

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

No.: 500-11-049079-151

IN THE MATTER OF THE RECEIVERSHIP OF:

QUÉBEC LITHIUM INC.

Debtor

-and-

KSV KOFMAN INC.

Receiver / Petitioner

-and-

NORTH AMERICAN LITHIUM INC.

Mise-en-cause

**APPLICATION FOR THE TERMINATION OF THE RECEIVERSHIP AND FOR A
DISCHARGE ORDER WITH RESPECT TO QUÉBEC LITHIUM INC.
(Sections 243 ff. of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3)**

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN
COMMERCIAL DIVISION IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, OR
TO THE REGISTRAR OF THIS COURT, THE RECEIVER/PETITIONER
RESPECTFULLY SUBMITS AS FOLLOWS:

I. INTRODUCTION

A. Relief sought

1. KSV Kofman Inc. is the court-appointed receiver of Québec Lithium Inc. ("QLI") and was formerly the court-appointed receiver of QLI Métaux Inc. ("QLIM"), RB Energy Inc. ("RBE") and Sirocco Mining Inc. ("Sirocco" and, collectively with QLI, QLIM and RBE, the "Debtors"), as more fully described hereinbelow (the "Petitioner" or the "Receiver").

2. The Petitioner respectfully seeks an Order from this Honourable Court terminating the receivership proceedings in relation to QLI, and discharging the Receiver from its duties in relation to the receivership of QLI.
3. This Application should be read in conjunction with the Fourth Report of the Receiver dated May 21, 2019 (the "**Fourth Report**").

B. Corporate structure of the Debtors

4. The Debtors are affiliated companies, as appears from an organizational chart illustrating the basic corporate structure of the Debtors and their subsidiaries, filed in support hereof as **Exhibit P-1**.
5. RBE was a public company formed under the Canada Business Corporations Act, and is a successor of Canada Lithium Corp. ("**CLC**"), as appears from the REQ report filed in support hereof as **Exhibit P-2**. RBE was established to pursue the acquisition, exploration, development and mining of mineral resource properties in Canada and internationally. As of the date hereof, the shares of RBE are not listed on any stock exchange.
6. RBE has 16 current and former direct and indirect subsidiaries, including QLI, QLIM and Sirocco:
 - (a) QLI is a company incorporated pursuant to the laws of the Province of Québec, as appears from the REQ report filed in support hereof as **Exhibit P-3**. QLI's primary asset was a lithium mine and chemical processing facility located in La Corne, Québec (the "**Lithium Project**").
 - (b) QLIM is a company incorporated pursuant to the laws of the Province of Québec, as appears from the REQ report filed in support hereof as **Exhibit P-4**. QLIM's sole purpose was to guarantee certain obligations of QLI. QLIM had no business operations, assets or employees.
 - (c) Sirocco is a company incorporated pursuant to the laws of British Columbia, as appears from the British Columbia Company Summary report filed in support hereof as **Exhibit P-5**. Sirocco was established as a holding company to pursue the acquisition, exploration, development and mining of mineral resource properties internationally, in particular the production of iodine in the Aguas Blancas Project in Chile.
7. The Debtors maintain their separate property and assets, and were treated on a consolidated basis herein and in the CCAA Proceedings (as defined in section II of this Application) for administrative purposes only.

II. CCAA PROCEEDINGS (FILE NUMBER 500-11-047560-145)

8. On October 14, 2014, this Honourable Court issued a Limited Initial Order followed by the issuance of an Amended and Restated Initial Order on October 15, 2014, followed by the issuance of a Second Amended and Restated Initial Order on October 29, 2014 (the "**Initial Order**") pursuant to the CCAA in respect of the Debtors, as appears from the Initial Order filed in support hereof as **Exhibit P-6**, *en liasse*.
9. Pursuant to the Initial Order, *inter alia*:
 - (a) KPMG Inc. was appointed as monitor of the Debtors (the "**Monitor**");
 - (b) the Debtors were authorized to enter into a DIP Loan Agreement with Hale Capital Partners, L.P.; and
 - (c) the Debtors were ordered to conduct a sale and investor solicitation process on terms to be approved by the Court.
10. On November 13, 2014, this Honourable Court rendered an order (a copy of which is filed in support hereof as **Exhibit P-7**) which, *inter alia*:
 - (a) extended the stay period until April 30, 2015; and
 - (b) approved a Sale and Investor Solicitation Process, filed in support hereof as **Exhibit P-8** (the "**SISP**"), which provided, *inter alia*, for the manner in which some or all of the assets of the Debtors would be made available for sale.
11. The SISP did not result in any transaction for the business or assets of the Debtors. Accordingly, on April 17, 2015, this Honourable Court rendered an order (a copy of which is filed in support hereof as **Exhibit P-9**) which, *inter alia*:
 - (a) approved the termination of the SISP; and
 - (b) extended the stay period until May 29, 2015.
12. Meanwhile, seeing that the interim financing facility had matured on April 15, 2015 and that the Debtors had not repaid the amounts due (US\$14,093,907 as at April 28, 2015), the interim lender sought to enforce the interim lender charge, terminate the CCAA proceedings and appoint a receiver.

III. RECEIVERSHIP UNDER THE BIA (FILE NUMBER 500-11-049079-151)

13. On May 8, 2015, this Honourable Court rendered two orders, filed in support hereof as **Exhibit P-10** and **Exhibit P-11**, respectively (collectively, the "**Receivership Orders**"), to, *inter alia*:

- (a) terminate the CCAA proceedings; and
 - (b) appoint Duff & Phelps Canada Restructuring Inc. ("**D&P**") to act as receiver of the Property (as this term is defined in the Receivership Orders) of the Debtors until (i) the sale of all the Property; or (ii) the issuance of any order by the Court terminating the mandate of the receiver.
14. On June 30, 2015, D&P was acquired by KSV Kofman Inc. ("**KSV**") and, pursuant to an Order of the Ontario Superior Court of Justice issued on July 10, 2015 in file number CV-15-11025-00CL, filed in support hereof as **Exhibit P-12**, D&P's ongoing mandates were transferred to KSV, including acting as receiver in these proceedings.
 15. Pursuant to the Receivership Orders, the Receiver was invested with all powers necessary to solicit one or several potential buyers of all or any part of the property of the Debtors.
 16. On June 21, 2016, this Court issued an Order (the "**Vesting Order**") pursuant to which, *inter alia*, it approved a sale transaction (the "**Sale Transaction**") of substantially all of the assets of QLI, including the Lithium Project, to North American Lithium Inc. (hereinafter referred to as "**NAL**" and formerly known as 9554661 Canada Inc.), as appears from said Order filed in support hereof as **Exhibit P-13**.
 17. The Sale Transaction closed on July 5, 2016.
 18. Concurrently with the Sale Transaction, the Receiver and NAL entered into a transition services agreement (the "**TSA**") which provided for certain services to be rendered by the Receiver to NAL, post-closing, in relation to, *inter alia*, authorizations relating to the Lithium Project, compliance with environmental laws, the maintenance of the corporate existence of QLI and the recovery of taxes.
 19. The TSA terminated 18 months after the closing, *i.e.* on January 5, 2018.
 20. On July 4, 2017, this Honorable Court rendered an order pursuant to which it terminated the receivership proceedings with respect to QLIM, RBE and Sirroco and discharged the Receiver accordingly, as appears from said order being filed in support hereof as **Exhibit P-14**.
 21. QLI's only known asset is cash in the amount of approximately \$18,000 which is on deposit in the Receiver's bank account for QLI and which the Receiver anticipates will cover professional fees for finalization of the matter. As the TSA has terminated and all of QLI's known assets have been realized upon, there is no further purpose for QLI's receivership proceedings to continue.

IV. CONCLUSIONS

22. For the reasons stated above, the Receiver is of the view that it has duly completed its duties as Receiver of QLI, that the Receivership of QLI should be terminated and that the Receiver should be discharged of its duties relating thereto, the whole in accordance with the conclusions hereof.

FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:

1. **GRANT** the Application.
2. **DECLARE** that the service of the Application constitutes good and sufficient service on all persons and further **DECLARE** that the Petitioner is relieved of any other requirements for service of the Application.
3. **DECLARE** that all capitalized terms not otherwise defined in the proposed order shall have the meaning ascribed to them in this Application.

APPROVAL OF RECEIVER'S ACTIONS AND ACTIVITIES

4. **ORDER** and **DECLARE** that the actions and activities of the Receiver as regards QLI described in the *Fourth Report of the Receiver* dated May 21, 2019 are hereby approved.

TERMINATION AND DISCHARGE

5. **ORDER** and **DECLARE** that, except as expressly provided in the Order to be rendered, the proceedings initiated under the BIA (the "**Receivership Proceedings**") shall be terminated.
6. **ORDER** and **DECLARE** that, subject to the terms of the Order to be rendered, the Receiver is discharged as the receiver of all of QLI's present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof.
7. **ORDER** that, notwithstanding its discharge herein, (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all orders made in the Receivership Proceedings, including all approvals, protections and stays of proceedings in favour of KSV Kofman Inc. in its capacity as Receiver.
8. **ORDER** and **DECLARE** that no action, demand, claim, complaint or other proceedings shall be commenced or filed against the Receiver in any way arising out of or related to its capacity, decisions, actions or conduct as Receiver, except with prior leave of this Court and on prior written notice to the Receiver, the whole as provided in the Order appointing the Receiver dated May 8, 2015, and such

further order securing, as security for costs, the full judicial and reasonable extrajudicial costs of the Receiver in connection with any proposed action or proceedings as the Court hearing such motion for leave to proceed may deem just and appropriate.

9. **DECLARE** that the Order to be rendered shall have full force and effect in all provinces and territories in Canada.
10. **DECLARE** that the Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada or elsewhere, for orders which aid and complement the Order to be rendered.
11. **REQUEST** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order to be rendered.

THE WHOLE without costs, save in the case of contestation.

MONTREAL, May 21, 2019

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP

(Mtre. Julien Morissette)

Attorneys for the Receiver / Petitioner

KSV Kofman Inc.

1000 De La Gauchetière Street West

Suite 2100

Montréal QC H3B 4W5

Tel.: 514.904.8100

Fax: 514.904.8101

Email: jmorissette@osler.com

Notification by email:

notificationosler@osler.com

Reference: 1164952

AFFIDAVIT

I, the undersigned, David Sieradzki, domiciled for the purpose hereof at 150 King Street West, Suite 2308, Toronto, Ontario, M5H 1J9, solemnly declare the following:

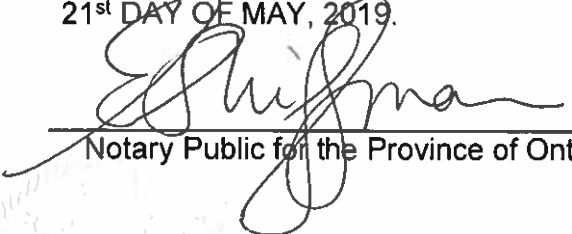
1. I am a Managing Director and duly authorized representative of the Petitioner for the purpose hereof;
2. I have taken cognizance of the attached *Application for the termination of the receivership and for a discharge order with respect to Québec Lithium Inc.*;
3. All of the facts alleged in the said application are true.

AND I HAVE SIGNED:

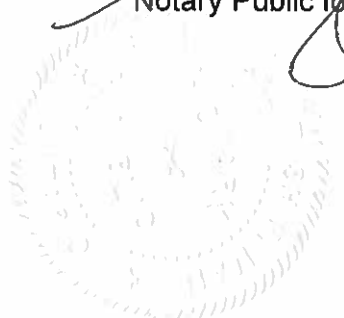


David Sieradzki

SOLEMNLY DECLARED BEFORE ME
IN TORONTO, ONTARIO, ON THE
21st DAY OF MAY, 2019.



Notary Public for the Province of Ontario



NOTICE OF PRESENTATION

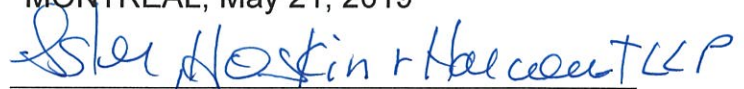
TO : SERVICE LIST

AND TO: NORTH AMERICAN LITHIUM INC.
care of Brandon Farber
Fasken Martineau DuMoulin LLP
800 Square Victoria
Suite 3700
Montréal, Québec H4Z 1E9

AND TO: TIANJIN PRODUCTS AND ENERGY RESOURCES DEVELOPMENT
CO., LTD. (TEWOO)
care of Tevia Jeffries
Dentons Canada LLP
250 Howe Street
20th Floor
Vancouver, British Columbia V6C 3R8

TAKE NOTICE that the attached *Application for the termination of the receivership and for a discharge order with respect to Québec Lithium Inc.* will be presented for hearing and allowance before the Superior Court, Commercial Division, at the Montréal Courthouse, 1 Notre-Dame Street East, Montréal, on May 28, 2019 at 8:45 a.m., or so soon thereafter as counsel may be heard in room 16.10.

MONTRÉAL, May 21, 2019



OSLER, HOSKIN & HARCOURT LLP

(Mtre. Julien Morissette)

Attorneys for the Receiver / Petitioner
KSV Kofman Inc.

LIST OF EXHIBITS

Exhibit P-1:	Chart illustrating the basic corporate structure of the Debtors;
Exhibit P-2:	REQ report for RB Energy Inc.;
Exhibit P-3:	REQ report for Québec Lithium Inc.;
Exhibit P-4:	REQ report for QLI Métaux Inc.;
Exhibit P-5:	British Columbia Company Summary report for Sirocco Mining Inc.;
Exhibit P-6:	Limited Initial Order dated October 14, 2014 and Second Amended Restated Initial Order dated October 29, 2014;
Exhibit P-7:	SISP Order dated November 13, 2014;
Exhibit P-8:	Approved SISP;
Exhibit P-9:	Order approving termination of SISP dated April 17, 2015;
Exhibit P-10:	Order terminating the CCAA proceedings dated May 8, 2015;
Exhibit P-11:	Order appointing Duff & Phelps Canada Restructuring Inc. as receiver dated May 8, 2015;
Exhibit P-12:	Order of the Ontario Superior Court of Justice dated July 10, 2015;
Exhibit P-13:	Vesting Order dated June 21, 2016;
Exhibit P-14:	Order terminating receivership proceedings with respect to QLIM, RBE and Sirroco dated July 4, 2017.

MONTRÉAL, May 21, 2019

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP

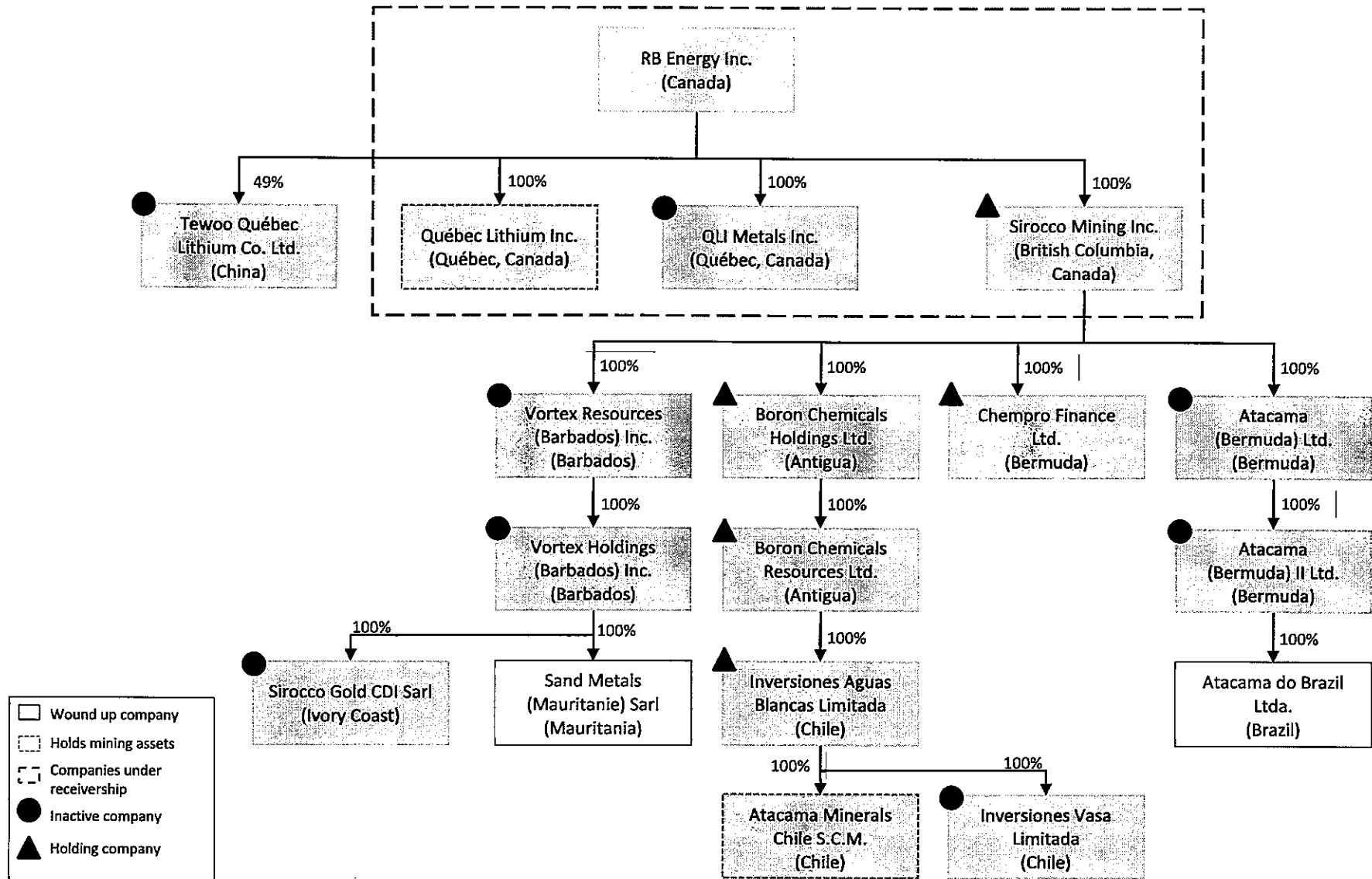
(Mtre. Julien Morissette)

Attorneys for the Receiver / Petitioner

KSV Kofman Inc.

P-1

Organizational chart



P-2



Rechercher une entreprise au registre

État de renseignements d'une personne morale au registre des entreprises

Renseignements en date du 2016-05-16 15:54:31

État des informations

Identification de l'entreprise

Numéro d'entreprise du Québec (NEQ)	1165690554
Nom	Énergie RB Inc.
Version du nom dans une autre langue	RB Energy Inc.

Adresse du domicile

Adresse	4000-199 Bay Street Commerce Court West Toronto Ontario M5L1A9 Canada
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Adresse du domicile élu

Nom de l'entreprise	Osler, Hoskin & Harcourt LLP
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Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada
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Immatriculation

Date d'immatriculation	2009-02-16
Statut	Immatriculée
Date de mise à jour du statut	2009-02-16
Date de fin de l'existence	Aucune date de fin d'existence n'est déclarée au registre.

Forme juridique

Forme juridique	Société par actions ou compagnie
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Date de la constitution	1995-07-17 Constitution
Régime constitutif	ONTARIO : Loi sur les sociétés par actions, L.R.O. c. B.16
Régime courant	CANADA: Loi canadienne sur les sociétés par actions, L.R.C. (1985), c. C-44

Dates des mises à jour

Date de mise à jour de l'état de renseignements	2015-09-03
Date de la dernière déclaration de mise à jour annuelle	2015-09-03 2015
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2016	2016-11-15
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2015	2015-11-15

Faillite

L'entreprise n'est pas en faillite.

Fusion et scission

La personne morale a fait l'objet de fusion(s).

