



No. S-1812407  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

ORION FUND JV LIMITED, in its capacity as Collateral Agent for  
ORION FUND JV LIMITED and LIBERTY METALS AND MINING  
HOLDINGS LLC

PLAINTIFF

AND

RED EAGLE MINING CORPORATION  
REMDC HOLDINGS LIMITED  
ORION TITHECO LIMITED  
ROYAL BANK OF CANADA

DEFENDANTS

**ORDER MADE AFTER APPLICATION**

**APPROVAL AND VESTING ORDER**

BEFORE THE HONOURABLE

*Mr. Justice Davies*

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)

THURSDAY APRIL 4, 2019

THE APPLICATION of FTI Consulting, Inc. (the "**Receiver**") in its capacity as Receiver and Manager of Red Eagle Mining Corporation and REMDC Holdings Limited (collectively, the "**Debtors**") coming on for hearing at Vancouver, British Columbia, on the 4<sup>th</sup> day of April, 2019; AND ON HEARING Sarah J. Nelligan, counsel for the Receiver, and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the First Report of the Receiver dated March 19, 2019 and the Supplemental Report of the Receiver dated March 19, 2019 (the "**Supplemental Report**");

THIS COURT ORDERS AND DECLARES THAT:

1. The sale transaction (the "**Transaction**") contemplated by the Offer to Purchase, dated for reference February, 2019 and accepted by the Receiver on March 7, 2019 (the "**Sale Agreement**") between the Receiver and Orion Fund JV Limited, in its capacity as Collateral Agent for Orion Fund JV Limited and Liberty Metals and Mining Holdings LLC (the "**Purchaser**"), a copy of which is attached as Appendix "B" to the Supplemental Report is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement, being any cause of action that Red Eagle Mining Corporation ("**REM**") may have now or may hereafter have against Annibale SAC and/or Fernando

Palazuelo pursuant or related to a Subscription Agreement and Guarantee made in writing and dated August 22, 2018 between REM (as issuer), Annibale SAC (as subscriber) and Fernando Palazuelo (as guarantor) (the "**Purchased Asset**").

2. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule "B" hereto (the "**Receiver's Certificate**"), all of REM's right, title and interest in and to the Purchased Asset described in the Sale Agreement shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated November 21, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**"), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Asset are hereby expunged and discharged as against the Purchased Asset.
3. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
4. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court within 10 days of the date of this Order.
5. Notwithstanding:
  - (a) these proceedings;
  - (b) any applications for a bankruptcy order in respect of the Debtors now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made by or in respect of the Debtors,the vesting of the Purchased Asset in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
6. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this

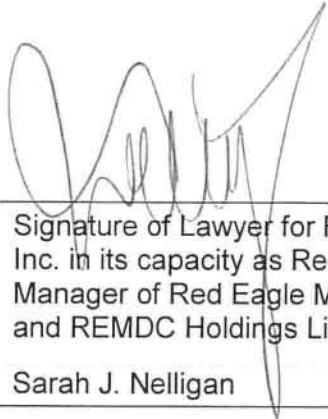
Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

7. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

By the Court

  
Registrar

  
Signature of Lawyer for FTI Consulting, Inc. in its capacity as Receiver and Manager of Red Eagle Mining Corporation and REMDC Holdings Limited  
Sarah J. Nelligan





**Schedule "A"**

<b>Counsel Name</b>	<b>Party Represented</b>
Sarah J. Nelligan	FTI Consulting, Inc. in its capacity as Receiver and Manager of Red Eagle Mining Corporation and REMDC Holdings Limited

**Schedule "B"**

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DEFENDANTS

**RECEIVER'S CERTIFICATE**

- A. Pursuant to the Order of the Court (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") granted November 21, 2018, (the "**Date of Receivership**"), FTI Consulting Canada Inc. was appointed as receiver and manager (the "**Receiver**") without security, of all the assets, undertakings, and properties of Red Eagle Mining Corporation ("**REM**") and REMDC Holdings Limited ("**REMDC**" and collectively with REM, the "**Debtors**").
- B. Pursuant to an Order of the Court granted on April 4, 2019 (the "**Approval and Vesting Order**"), the Court approved the sale transaction contemplated by the Offer to Purchase, dated for reference February, 2019 and accepted by the Receiver on March 7, 2019 (the "**Sale Agreement**") between the Receiver and Orion Fund JV Limited, in its capacity as Collateral Agent for Orion Fund JV Limited and Liberty Metals and Mining Holdings LLC (the "**Purchaser**") and ordered that all of REM's right, title and interest in and to the Purchased Asset, as described and defined in the Approval and Vesting Order, vests in

the Purchaser, effective upon the delivery by the Receiver of this Certificate to the Purchaser.

**The Receiver hereby certifies as follows:**

1. The Receiver has received the Purchase Price as described and defined in the Sale Agreement.
2. The Receiver confirms that all the conditions precedent under the Sale Agreement have been satisfied or waived in accordance with the Sale Agreement and that the Sale Agreement has not been terminated.

Dated in the City of \_\_\_\_\_, in the Province of \_\_\_\_\_,  
this \_\_\_\_ day, \_\_\_\_\_, 2019.

\_\_\_\_\_  
FTI Consulting, Inc. in its capacity as  
Receiver and Manager of Red Eagle  
Mining Corporation and REMDC Holdings  
Limited

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Miller Thomson LLP  
400 - 725 Granville Street  
Vancouver, BC V7Y1G5  
Telephone: 604.687.2242

Attention: Sarah J. Nelligan  
File No. 0237596.0001

**Agent: West Coast Title Search**