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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 DOMINION FINCO INC. AND DOMINION
DIAMOND MARKETING CORPORATION**

DOCUMENT **ORDER**
(Sandstorm and Jennings Royalties)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

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DATE ON WHICH ORDER WAS PRONOUNCED: January 27, 2021

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**”), Dominion Diamond Holdings, LLC, Dominion Diamond Delaware Company LLC, Dominion Diamond Marketing Corporation, Dominion Diamond Canada ULC, Dominion Finco Inc. and Washington Diamond Investments, LLC (the “**Applicants**”) for an Order relating to the Sandstorm Gold Ltd. and Christopher Jennings royalty agreements, **AND UPON** having read the Application, the Affidavit of Kristal Kaye sworn April 21, 2020, the Affidavit of Brendan Bell sworn December 7, 2020, and the Eleventh Report of the Monitor dated December 9, 2020, and the materials filed in support; **AND UPON** hearing counsel for the Applicants, and those other counsel present;

THIS COURT ORDERS AND DECLARES:

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, no other Person is required to have been served with notice of this Application and time for service of this Application is abridged to that actually given.
2. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Approval and Vesting Order of the Honourable Madam Justice K. Eidsvik dated December 11, 2020 (the “**Sale Approval Order**”).
3. The Sale Approval Order, and the Transaction and Transaction Documents approved therein, shall not discharge either the Repadre Royalty Agreement among Dominion Diamond, Diavik Diamond Mines (2012) Inc. (“**DDMI**”) and Sandstorm Gold Ltd. (“**Sandstorm**”), each as successors in interest, dated as of September 30, 2003 (the “**Sandstorm Royalty Agreement**”) or the Jennings Royalty Agreement among Dominion Diamond, DDMI and Christopher Jennings (“**Jennings**”) dated as of September 30, 2003 (the “**Jennings Royalty Agreement**”), and each of the Sandstorm Royalty Agreement and the Jennings Royalty Agreement, including Dominion Diamond’s obligations thereunder, shall remain in full force and effect as against Dominion Diamond and DDMI.

4. The assignment of the Diavik Realization Assets (as defined in the Purchase Agreement) pursuant to the Sale Approval Order and the Transaction Documents shall be subject to and net of the royalties payable under each of the Sandstorm Royalty Agreement and the Jennings Royalty Agreement, and the royalties payable under each of the Sandstorm Royalty Agreement and the Jennings Royalty Agreement (in each case as calculated in accordance with the terms thereof) shall be paid in full to each of Sandstorm and Jennings, respectively, by or on behalf of Dominion Diamond, including from the Diavik Realization Assets. For greater certainty, the Purchasers and the First Lien Lenders shall not be entitled to receive any Diavik Realization Assets without prior payment of the royalties in favour of each of Sandstorm and Jennings in accordance with the Sandstorm Royalty Agreement and the Jennings Royalty Agreement, respectively.

5. [Nothing in this Order shall constitute a determination of the relative priorities or payment entitlements as between DDMI and either Sandstorm or Jennings for the purposes of paragraph 8\(a\) of Schedule A to the Order \(Approval of Monetization Process\) of the Honourable Madam Justice K.M. Eidsvik dated November 4, 2020.](#)

Justice of the Court of Queen's Bench of
Alberta

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