Type	Loi applicable	Date	Nom et domicile de la personne morale	Composante	Résultante
Fusion simplifiée	CANADA: Loi canadienne sur les sociétés par actions, L.R.C. (1985), c. C-44	2014-01-31	Sirocco Mining Inc. 4000-199 ST Bay Toronto Ontario CANADA M5L1A9		1165690554

Continuation et autre transformation

La personne morale a fait l'objet d'une continuation.	
Loi applicable	CANADA: Loi canadienne sur les sociétés par actions, L.R.C. (1985), c. C-44
Date de la continuation ou autre transformation	2014-01-30

Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

Activités économiques et nombre de salariés**1^{er} secteur d'activité**

Code d'activité économique (CAE)	0619
Activité	Autres mines de métaux

Précisions (facultatives)	EXPLOITATION MINÈRE
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2^e secteur d'activité

Aucun renseignement n'a été déclaré.

Nombre de salariés

Nombre de salariés au Québec De 1 à 5
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Convention unanime, actionnaires, administrateurs, dirigeants et fondé de pouvoir

Actionnaires

Premier actionnaire	
Le premier actionnaire n'est pas majoritaire.	
Nom	AGF Management Ltd.
Adresse	1 Centre Toronto-Dominion CP 50 Toronto Ontario M5K1E9 Canada

Deuxième actionnaire	
Nom	BlackRock Investment Management (UK) Ltd.
Adresse	2500-161 ST Bay CP 614 Toronto Ontario M5J2S1 Canada

Troisième actionnaire	
Nom	NORTHFIELD CAPITAL CORPORATION
Adresse	301-141 ADELAIDE STREET W TORONTO ONTARIO M5H3L5 CANADA

Convention unanime des actionnaires

Il n'existe pas de convention unanime des actionnaires.

Liste des administrateurs

Dirigeants non membres du conseil d'administration

Aucun dirigeant non membre du conseil d'administration n'a été déclaré.

Fondé de pouvoir

Nom	Osler, Hoskin & Harcourt LLP
Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada

Administrateurs du bien d'autrui

Nom	KSV Kofman Inc.
Date du début de la charge	2015-05-08
Date de fin de la charge	
Fonction	Séquestre
Adresse	2308-150 , King Street West Toronto Ontario M5H1J9 Canada

Établissements

Aucun établissement n'a été déclaré.

Documents en traitement

Aucun document n'est actuellement traité par le Registraire des entreprises.

Index des documents**Documents conservés**

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2015	2015-09-03
DÉCLARATION DE MISE À JOUR ANNUELLE 2014	2015-07-10
DÉCLARATION DE MISE À JOUR ANNUELLE 2013	2014-02-12
DÉCLARATION DE MISE À JOUR ANNUELLE 2012	2013-06-05
DÉCLARATION DE MISE À JOUR ANNUELLE 2011	2012-06-29
Déclaration annuelle 2010	2011-06-30
Modification correction / Acte de régularisation	2010-10-05
Déclaration modificative	2010-10-05
Déclaration modificative	2010-10-05
Déclaration d'immatriculation	2009-02-16

Index des noms

Date de mise à jour de l'index des noms 2014-02-12

Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
Énergie RB Inc.	RB Energy Inc.	2014-02-12		En vigueur
CANADA LITHIUM CORP.		2009-02-16	2014-02-12	Antérieur

Autres noms utilisés au Québec

Autre nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
CORPORATION CANADA LITHIUM		2009-02-16		En vigueur

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Rechercher une entreprise au registre

État de renseignements d'une personne morale au registre des entreprises

Renseignements en date du 2016-05-18 13:47:36

État des informations

Identification de l'entreprise

Numéro d'entreprise du Québec (NEQ)	1166311762
Nom	QUÉBEC LITHIUM INC.

Adresse du domicile

Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada
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Adresse du domicile élu

Nom de l'entreprise	Osler, Hoskin & Harcourt LLP
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Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada
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Immatriculation

Date d'immatriculation	2010-01-07
Statut	Immatriculée
Date de mise à jour du statut	2010-01-07
Date de fin de l'existence	Aucune date de fin d'existence n'est déclarée au registre.

Forme juridique

Forme juridique	Société par actions ou compagnie
Date de la constitution	2009-12-22 Constitution

Régime constitutif	QUÉBEC : Loi sur les compagnies partie 1A, RLRQ, C. C-38
Régime courant	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)

Dates des mises à jour

Date de mise à jour de l'état de renseignements	2016-04-01
Date de la dernière déclaration de mise à jour annuelle	2016-04-01 2015
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2016	2017-07-01
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2015	2016-07-01

Faillite

L'entreprise n'est pas en faillite.

Fusion et scission

Aucune fusion ou scission n'a été déclarée.

Continuation et autre transformation

Aucune continuation ou autre transformation n'a été déclarée.

Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

Activités économiques et nombre de salariés**1^{er} secteur d'activité**

Code d'activité économique (CAE)	7754
Activité	Services de prospection et de relevés géophysiques et géodésiques
Précisions (facultatives)	EXPLOITATION DE MINES

2^e secteur d'activité

Aucun renseignement n'a été déclaré.

Nombre de salariés

Nombre de salariés au Québec
De 11 à 25

Convention unanime, actionnaires, administrateurs, dirigeants et fondé de pouvoir**Actionnaires****Premier actionnaire**

Le premier actionnaire est majoritaire.

Nom

RB Energy Inc.

Adresse

401 BAY STREET, SUITE 2010 TORONTO
(ONTARIO) M5H2Y4**Convention unanime des actionnaires**

Il n'existe pas de convention unanime des actionnaires.

Liste des administrateurs**Dirigeants non membres du conseil d'administration**

Aucun dirigeant non membre du conseil d'administration n'a été déclaré.

Fondé de pouvoir

Aucun fondé de pouvoir n'a été déclaré.

Administrateurs du bien d'autrui

Nom

KSV Kofman Inc.

Date du début de la charge

2015-05-08

Date de fin de la charge

Fonction

Séquestre

Adresse

2308-150 , King Street West Toronto Ontario M5H1J9
Canada**Établissements**

Aucun établissement n'a été déclaré.

Documents en traitement

Aucun document n'est actuellement traité par le Registraire des entreprises.

Index des documents**Documents conservés**

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2015	2016-04-01
Déclaration de mise à jour courante	2015-10-28
Déclaration de mise à jour courante	2015-07-10

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2014	2015-04-16
Déclaration de mise à jour courante	2014-05-13
DÉCLARATION DE MISE À JOUR ANNUELLE 2013	2014-03-19
Déclaration de mise à jour courante	2014-02-06
Déclaration de mise à jour courante	2014-02-03
DÉCLARATION DE MISE À JOUR ANNUELLE 2012	2013-06-05
Déclaration de mise à jour courante	2012-06-29
Déclaration annuelle 2011	2012-06-28
Déclaration modificative	2010-09-28
Déclaration modificative	2010-08-16
Certificat de modification	2010-08-16
Déclaration initiale	2010-03-30
Certificat de constitution	2010-01-07

Index des noms

Date de mise à jour de l'index des noms	2010-01-07
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Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
QUÉBEC LITHIUM INC.		2009-12-22		En vigueur

Autres noms utilisés au Québec

Aucun autre nom utilisé au Québec n'a été déclaré.
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P-4



Rechercher une entreprise au registre

État de renseignements d'une personne morale au registre des entreprises

Renseignements en date du 2016-05-16 15:56:29

État des informations

Identification de l'entreprise

Numéro d'entreprise du Québec (NEQ)	1168863117
Nom	QLI MÉTAUX INC.
Version du nom dans une autre langue	QLI METALS INC.

Adresse du domicile

Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada
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Adresse du domicile élu

Nom de l'entreprise	Osler, Hoskin & Harcourt LLP
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Adresse	2100-1000 rue De La Gauchetière O Montréal (Québec) H3B4W5 Canada
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Immatriculation

Date d'immatriculation	2013-01-29
Statut	Immatriculée
Date de mise à jour du statut	2013-01-29
Date de fin de l'existence	Aucune date de fin d'existence n'est déclarée au registre.

Forme juridique

Forme juridique	Société par actions ou compagnie
-----------------	----------------------------------

Date de la constitution	2013-01-29 Constitution
Régime constitutif	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)
Régime courant	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)

Dates des mises à jour

Date de mise à jour de l'état de renseignements	2016-04-01
Date de la dernière déclaration de mise à jour annuelle	2016-04-01 2015
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2016	2017-07-01
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2015	2016-07-01

Faillite

L'entreprise n'est pas en faillite.

Fusion et scission

Aucune fusion ou scission n'a été déclarée.

Continuation et autre transformation

Aucune continuation ou autre transformation n'a été déclarée.

Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

Activités économiques et nombre de salariés**1^{er} secteur d'activité**

Code d'activité économique (CAE)	0929
Activité	Autres services relatifs à l'extraction minière
Précisions (facultatives)	Entreprise de transformation et de commercialisation dans le domaine de la métallurgie

2^e secteur d'activité

Aucun renseignement n'a été déclaré.

Nombre de salariés

Nombre de salariés au Québec
Aucun

Convention unanime, actionnaires, administrateurs, dirigeants et fondé de pouvoir

Actionnaires

Premier actionnaire

Le premier actionnaire est majoritaire.

Nom	RB Energy Inc.
Adresse	2010-401 Bay Street Toronto Ontario M5H2Y4 Canada

Convention unanime des actionnaires

Il n'existe pas de convention unanime des actionnaires.

Liste des administrateurs

Dirigeants non membres du conseil d'administration

Aucun dirigeant non membre du conseil d'administration n'a été déclaré.

Fondé de pouvoir

Aucun fondé de pouvoir n'a été déclaré.

Administrateurs du bien d'autrui

Nom	KSV Kofman Inc.
Date du début de la charge	2015-05-08
Date de fin de la charge	
Fonction	Séquestre
Adresse	2308-150 , King Street West Toronto Ontario M5H1J9 Canada

Établissements

Aucun établissement n'a été déclaré.

Documents en traitement

Aucun document n'est actuellement traité par le Registraire des entreprises.

Index des documents

Documents conservés

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2015	2016-04-01
Déclaration de mise à jour courante	2015-07-10

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2014	2015-04-16
Déclaration de mise à jour courante	2014-05-13
Déclaration de mise à jour de correction	2013-10-09
Déclaration initiale	2013-02-11
Certificat de modification	2013-01-31
Certificat de constitution	2013-01-29

Index des noms

Date de mise à jour de l'index des noms	2013-10-09
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Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
QLI MÉTAUX INC.	QLI METALS INC.	2013-01-30		En vigueur
Métaux QLi Inc.	QLi Metals Inc.	2013-01-29	2013-01-30	Antérieur

Autres noms utilisés au Québec

Aucun autre nom utilisé au Québec n'a été déclaré.
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BC Company Summary

For SIROCCO MINING INC.

Date and Time of Search: April 29, 2016 12:28 PM Pacific Time

Currency Date: March 01, 2016

ACTIVE

Incorporation Number: BC0992040

Name of Company: SIROCCO MINING INC.

Recognition Date and Time: Incorporated on January 27, 2014 09:49 AM Pacific Time In Liquidation: No

Last Annual Report Filed: January 27, 2015 Receiver: Yes

COMPANY NAME INFORMATION

Previous Company Name

0992040 B.C. LTD.

Date of Company Name Change

February 28, 2014

REGISTERED OFFICE INFORMATION

Mailing Address:

SUITE 2600, THREE BENTALL CENTRE
595 BURRARD STREET, PO BOX 49314
VANCOUVER BC V7X 1L3
CANADA

Delivery Address:

SUITE 2600, THREE BENTALL CENTRE
595 BURRARD STREET, PO BOX 49314
VANCOUVER BC V7X 1L3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

SUITE 2600, THREE BENTALL CENTRE
595 BURRARD STREET, PO BOX 49314
VANCOUVER BC V7X 1L3
CANADA

Delivery Address:

SUITE 2600, THREE BENTALL CENTRE
595 BURRARD STREET, PO BOX 49314
VANCOUVER BC V7X 1L3
CANADA

RECEIVER INFORMATION

Corporation or Firm Name:

KSV KOFMAN INC.

Mailing Address:

150 KING STREET WEST, SUITE 2308
TORONTO ON M5H 1J9
CANADA

Delivery Address:

150 KING STREET WEST, SUITE 2308
TORONTO ON M5H 1J9
CANADA

DIRECTOR INFORMATION

No director information to display.

OFFICER INFORMATION AS AT January 27, 2015

Last Name, First Name, Middle Name:

Bitelli, Alessandro

Office(s) Held: (CFO)

Mailing Address:

4002 LORAIN AVENUE
NORTH VANCOUVER BC V7R 4B8
CANADA

Delivery Address:

4002 LORAIN AVENUE
NORTH VANCOUVER BC V7R 4B8
CANADA

Last Name, First Name, Middle Name:

Clark, Richard P.

Office(s) Held: (President)

Mailing Address:

2000 - 885 WEST GEORGIA STREET
VANCOUVER BC V6C 3E8
CANADA

Delivery Address:

2000 - 885 WEST GEORGIA STREET
VANCOUVER BC V6C 3E8
CANADA

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CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Commercial Division

File: No: 500-11-047560-145

Montreal, October 14, 2014

Present: The Honourable Mr. Justice Martin
Castonguay, J.S.C.

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

**QUÉBEC LITHIUM INC., QLI METAUX INC.,
RB ENERGY INC., AND SIROCCO MINING
INC.**

Petitioners

And

KPMG INC.

Monitor

LIMITED INITIAL ORDER

ON READING Petitioners' petition for an initial order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36 (as amended the "CCAA") and the exhibits, the affidavit of Alessandro Bitelli sworn October 14, 2014 filed in support thereof (the "**Petition**") and the consent of KPMG Inc. to act as monitor (the "**Monitor**");

GIVEN the provisions of the CCAA;

WHEREFORE, THE COURT:

1. **GRANTS** in part the Petition.

Stay of Proceedings against the Petitioners and the Property

2. **ORDERS** that, until and including October 15, 2014 at 11:59 p.m. (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Petitioners, or affecting the Petitioners' business operations and activities (the "**Business**") or the Property (as defined herein below), except with leave of this Court. Any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court, the whole subject to subsection 11.1 CCAA.
3. **ORDERS** that the rights of Her Majesty in right of Canada and Her Majesty in right of a Province are suspended in accordance with the terms and conditions of subsection 11.09 CCAA.

Stay of Proceedings against the Directors and Officers

4. **ORDERS** that during the Stay Period and except as permitted under subsection 11.03(2) of the CCAA, no Proceeding may be commenced, or continued against any former, present or future director or officer of the Petitioners nor against any person deemed to be a director or an officer of any of the Petitioners under subsection 11.03(3) CCAA (each, a "**Director**", and collectively the "**Directors**") in respect of any claim against such Director which arose prior to the Effective Time and which relates to any obligation of the Petitioners where it is alleged that any of the Directors is under any law liable in such capacity for the payment of such obligation.

Possession of Property and Operations

5. **ORDERS** that the Petitioners shall remain in possession and control of their present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and

wherever situated, including all proceeds thereof (collectively the "**Property**"), the whole in accordance with the terms and conditions of this order.

No Exercise of Rights or Remedies

6. **ORDERS** that during the Stay Period, and subject to, *inter alia*, subsection 11.1 CCAA, all rights and remedies of any individual, natural person, firm, corporation, partnership, limited liability company, trust, joint venture, association, organization, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Petitioners, or affecting the Business, the Property or any part thereof, are hereby stayed and suspended except with leave of this Court.
7. **DECLARES** that, to the extent any rights, obligations, or prescription, time or limitation periods including, without limitation, to file grievances relating to the Petitioners or any of the Property or the Business may expire (other than pursuant to the terms of any contracts, agreements or arrangements of any nature whatsoever), the term of such rights, obligations, or prescription, time or limitation periods shall hereby be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that the Petitioners, or any of them, become(s) bankrupt or a receiver as defined in subsection 243(2) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") is appointed in respect of the Petitioners, the period between the date of the Order and the day on which the Stay Period ends shall not be calculated in respect of the Petitioners in determining the 30 day periods referred to in Sections 81.1 and 81.2 of the BIA.

POWERS OF THE MONITOR

8. **ORDERS** that KPMG Inc. is hereby appointed to monitor the business and financial affairs of the Petitioners as an officer of this Court (the "**Monitor**").


Honourable Martin Castonguay, J.S.C.

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

File: No: 500-11-047560-145

SUPERIOR COURT
Commercial Division

Montreal, October 29, 2014

Present: The Honourable Mr. Justice Martin
Castonguay, J.S.C.

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

QUÉBEC LITHIUM INC., QLI METAUX INC.,
RB ENERGY INC., AND SIROCCO MINING
INC.

Petitioners

And

KPMG INC.

Monitor

SECOND AMENDED AND RESTATED INITIAL ORDER

ON READING Petitioners' Motion to Amend the Amended and Restated Initial Order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36 (as amended the "CCAA") and the exhibits, the affidavit of Alessandro Bitelli sworn October 19, 2014 filed in support thereof (the "**Petition**"), the consent of KPMG Inc. to act as monitor (the "**Monitor**"), relying upon the submissions of counsel for the Petitioners, the Monitor, the Interim Lender (as defined below), the Bank of Nova Scotia as Administrative Agent and Lead Arranger (the "**Agent**") and Investissement Quebec ("**IQ**"), and on being advised that the Agent and IQ were given sufficient prior notice of the presentation of the Petition;

GIVEN the provisions of the CCAA;

WHEREFORE, THE COURT:

1. **GRANTS** the Petition.
2. **ISSUES** an order pursuant to the CCAA (the “**Order**”), divided under the following headings:
 - Service
 - Application of the CCAA
 - Effective Time
 - Plan of Arrangement
 - Procedural Consolidation
 - Stay of Proceedings against the Petitioners and the Property
 - Stay of Proceedings against the Directors and Officers
 - Possession of Property and Operations
 - No Exercise of Rights or Remedies;
 - No Interference with Rights
 - Continuation of Services
 - Non-Derogation of Rights
 - Interim Financing (DIP)
 - Directors’ and Officers’ Indemnification and Charge
 - Key Employee Retention Program
 - Restructuring
 - Powers of the Monitor
 - Priorities and General Provisions Relating to CCAA Charges
 - General

Service

3. **DECLARES** that sufficient prior notice of the presentation of this Petition has been given by the Petitioners to interested parties, including the secured creditors who are likely to be affected by the charges created herein.

Application of the CCAA

4. **DECLARES** that the Petitioners are debtor companies to which the CCAA applies and that the terms of the Amended and Restated Initial Order dated October 15, 2014 (the “**Initial Order**”) are hereby amended and restated by the terms of this Second Amended and Restated Initial Order, provided that (i) the relief originally granted under the Initial Order and (ii) any and all actions taken by, or on behalf of the Petitioners, the Monitor, the Interim Lender or the Agent pursuant to the terms of the Initial Order and prior to the granting of this Order, are hereby validated.

Effective time

5. **DECLARES** that this Order and all of its provisions are effective as of 12:01 a.m. Montreal time, province of Quebec, on the date of this Order (the “**Effective Time**”).

Plan of Arrangement

6. **DECLARES** that the Petitioners shall have the authority to file with this Court and to submit to their creditors one or more plans of compromise or arrangement (collectively, the “**Plan**”) in accordance with the CCAA.

Procedural Consolidation

7. **ORDERS** that the consolidation of these CCAA proceedings in respect of the Petitioners shall be for administrative purposes only and shall not effect a consolidation of the assets and property of each of the Petitioners including, without limitation, for the purposes of any Plan or Plans that may be hereafter proposed.

Stay of Proceedings against the Petitioners and the Property

8. **ORDERS** that, until and including November 13, 2014, or such later date as the Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Petitioners, or affecting the Petitioners' business operations and activities (the "**Business**") or the Property (as defined herein below), including as provided in paragraph 11 hereinbelow except with leave of this Court. Any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court, the whole subject to subsection 11.1 CCAA.

8.1 **ORDERS** that the rights of Her Majesty in right of Canada and Her Majesty in right of a Province are suspended in accordance with the terms and conditions of subsection 11.09 CCAA.

Stay of Proceedings against the Directors and Officers

9. **ORDERS** that during the Stay Period and except as permitted under subsection 11.03(2) of the CCAA, no Proceeding may be commenced, or continued against any former, present or future director or officer of the Petitioners nor against any person deemed to be a director or an officer of any of the Petitioners under subsection 11.03(3) CCAA (each, a "**Director**", and collectively the "**Directors**") in respect of any claim against such Director which arose prior to the Effective Time and which relates to any obligation of the Petitioners where it is alleged that any of the Directors is under any law liable in such capacity for the payment of such obligation.

