 2016 - March 17, 2017	990.00	1.57	69.30	49.58	1,110.45
18673092	March 18, 2017 - April 3, 2017	550.00	1.32	38.50	27.57	617.39
1872884	April 4, 2017 - July 28, 2017	990.00	1.57	69.30	49.58	1,110.45
		<u>\$ 42,601.00</u>	<u>\$ 117.56</u>	<u>\$ 2,982.08</u>	<u>\$ 2,135.37</u>	<u>\$ 47,836.01</u>

Clark Wilson

<u>Invoice Number</u>	<u>Period Covered</u>	<u>Fees</u>	<u>Expenses</u>	<u>PST</u>	<u>GST</u>	<u>Total</u>
2014368	October 1, 2016 - October 31, 2016	2,395.00	66.40	169.75	123.07	2,754.22