

CLERK'S STAMP

COURT FILE NUMBER 2001-05630

COURT COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY
AND INSOLVENCY

JUDICIAL CENTRE CALGARY

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DOMINION DIAMOND MINES ULC,
DOMINION DIAMOND DELAWARE COMPANY LLC, DOMINION
DIAMOND CANADA ULC, WASHINGTON DIAMOND
INVESTMENTS, LLC, DOMINION DIAMOND HOLDINGS, LLC
AND DOMINION FINCO INC.**

DOCUMENT **APPLICATION BY THE APPLICANTS FOR STAY EXTENSION
AND ADDITION OF APPLICANT**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

BLAKE, CASSELS & GRAYDON LLP

Barristers and Solicitors

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Attention: Peter L. Rubin / Peter Bychawski /

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NOTICE TO RESPONDENTS:

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: September 25, 2020

Time: 2:00 pm

Where: Calgary Courts Centre, 601 – 5th Street S.W., Calgary (Virtual Courtroom Via Webex)

Before: The Honourable Justice Eidsvik

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought:

1. This is an application (the “**Application**”) by Dominion Diamond Mines ULC (“**Dominion Diamond**”), Dominion Diamond Delaware Company, LLC, Dominion Diamond Canada ULC, Washington Diamond Investments, LLC, Dominion Diamond Holdings, LLC, and Dominion Finco Inc. (together, the “**Applicants**”) and Dominion Diamond Marketing Corporation (“**Dominion Marketing**”) for the relief set out in paragraph 4 of this Application, substantially in the form attached as **Schedule “A”**.
2. This Application does not seek the approval of the Stalking Horse Bid (as defined in the Second Amended and Restated Initial Order of this Court dated June 19, 2019 (the “**SARIO**”)) or any other relief with respect to or arising from the SISP (as defined in the SARIO) approved by this Court on June 19, 2020.
3. The Applicants anticipate applying to this Court for an approval and vesting order with respect to the Stalking Horse Bid in accordance with the terms of the SARIO and SISP at a subsequent date on notice to the service list for these proceedings.
4. Only the following relief is sought by the Applicants on this application:
 - (a) extending the Stay Period (as defined in the SARIO) until and including November 7, 2020; and
 - (b) adding Dominion Marketing as an Applicant in these *Companies Creditors’ Arrangement Act* (the “**CCAA**”) proceedings with the same rights and protections as are afforded to the Applicants by the SARIO.

Grounds for making this application:

Capitalized terms

5. Capitalized terms not otherwise defined in this Notice of Application have the meanings ascribed to them in the SARIO.

Background

6. The Applicants were granted protection under the CCAA on April 22, 2020.
7. In furtherance of the Applicants' restructuring objectives, on June 19, 2020, this Court granted the SARIO which, among other things, approved a SISP for the marketing and sale of the Applicants' assets and a Stalking Horse Bid for the purpose of the SISP.
8. Since June 19, the Applicants have continued to advance their restructuring efforts, including by implementing the terms of the SISP, with the assistance of Evercore and oversight of the Monitor.

Extension of the Stay Period

9. The Stay Period currently expires on September 28, 2020.
10. The Applicants require an extension of the Stay Period up to and including November 7, 2020, which coincides with the Outside Date under the SISP, to permit a closing of the transaction contemplated by the Successful Bid under the SISP, provide the necessary breathing room for the Applicants as they continue to work towards their restructuring objectives, and permit the Applicants to attend to the various other CCAA matters that will arise, all for the benefit of their stakeholders.
11. The Applicants have sufficient funds to fund their obligations and the cost of these CCAA proceedings through the end of the proposed Stay Period.
12. The Applicants have acted, and are continuing to act, in good faith and with due diligence in respect of these CCAA proceedings.
13. The Monitor supports the extension of the Stay Period as sought by the Applicants.

Addition of Dominion Marketing as an Applicant

14. Dominion Marketing is a wholly owned subsidiary of Dominion Holdings (a CCAA Applicant). Dominion Holdings' issued and outstanding equity interests in Dominion Marketing are currently an "Acquired Asset" under the asset purchase agreement governing the Stalking Horse Bid.
15. Dominion Marketing is not currently engaged in any material business activities, does not have any employees, does not own any material assets, is currently insolvent and meets the requirements for obtaining relief under the CCAA.
16. It is in the best interests of Dominion Marketing and the Applicants that Dominion Marketing be added as an Applicant in these CCAA proceedings with the same rights and protections as are afforded to the Applicants by the SARIO.
17. The Applicants have sufficient funds to fund Dominion Marketing's status as an applicant in these CCAA proceedings.