Possession of Property and Operations

10. **ORDERS** that the Petitioners shall remain in possession and control of their present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof (collectively the "**Property**"), the

whole in accordance with the terms and conditions of this order including, but not limited, to paragraph 33 hereof.

No Exercise of Rights or Remedies

11. **ORDERS** that during the Stay Period, and subject to, *inter alia*, subsection 11.1 CCAA, all rights and remedies of any individual, natural person, firm, corporation, partnership, limited liability company, trust, joint venture, association, organization, governmental body or agency, or any other entity (all of the foregoing, collectively being “Persons” and each being a “Person”) against or in respect of the Petitioners, or affecting the Business, the Property or any part thereof, are hereby stayed and suspended except with leave of this Court.
12. **DECLARES** that, to the extent any rights, obligations, or prescription, time or limitation periods including, without limitation, to file grievances relating to the Petitioners or any of the Property or the Business may expire (other than pursuant to the terms of any contracts, agreements or arrangements of any nature whatsoever), the term of such rights, obligations, or prescription, time or limitation periods shall hereby be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that the Petitioners, or any of them, become(s) bankrupt or a receiver as defined in subsection 243(2) of the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”) is appointed in respect of the Petitioners, the period between the date of the Order and the day on which the Stay Period ends shall not be calculated in respect of the Petitioners in determining the 30 day periods referred to in Sections 81.1 and 81.2 of the BIA.

No Interference with Rights

13. **ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, resiliate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Petitioners, except with the written consent of the Petitioners and the Monitor, or with leave of this Court.

Continuation of Services

14. **ORDERS** that during the Stay Period and subject to paragraph 15 hereof and subsection 11.01 CCAA, all Persons having verbal or written agreements with the Petitioners or statutory or regulatory mandates for the supply of goods or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, utility or other goods or services made available to the Petitioners, are hereby restrained until further order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Petitioners, and that the Petitioners shall be permitted to continue use of their current premises, telephone numbers, facsimile numbers, internet addresses, domain names or other services, provided in each case that the normal prices or charges for all such goods or services received after the date of the Order be paid by the Petitioners, without having to provide any security deposit or any other security, in accordance with normal payment practices of the Petitioners or such other practices as may be agreed upon by the supplier or service provider and the Petitioners, with the consent of the Monitor, or as may be ordered by this Court.
15. **ORDERS** that, notwithstanding anything else contained herein and subject to subsection 11.01 CCAA, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided to the Petitioners on or after the date of this Order, nor shall any Person be under any obligation on or after the date of the Order to make further advance of money or otherwise extend any credit to the Petitioners.
16. **ORDERS** that, without limiting the generality of the foregoing and subject to Section 21 of the CCAA, if applicable, cash or cash equivalents placed on deposit by any Petitioner with any Person during the Stay Period, whether in an operating account or otherwise for itself or for another entity, shall not be applied by such Person in reduction or repayment of amounts owing to such Person as of the date of the Order or due on or before the expiry of the Stay Period or in satisfaction of any interest or charges accruing in respect thereof; however, this provision shall not prevent any financial institution from:

(i) reimbursing itself for the amount of any cheques drawn by a Petitioner and properly honoured by such institution, or (ii) holding the amount of any cheques or other instruments deposited into a Petitioner's account until those cheques or other instruments have been honoured by the financial institution on which they have been drawn.

Non-Derogation of Rights

17. **ORDERS** that, notwithstanding the foregoing, any Person who provided any kind of letter of credit, guarantee or bond (the "**Issuing Party**") at the request of the Petitioners shall be required to continue honouring any and all such letters, guarantees and bonds, issued on or before the date of the Order, provided that all conditions under such letters, guarantees and bonds are met save and except for defaults resulting from this Order; however, the Issuing Party shall be entitled, where applicable, to retain the bills of lading or shipping or other documents relating thereto until paid.

Interim Financing (DIP)

18. **ORDERS** that, notwithstanding the amount of the Interim Lender Charge (as defined hereinafter), the Petitioners be and are hereby authorized to borrow, repay and reborrow from Hale Capital Partners (the "**Interim Lender**") such amounts from time to time as Petitioners may consider necessary or desirable, up to a maximum principal amount of U.S.\$13,000,000 outstanding at any time, on the terms and conditions as set forth in the Interim Financing Term Sheet, as amended on October 20, 2014, attached hereto as Schedule "A" (collectively the "**Interim Financing Term Sheet**") and in the Interim Financing Documents (as defined hereinafter), to fund the ongoing expenditures of the Petitioners and to pay such other amounts as are permitted by the terms of this Order and the Interim Financing Documents (as defined hereinafter) (the "**Interim Facility**"). The Court declares that the Interim Financing Term Sheet is binding upon the Petitioners and is opposable to any third party.
19. **ORDERS** that the Petitioners are hereby authorized to execute and deliver such credit agreements, security documents and other definitive documents (collectively the

"Interim Financing Documents") as may be required by the Interim Lender in connection with the Interim Facility and the Interim Financing Term Sheet, and the Petitioners are hereby authorized to perform all of their obligations under the Interim Financing Documents.

20. **ORDERS** that the Petitioners shall pay to the Interim Lender, when due, all amounts owing (including principal, interest, fees and expenses, including without limitation, all reasonable fees and disbursements of counsel and all other reasonably required advisers to or agents of the Interim Lender on a full indemnity basis (the **"Interim Lender Expenses"**)) under the Interim Financing Documents and shall perform all of their other obligations to the Interim Lender pursuant to the Interim Financing Term Sheet, the Interim Financing Documents and the Order.
21. **DECLARES** that all of the Property of the Petitioners is hereby subject to a charge and security for an aggregate amount of \$22,000,000 (the **"Interim Lender Charge"**) in favour of the Interim Lender as security for all obligations of the Petitioners to the Interim Lender with respect to all amounts owing (including principal, interest, fees and the Interim Lender Expenses) under or in connection with the Interim Financing Term Sheet and the Interim Financing Documents. The Interim Lender Charge shall have the priority established by paragraphs 46-47 of this Order.
22. **ORDERS** that the claims of the Interim Lender pursuant to the Interim Financing Documents shall not be compromised or arranged pursuant to the Plan or these proceedings and the Interim Lender, in that capacity, shall be treated as an unaffected creditor in these proceedings and any Plan.
23. **ORDERS** that the Interim Lender may:
 - (a) notwithstanding any other provision of this Order, take such steps from time to time as it may deem necessary or appropriate to register, record or perfect the Interim Lender Charge and the Interim Financing Documents in all jurisdictions where it deems it is appropriate; and

- (b) notwithstanding the terms of the paragraph to follow, refuse to make any advance to Petitioners if the Petitioners fail to meet the provisions of the Interim Financing Term Sheet and the Interim Financing Documents.
24. **ORDERS** that the Interim Lender shall not take any enforcement steps under the Interim Financing Documents or the Interim Lender Charge without providing at least 5 business days written notice (the "**Notice Period**") of a default thereunder to the Petitioners, the Monitor and to creditors whose rights are registered or published at the appropriate registers or requesting a copy of such notice. Upon expiry of such Notice Period, the Interim Lender shall be entitled to take any and all steps under the Interim Financing Documents and the Interim Lender Charge and otherwise permitted at law, but without having to send any demands under Section 244 of the BIA.
25. **ORDERS** that, subject to further order of this Court, no order shall be made varying, rescinding, or otherwise affecting paragraphs 18-24 hereof unless either (a) notice of a motion for such order is served on the Interim Lender by the moving party within seven (7) days after that party was served with this Order or (b) the Interim Lender applies for or consents to such order.
26. **ORDERS** that no amendments to the Interim Financing Term Sheet and the Interim Lender Charge, including, without limitation, no increase of the amount of the Interim Facility and the Interim Lender Charge, shall be authorized without approval of this Court on not less than five (5) business days notice to the Agent, the Interim Lender and the Monitor.

Directors' and Officers' Indemnification and Charge

27. **ORDERS** that the Petitioners shall indemnify their Directors from all claims relating to any obligations or liabilities they may incur and which have accrued by reason of or in relation to their respective capacities as directors or officers of the Petitioners after the Effective Time, except where such obligations or liabilities were incurred as a result of such directors' or officers' gross negligence, wilful misconduct or gross or intentional fault as further detailed in Section 11.51 CCAA.

28. **ORDERS** that the Directors of the Petitioners shall be entitled to the benefit of and are hereby granted a charge and security in the Property to the extent of the aggregate amount of \$1,500,000 (the “**Directors’ Charge**”), as security for the indemnity provided in paragraph 27 of this Order as it relates to obligations and liabilities that the Directors may incur in such capacity after the Effective Time. The Directors’ Charge shall have the priority set out in paragraphs 46-47 of this Order.
29. **ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge, and (b) the Directors shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts for which the Directors are entitled to be indemnified in accordance with paragraph 27 of this Order.

Key Employee Retention Program

30. **ORDERS** that the Key Employee Retention Program (the “**KERP**”) as attached as Confidential Exhibits R-47 and R-47A to the Petition, between the Petitioners and certain key employees listed therein (collectively, the “**Key Employees**”) be and is hereby approved and given full force and effect in accordance with their terms and the Petitioners are hereby directed to make the payment provided for thereunder when due subject to the availability of the Interim Facility, as applicable.
31. **ORDERS** that the Key Employees shall be entitled to the benefit of and are hereby granted a charge (the “**KERP Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$760,000, as security for the obligations of the Petitioners to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 46-47 of this Order.
32. **ORDERS** that the KERP, which is attached as Confidential Exhibits R-47 and R-47A to the Petition, shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a

sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.

RESTRUCTURING

33. **DECLARES** that, to facilitate the orderly restructuring of their business and financial affairs (the “**Restructuring**”) but subject to such requirements as are imposed by the CCAA, the Petitioners shall have the right, subject to approval of the Monitor or further order of the Court, to:

- (a) permanently or temporarily cease, downsize or shut down any of their operations or locations as they deem appropriate and make provision for the consequences thereof in the Plan;
- (b) pursue all avenues to finance or refinance, market, convey, transfer, assign or in any other manner dispose of the Business or Property, in whole or part, subject to further order of the Court and sections 11.3 and 36 CCAA, and under reserve of subparagraph (c);
- (c) convey, transfer, assign, lease, or in any other manner dispose of the Property, outside of the ordinary course of business, in whole or in part, provided that the Interim Lender has provided its prior written consent, and subject to the terms of the Interim Facility, and that the price and value in each case does not exceed \$50,000 or \$200,000 in the aggregate and subject to the rights of lessors under equipment leases;
- (d) terminate the employment of such of their employees or temporarily or permanently lay off such of their employees as they deem appropriate and, to the extent any amounts in lieu of notice, termination or severance pay or other amounts in respect thereof are not paid in the ordinary course, make provision, on such terms as may be agreed upon between the Petitioner(s) and such employee, or failing such agreement, make provision to deal with, any

consequences thereof in the Plan, as the Petitioners may determine;

(e) subject to the provisions of section 32 CCAA, disclaim or resiliate, any of their agreements, contracts or arrangements of any nature whatsoever, with such disclaimers or resiliation to be on such terms as may be agreed between the Petitioners and the relevant party, or failing such agreement, to make provision for the consequences thereof in the Plan; and

(f) subject to section 11.3 CCAA, assign any rights and obligations of Petitioners.

34. **DECLARES** that, if a notice of disclaimer or resiliation is given to a landlord of any of a Petitioner pursuant to section 33 of the CCAA and subsection 33(e) of this Order, then
- (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours by giving such Petitioner and the Monitor 24 hours prior written notice and
- (b) at the effective time of the disclaimer or resiliation, the landlord shall be entitled to take possession of any such leased premises and re-lease any such leased premises to third parties on such terms as any such landlord may determine without waiver of, or prejudice to, any claims or rights of the landlord against the Petitioners, provided nothing herein shall relieve such landlord of their obligation to mitigate any damages claimed in connection therewith.
35. **ORDERS** that the Petitioners shall provide to any relevant landlord notice of the Petitioners' intention to remove any fittings, fixtures, installations or leasehold improvements at least seven (7) days in advance. If a Petitioner has already vacated the leased premises, it shall not be considered to be in occupation of such location pending the resolution of any dispute between such Petitioner and the landlord.
36. **DECLARES** that, in order to facilitate the Restructuring, the Petitioners may, subject to the approval of the Monitor, or further order of the Court, settle claims of customers and suppliers that are in dispute.

37. **DECLARES** that, pursuant to sub-paragraph 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, the Petitioners are permitted, in the course of these proceedings, to disclose personal information of identifiable individuals in their possession or control to stakeholders or prospective investors, financiers, buyers or strategic partners and to their advisers (individually, a "**Third Party**"), but only to the extent desirable or required to negotiate and complete the Restructuring or the preparation and implementation of the Plan or a transaction for that purpose, provided that the Persons to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the transaction or Restructuring then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall be returned to the Petitioners or destroyed. In the event that a Third Party acquires personal information as part of the Restructuring or the preparation or implementation of the Plan or a transaction in furtherance thereof, such Third Party may continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.
38. **ORDERS** that:
- (a) The Petitioners shall conduct a sale and investor solicitation process ("**SISP**") on terms to be approved by the Court. The SISP shall provide that the Agent, Interim Lender and their advisors shall be entitled to receive copies of all bidder information and all written offers submitted to the Petitioners and the Monitor in connection with the SISP in a timely manner and on a confidential basis;
 - (b) The Petitioners shall consult with the Agent, the Interim Lender and the Monitor in the development of the SISP, including the role and responsibilities of any professionals that may be engaged in connection therewith;
 - (c) The SISP shall contemplate that the targeted closing of any successful transaction is to be completed by no later than April 15, 2015; and

- (d) The Monitor shall organize weekly update calls with senior management of the Petitioners, the Agent, Interim Lender and their advisors to discuss material matters relating to these proceedings.

POWERS OF THE MONITOR

39. **ORDERS** that KPMG Inc. is hereby appointed to monitor the business and financial affairs of the Petitioners as an officer of this Court (the "**Monitor**") and that the Monitor, in addition to the prescribed powers and obligations, referred to in Section 23 of the CCAA:

- (a) shall, without delay, (i) publish once a week for two (2) consecutive weeks or as otherwise directed by the Court, in La Presse and the Globe & Mail National Edition and (ii) within five (5) business days after the date of this Order (A) post on the Monitor's website (the "**Website**") a notice containing the information prescribed under the CCAA, (B) make this Order publicly available in the manner prescribed under the CCAA, (C) send, in the prescribed manner, a notice to all known creditors having a claim against a Petitioner of more than \$1,000, advising them that the Order is publicly available, and (D) prepare a list showing the names and addresses of such creditors and the estimated amounts of their respective claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder;
- (b) shall monitor the Petitioners' receipts and disbursements;
- (c) shall assist the Petitioners, to the extent required by the Petitioners, in dealing with their creditors and other interested Persons during the Stay Period;
- (d) shall assist the Petitioners, to the extent required by the Petitioners, with the preparation of their cash flow projections and any other projections or reports and the development, negotiation and implementation of the Plan;

- (e) shall advise and assist the Petitioners, to the extent required by the Petitioners, to review the Petitioners' business and assess opportunities for cost reduction, revenue enhancement and operating efficiencies;
- (f) shall assist the Petitioners, to the extent required by the Petitioners, with the Restructuring and in their negotiations with their creditors and other interested Persons and with the holding and administering of any meetings held to consider the Plan;
- (g) shall report to the Court on the state of the business and financial affairs of the Petitioners or developments in these proceedings or any related proceedings within the time limits set forth in the CCAA and at such time as considered appropriate by the Monitor or as the Court may order and may file consolidated Reports for the Petitioners;
- (h) shall report to this Court and interested parties, including but not limited to creditors affected by the Plan and the Interim Lender, with respect to the Monitor's assessment of, and recommendations with respect to, the Plan;
- (i) may retain and employ such agents, advisers and other assistants as are reasonably necessary for the purpose of carrying out the terms of this Order, including, without limitation, one or more entities related to or affiliated with the Monitor;
- (j) may engage legal counsel to the extent the Monitor considers necessary in connection with the exercise of their powers or the discharge of their obligations in these proceedings and any related proceeding, under the Order or under the CCAA;
- (k) may act as a "foreign representative" of any of the Petitioners or in any other similar capacity in any insolvency, bankruptcy or reorganisation proceedings outside of Canada;

- (l) may give any consent or approval as may be contemplated by the Order or the CCAA; and
- (m) may perform such other duties as are required by the Order or the CCAA or by this Court from time to time.

Unless expressly authorized to do so by this Court, the Monitor shall not otherwise interfere with the business and financial affairs carried on by the Petitioners, and the Monitor is not empowered to take possession of the Property nor to manage any of the business and financial affairs of the Petitioners.

- 40. **ORDERS** that the Petitioners and their Directors, officers, employees and agents, accountants, auditors and all other Persons having notice of the Order shall forthwith provide the Monitor with unrestricted access to all of the Business and Property, including, without limitation, the premises, books, records, data, including data in electronic form, and all other documents of the Petitioners in connection with the Monitor's duties and responsibilities hereunder.
- 41. **DECLARES** that the Monitor may provide creditors and other relevant stakeholders of the Petitioners with information in response to requests made by them in writing addressed to the Monitor and copied to the Petitioners' counsel. In the case of information that the Monitor has been advised by the Petitioners is confidential, proprietary or competitive, the Monitor shall not provide such information to any Person, other than the Interim Lender, without the consent of the Petitioners unless otherwise directed by this Court.
- 42. **DECLARES** that if the Monitor, in its capacity as Monitor, carries on the business of the Petitioners or continues the employment of the Petitioners' employees, the Monitor shall benefit from the provisions of section 11.8 of the CCAA.
- 43. **DECLARES** that no action or other proceedings shall be commenced against the Monitor relating to its appointment, its conduct as Monitor or the carrying out of the

provisions of any order of this Court, except with prior leave of this Court, on at least seven days notice to the Monitor and its counsel. The entities related to or affiliated with the Monitor referred to in subparagraph 39(i) hereof shall also be entitled to the protection, benefits and privileges afforded to the Monitor pursuant to this paragraph.

44. **ORDERS** that the Petitioners shall pay the reasonable fees and disbursements of the Monitor, the Monitor's legal counsel, the Petitioners' legal counsel, and other advisers, directly related to these proceedings, the Plan and the Restructuring, whether incurred before or after this Order. In addition, the Petitioners shall pay a retainer in the amount of \$100,000 and any such further amounts as may be ordered by the Court to independent counsel to the Directors. The Petitioners shall pay the reasonable fees and disbursements of the Agent's legal counsel and advisors up to a maximum total amount of \$250,000, payable in the amount of no more than \$50,000 per month (including an initial retainer of \$50,000) and the Agent shall be entitled to apply any excess amounts to its indebtedness pursuant to its credit documentation. Nothing in this paragraph is meant to limit or derogate from the ability of the Agent to recover any unpaid professional fees in excess of the amounts provided for above under its loan and security documents.
45. **DECLARES** that the Monitor, the Monitor's legal counsel, the Petitioners' legal counsel, and the Petitioners' respective advisers, as security for the professional fees and disbursements incurred both before and after the making of this Order and directly related to these proceedings, the Plan and the Restructuring, and the Agent's counsel and advisors to the extent of paragraph 44 above, be entitled to the benefit of and are hereby granted a charge and security in the Property to the extent of the aggregate amount of \$1,000,000 (the "**Administration Charge**"), having the priority established by paragraphs 46-47 of this Order.

Priorities and General Provisions Relating to CCAA Charges

46. **DECLARES** that the priorities of the Administration Charge, the Interim Lender Charge, the Directors' Charge and the KERP Charge (collectively, the "**CCAA Charges**"), as between them with respect to any Property to which they apply, shall be as follows:

- (a) first, the Administration Charge;
 - (b) second, the Interim Lender Charge;
 - (d) third, the Directors' Charge; and
 - (e) fourth, the KERP Charge.
47. **DECLARES** that each of the CCAA Charges shall rank in priority to any and all other hypothecs (including legal hypothecs arising from the construction or renovation of a Petitioners' immovable), mortgages, liens, security interests, priorities, charges, encumbrances, construction liens or security of whatever nature or kind (collectively, the "**Encumbrances**") affecting the Property charged by such Encumbrances, except for: (a) the BNS Cash Collateral Charge (as defined below), (b) equipment leases subject to any further order of this Court, and (c) any monies held at BNS (as defined below) in the bank account bearing No. 476961556916 at BNS' branch located at 20 Queen Street West, 4th Floor, Toronto, Ontario, M5H 3R3.
48. **ORDERS** that, except as otherwise expressly provided for herein, the Petitioners shall not grant any Encumbrances in or against any Property that rank in priority to, or *pari passu* with, any of the CCAA Charges unless the Petitioners obtain the prior written consent of the Monitor, the Interim Lender and the prior approval of the Court.
49. **DECLARES** that each of the CCAA Charges shall attach, as of the Effective Time, to all present and future Property of the Petitioners, notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.
50. **DECLARES** that the CCAA Charges and the rights and remedies of the beneficiaries of the CCAA Charges, as applicable, shall be valid and enforceable and not otherwise be limited or impaired in any way by (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications or any assignments in

bankruptcy made or deemed to be made in respect of any Petitioner; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sub-lease or other arrangement which binds the Petitioners (a "**Third Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:

- a. the creation of any of the CCAA Charges shall not create nor be deemed to constitute a breach by the Petitioners of any Third Party Agreement to which any Petitioner is a party; and
- b. the beneficiaries of the CCAA Charges shall not have any liability to any Person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the CCAA Charges.

51. **DECLARES** that notwithstanding: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications or any assignments in bankruptcy made or deemed to be made in respect of any Petitioner, and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by the Petitioner pursuant to this Order and the granting of the CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.
52. **DECLARES** that the CCAA Charges shall be valid and enforceable as against all Property of the Petitioners and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the Petitioners.
53. **ORDERS** that the CCAA Charges over leases of immovable and real property in Canada shall only be charges in the Petitioners' interests in such immovable and real property leases.

54. **ORDERS** that, in respect of certain pre-filing letters of credit issued by The Bank of Nova Scotia ("BNS") and pre-filing credit card and other cash management services provided to the Petitioners and certain Persons related to the Petitioners, secured by cash collateral (the "LC Cash Collateral") maintained by BNS in an aggregate principal amount of CDN\$4,001,420 (the "LC Exposure"), the CCAA Charges, as may attach to the LC Cash Collateral, including by operation of law or otherwise, (a) shall rank junior in priority to the liens, security, charges and security interests currently existing in favour of BNS over the LC Cash Collateral (the "BNS Cash Collateral Charge") and (b) shall attach to the LC Cash Collateral only to the extent of the rights of the Petitioners to the return of any LC Cash Collateral from BNS following (i) the payment and satisfaction of all LC Exposure and (ii) the exercise by BNS of any rights in respect of the LC Cash Collateral pursuant to Section 21 of the CCAA, notwithstanding anything to the contrary contained herein.


General

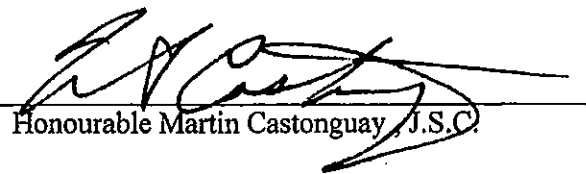
55. **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against any of the Directors, employees, legal counsel or financial advisers of the Petitioners or of the Monitor in relation to the Business or Property of the Petitioners, without first obtaining leave of this Court, upon five (5) days written notice to the Petitioners' counsel, the Interim Lender's counsel and to all those referred to in this paragraph whom it is proposed be named in such Proceedings.
56. **DECLARES** that the Order and any proceeding or affidavit leading to the Order, shall not, in and of themselves, constitute a default or failure to comply by the Petitioners under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.
57. **DECLARES** that, except as otherwise specified herein, the Petitioners and the Monitor are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate

parties at their respective given addresses as last shown on the records of the Petitioners and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three business days after mailing if by ordinary mail.

58. **DECLARES** that the Petitioners and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Petitioners shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter.
- 58.1 **ORDERS** that the Senior Lenders Facility (Exhibit R-48 to the Motion for the Issuance of an Initial Order) and the Schedule D to the Pre-Filing Report of the Proposed Monitor, shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.
59. **DECLARES** that, unless otherwise provided herein, under the CCAA, or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings, unless such Person has served a Notice of Appearance on the solicitors for the Petitioners and the Monitor and has filed such notice with this Court, or appears on the service list prepared by the monitor or their attorneys, save and except when an order is sought against a Person not previously involved in these proceedings.
60. **DECLARES** that the Petitioners or the Monitor may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of the Order on notice only to each other. Notwithstanding the foregoing, any court approval sought in connection with the subject matter of paragraph 38 of this Order shall be sought on no less than five (5) business days notice to the Agent, the Interim Lender and the Monitor.

61. **DECLARES** that any interested Person may apply to this Court to vary or rescind the Order or seek other relief upon five (5) days notice to the Petitioners, the Monitor, the Interim Lender and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order, such application or motion shall be filed during the Stay Period ordered by this Order, unless otherwise ordered by this Court.
62. **DECLARES** that the Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
63. **DECLARES** that the Monitor, with the prior consent of the Petitioners, shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and any subsequent orders of this Court and, without limitation to the foregoing, an order under Chapter 15 of the *U.S. Bankruptcy Code*, for which the Monitor shall be the foreign representative of the Petitioners. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for that purpose.
64. **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
65. **ORDERS** the provisional execution of the Order notwithstanding any appeal.

COME CONFORME

Jocelyne Cook


Honourable Martin Castonguay, J.S.C.

Schedule "A"
Interim Financing Term Sheet

**DIP FACILITY LOAN AGREEMENT
DATED AS OF OCTOBER 14, 2014**

WHEREAS the Borrower (as defined below) has requested that the DIP Lender (as defined below) provide financing to fund certain of the Borrower's cash requirements during the pendency of the CCAA Debtors' (as defined below) proceeding (the "CCAA Proceeding") under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") to be commenced before the Québec Superior Court (the "CCAA Court") in accordance with the terms and conditions set out herein;

NOW THEREFORE the parties, and the consideration of the foregoing and the mutual covenants and agreements contained herein (the receipt and sufficiency of which are hereby irrevocably acknowledged), agree as follows:

Borrower: RB Energy Inc. ("Borrower")

CCAA Debtors: RB Energy Inc., Québec Lithium Inc., QLI Métaux Inc. and Sirocco Mining Inc.

Guarantors: Québec Lithium Inc., QLI Métaux Inc. and Sirocco Mining Inc. (collectively, the "Guarantors" and, together with the Borrower, the "Debtors" or "CCAA Debtors") shall provide unconditional guarantees of payment and not of collection in form satisfactory to the DIP Lender.

Prior to any Further Advance (as defined below), Chempro Finance Ltd. ("Chempro") shall also guarantee the DIP Obligations (as defined below) and shall secure such guarantee by assigning to the DIP Lender all amounts owing to it by Atacama Minerals Chile S.C.M. ("Atacama") and Chempro shall thereupon be included as a "Guarantor".

DIP Lender: Hale Capital Partners L.P. ("HCP") or a limited liability company or other investment vehicle, owned by one or more affiliates of the DIP Lender to be designated prior to the First Closing Date. The obligations of any such designated lender to fund the DIP Advances (as defined below) shall be guaranteed by HCP.

DIP Facility: The DIP Lender agrees to advance to the Borrower as a super-priority (debtor-in-possession) non-revolving credit facility (the "DIP Facility") up to US\$13 million.

On the First Closing Date (as defined below), the Borrower will have an initial availability under the DIP Facility of up to US\$6 million (the "Initial Availability"). Notwithstanding any other provision hereof, the initial advance pursuant to the Initial Availability (the "First Advance") may be up to the full amount of the Initial Availability and in any event shall not be less than US\$4 million. The First Advance shall be made on the First Closing Date, subject to satisfaction of the Funding Conditions (as defined below). Any draw under the

Initial Availability shall be in a minimum amount of US\$1 million.

After the First Advance, the balance of the DIP Facility may be drawn in up to three tranches of not less than US\$1 million (each a "Further Advance") each by the Borrower providing not less than three days' written notice of each drawdown to the DIP Lender. All advances hereunder (each a "DIP Advance") are subject to the conditions of drawdown set out below.

Advances under the DIP Facility shall be deposited into a bank account to be designated by the Borrower at a financial institution approved by the DIP Lender (the "Borrower's Account") and utilized by the Borrower in accordance with the terms of this Agreement. The parties agree that the Borrower's account in Vancouver, B.C. at Canadian Imperial Bank of Commerce ("CIBC") (the specifics of which shall be provided to the DIP Lender by the Borrower) is a satisfactory Borrower's Account. The Borrower's Account shall be subject to the DIP Lender's Charge and prior to making any Further Advances and the Borrower shall obtain an account control agreement with the depository bank in form and substance acceptable to the DIP Lender, acting reasonably.

- Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the CCAA Debtors in accordance with the Agreed Weekly Budgets (as defined below) and may be used to pay interest, fees and expenses payable under the DIP Facility. No proceeds may be used for any other purpose except with the prior written approval of the DIP Lender. In particular, the DIP Facility may not be used in connection with any investigation (including discovery proceedings), initiation or prosecution of any claims, causes of action, adversary proceedings or other litigation against the DIP Lender or its affiliates.
- First Closing Date:** The closing date for the First Advance under the DIP Facility is expected to be October 15, 2014 or such later date as all of the conditions to the First Advance hereunder have been satisfied (the "First Closing Date").
- Evidence of Indebtedness:** The DIP Lender shall open and maintain accounts and records evidencing advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Lender's accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the DIP Lender pursuant to the DIP Facility.
- Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States.
- Interest Rate:** All amounts owing hereunder on account of the principal, overdue interest, fees and expenses shall bear interest at the rate of 11% per annum payable in cash monthly in arrears on the last day of each calendar month. To the extent permitted by law, upon the occurrence of an Event of Default (as defined below), interest shall accrue and be calculated at a rate of 16% per annum.

- Standby Fee:** The Borrower shall pay the DIP Lender a standby fee of 3% per annum on the undrawn portions of the DIP Facility. Such fee shall be calculated daily and payable monthly in arrears on the last day of each calendar month.
- Other Fees:**
- (a) The Borrower has paid to the DIP Lender an upfront due diligence fee of US\$150,000 (the "Upfront Fee"). This is a non-refundable fee used to compensate the DIP Lender for its expenses incurred prior to the date of the First Closing but does not include any fees or expenses of its counsel relating to the drafting, negotiation and court approval of this Agreement and related documents.
 - (b) On the First Closing Date, the Borrower shall pay to the DIP Lender a non-refundable commitment fee of US\$325,000 (being 2.5% of the DIP Facility) from the first advance under the DIP Facility.
 - (c) If any portion of the DIP Loan is repaid prior to April 15, 2015 or prepaid prior to the Maturity Date, the Borrower will pay to the DIP Lender a prepayment fee equal to 3% of the principal amount repaid or prepaid.
 - (d) At such time as the entire DIP Facility has been repaid or cancelled, the Borrower will pay to the DIP Lender a fee of US\$800,000 as an exit fee.
- Other Costs and Expenses:** Unless already satisfied by the Upfront Fee, the Borrower shall pay, on or before the First Closing Date and monthly thereafter, all costs and expenses of the DIP Lender for all out-of-pocket due diligence and travel costs and all reasonable fees, expenses and disbursements of outside counsel, appraisers, field auditors, and any financial consultant in connection with the administration of the DIP Facility after the Closing Date, including any costs and expenses incurred by the DIP Lender in connection with the enforcement of any of the rights and remedies available hereunder or any under the Guarantees or any related security.
- Repayment and Maturity Date:** All amounts owing to the DIP Lender under the DIP Facility shall be due and payable on the earliest of the occurrence of any of the following:
- (i) six months following the First Closing Date;
 - (ii) the implementation of a plan of compromise or arrangement within the CCAA proceedings (a "Plan") which has been approved by the requisite majorities of the Borrower's creditors and by order entered by the CCAA court (the "Sanction Order") and by the DIP Lender;
 - (iii) conversion of the CCAA proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada) (the "BIA");
 - (iv) the completion of the sale of more than 50% of the aggregate assets of the Borrower (on a consolidated basis) (unless the DIP Lender consents to such sale and agrees that the DIP Facility shall remain outstanding); and

- (v) an Event of Default (as defined below) in respect of which the DIP Lender has elected in its sole discretion to accelerate all amounts owing and demand repayment;

(such earliest date the "Maturity Date").

The DIP Lender's commitment to make further advances under the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be permanently and indefeasibly repaid no later than the Maturity Date without the DIP Lender being required to make demand upon the Borrower or other parties or to give notice that the DIP Facility has expired and that the obligations thereunder are due and payable, except as they would be required by the Priority Order. The Sanction Order shall not discharge or otherwise affect in any way any of the obligations of the Borrower or the Guarantors to the DIP Lender under the DIP Facility other than after the permanent and indefeasible payment in cash to the DIP Lender of all obligations under the DIP Facility on or before the date that the Plan is implemented, including without limitation, the exit fee.

**Mandatory
Prepayments:**

Unless the DIP Lender consents otherwise, the Borrower is required to prepay amounts outstanding under the Facility:

- (i) upon the receipt of net cash proceeds from the issuance by the Borrower or any of its subsidiaries (other than Atacama) of any indebtedness for borrowed money;
- (ii) upon receipt of insurance proceeds or expropriation awards by the Borrower or any of its subsidiaries (other than Atacama) unless the proceeds are reinvested to repair or replace such assets prior to the earlier of the Maturity Date and 180 days following the receipt of such proceeds;
- (iii) upon receipt of net cash proceeds from the sale of any of the Collateral (as defined below) except for sales of inventory in the ordinary course of business by the Borrower or any of its subsidiaries;
- (iv) upon receipt of any extraordinary payments such as tax refunds by the Borrower or any of its subsidiaries (other than Atacama);
- (v) upon receipt of net cash proceeds from the sale of any equity interests in the Borrower or any of its subsidiaries or the receipt of capital contributions by the Borrower or any of its subsidiaries.

Any prepayment required hereunder shall be a permanent reduction of the DIP Facility and may not be reborrowed without the written consent of the DIP Lender in its sole discretion. Any prepayments prior to the Maturity Date will be subject to the prepayment fee of 3% referred to above.

Optional

The DIP Loan may be repaid at any time, in whole or in part, prior to the Maturity

- Prepayment:** Date on not less than two business days' notice to the DIP Lender provided that any such payment shall be subject to a *pro rata* share of the exit fee referred to above, the prepayment fee referred to above and the satisfaction of all accrued interest thereon.
- DIP Lender Account:** All payments to the DIP Lender shall be made by wire transfer to the account specified in writing to the Borrower from time to time.
- Agreed Budgets:** Attached hereto is a rolling 26 week period detailed budget (the "Agreed Weekly Budget") which is in form and substance satisfactory to the DIP Lender. The DIP Lender may require changes to the format of budget and the details provided therein including, without limitation, information on a line item basis as to (i) projected cash receipts and (ii) projected disbursements (including ordinary course operating expenses, restructuring expenses, including professional fees), capital and maintenance expenditures.
- On the Thursday of each week, the Borrower shall provide to the DIP Lender a variance report (the "Weekly Budget Variance Report") showing on a line-by-line basis actual receipts and disbursements and the total available liquidity for the last day of the prior week for the cumulative period since the commencement of the CCAA proceeding and for a rolling cumulative four week period once the CCAA Proceedings have been pending for four weeks and noting therein all variances on a line-by-line basis from the amounts in the Agreed Weekly Budget and shall include explanations for all material variances and shall be certified by the Chief Financial Officer of the Borrower. The first Weekly Budget Variance Report shall be delivered on Thursday, October 23, 2014.
- The Borrower may from time to time present to the DIP Lender a revised 26 week detailed budget substantially in the form of the current Agreed Weekly Budget, which revised budget shall be reviewed by the Monitor (the "Updated Weekly Budget"). The DIP Lender may, in its discretion, acting reasonably, agree to substitute the revised budget for the then current Agreed Weekly Budget in which case the Updated Weekly Budget shall be thereafter be deemed to be the effective Agreed Weekly Budget for the purposes hereof.
- Conditions Precedent to DIP Advances:** The DIP Lender's agreement to make the First Advance to the Borrower on the First Closing Date and any other DIP Advances pursuant to the Initial Availability is subject to the following conditions precedent (the "Funding Conditions") as determined by the DIP Lender in its sole discretion, acting reasonably:
- 1) The Borrower's application materials in connection with its application for the Initial Order shall be satisfactory to the DIP Lender and such application shall be brought before the CCAA Court no later than October 16, 2014, on notice to such parties as are acceptable to the DIP Lender. The Borrower has requested that secured parties other than Bank of Nova Scotia ("BNS") and Investment Quebec will not receive notice of the initial application and the DIP Lender acknowledges that notice to such parties is impractical at

this time;

- 2) The Court shall have issued the Initial Order which must be satisfactory to the DIP Lender and the Initial Order shall not have been amended, restated or modified in a manner that adversely affects the rights or interests of the DIP Lender without the consent of the DIP Lender. For greater certainty, such Order shall approve this Agreement and grant a charge in favour of the DIP Lender (the "DIP Lender's Charge") which ranks ahead of the security granted by the CCAA Debtors to BNS and Investissement Quebec but not security held by persons who have not received notice of the application for the Initial Order (such persons, the "Non-Lender Secured Creditors") and that such Initial Order may not be rescinded, amended or revised without at least five business days' notice to the DIP Lender and its counsel and shall not stay the rights of the DIP Lender hereunder or under the DIP Credit Documentation (as defined below). The DIP Lender's Charge shall apply to all of the property and assets of the CCAA Debtors (other than the LC Collateral (as defined below)) and shall secure all obligations owing by the CCAA Debtors to the DIP Lender hereunder, including without limitation, all principal, interest, fees and amounts owing in respect of expenses (collectively the "DIP Obligations");
- 3) The DIP Lender shall have received from the Borrower a written request for the First DIP Advance which shall be executed by an officer of the Borrower and which shall confirm that the representations and warranties contained herein are true and correct as of such date;
- 4) All fees and expenses payable to the DIP Lender have been paid or will be paid from the proceeds of the requested DIP Advance within such time as is acceptable to the DIP Lender in its discretion;
- 5) There shall be no liens ranking in priority to or *pari passu* with the DIP Lender's Charge other than an administrative charge in an amount not to exceed Cdn. \$1 million and Liens (as defined below) in favour of the Non-Lender Secured Creditors and any subordinate court-ordered charges or liens shall be acceptable to the DIP Lender. The DIP Lender acknowledges and agrees that a charge securing the Debtors' obligation under certain key employee retention plans in the aggregate amount of Cdn. \$760,000 and a court ordered charge securing the Debtors' obligations to indemnify the directors for certain post-filing liabilities in the aggregate amount not to exceed Cdn \$1.5 million are acceptable to the DIP Lender; both such charges shall be subordinate to the DIP Lender's Charge.

As soon as practical following the First Advance, the DIP Lender's Charge and the Liens shall be registered on all of the assets of the CCAA Debtors.