Material or evidence to be relied on:

18. The Applicants intend to rely upon the following materials:
 - (a) the affidavits of Kristal Kaye sworn April 21, 2020 and September 18, 2020;
 - (b) the affidavits of John Startin sworn May 21, 2020 and June 12, 2020;
 - (c) the Sixth Report of the Monitor, to be filed; and
 - (d) such further and other evidence as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

19. The Applicants will rely upon and refer to the following during the making of their Application:
 - (a) the CCAA;

- (b) the Alberta *Rules of Court* (AR 124/2010); and
- (c) such further and other Acts and regulations as counsel may advise.

Any irregularity complained of or objection relied on:

20. None.

How the application is proposed to be heard or considered:

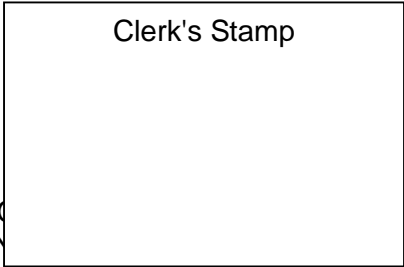
21. Oral submission by counsel at an application to be heard via Webex before the Honourable Madam Justice K.M. Eidsvik at 2:00 pm on September 25, 2020.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes.

If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicants a reasonable time before the application is to be heard or considered.

Schedule "A"



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DIAMOND INVESTMENTS, LLC, DOMINION DIAMOND
HOLDINGS, LLC AND DOMINION FINCO INC.**

DOCUMENT **ORDER**
(STAY EXTENSION AND ADDITION OF APPLICANT)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
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DOCUMENT

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
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855 – 2nd Street SW
Calgary, Alberta T2P 4J8
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morgan.crilly@blakes.com

Fax No.: 604.631.3309

DATE ON WHICH ORDER WAS PRONOUNCED: September 25, 2020
LOCATION OF HEARING: Calgary
NAME OF JUDGE WHO MADE THIS ORDER: The Hon. Madam Justice K. Eidsvik

UPON the application of Dominion Diamond Mines ULC, Dominion Diamond Delaware Company, LLC, Dominion Diamond Canada ULC, Washington Diamond Investments, LLC, Dominion Diamond Holdings, LLC, and Dominion Finco Inc. (collectively, the “**Applicants**”) and Dominion Diamond Marketing Corporation (“**Dominion Marketing**”); **AND UPON** having read the notice of application of the Applicants and Dominion Marketing, filed; and the Affidavit of Kristal Kaye, sworn September 18, 2020, filed; **AND UPON** reading the Sixth Report of FTI Consulting Canada, Inc. (the “**Monitor**”), filed; **AND UPON** hearing counsel for the Applicants and Dominion Marketing, counsel for the Monitor, and any other counsel present;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

Capitalized Terms

2. Unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meanings given to them in the Second Amended and Restated Initial Order of this Court dated June 19, 2020 (the “**SARIO**”).

Extension of Stay Period

3. The Stay Period is hereby extended until and including November 7, 2020.

Addition of Applicant

4. Effective as of 12:01 a.m. on the date of this Order, the SARIO shall be deemed to be amended such that Dominion Marketing shall for all purposes be deemed to be an Applicant in these CCAA proceedings, and, for greater certainty:
 - (a) Dominion Marketing is hereby granted all of the rights and protections afforded to the Applicants by the SARIO;

- (b) the directors and officers of Dominion Marketing are hereby granted all of the rights and protections afforded to the directors and officers of the Applicants by the SARIO;
 - (c) the Monitor, in addition to its prescribed rights and obligations under the CCAA, subject to the dispensation of certain requirements as provided for by this Order, is hereby directed and empowered to perform such duties with respect to Dominion Marketing as the Monitor is required to perform with respect to the Applicants pursuant to the SARIO or by order of this Court from time to time; and
 - (d) the Charges created by the SARIO shall constitute a charge on the Property (as defined in the SARIO) of Dominion Marketing with such priorities and protections as are provided to the Charges in the SARIO in connection with the Applicants' Property.
5. Upon the Effective Date the style of cause of these CCAA proceedings shall be amended as shown on Schedule "A" to this Order.
6. The Monitor's obligation to publish the notice prescribed by section 23(1)(a)(i) of the CCAA with respect to Dominion Marketing is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta

Clerk's Stamp

Schedule "A"

COURT FILE NUMBER

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COURT

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