The DIP Lender's obligation to make any Further Advances to the Borrower is subject to the Funding Conditions continuing to have been satisfied and the

following conditions precedent to the Further Advances as determined by the DIP Lender in its sole discretion acting reasonably:

- 1) A motion for the Priority Order (as defined below), in form satisfactory to the DIP Lender, shall be served on such parties as required by the DIP Lender within three business days of the Initial Order and subsequently filed with the CCAA Court and appropriate notice of the hearing shall be given to all relevant parties;
- 2) The CCAA Court shall have issued and entered a further order (the "Priority Order") within 10 days of the date on which the Initial Order was issued (the "Filing Date") elevating the DIP Lender's Charge in priority over the security interests of the Non-Lender Secured Creditors, in form and substance satisfactory to the DIP Lender approving this agreement and the DIP Facility. Without limiting the foregoing, the Priority Order shall provide that the DIP Lender's Charge shall have priority over all liens, charges, mortgages, encumbrances, security interests of every kind and nature granted by the CCAA Debtors against any of the undertaking, property or assets of the CCAA Debtors (collectively, the "Liens") subject in priority only to an administrative charge on the collateral of the CCAA Debtors in an aggregate amount not to exceed \$1 million and subject to the exclusion of the cash collateral in the amount of approximately \$4 million (the "LC Cash Collateral") held by BNS to secure letters of credit issued by BNS, credit card services provided by BNS and other cash management services provided by BNS (collectively, the "LC Obligations") provided, however, that Bank of Nova Scotia may only use such cash collateral for the purposes of satisfying the LC Obligations;
- 3) The Borrower shall be in compliance with any timetables established from time to time by it and approved by the Court and the DIP Lender setting out a sales or investment solicitation or similar process for the CCAA Debtors;
- 4) The DIP Credit Documentation (as defined below) shall be satisfactory to the DIP Lender in its discretion, acting reasonably, and shall have been executed by the parties thereto and the DIP Lender;
- 5) The DIP Lender shall be satisfied that the Debtors have complied with and are continuing to comply with in all material respects with all applicable laws, regulations, policies in relation to their property and business, other than as may be permitted under any order of the CCAA Court (each a "Court Order") which is satisfactory to the DIP Lender in its discretion, acting reasonably;
- 6) The DIP Lender shall have received from the Borrower a written request for each DIP Advance not less than two business days prior to the date of

the DIP Advance which shall be executed by an officer of the Borrower which shall certify the amount requested and that the Borrower is in compliance with the DIP Credit Documentation and the Court Orders;

- 7) All amounts due and owing to the DIP Lender at such time shall have been paid or shall be paid from the requested DIP Advance;
- 8) No Event of Default shall have occurred or will occur as a result of the requested DIP Advance;
- 9) Atacama shall not have incurred any indebtedness or for borrowed money in excess of US\$40 million, being the amount of indebtedness outstanding at the date hereof. True copies of all credit agreements for Atacama have been provided to the DIP Lender;
- 10) The DIP Lender shall be satisfied that the CCAA Debtors own their respective material assets with good and marketable title thereto and shall have received environmental reports confirming that there are no material environmental liabilities or obligations affecting or likely to affect the Collateral;
- 11) The DIP Lender shall have received satisfactory opinions of counsel to the CCAA Debtors relating to title to real property of Quebec Lithium Inc. (or satisfactory title insurance with respect to such property) and such other matters as the DIP Lender may reasonably require;
- 12) The DIP Lender shall have been satisfied that all motions, orders and other pleadings and related documents filed or submitted to the CCAA Court by the CCAA Debtors shall be consistent with the terms hereof and all orders entered by the CCAA Court shall not be inconsistent with or have an adverse impact on the terms of the DIP Facility;
- 13) Any necessary third party approvals to preserve or perfect the DIP Lender's Charge shall have been obtained;
- 14) There are no Liens ranking in priority to the DIP Lender's Charge other than is permitted hereunder;
- 15) No material portion of the Collateral be lost or stolen; and
- 16) The Debtors shall be in compliance with all covenants and obligations contained in this Agreement.

**DIP Facility
Security and
Documentation:**

All of the obligations of the CCAA Debtors under or in connection with the DIP Facility, this Agreement and any other documentation in respect of the DIP Facility that is requested by the DIP Lender (which shall be in form and substance satisfactory to the DIP Lender in its sole discretion, acting reasonably) (collectively, the "DIP Loan Documents") shall be secured by the DIP Security

(as defined below) (together with the DIP Loan Documents, the "**DIP Credit Documentation**") and the DIP Lender's Charge granted by the CCAA Court.

The DIP Obligations shall be secured by:

- 1) The DIP Lender's Charge granted by the CCAA Court;
- 2) Contractual security and contractual hypothecary documents granted by the CCAA Debtors providing for a security interest/hypothec (the "**DIP Security**") in and lien on all now-owned and hereafter-acquired assets and property of each of the Debtors, real and personal, tangible or intangible and all proceeds therefrom (the "**Collateral**"), but excluding (i) the LC Cash Collateral provided that such LC Cash Collateral may only be used to satisfy such LC Obligations, (ii) such assets, if any, as the DIP Lender in its discretion determines to be immaterial or to be assets for which the cost and other burdens of establishing and perfecting a security interest outweigh the benefits of establishing and perfecting a security interest, and (iii) other exceptions to be mutually agreed; and
- 3) Prior to the Further Advances, Chempro shall assign to the DIP Lender its interest in the intercompany loans owing to Chempro by Atacama.

The DIP Security shall be a perfected first priority and not subject to subordination other than in respect of the administrative charge not exceeding Cdn. \$1 million granted by the CCAA Court.

**Deposit
Accounts:**

The Debtors shall maintain all cash in accounts maintained with depository banks designated by the DIP Lender ("**Approved Depository Banks**") and that prior to the second advance of the DIP Facility have entered into account control agreements in form and substance satisfactory to the DIP Lender and their counsel (collectively, the "**Controlled Accounts**"). The parties acknowledge that CIBC is an Approved Depository Bank.

Monitor:

The Monitor appointed pursuant to the Initial Order shall be KPMG Inc. (the "**Monitor**") with Mr. Phil Reynolds and such other persons designated by Mr. Reynolds having primary responsibility for the fulfillment of the Monitor's duty as in connection with the CCAA Proceeding. The DIP Lender shall be authorized by the Initial Order to have direct discussions with the Monitor and to receive information from the Monitor as requested by the DIP Lender from time to time.

Indemnity:

The Borrower and the other Debtors agree to indemnify and hold harmless the DIP Lender and its affiliates and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or suited against or involve any of the Indemnified Persons as a result of, in connection with or in any way related to the DIP Facility, the proposed or actual use of the proceeds of the DIP Facility, this Agreement, the CCAA Proceeding or the DIP Credit Documentation. Notwithstanding the foregoing, the Borrower or other Debtors shall have no

obligation to indemnify any Indemnified Person against such loss, liability, cost or expense to the extent that they are found by final judgment of a court of competent jurisdiction to arise from the gross negligence or willful misconduct of such Indemnified Person or to the extent of any disputes solely among Indemnified Persons other than claims arising out of any act or omission on the part of the Borrower or Debtors. The DIP Lender shall not be responsible or liable to the Borrower or any Debtors or any other person for any consequential or punitive damages.

**Representations
and Warranties:**

Each of the CCAA Debtors represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this Agreement and the other DIP Credit Documentation, that:

1. The transactions contemplated by this Agreement and the other DIP Credit Documentation:
 - (a) upon the granting of the Initial Order and the Priority Order, are within the powers of the Debtors;
 - (b) have been duly authorized, executed and delivered by or on behalf of the CCAA Debtors;
 - (c) upon the granting of the Initial Order and the Priority Order, constitute legal, valid and binding obligations of the CCAA Debtors;
 - (d) upon the granting of the Initial Order and the Priority Order, do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the DIP Lender's Charge or any DIP Security granted pursuant to the DIP Credit Documentation;
2. The business operations of the Borrower and its subsidiaries have been and will continue to be conducted in material compliance with all applicable laws of each jurisdiction in which each such business has been or is being carried on subject to the provisions of any Court Order;
3. Each of the Borrower and its subsidiaries has obtained all material licences and permits required for the operation of its business, which licences and permits remain, and after the DIP Financing, will remain in full force and effect. No proceedings have been commenced to revoke or amend any of such licences or permits;
4. Each of the Borrower and its subsidiaries has paid where due its obligations for payroll, employee source deductions, Harmonized Sales Tax, value added taxes and is not in arrears in respect of these obligations;

5. None of the Borrower or any of its subsidiaries has any defined benefit pension plans or similar plans;

6. All factual information provided by or on behalf of the CCAA Debtors to the DIP Lender for the purposes of or in connection with this Agreement or any transaction contemplated herein is, to the best of the CCAA Debtors' knowledge, true and accurate in all material respects on the date as of which such information is dated or certified and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided. In particular, and without limiting the generality of the foregoing, to the best of the CCAA Debtors' knowledge, all information regarding the Borrower's and its subsidiaries' corporate structure is true and complete, all public filings and financial reports are complete and true in all material respects and the Borrower has provided the DIP Lender with all title information and opinions and environmental reports affecting or relating to the property of the CCAA Debtors. As used in this section "to the best of the CCAA Debtors' knowledge" refers to the actual knowledge of the President and Chief Financial Officer of the Borrower after reasonable inquiry;

**Affirmative
Covenants:**

In addition to all other covenants and obligations contained herein, the Debtors agree and covenant to perform and do each of the following until the DIP Facility is permanently and indefeasibly repaid and cancelled:

1. Comply with the provisions of the Court Orders made in the CCAA Proceeding including, without limitation, the Initial Order and the Priority Order;

2. Utilize all DIP Advances in a manner that is consistent with the Agreed Weekly Budgets in all material respects;

3. Comply with any timetable or process established from time to time by the Borrower for the sale of all or part of the assets of the Borrower and its subsidiaries or solicitation of investment in the Borrower or its subsidiaries as part of or in anticipation of a Plan and obtain the approval for such timetable or process from the DIP Lender;

4. Allow the DIP Lender, its designated representatives and the Consultants full access to the books and records of the Borrower and its subsidiaries on one business day's notice and during normal business hours and cause management thereof to fully cooperate with any advisors to the DIP Lender;

5. Provide the DIP Lender with draft copies of all motions, applications, proposed orders or other material or documents that any of them intend to file within the CCAA Proceeding at least three (3) days prior to any such filing or, where it is not practically possible to do so at least three days prior

to any such filing, as soon as possible;

6. The Initial Order, the Priority Order and any other Court Orders which are being sought by the CCAA Debtors shall be submitted to the CCAA Court in a form confirmed in advance to be satisfactory to the DIP Lender, acting reasonably, subject to any amendments that are required by the CCAA Court or the Borrower that are acceptable to the DIP Lender;

7. Any and all materials of the CCAA Debtors in respect of a proposed Plan or any other transaction involving the refinancing of the Borrower and/or the other Debtors, the sale of all or substantially all of the assets of the Borrower or the other Debtors or any other restructuring of the Debtors' businesses and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of any of the Debtors (a "Restructuring Option") shall only be submitted to the CCAA Court in a form confirmed in advance to be satisfactory to the DIP Lender unless such Restructuring Option provides for the indefeasible payment in full in cash of all amounts owing to the DIP Lender under the DIP Facility at or prior to the implementation date of such Restructuring Option;

8. None of the Debtors shall provide or seek or support a motion by another party to provide to a third party a charge upon any of the Debtors' assets (including, without limitation, a critical supplier's charge) without the prior consent of the DIP Lender;

9. The Borrower and the other Debtors shall promptly advise the DIP Lender of, and provide copies of, any proposal received from a third party in respect of a Restructuring Option or any other transaction to be carried out pursuant to or as part of a Plan and, thereafter, shall advise the DIP Lender of the status of any such proposal as well as any material amendments to the terms thereof;

10. The Borrower shall not carry out any changes to the composition (including the addition, removal or replacement of directors or officers) of the board of directors or the officers (including any chief restructuring officer) of the Borrower or any of the other Debtors without first consulting with the DIP Lender;

11. Unless such payments are first approved by the DIP Lender, neither the Borrower nor any of the Debtors shall:

- (i) increase any termination or severance entitlements or pay any termination or severance payments or modify any compensation or benefit plans whatsoever; or
- (ii) establish or make any payments by way of a "key employee retention plan" except as otherwise disclosed in the Agreed

Weekly Budget and the application materials filed in respect of the Initial Order and provided that the second payments under the key employee retention plan to any of Rick Clark, Kevin Ross or Alessandro Bitelli will not be made until after the DIP Obligations have been paid in full to the DIP Lender;

12. Provide to the DIP Lender a weekly status update regarding the status of the CCAA Proceeding and their restructuring process including, without limitation, reports on the progress of any Plan, Restructuring Option, and any information which may otherwise be confidential subject to same being maintained as confidential by the DIP Lender. Notwithstanding the foregoing disclosure obligation or any other term of this Agreement, none of the CCAA Debtors shall be obligated to disclose to the DIP Lender any information regarding the details of bids received by the Borrower or the Monitor unless such information is otherwise disclosed to other stakeholders in the CCAA Proceeding or unless the DIP Lender waives its right to credit bid;
13. Use all reasonable efforts to keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower and its subsidiaries, the development of a Plan and/or a Restructuring Option;
14. Deliver to DIP Lender any updated Weekly Budgets and Weekly Budget Variance Reports and such other reporting and other information from time to time as is reasonably requested by the DIP Lender in form and substance satisfactory to the DIP Lender;
15. The CCAA Debtors shall deliver to the DIP Lender: (i) within one (1) business day of delivery thereof to the Monitor, copies of all financial reporting provided to the Monitor; and (ii) within one (1) business day of receipt from the Monitor any reports or other commentary or analysis received by the CCAA Debtors from the Monitor regarding the financial position of the CCAA Debtors or otherwise;
16. The CCAA Debtors shall provide to the DIP Lender copies of all proposed general communications to be given to customers, suppliers, employees and other stakeholders simultaneously with the distribution thereof to such persons;
17. Use the proceeds of the DIP Facility and other cash on hand only for the purposes of the short-term liquidity needs of the CCAA Debtors in a manner consistent with the Agreed Weekly Budgets in all material respects to the extent reasonably practicable in the circumstances;
18. Preserve, renew, maintain and keep in full force its corporate existence and its material licenses, permits, approvals, etc. required in respect of

its business, properties, assets or any activities or operations carried out therein and maintain its properties and asset in good working order having regard to the current cessation of operations;

19. Pay all applicable property taxes, permitting and licences fees and other amounts necessary to preserve the Collateral to avoid any lien thereon and pay all amounts due under any hydro or power contracts from and after the Filing Date;

20. Maintain all insurance with respect to the Collateral in existence as of the date hereof;

21. Forthwith notify the DIP Lender of the occurrence of any Event of Default, or of any event or circumstance that, with the passage of time, may constitute an Event of Default;

22. Execute and deliver the DIP Credit Documentation, including such security agreements, financing statements, discharges, opinions or other documents and information, as may be reasonably requested by the DIP Lender in connection with the DIP Facility, which documentation shall be in form and substance satisfactory to the DIP Lender;

23. Subject to the "Costs and Expenses" provision of this Agreement, pay upon request by the DIP Lender all documented DIP Fees and Expenses, provided, however, that if any DIP Fees and Expenses incurred after the date of this Agreement are not paid by the Borrower, the DIP Lender may in its discretion pay all such DIP Fees and Expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility;

24. Pay when due all principal, interest, fees and other amounts payable by the Borrower under this Agreement and under any other DIP Credit Documentation on the dates, at the places and in the amounts and manner set forth herein;

25. Following the First Advance, the Borrower will use its reasonable best efforts to cause the intercompany loans between Chempro and Atacama (which the Borrower represents are approximately Cdn. \$75 million) to be secured on the assets of Atacama on a basis subordinate to Atacama's existing bank debt or an equivalent amount of replacement debt;

26. Following the First Advance, the Borrower will use its reasonable best efforts to cause its other subsidiaries (excluding the CCAA Debtors) to grant guarantees of payment to the DIP Lender and to grant charges on their assets to secure the DIP Obligations. However, no such guarantee or security will be required for those subsidiaries which the DIP Lender reasonably determines have no material value or where the giving such guarantees and security is illegal or

unduly onerous. Any such subsidiary which provides a guarantee shall thereafter be included as a "Guarantor".

**Negative
Covenants:**

Each of the CCAA Debtors covenants and agrees not to do the following, other than with the prior written consent of the DIP Lender from and after the date hereof:

1. Except as contemplated by this Agreement or any Court Order, make any payment, without consent of the DIP Lender, of any debt or obligation existing as at the Filing Date (the "Pre-Filing Debt");
2. Create, incur or permit to exist, or permit any subsidiary other than Atacama to create, incur or permit to exist, any indebtedness for borrowed money or contingent liabilities other than Pre-Filing Debt, DIP Advances, and post-filing accounts payable in the ordinary course of business;
3. Permit Atacama to incur any indebtedness in excess of \$40 million, being the amount currently outstanding;
4. Make any payments outside the ordinary course of business, subject always to the obligation to comply with the Agreed Weekly Budgets in all material respects to the extent reasonably practicable in the circumstances;
5. Sell, assign, lease, convey or otherwise dispose of any of the Collateral except for sales of inventory in ordinary course of business or sell any securities of the Borrower or any of its subsidiaries or permit the sale by the subsidiaries of any securities;
6. Except for as contemplated herein or as otherwise consented to by the DIP Lender, permit any new Liens to exist on any of the properties or assets or the Borrower or its subsidiaries other than the Liens in favour of the DIP Lender as contemplated by this Agreement;
7. Create or permit to exist any other Lien which is senior to or *pari passu* with the DIP Lender's Charge except as contemplated herein;
8. Make any investments in or loans to or guarantee the debts or obligations of any other person or entity or permit any of its subsidiaries to do so;
9. Enter any restrictive covenants or agreements which might affect the value or liquidity of any Collateral;
10. Change or permit any subsidiary to change its jurisdiction of incorporation or registered office;
11. Make the second payments under the key employee retention plan to any of Rick Clark, Kevin Ross or Alessandro Bitelli until after the DIP

Obligations have been paid in full to the DIP Lender;

12. Change its name, fiscal year end or accounting policies or amalgamate, consolidate with, merge into, dissolve or enter into any similar transaction with any other entity without the consent of the DIP Lender or permit any subsidiary to do so; and

13. Terminate any key employees of the Debtors, including those involved in maintaining the Collateral, without the consent of the CCAA Lender acting reasonably.

Events of Default:

The occurrence of any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement if such event of default is not cured within two business days of the Borrower receiving notice of the event of default (to the extent such event of default is capable of being cured):

1. Any Court Order is dismissed, stayed, reversed, vacated, amended or restated and such dismissal, stay, reversal, vacating, amendment or restatement adversely affects or would reasonably be expected to adversely affect the interests of the DIP Lender in a material manner, unless the DIP Lender has consented thereto;

2. Any Court Order is issued which adversely affects or would reasonably be expected to adversely affect the interests of the DIP Lender in a material manner, unless the DIP Lender has consented thereto including, without limitation:

- (a) the issuance of an order dismissing the CCAA Proceeding or lifting the stay imposed within the CCAA Proceeding to permit the enforcement of any security or claim against any of the CCAA Debtors or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against any of the Debtors;
- (b) the issuance of an order granting any other claim or a Lien of equal or superiority status to that of the DIP Lender's Charge except as permitted hereunder;
- (c) the issuance of an order staying, reversing, vacating or otherwise modifying the DIP Credit Documentation or the provisions of the Court Order affecting the DIP Lender or the Collateral, or the issuance of an order adversely impacting the rights and interests of the DIP Lender, in each case without the consent of the DIP Lender;
- (d) the failure of the Borrower to diligently oppose any party that

brings an application or motion for the relief set out in (a) through (c) above and/or fails to secure the dismissal of such motion or application within 60 days from the date that such application or motion is brought;

3. The sales or investor solicitation process proposed to the CCAA Court by the Borrower is not acceptable to the DIP Lender in its discretion, acting reasonably;
4. Failure of the Borrower to pay any amounts when due and owing hereunder;
5. Any of the Debtors cease to carry on business or operate or maintain their properties in the ordinary course as it is carried on as of the date hereof, except where such cessation is consented to by the DIP Lender. The DIP Lender acknowledges that Quebec Lithium Inc. and QLI Métaux Inc. are not currently carrying on business and such cessation of operations does not constitute an Event of Default;
6. Any representation or warranty by any of the Debtors herein or in any DIP Credit Documentation shall be incorrect or misleading in any material respect when made; Court Order is made, a liability arises or an event occurs, including any change in the business, assets, or conditions, financial or otherwise, any of the Debtors, that will in the DIP Lender's judgment, acting reasonably, materially further impair the Borrower's or the other Debtors' financial condition, operations or ability to comply with its obligations under this Agreement, any DIP Credit Documentation or any Court Order or carry out a Plan or a Restructuring Option reasonably acceptable to the DIP Lender;
7. Any material violation or breach of any Court Order by any of the Debtors;
8. Failure of the Borrower or any of the other Debtors to perform or comply with any term or covenant of this Agreement or any other DIP Credit Documentation;
9. Failure to maintain a cumulative net cash flow, for the Borrower on a consolidated basis which is at all times within 10% of the amounts set out in the Agreed Weekly Budget (measured weekly) and failure to provide an Updated Weekly Budget for approval by the DIP Lender, acting reasonably, which shows sufficient liquidity, including availability under the DIP Facility, to meet all of the Borrower's projected cash requirements until April 15, 2015;
10. If any of Rick Clark, Kevin Ross or Alessandro Bitelli cease to be senior officers of the CCAA Debtors and are not replaced with persons acceptable to the DIP Lender;

11. Any proceeding, motion or application is commenced or filed by the Borrower or any of the other Debtors, or if commenced by another party, supported or otherwise consented to by the Borrower or any of the other Debtors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP Lender's Charge, this Agreement, or any of the other DIP Credit Documentation or approval of any Plan or Restructuring Option which does not have the prior consent of the DIP Lender;

12. Any of the CCAA Debtors become subject to a material environmental liability; or

13. Any Plan is sanctioned or any Restructuring Option is consummated by any of the Debtors that is not consistent with or contravenes any provision of this Agreement or the other DIP Credit Documentation in a manner that is adverse to the interests of the DIP Lender or would reasonably be expected to adversely affect the interests of the DIP Lender unless the DIP Lender has consented thereto or unless it provides for repayment in full of all DIP Obligations to the DIP Lenders under this Agreement.

Remedies:

Upon the occurrence of an Event of Default, the DIP Lender may, in its sole discretion, elect to terminate the DIP Lender's commitment to make further DIP Advances to the Borrower and accelerate all amounts outstanding under the DIP Facility and declare such amounts to be immediately due and payable without any periods of grace. Upon the occurrence of an Event of Default, the DIP Lender may, subject to the Court Orders:

1. Apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral, or for the appointment of a trustee in bankruptcy of the Borrower or the other Debtors;

2. Apply to the Court for an order, on terms satisfactory to the Monitor and the DIP Lender, providing the Monitor with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the CCAA Proceeding to realize on the Collateral;

3. Exercise the powers and rights of a secured party under the Civil Code (Quebec) or any legislation of similar effect; and

4. Exercise all such other rights and remedies available to the DIP Lender under the DIP Credit Documentation, the Court Orders and applicable law.

DIP Lender Approvals:

All consents of the DIP Lender hereunder shall be in writing. Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by any written instrument, including by way of electronic mail.

- Taxes:** All payments by the Borrower and the other Debtors under this Agreement and the other DIP Credit Documentation, including any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively, "Taxes"); provided, however, that if any Taxes are required by applicable law to be withheld ("Withholding Taxes") from any amount payable to the DIP Lender under this Agreement or under any DIP Credit Documentation, the amounts so payable to the DIP Lender shall be increased to the extent necessary to yield to the DIP Lender on a net basis after payment of all Withholding Taxes, the amount payable under such DIP Credit Documentation at the rate or in the amount specified in such DIP Credit Documentation and the Borrower or other Debtors shall provide evidence satisfactory to the DIP Lender that the Taxes have been so withheld and remitted.
- Further Assurances:** The Debtors shall, at their own expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lender may reasonably request for the purpose of giving effect to this Agreement.
- Entire Agreement:** This Agreement and the DIP Credit Documentation, constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any of the other DIP Credit Documentation, this Agreement shall prevail.
- Exit Facility:** The DIP Lender may provide the Borrower with an exit facility of up to US\$30 million on terms to be agreed upon by the Borrower and the DIP Lender.
- Credit Bidding:** Nothing herein shall preclude the DIP Lender from credit bidding for the assets of the Debtors in a sales process.
- Business Days:** If any payment is due on a day which is not a business day in Montreal and New York City, such payment shall be due on the next following business day.
- Amendments and Waivers:** No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder or under any other DIP Credit Documentation will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.
- Assignment:** The DIP Lender may assign this Agreement and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights and obligations hereunder to any party acceptable to the DIP Lender in its sole and absolute discretion (subject to providing the Borrower and the Monitor with reasonable

evidence that such assignee has the financial capacity to fulfill the obligations of the DIP Lender hereunder). Neither this Agreement nor any right and obligation hereunder may be assigned by the Borrower or any of the other Debtors.

- Severability:** Any provision in this Agreement or in any DIP Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or effecting the validity of enforceability of such provision in any other jurisdiction.
- No Third Party Beneficiary:** No person, other than the Debtors and the DIP Lender, is entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
- Press Releases:** The CCAA Debtors shall not issue any press releases naming the DIP Lender without its prior approval, acting reasonably unless the CCAA Debtors are required to do so by applicable securities laws or other applicable law.
- Counter Parts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts and delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
- Notices:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

In the case of the DIP Lender:

Hale Capital Partners L.P.
17 State Street
Suite 3230
New York, NY 10004
United States of America

Attention: Martin Hale
Email: martin@halefunds.com

With a copy to:

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Jay A. Swartz
Email: jswartz@dwpy.com

In the case of the CCAA parties:

c/o RB Energy Inc.
2000-885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: Rick Clark
Email: rickc@namdo.com

With a copy to:

Blake, Cassels & Graydon LLP
Commerce Court West
199 Bay Street
Suite 4000
Toronto, ON M5L 1A9

Attention: Linc Rogers
Email: linc.rogers@blakes.com

In either case, with a copy to the Monitor:

KPMG Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5

Attention: Philip J. Reynolds
E-mail: pjreynolds@kpmg.ca

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 PM local time or on a day other than a business day, in which case the notice shall be deemed to be received the next business day.

English Language: The parties hereto confirm that this Agreement and all related documents have been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte et tous les documents y relatifs furent rédigés en anglais à leur demande.*

Governing Law and Jurisdiction: This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Quebec and the federal laws of Canada applicable therein.

[Signature pages follow]

AS DIP LENDER:

HCP-FVB, LLC, a holding company of
HALÉ CAPITAL PARTNERS L.P.

by 

Martin Hale Jr.
President

AS BORROWER:

RB ENERGY INC.

by 

AS GUARANTORS:

QUEBEC LITHIUM INC.

by 

SIROCCO MINING INC.

by 

QLI MÉTAUX INC.

by 



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2053

October 20, 2014

Linc A. Rogers
Dir: 416-863-4168
linc.rogers@blakes.com

VIA E-MAIL

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Jay Swartz

RE: Letter Amending DIP Facility Loan Agreement ("DIP Agreement") dated as of October 14, 2014

Dear Jay:

Terms used herein but not otherwise defined shall have the meaning ascribed to them in the DIP Agreement.

As you are aware, the DIP Agreement contemplates that the Priority Order will be issued and entered by no later than 10 days from the date of the issuance of the Initial Order which approved the DIP Agreement and granted the DIP Lender's Charge. Such Initial Order (as amended and restated with the consent of the DIP Lender) was granted on October 15, 2014. In order to acknowledge the Court's direction regarding proper notice of the motion to obtain the Priority Order (the "Priority Motion"), the DIP Lender has agreed to amend the DIP Agreement and increase this period to 20 days of the date on which the Initial Order was issued.

In accordance with the instructions provided by Justice Castonguay, the Priority Motion served today is returnable on a date to be determined. It is, however, the intention of my Montréal Partner Bernard Boucher to contact Justice Castonguay's office with your Montreal Partner, Denis Ferland, in order to set a hearing date. I understand from Mr. Boucher that Justice Castonguay may not be available during the 20 day window. Accordingly, if the parties wish the matter to be heard by Justice Castonguay the hearing date may be outside this window. In order to provide clear parameters for the discussion with Justice Castonguay we ask that your client confirm, or you on your client's behalf, that a hearing date for the Priority Motion on or prior to November 20, 2014 is satisfactory to the DIP Lender and will not constitute a breach of the applicable terms of the DIP Agreement.

Yours very truly,

Linc A. Rogers

12740411.1

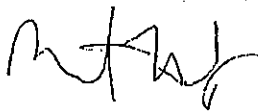
Blakes

Page 2

c: P. Huff (Blakes)
B. Boucher (Blakes)

Acknowledged and Agreed on this _____ of October, 2014

HALE CAPITAL PARTNERS L.P.



By: _____

Name: Martin Hale Jr

Title: President

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CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Commercial Division

File: No: 500-11-047560-145

Montreal, November 13, 2014

Present: The Honourable Mr. Justice Martin
Castonguay, J.S.C.

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

**QUÉBEC LITHIUM INC., QLI METAUX INC.,
RB ENERGY INC., AND SIROCCO MINING
INC.**

Petitioners

And

KPMG INC.

Monitor

ORDER

ON READING Petitioners' *Motion for an Order (1) extending the Stay Period, (2) approving a sale and investor solicitation process, and (3) authorizing the engagement of a sales advisor*, the affidavit of Alessandro Bitelli sworn November 10, 2014 and the exhibits filed in support thereof (the "**Motion**");

CONSIDERING the First Report of the Monitor dated November 12, 2014 and the submissions of counsel for the Petitioners, the Monitor, the Interim Lender and The Bank of Nova Scotia as Administrative Agent and Lead Arranger (the "**Agent**");

GIVEN the provisions of the *Companies' Creditors Arrangement Act* ("**CCAA**");

FOR THESE REASONS, THE COURT:

1. **GRANTS** the Motion;
2. **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the *Second Amended and Restated Initial Order* of this Court dated October 29, 2014 (the "**Initial Order**");

SERVICE

3. **DECLARES** that sufficient prior notice of the presentation of the Motion has been given by the Petitioners to interested parties, including the Agent, Interim Lender and the Monitor.

STAY PERIOD

4. **EXTENDS** the Stay Period until April 30, 2015, the whole subject to all other terms of the Initial Order;

SALES ADVISOR

5. **AUTHORIZES** and **APPROVES** the engagement of Rothschild Inc. as financial advisor and investment banker to the Petitioners (the "**Sales Advisor**") pursuant to the engagement letter dated as of November 1, 2014, Exhibit R-4 (the "**Engagement Letter**"), retroactively to the date thereof;
6. **ORDERS** and **DECLARES** that the Engagement Letter is binding on the Petitioners;
7. **AUTHORIZES** and **ORDERS** the Petitioners to perform their duties and obligations under the Engagement Letter and Exhibit A thereto, including, without limitation, to pay the fees and expenses payable to the Sales Advisor in accordance with sections 4, 5 and 6 of the Engagement Letter, respectively (the "**Advisor Fees**"), subject to the priority provided for in paragraph 9 of this Order. For greater certainty, **AUTHORIZES** payment by the Petitioners

of the fees and expenses payable to the Sales Advisor under the Engagement Letter, whether incurred prior to or after the date of this Order;

8. **DECLARES** that only the payment of the Sales Advisor's Monthly Fee (as defined in the Engagement Letter), shall be secured by the Administration Charge created in the Initial Order, payable on a *pari passu* basis with all other amounts secured by the Administration Charge;
9. **DECLARES** that the payment of all the Advisor Fees and any expenses (excluding (i) Monthly Fees which are secured by the Administration Charge and (ii) any indemnification claims of the Sales Advisor pursuant to the terms of the Engagement Letter, including under Exhibit A) upon the approval and implementation of a plan of compromise and arrangement in respect of a Transaction (as defined in the Engagement Letter) or upon the closing of a Transaction, shall rank in priority to the payment of any secured creditor of the Petitioners but secondary in priority to the Administration Charge and the charge granted to the current Interim Lender (but not any replacement interim lender);
10. **DECLARES** that the payment of any Advisor Fees due pursuant to the Engagement Letter shall be deemed to be validly paid and opposable against any person, including, without limiting the generality of the foregoing, any trustee in bankruptcy, receiver, interim receiver or creditor of the Petitioners, for all legal purposes;
11. **DECLARES** that any and all claims of the Sales Advisor pursuant to the Engagement Letter are not claims that may be compromised pursuant to any plan of arrangement or compromise under the CCAA, any proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, or any other restructuring;

SISP

12. **APPROVES** the sale and investor solicitation process ("**SISP**") (Exhibit R-2);
13. **AUTHORIZES** and **DIRECTS** the Petitioners, the Monitor and the Sales Advisor, to take such steps as they consider necessary or desirable in carrying out the SISP in accordance with its terms provided that the Petitioners, the Monitor, and the Sales Advisor shall each take reasonable measures to ensure that there is no duplication of work performed by such parties that result in a material increase in the fees and expenses to be supported by the Petitioners;
14. **ORDERS** the Monitor to report periodically to this Court and the Petitioners' creditors by sending to the service list and posting to the Monitor's website a notice on the key milestones of the SISP provided that the Monitor shall be under no obligation to disclose any information which in the opinion of the Monitor or its advisors is likely to have a negative impact on the conduct of the SISP;
15. **ORDERS** that, further to paragraph 8 of the SISP, if the Target Closing Date (as defined in the SISP) is extended beyond April 15, 2015, no Monthly Fee shall be payable to the Sales Advisor after April 2015, without further direction of the Court. In the event that the Court does not authorize payment of the Monthly Fee after April 2015, unless the Engagement Letter has otherwise been terminated in accordance with section 8 thereof, such failure to pay shall constitute Cause (with respect to a termination of the Engagement Letter by Rothschild only) as defined in section 8 of the Engagement Letter;

CONFIDENTIALITY

16. **ORDERS** that the Engagement Letter (Exhibit R-4) shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court;

17. **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security;

18. **WITHOUT COSTS**


Honourable Martin Castonguay, J.S.C.

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SALE AND INVESTOR SOLICITATION PROCESS

Defined Terms

1. **Definitions.** In this Agreement, the following words and phrases shall have the respective meanings set forth below:
 - (a) **“Agent”** means The Bank of Nova Scotia in its capacity as administrative agent and lead arranger under the Credit Agreement;
 - (b) **“Approval Motion”** shall have the meaning ascribed to it in Section 34;
 - (c) **“Bid Criteria”** shall have the meaning ascribed to it in Section 18;
 - (d) **“Bidder Information”** shall have the meaning ascribed to it in Section 5;
 - (e) **“Binding Offer”** shall have the meaning ascribed to it in Section 18;
 - (f) **“Business Day”** means a day other than a weekend when banks are generally open for business in Montreal, Quebec;
 - (g) **“CA”** shall have the meaning ascribed to it in Section 10;
 - (h) **“CCAA”** means the *Companies’ Creditors Arrangement Act* (Canada);
 - (i) **“CIM”** shall have the meaning ascribed to it in Section 10;
 - (j) **“Contact List”** shall have the meaning ascribed to it in Section 6;
 - (k) **“Court”** means the Quebec Superior Court [Commercial Division];
 - (l) **“Credit Agreement”** means the credit agreement dated as of April 4, 2012 entered into amongst Canada Lithium Corp. and Quebec Lithium Inc., the Agent and the Senior Lenders, as amended by amending agreements dated as of June 5, 2012, July 31, 2012, October 22, 2012, December 20, 2013 and March 26, 2014 and as may have been further amended from time to time;
 - (m) **“Deposit”** shall have the meaning ascribed to it in Section 22;
 - (n) **“Initial Order”** means the Second Amended and Restated Initial Order dated

October 29, 2014 (as may be extended, amended and/or restated from time to time) granting protection to the Petitioners pursuant to the CCAA;

- (o) **“Interim Lender”** means Hale Capital Partners L.P.;
- (p) **“Investment Bid”** shall have the meaning ascribed to it in Section 7;
- (q) **“Investment Bid Criteria”** shall have the meaning ascribed to it in Section 16;
- (r) **“LOI”** shall have the meaning ascribed to it in Section 12;
- (s) **“LOI Deadline”** shall have the meaning ascribed to it in Section 12;
- (t) **“Monitor”** means KPMG Inc., the Court-appointed monitor of the Petitioners pursuant to the Initial Order;
- (u) **“Offer Deadline”** shall have the meaning ascribed to it in Section 21;
- (v) **“Offer Procedure”** shall have the meaning ascribed to it in Section 21;
- (w) **“Petitioners”** means RB Energy Inc., Quebec Lithium Inc., QLI Métaux Inc. and Sirocco Mining Inc.;
- (x) **“Plan”** shall have the meaning ascribed to it in Section 7;
- (y) **“Process Letter”** shall have the meaning ascribed to it in Section 10;
- (z) **“Prospective Bidders”** shall have the meaning ascribed to it in Section 11;
- (aa) **“Purchase Bid”** shall have the meaning ascribed to it in Section 7;
- (bb) **“Purchase Bid Criteria”** shall have the meaning ascribed to it in Section 15;
- (cc) **“Qualified Bidder”** shall have the meaning ascribed to it in Section 18;
- (dd) **“Qualified Offer”** shall have the meaning ascribed to it in Section 23;
- (ee) **“Sales Advisor”** means Rothschild Inc.;
- (ff) **“Sale Assets”** shall have the meaning ascribed to it in Section 3;

- (gg) **“Selected Bidder”** shall have the meaning ascribed to it in Section 32(b);
- (hh) **“Senior Lenders”** means the Agent and the other senior lenders under the Credit Agreement;
- (ii) **“Service List”** means the service list in these CCAA proceedings;
- (jj) **“SISP”** means this sale and investor solicitation process;
- (kk) **“SISP Approval Order”** means the order of the Court dated November 13, 2014, approving the terms of the SISP;
- (ll) **“SISP Team”** shall have the meaning ascribed to it in Section 4;
- (mm) **“Solicited Party”** shall have the meaning ascribed to it in Section 10;
- (nn) **“Successful Bid”** shall have the meaning ascribed to it in Section 32(a);
- (oo) **“Successful Bidder”** shall have the meaning ascribed to it in Section 32(a);
- (pp) **“Target Closing Date”** shall have the meaning ascribed to it in Section 8;
- (qq) **“Teaser Letter”** shall have the meaning ascribed to it in Section 10;
- (rr) **“Template APA”** shall have the meaning ascribed to it in Section 20; and
- (ss) **“Template IA”** shall have the meaning ascribed to it in Section 20.

2. Cross References. All capitalized terms used but not otherwise defined herein have the meaning given to them in the Initial Order.

SISP Procedures

3. Purpose of SISP. The SISP procedures set forth herein describe, among other things:
 - the manner in which some or all of the assets of the Petitioners (the **“Sale Assets”**), as more particularly described in the Teaser Letter and CIM will be made available for sale and the manner in which the opportunity for an investment in the Petitioners' business can be obtained;

- the manner in which a Prospective Bidder may gain access to or continue to have access to due diligence materials;
- the manner in which Prospective Bidders become Qualified Bidders and the manner in which Qualified Bidders may submit Binding Offers;
- the receipt and review of Binding Offers received and the manner in which a Binding Offer will be considered a Qualified Offer;
- the ultimate selection of a Successful Bidder and a Successful Bid from the Qualified Offers received; and
- the Court's approval thereof.

4. SISP Team. The SISP will be carried out by the Petitioners, with the assistance of, and in consultation with the Sales Advisor, under the supervision of the Monitor (the Petitioners, the Sales Advisor and the Monitor are collectively, the **"SISP Team"**). For greater certainty and without limiting the generality of the forgoing, the Petitioners will consult fully with the other members of the SISP Team in connection with the determination of a Prospective Bidder (as outlined in section 11), the waiver of LOI requirements (as outlined in section 14), the assessment of LOIs (as outlined in sections 15 and 16), the identification of Qualified Bidders (as outlined in section 18), the termination of the SISP if there is no Qualified Bidder (as outlined in section 19), the determination of Qualified Offers (as outlined in section 23), waiver of Qualified Offer requirements (as outlined in section 24), the review of Qualified Offers (as outlined in section 30), the termination of the SISP if no Qualified Offer (as outlined in section 31), the determination of the Successful Bid (as outlined in section 32), declining to accept any Qualified Offer (as outlined in section 33) or seeking to make amendments to the SISP (as outlined in section 40). Where this SISP designates a particular matter to be the responsibility or obligation of the Petitioners, such responsibility or obligation may be discharged by the Petitioners or may be delegated to the Sales Advisor at the discretion of the Petitioners. The Petitioners may also request that the Monitor discharge or assist in the discharge of such obligation and the Monitor, in its discretion, may accept such request and discharge such obligation of the Petitioners.
5. Consultation with Interim Lender and Agent. The Petitioners and the SISP Team will conduct the SISP in consultation and coordination with the Interim Lender, unless and until repaid in cash in full, and the Agent, unless and until the Senior Lenders are repaid in cash in full, both of whom along with their advisors shall be entitled to receive, in a timely manner and on a confidential basis, copies of all bidder information, including but not limited to, bidder solicitation materials, LOIs and Binding Offers (the **"Bidder Information"**). Notwithstanding any other provision of this SISP, the rights of the Interim Lender and/or the Agent to be consulted in the SISP, to receive the Bidder Information and to exercise any consent, approval or designation rights hereunder is conditional on the Interim Lender or the Agent, as applicable, confirming in writing that the Interim Lender or the Agent, as applicable, will not submit a Purchase Bid or Investment Bid (each as defined below) pursuant to the terms of this SISP. For greater certainty and without limiting the generality of the forgoing, the Petitioners will consult fully with the

Interim Lender and the Agent in connection with the determination of a Prospective Bidder (as outlined in section 11), the waiver of LOI requirements (as outlined in section 14), the assessment of LOIs (as outlined in sections 15 and 16), the identification of Qualified Bidders (as outlined in section 18), the termination of the SISP if there is no Qualified Bidder (as outlined in section 19), the determination of Qualified Offers (as outlined in section 23), waiver of Qualified Offer requirements (as outlined in section 24), the review of Qualified Offers (as outlined in section 30), the termination of the SISP if no Qualified Offer (as outlined in section 31), the determination of the Successful Bid (as outlined in section 32), declining to accept any Qualified Offer (as outlined in section 33) or seeking to make amendments to the SISP (as outlined in section 40).

6. Contact List. The SISP Team will compile a listing (the "**Contact List**") of prospective purchasers and prospective investors. The SISP Team will use all reasonable commercial efforts to contact all parties identified in the list as well as any additional parties that the SISP Team identifies as prospective purchasers or investors.
7. Purchase Bids and Investment Bids. The Petitioners will conduct a SISP whereby prospective purchasers and investors will have the opportunity to submit a bid for some or all of the Sale Assets (a "**Purchase Bid**") or make an investment in the Petitioners' business or any part thereof (an "**Investment Bid**"). An investment in the Petitioners may involve, among other things, a restructuring, refinancing, recapitalization or other form of reorganization of the business and affairs of the Petitioners or any part thereof, and such investment may be consummated pursuant to a plan of compromise or arrangement (a "**Plan**") or otherwise.
8. Target Closing Date. The target date for the consummation of the transaction contemplated by any Purchase Bid or Investment Bid is April 15, 2015 (the "**Target Closing Date**"). Following review of the LOIs in accordance with section 15 and section 16, the Target Closing Date may be extended by the Petitioners, with the written consent of the Monitor, the Interim Lender and the Agent or by order of the Court.
9. Advertisements. The SISP Team will determine the appropriate advertising to be directed at prospective purchasers and investors and such advertising may include newspaper, trade publication, internet or other advertising directed at prospective purchasers and investors.

10. Teaser Letter, CIM, CA and Data Room. As soon as reasonably practicable after the date of the SISP Approval Order, the Sales Advisor will prepare a solicitation document summarizing the acquisition and/or investment opportunity (the "**Teaser Letter**"), a confidential information memorandum ("**CIM**") and a Request for Proposal/Process Letter (the "**Process Letter**") and send to prospective purchasers and investors identified on the Contact List (each a "**Solicited Party**") the Teaser Letter which will include a form of confidentiality agreement ("**CA**") prepared by Petitioners' counsel or provide instructions to the Solicited Party on how it may obtain a CA. As soon as reasonably practical following the granting of the SISP Approval Order, the Petitioners shall set up and populate an electronic data room with all relevant material information in respect of the Petitioners and the Sale Assets. Such information may be updated from time to time.
11. Access to Confidential Information. In order to gain access to confidential information including the Process Letter and CIM and to perform due diligence, a Solicited Party will be required to:
 - (a) sign a CA. All CAs shall inure to the benefit of any purchaser or investor of the Petitioners' business;
 - (b) provide a letter setting forth the identity of the Solicited Party, the contact information for such Solicited Party and full disclosure of the principals of the Solicited Party; and
 - (c) provide evidence, reasonably satisfactory to the SISP Team, that the Solicited Party has the financial resources, or access to the financial resources, to consummate a transaction on terms and conditions that are satisfactory to the Petitioners.

Solicited parties that satisfy the above stated criteria in the judgment of the SISP Team shall be considered "**Prospective Bidders**".

Non-Binding LOIs

12. LOI Requirements. In order for a Prospective Bidder to participate in the SISP, the Sales Advisor must receive (at the address set out in the Process Letter) from such Prospective Bidder a non-binding letter of intent ("**LOI**") on or before 5:00 p.m. Toronto

Time on January 23, 2015, or such earlier or later date as may be designated by a further order of the Court, or such earlier or later date as the Petitioners may indicate in writing to the Prospective Bidders, with the written consent of the Monitor, the Agent and the Interim Lender ("**LOI Deadline**"). The LOI shall include:

- (a) in respect of an LOI that contemplates a Purchase Bid:
 - (i) a detailed listing and description of the Sale Assets to be included in the proposed sale and a detailed listing of the Sale Assets to be excluded from the proposed sale;
 - (ii) the low and high range of the proposed purchase price in Canadian dollars and an explanation of what contingencies and variables may influence where in the range the final purchase price will fall;
 - (iii) the form of consideration for the proposed sale;
 - (iv) a description of any liabilities to be assumed by the Prospective Bidder and the Prospective Bidder's estimated value of such assumed liabilities;
 - (v) an acknowledgment that the contemplated sale will be made on an "as is, where is" basis;
 - (vi) the key terms and provisions to be included in any order of the Court approving the contemplated sale;
 - (vii) an estimate of the number of employees of the Petitioners (including any employees on temporary layoff) who will become employees of the Prospective Bidder and provisions setting out the terms and conditions of employment for continuing employees;
 - (viii) the key, material contracts and leases, if any, the Prospective Bidder wishes to acquire and the Prospective Bidder's proposed treatment of related cure costs, if any;
 - (ix) any anticipated regulatory and other approvals required to close the proposed transaction and the anticipated time frame and any anticipated impediments for obtaining any such approvals;

- (x) a timeline to closing with critical milestones and a statement with respect to the Prospective Bidder's ability to consummate the contemplated transaction by the Target Closing Date;
 - (xi) contact information for any business, financial or legal advisors retained or to be retained in connection with the contemplated transaction;
 - (xii) all material conditions to closing that the Prospective Bidder may wish to impose;
 - (xiii) a specific indication of the sources of capital for the Prospective Bidder and preliminary evidence of the availability of such capital, or such other form of financial disclosure and credit-quality support or enhancement, including contact information for capital/financing sources, that will allow the SISP Team to make a reasonable business judgment as to the Prospective Bidder's financial or other capabilities to consummate the contemplated transaction;
 - (xiv) a detailed description of any remaining due diligence required to be conducted prior to formulating and submitting a binding offer and an estimated timeline for the completion of such due diligence (including with respect to any specific technical diligence matters relating to mines or mining rights owned by the Petitioners);
 - (xv) to the extent not addressed elsewhere, the proposed treatment of stakeholders including lenders, debenture holders, trade creditors, shareholders and employees; and
 - (xvi) such other information as may be reasonably requested by the SISP Team.
- (b) in respect of an LOI that contemplates an Investment Bid:
- (i) a detailed description of the structure of the investment transaction including, the Petitioners, or the direct or indirect subsidiaries of the Petitioners which will be the target of such investment;

- (ii) the low and high range of the aggregate amount of the equity and debt investment to be made in the business in Canadian dollars including the implied enterprise value and an explanation of what contingencies and variables may influence where in the range the final aggregate investment amount will fall;
- (iii) the aggregate capital investment that is to be made in connection with the Investment Bid and the underlying assumptions regarding the *pro forma* capital structure including (a) the form and amount of anticipated equity and/or debt levels; (b) debt service fees, commitment or other fees payable; (c) interest or dividend rates (whether payable in cash or PIK'd); (d) the maturity of any term facility; (e) amortization (f) voting rights or other protective provisions (as applicable), (g) redemption, prepayment or repayment attributes, (h) the aggregate value and key terms and conditions of any third party financing to be obtained by the Prospective Bidder and the aggregate value of the existing debt obligation of the Petitioners that will be assumed following completion of the investment (either by way of direct assumption of liabilities or by way of the issuance of new debt instruments to replace existing debt); and (i) any other material attributes of the investment);
- (iv) a detailed description of any liabilities to be assumed, including liabilities by the Petitioner to any third party capital providers;
- (v) the equity, if any, to be allocated to the secured creditors, unsecured creditors and shareholders of the Petitioners;
- (vi) a specific indication of the sources of capital for the Prospective Bidder and preliminary evidence of the availability of such capital, or such other form of financial disclosure and credit-quality support or enhancement, including contact information for capital/financing sources, that will allow the SISP Team to make a reasonable business judgment as to the Prospective Bidder's financial or other capabilities to consummate the transaction;
- (vii) the structure and financing of the transaction, including a sources and

uses analysis;

- (viii) contact information for any business, financial or legal advisors retained or to be retained in connection with the contemplated transaction;
- (ix) any anticipated corporate, unitholder, shareholder, internal or regulatory approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (x) the proposed corporate governance structure of the entity or entities owning/operating the Petitioners' business, following implementation of the investment;
- (xi) specific statements concerning the treatment of the Petitioners' employees (including any employees on temporary layoff) and plans for the ongoing involvement and roles of the Petitioners' employees;
- (xii) a detailed description of any remaining due diligence required to be conducted prior to formulating and submitting a binding offer and an estimated timeline for the completion of such due diligence (including with respect to any specific technical diligence matters relating to mines or mining rights owned by the Petitioners);
- (xiii) all material conditions to closing that the Prospective Bidder may wish to impose;
- (xiv) the key terms and provisions to be included in any order of the Court approving the contemplated investment or sanctioning any Plan pursuant to which the contemplated investment is to be made;
- (xv) a timeline to closing with critical milestones and a statement with respect to the Prospective Bidder's ability to consummate the contemplated transaction by the Target Closing Date;
- (xvi) any other terms or conditions of the proposed Investment Bid;
- (xvii) to the extent not addressed elsewhere, the proposed treatment of stakeholders, including lenders, debenture holders, trade creditors,

shareholders and employees; and

(xviii) such other information as may be requested by the SISP Team.

13. SPV's. If the Prospective Bidder intends to acquire the Sale Assets or provide an investment through a special purpose vehicle, the equity holders, or sponsors, of such special purpose vehicle must be identified including contact information and guarantee the special purpose vehicle's obligations.
14. Waiver of LOI Requirements. The SISP Team may waive any of the requirements of an LOI set out above.
15. Review of LOIs (Purchase Bids). Promptly following the LOI Deadline, the SISP Team will assess the LOIs in respect of a Purchase Bid, and in making such assessment will consider, among other things, the following (the "**Purchase Bid Criteria**"):
 - (a) the purchase price and net value (including all assumed liabilities and other obligations to be performed by the Prospective Bidder) provided by such LOI;
 - (b) the evidence of the financial ability of the Prospective Bidder to consummate the proposed sale transaction;
 - (c) the claims, if any, likely to be created against the Petitioners by the transaction contemplated by the LOI, relative to alternatives available to the Petitioners;
 - (d) the counterparties to the proposed sale transaction;
 - (e) other factors affecting the speed, certainty and value of the proposed sale transaction (including any remaining due diligence, regulatory approvals and other conditions required to close the proposed sale transaction);
 - (f) the assets included or excluded from the bid and the transaction costs and risks associated with closing multiple transactions versus a single sale transaction for all, or substantially all, of the Petitioners' assets;
 - (g) the conditions to closing the proposed sale transaction;
 - (h) any transition services required from the Petitioners post-closing and any related

costs;

- (i) planned treatment of stakeholders, including lenders, debenture holders, trade creditors, shareholders and employees (including any employees on temporary layoff); and
- (j) the likelihood and timing of the consummation of the proposed sale transaction and whether the proposed sale transaction is reasonably likely to close on or before the Target Closing Date.

16. Review of LOIs (Investment Bids). Promptly following the LOI Deadline, the SISP Team will assess the LOIs in respect of an Investment Bid, and in making such assessment will consider, among other things, the following (the “**Investment Bid Criteria**”):

- (a) the implied total enterprise value, including the net amount of equity and debt investment, and the proposed sources and uses of such capital;
- (b) the debt to equity structure post-closing;
- (c) the counterparties to the proposed investment transaction;
- (d) a summary of the terms of the proposed investment transaction;
- (e) other factors affecting the speed, certainty and value of the proposed investment transaction (including any remaining due diligence, regulatory approvals and other conditions required to close the proposed investment transaction);
- (f) the cost and timing associated with any creditor vote on a Plan and the prospect that such Plan will be approved by the requisite creditor majorities and sanctioned by the Court;
- (g) planned treatment of stakeholders, including lenders, debenture holders, trade creditors, shareholders and employees (including any employees on temporary layoff); and
- (h) the likelihood and timing of the consummation of the proposed investment transaction and whether the proposed investment transaction is reasonably likely to close on or before the Target Closing Date.

17. Clarifications of LOIs. For greater certainty, the Sales Advisor shall be entitled, following the LOI Deadline, to discuss and clarify the terms of an LOI and accept a revised and clarified LOI, provided the initial LOI was received prior to the LOI Deadline.

Identification of Qualified Bidder(s)

18. Qualified Bidders. The Petitioners shall apply the Purchase Bid Criteria and the Investment Bid Criteria (collectively, the **"Bid Criteria"**), as applicable, and consider each of the LOIs and determine whether the Prospective Bidder that submitted the LOI will be permitted to submit a Binding Offer (as defined below) and pursue a transaction on the terms set out in the applicable LOI. Any such Prospective Bidder shall be designated in writing by the Petitioners as a qualified bidder (each a **"Qualified Bidder"**). Following consultation by the Agent with the SISP Team, any Prospective Bidder that the Agent reasonably requests the Petitioners designate as a Qualified Bidder, will also be designated by the Petitioners as a Qualified Bidder. Prospective Bidders will be advised by the Petitioners on or before January 31, 2015, if they have been designated as a Qualified Bidder, and will thereafter be provided an opportunity to complete their due diligence and submit a binding offer to purchase the Sale Assets or invest in the Petitioners (a **"Binding Offer"**). Prospective Bidders not identified as Qualified Bidders by January 31, 2015 will no longer be able to participate in the SISP or continue to have access to any confidential material in connection therewith.
19. Termination of SISP if no Qualified Bidder. If the Petitioners determine that there are no Qualified Bidders, the Petitioners shall, as soon as reasonably practicable, file a motion with the Court, on notice to the Service List, to seek advice and directions with respect to the continuation, modification or termination of this SISP.

Submissions of Binding Offers

20. Template Agreements. A soft copy of a template form of asset purchase agreement (the **"Template APA"**) will be provided to all Qualified Bidders who have submitted a Purchase Bid. All Purchase Bids must be submitted in the form of the Template APA by way of electronic mark-up of the Template APA showing amendments and modifications thereto. At the election of the Petitioners, a soft copy of a template form of sponsor/investment agreement (the **"Template IA"**) may be provided to Qualified Bidders who have submitted an Investment Bid. All Qualified Bidders provided with a

form of Template IA must submit their Investment Bid in the form of the Template IA, by way of electronic mark-up of the Template IA showing amendments and modifications thereto.

21. Offer Procedure/Offer Deadline. All Binding Offers must be submitted in writing by a Qualified Bidder to the Sales Advisor at the address set out in the Process Letter (the "**Offer Procedure**") and received on or before 5:00 p.m. Toronto Time on March 27, 2015, or such earlier or later date as may be designated by a further order of the Court, or such earlier or later date as the Petitioners may indicate in writing to the Qualified Bidders, with the written consent of the Monitor, the Agent and the Interim Lender (the "**Offer Deadline**").
22. Deposit. All Binding Offers must include a cash deposit (the "**Deposit**") of 10% of the purchase price in the case of a Purchase Bid, and a cash deposit of 10% of the investment amount in the case of an Investment Bid (or such other amount as agreed to by the Qualified Bidder and the SISP Team). The Deposit shall be in the form of a wire transfer (to a bank account specified by the Monitor) or such other form of payment as is acceptable to the Monitor and will be treated in accordance with sections 26 to 29 herein.

Determination of Qualified Offers

23. Qualified Offers (Generally). Only Qualified Offers are eligible to be selected as the Successful Bid. A Binding Offer will be considered a "**Qualified Offer**" only if:
 - (a) it is submitted by a Qualified Bidder on or before the Offer Deadline;
 - (b) the requirements of sections 20, 21, 22 above are satisfied to the satisfaction of the Petitioners;
 - (c) the Binding Offer complies with the following requirements:
 - (i) it is executed, not subject to any further corporate approvals and it includes a letter stating that the bidder's offer is binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of the Successful Bid but in any event no later than 5:00 p.m. Toronto time on May 31, 2015;

- (ii) it includes proof of financial ability to close the transaction (satisfactory to the Petitioners), including proof of binding, irrevocable financing commitments, and shall not be conditional upon financing or the outcome of unperformed due diligence;
 - (iii) it will not contain any material conditions to closing other than Court approval or other statutorily required consents or approvals;
 - (iv) it does not request or entitle the Qualified Bidder to any break-fee, termination fee, expense reimbursement or other type of compensation or payment; and
 - (v) it contains other information reasonably requested by the SISP Team.
- (d) Purchase Bids. In the case of a Purchase Bid, the Binding Offer must also include acknowledgements and representations, that the bidder:
 - (i) is acquiring the Sale Assets (or any part thereof) on an “as is, where is” basis and has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; and
 - (ii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied (by operation of law or otherwise), regarding the Sale Assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase and sale agreement;
- (e) Investment Bids. In the case of an Investment Bid, the Binding Offer must also include acknowledgements and representations, that the bidder:
 - (i) has relied solely upon its own independent review, investigation and/or inspection of any documents in making its bid; and
 - (ii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or

implied (by operation of law or otherwise), regarding the business of the Petitioners or the completeness of any information provided in connection therewith, except as expressly stated in the investment agreement.

24. Waiver of Qualified Offer Requirements. The Petitioners, with the approval of the Monitor, may waive any of the requirements of a Qualified Offer set out above.
25. Clarification of Binding Offers. For greater certainty, the Sales Advisor shall be entitled, following the Offer Deadline, to discuss and clarify the terms of a Binding Offer and accept a revised, clarified Binding Offer, provided that the initial Binding Offer was received prior to the Offer Deadline.

Treatment of Deposit

26. Investment of Deposit. All Deposits of Qualified Offers will be retained by the Monitor and invested in an interest bearing trust account.
27. Application of Deposit. If there is a Successful Bid, the Deposit (plus accrued interest) paid by the Successful Bidder whose bid is approved by the Court will be applied to the purchase price or towards the investment to be paid by the Successful Bidder upon closing of the approved transaction or as otherwise set out in the definitive agreement.
28. Return of Deposits. The Deposits (plus accrued interest) of Qualified Bidders not selected as the Successful Bidder will be returned to such bidders within ten (10) Business Days of the date on which the Successful Bid is approved by the Court. If there is no Successful Bid, all Deposits (plus applicable interest) will be returned to the Qualified Bidders within ten (10) Business Days of the date on which the SISP is terminated in accordance with the SISP.
29. Forfeit of Deposit. If a Successful Bidder breaches any of its obligations under the terms of the SISP or any definitive transaction documentation, its Deposit shall be forfeited as liquidated damages and not as a penalty. The Petitioners shall apply and use any forfeited Deposit in the manner agreed upon by the Petitioners and the Monitor and as approved in writing by the Interim Lender.

Post-Offer Deadline Procedure

30. Review of Qualified Offers. If one or more Qualified Offers are received in accordance with the Offer Procedure, the SISP Team will review and evaluate the Qualified Offers based on the Bid Criteria (which may include additional or modified criteria which the Petitioners consider appropriate for the consideration of Qualified Offers that was not germane to the consideration of LOIs, including, without limitation, the extent to which a Purchase Bid modifies or deviates from the Template APA or the extent to which the Qualified Offer deviates for the LOI on which it is based).
31. Termination of SISP if no Qualified Offer. If the Petitioners determine that there are no Qualified Offers, the Petitioners shall as soon as reasonably practicable file a motion with the Court, on notice to the Service List, to seek advice and directions with respect to the continuation, modification or termination of this SISP.
32. Determination of Successful Bid(s). The Petitioners may choose to:
 - (a) accept one or more non-overlapping Qualified Offers (the **"Successful Bid(s)"** and the Qualified Bidder(s) making the Successful Bid(s) being the **"Successful Bidder(s)"**) and take such steps as are necessary to finalize and consummate the Successful Bid(s) with the Successful Bidder(s); or
 - (b) continue negotiations with a selected number of Qualified Bidders (collectively, the **"Selected Bidders"**) with a view to finalizing an agreement with one or more of the Selected Bidders.
33. No Obligation to Accept Offer. The Petitioners shall be under no obligation to accept any offer if the Petitioners determine that no suitable offers have been received and in that event shall as soon as reasonably practicable file a motion with the Court, on notice to the Service List, to seek advice and directions with respect continuation, modification or termination of this SISP. If the Petitioners do select an offer the Petitioners shall be under no obligation to accept the highest or best offer received.

Other Terms

34. Approval Motion. The Petitioners will apply to the Court (the **"Approval Motion"**), on at least seven (7) days' notice to the Service List, for an order approving the Successful Bid

and authorizing the Petitioners to enter into any and all necessary agreements with respect to the Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid including for the approval of any Plan(s) pursuant to the CCAA.

35. Hearing Date. The Approval Motion will be held on a date to be scheduled by the Court, upon request by the Petitioners. At the initial return date of the Approval Motion, the Petitioners and/or the Monitor may request an adjournment of the Approval Motion. If such adjournment is granted by the Court, no further notice or announcement of any such adjournment will be required.
36. Deemed Rejection. All Qualified Offers (other than the Successful Bid(s)) will be deemed rejected on the date of approval of the Successful Bid(s) by the Court.
37. Interim Lender Approval. For the avoidance of doubt, this SISP is not intended to override or supersede any requirement to seek and obtain any approval of the Interim Lender as provided for in the DIP Facility Loan Agreement dated as of October 14, 2014.
38. No Binding Agreement. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship among the Petitioners, the Sales Advisor or the Monitor, or between any of them and any bidder, other than as specifically set forth in a definitive agreement that any such bidder may enter into with the Petitioners.
39. Advice and Direction. At any time during the SISP, the Petitioners and/or the Monitor, on reasonable notice to the Service List, may apply to the Court for advice and directions with respect to the discharge of their duties and obligations hereunder and any party in interest may apply to the Court to resolve any dispute that arises in connection with the SISP or the interpretation of the provisions set out herein, on reasonable notice to the Service List.
40. Amendments. Nonmaterial amendments to this SISP may be made by the Petitioners with the written consent of the Monitor. Material amendments to this SISP may be made with the written consent of the Monitor, Interim Lender and Agent, or by order of the Court.

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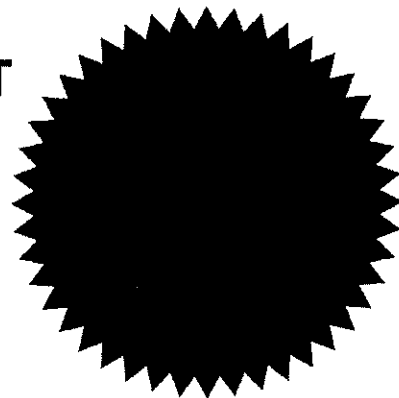
SUPERIOR COURT

(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. 500-11-047560-145

DATE: April 17, 2015



PRESIDING: HONORABLE MARTIN CASTONGUAY, J.S.C

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

QUÉBEC LITHIUM INC.
QLI MÉTAUX INC.
RB ENERGY INC.
-and-
SIROCCO MINING INC.

Petitioners
-and-

KPMG INC.

Monitor

ORDER

- [1] **ON READING** the Petitioners' *Motion for an Order (1) Terminating the Sale and Investor Solicitation Process, and (2) Extending the Stay Period*, the affidavit of Kevin Ross sworn on April 15, 2015 and the exhibits filed in support thereof (the "**Motion**");
- [2] **CONSIDERING** the Report of the Monitor dated April 16, 2015 and the submissions of counsel for the Petitioners, the Monitor, the Interim Lender and The Bank of Nova Scotia as Administrative Agent and Lead Arranger (the "**Agent**");
- [3] **GIVEN** the provisions of the Companies' Creditors Arrangement Act ("**CCAA**");

WHEREFORE THE COURT:

- [4] **GRANTS** the Motion;

- [5] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the *Second Amended and Restated Initial Order* of this Court dated October 29, 2014 (the "**Initial Order**");

SERVICE

- [6] **DECLARES** that sufficient prior notice of the presentation of the Motion has been given by the Petitioners to interested parties, including Rothschild Inc. (the "**Sales Advisor**"), the Agent, Interim Lender and the Monitor.

TERMINATION OF THE SISP

- [7] **DECLARES** the sale and investor solicitation process ("**SISP**") (Exhibit R-1) terminated in accordance with the terms of section 19 thereof;
- [8] **AUTHORIZES** and **DIRECTS** the Petitioners, the Monitor and the Sales Advisor to take such steps and execute such documents as they consider necessary or desirable to further evidence the termination of the SISP;

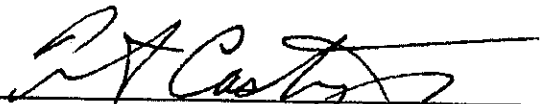
STAY PERIOD

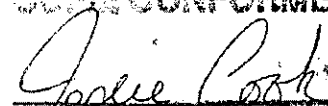
- [9] **EXTENDS** the Stay Period until May 29, 2015, the whole subject to all other terms of the Initial Order;
- [10] **DECLARES** that, notwithstanding the maturity of the Interim Financing Facility (as defined in the Motion), the Petitioners shall be entitled to use the remaining cash on hand from advances under the Interim Financing Facility (the "**Cash Collateral**") in accordance with the May Forecast (Exhibit R-7);
- [11] **RESERVES** the Interim Lender's right to apply to Court, subject to the 5 business days' notice as provided for in the Initial Order, to seek the appointment of a receiver or other relief that the Interim Lender considers appropriate and that the Court may grant (the "**Interim Lender Relief**");
- [12] **DECLARES** that upon the earlier of May 29, 2015 and the day on which the Court grants the Interim Lender Relief, the Petitioners' right to use the Cash Collateral shall terminate (the "**Termination Date**"); provided, however, the Petitioners shall be entitled to pay any obligations that are included in the May Forecast from the Cash Collateral, to the extent that such obligations have been incurred or accrued prior to the Termination Date but not yet paid;

CONFIDENTIALITY

- [13] **ORDERS** that the Engagement Letter (Exhibit R-2) shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court;

- [14] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security;
- [15] **THE WHOLE** without costs.


MARTIN CASTONGUAY, J.S.C.

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SUPERIOR COURT

(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. 500-11-047560-145

DATE: May 8, 2015

PRESIDING: HONORABLE MARTIN CASTONGUAY, J.S.C

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

QUÉBEC LITHIUM INC.
QLI MÉTAUX INC.
RB ENERGY INC.
-and-
SIROCCO MINING INC.

Petitioners

-and-

KPMG INC.

Monitor

DISCHARGE AND TRANSITION ORDER

- [1] ON READING the Petitioners' *Motion for an Order Terminating the CCAA Proceedings and for Ancillary Relief*, the affidavit of Alessandro Bitelli sworn on May 6, 2015 and the exhibits filed in support thereof (the "**Motion**");
- [2] CONSIDERING the Report of the Monitor dated May 7, 2015 (the "**Monitor's Sixth Report**") and the submissions of counsel for the Petitioners, the Monitor, the Interim Lender and The Bank of Nova Scotia as Administrative Agent and Lead Arranger (the "**Agent**");
- [3] GIVEN the provisions of the Companies' Creditors Arrangement Act ("**CCAA**");

WHEREFORE THE COURT:

- [4] GRANTS the Motion.

- [5] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion, or, otherwise, in the *Second Amended and Restated Initial Order* of this Court dated October 29, 2014 (the "**Initial Order**").

SERVICE

- [6] **DECLARES** that sufficient prior notice of the presentation of the Motion has been given by the Petitioners to interested parties, including the Agent, the Interim Lender and the Monitor, and that service of the Motion and supporting material is good, valid and sufficient, and any further service thereof is hereby dispensed with.

TERMINATION OF CCAA PROCEEDINGS

- [7] **ORDERS** that, except as expressly provided in this Order or in the Order granted by this Court on the date hereof (the "**Receivership Order**") appointing Duff & Phelps Canada Restructuring Inc. (the "**Receiver**") to the assets of the Petitioners (the "**Receivership Proceedings**"), these CCAA proceedings (the "**CCAA Proceedings**") shall be and are hereby terminated effective at 12:01 a.m. on May 8, 2015 (the "**Effective Time**") and the Monitor is hereby discharged.
- [8] **ORDERS** that all Orders rendered in these CCAA Proceedings shall continue in full force and effect, including with respect to sealing provisions contained in such Orders which sealing provisions shall continue pending further order of the Court issued pursuant to a motion brought in the Receivership Proceedings on notice to all interested parties.
- [9] **ORDERS** that notwithstanding any other provision of this Order or the Receivership Order, the Petitioners shall be entitled to retain and administer, and the Receiver is hereby directed to leave, the amount of \$149,067.71 (the "**Retained Amount**") in the bank account of the Petitioners designated in the Post-Petition Payables Schedule (Exhibit R-5) in order for the Petitioners to (i) pay vacation pay accrued but not paid prior to the appointment of the Receiver, for any employees terminated pursuant to paragraph 10 below and any accrued but unpaid wages for such employees (collectively, the "**RBE Termination Payments**"); and (ii) to pay obligation pursuant to cheques that have been issued by the Petitioners after the day on which the CCAA Proceedings commenced (the "**Filing Date**"), and which cheques are outstanding and have not cleared the Petitioners' bank account(s) as of the Effective Time ("**Outstanding Post-Petition Cheques**")

TERMINATION OF CERTAIN EMPLOYEES

- [10] **AUTHORIZES** and **DIRECTS** the Petitioners to terminate the employment of all employees of RB Energy Inc. and only of RB Energy Inc., issue records of employment to such terminated employees and pay the RBE Termination Payments from the Retained Amount, with such termination to be effective immediately prior to the Effective Time.

PAYMENT OF POST-PETITION PAYABLES

- [11] **ORDERS** and **DIRECTS** the Receiver to take possession of any unused portion of the Retained Amount 30 days from the date hereof.

[12] **ORDERS** that the Receiver is authorized and directed to pay the following to the extent not paid from the Retained Amount, as applicable in accordance with paragraph [9] above:

- (a) the RBE Termination Payments;
- (b) the Outstanding Post-Petition Cheques;
- (c) obligations incurred or accrued by the Petitioners in accordance with the May Forecast (Exhibit R-4) for which payment has not been made as at the Effective Time as and when such obligations become due, including without limitation, but without duplication:
 - (i) those Post-Petition Payables amounting to \$541,290 as set out on the Post-Petition Payables Schedule (Exhibit R-5);
 - (ii) the accrued but unpaid wages of QLI employees;
 - (iii) reasonable unpaid professional fees that have been incurred by counsel for the Petitioners, the Petitioners' advisors, the Monitor or counsel for the Monitor (the "**CCAA Professionals**") up to and including the date on which the Receiver has been appointed to the extent not discharged by the monetary retainers in the possession of the CCAA Professionals (the "**CCAA Professionals' Retainers**"); and
 - (iv) such other amounts that the Receiver is satisfied, in its reasonable discretion, constitute obligations properly incurred by the Petitioners from and after the Filing Date.

(collectively, the "**Post-Petition Payables**")

[13] **ORDERS** the Receiver to establish a reserve of \$77,200 from the cash transferred by the Petitioners to the Receiver pursuant to the provisions of the Receivership Order and deposit such cash reserve in a segregated trust account (the "**QLI Vacation Pay Reserve**") and to pay only the vacation pay accrued but not paid prior to the appointment of the Receiver for the employees of Quebec Lithium Inc. (the "**QLI Vacation Pay**") from the QLI Vacation Pay Reserve.

[14] **ORDERS** and **DIRECTS** the Receiver to file a certificate with the Court certifying that to the best of the Receiver's knowledge, all the Post-Petition Payables have been paid and/or discharged in full (or with respect to QLI Vacation Pay certifying that either the QLI Vacation Pay has been paid and/or there is no vacation entitlement remaining with respect to any QLI employees for the period prior to the appointment of the Receiver because the accrued vacation has been taken the "**Vacation Entitlement**"), within 7 business days following the payment (to the best of the Receiver's knowledge) of the final Post-Petition Payables (or the use of the final Vacation Entitlement). Upon the filing of such certificate, any amounts remaining in the QLI Vacation Pay Reserve shall be released from the QLI Vacation Pay Reserve to the Receiver.

- [15] **ORDERS** that the obligations of the Receiver set out in paragraphs [12], [13] and [14] hereof shall survive any bankruptcy of the Petitioners and be binding on any trustee in bankruptcy appointed in respect of the Debtors.

APPROVAL OF MONITOR'S ACTIVITIES

- [16] **ORDERS** that the Monitor's First Report dated November 12, 2014, the Monitor's Second Report dated January 8, 2015, the Monitor's Third Report dated February 3, 2015, the Monitor's Fourth Report dated April 2, 2015, the Monitor's Fifth Report dated April 16, 2015 and the Monitor's Sixth Report are hereby approved and the actions, conduct and activities of the Monitor described therein are hereby approved.
- [17] **ORDERS and DECLARES** that, notwithstanding any provision of this Order, the termination of the CCAA Proceedings and the discharge of the Monitor, the Monitor may carry out such functions and duties as may be incidental to the termination of the CCAA Proceedings and the transition to the Receivership Proceedings, pursuant to this Order, any further order of the court or as otherwise required. In carrying out such functions and duties, the Monitor shall continue to have the benefit of any and all protections granted in the CCAA Proceedings and nothing contained in this Order shall affect, vary, derogate from or amend any of the protections in favour of the Monitor, which protections will continue to apply *mutatis mutandis*.
- [18] **ORDERS** that no action, demand, claim, complaint or other proceedings shall be commenced or filed against the Monitor in any way arising out of or related to its capacity, decision, actions or conduct as Monitor, except with prior leave of this Court and on prior written notice to the Monitor, the whole as provided in the Initial Order and such further order securing, as security for costs, the full judicial and reasonable extrajudicial costs of the Monitor in connection with any proposed action or proceedings as the Court hearing such motion for leave to proceed may deem just and appropriate.

CCAA CHARGES

- [19] **ORDERS** and that notwithstanding the termination of the CCAA Proceedings, the charges granted by the Court in the CCAA Proceedings (the "CCAA Charges") shall continue to bind the Property pending further Order of the Court, pursuant to a motion brought in the Receivership Proceedings on notice to the beneficiaries of the CCAA Charges.
- [20] **DECLARES** that the notwithstanding paragraph [19] above, the Administration Charge shall attach only to the CCAA Professionals' Retainers which CCAA Professionals' Retainers shall be the sole source of payment for any fees charged and disbursements incurred by the CCAA Professionals from and after the Effective Time unless the Receiver agrees to pay and pays such post-receivership appointment fees and disbursements directly. The CCAA Professionals shall provide an accounting to the Receiver of any fees charged or disbursements incurred by them during the Receivership Proceedings which are paid out of their respective CCAA Professionals' Retainers.

- [21] **ORDERS** that any residual amounts in the CCAA Professionals' Retainers after payment of all outstanding obligations to applicable CCAA Professionals shall be remitted to the Receiver upon the earlier of (i) agreement between the Receiver and the applicable CCAA Professional; (ii) the discharge of the CCAA Charges in accordance with paragraph [19] above; (iii) further order of the Court directing the remittance of such residual amounts to the Receiver or (iv) 60 days from the date hereof.
- [22] **ORDERS** that the CCAA Charges, other than the Administration Charge as against the CCAA Professionals' Retainers, shall be subject to charges created by the Receivership Order.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

- [23] **ORDERS** that, notwithstanding any provisions of this Order, the Stay Period is hereby extended only in respect of the Directors until the discharge of the Directors' Charge, and, except in respect of proceedings alleging claims contemplated by s. 11.03(2) of the CCAA, and during the Stay Period no proceeding may be commenced or continued against any of the Directors with respect to any claim against such Directors that arose on or after the Filing Date that relates to any obligations of the Petitioners whereby the Directors are alleged under any law to be liable in their capacity as Directors for the payment or performance of such obligations.

TERMINATION OF CERTAIN LEASES

- [24] **ORDERS** that the rights conferred on Caterpillar Financial Services Limited ("CFSL") by Order of this Court dated April 7, 2015, in respect of CFSL's ability to terminate certain leases between CFSL and Quebec Lithium Inc. are exercisable as against the Receiver provided that such rights may be exercised against the Receiver immediately upon the appointment of the Receiver rather than May 29, 2015.

GENERAL

- [25] **ORDERS** that any and all administrative matters relating to the CCAA Proceedings which arise following the termination of the CCAA Proceedings and the effective date of the appointment of the Receiver as set out in the Receivership Order may be brought before this Court for determination, advice and direction.
- [26] **ORDERS** that all persons shall cooperate fully with the Petitioners and the Monitor and do all such things that are necessary or desirable for the purposes of giving effect to and in furtherance of this Order.
- [27] **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative

body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.

- [28] **ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada;
- [29] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security;
- [30] **THE WHOLE** without costs.

MARTIN CASTONGUAY J.S.C

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SUPERIOR COURT

(Commercial Division)

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL**

No. 500-11-047560-145

DATE: May 8, 2015

PRESIDING : THE HONOURABLE MR. JUSTICE MARTIN CASTONGUAY, J.S.C.

IN THE MATTER OF THE RECEIVERSHIP OF:

QUÉBEC LITHIUM INC., QLI MÉTAUX INC., RB ENERGY INC. AND SIROCCO MINING INC.

Debtors

-and-

HALE CAPITAL PARTNERS L.P.

Petitioner

-and-

KPMG INC.

Monitor

-and-

DUFF & PHELPS CANADA RESTRUCTURING INC.

Receiver

ORDER APPOINTING A RECEIVER
(Section 243 of the *Bankruptcy and Insolvency Act*)

- [1] **ON READING** the Petitioner's Motion for the Appointment of a Receiver (the "**Motion**") pursuant to Article 243 of the *Bankruptcy and Insolvency Act* (the "**BIA**"), the affidavit and the exhibits in support thereof;
- [2] **SEEING** the service of the Motion;
- [3] **SEEING** the submissions of Petitioner's attorneys;
- [4] **SEEING** that the Petitioner sent the Debtors, the Monitor and creditors of the Debtors' whose rights are published at the appropriate registries a five day Notice of Intention to Enforce a Charge pursuant to the terms of the Second Amended and Restated Initial Order issued by this Court in this matter on October 29, 2014 (the "**Second Amended and Restated Initial Order**");
- [5] **SEEING** the consent of the Debtors to the issuance of this Order;
- [6] **SEEING** that it is appropriate to appoint a receiver to the Property (such as defined herein) of the Debtors and to terminate the proceedings instituted pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**") pursuant to the terms of a Discharge and Transition Order dated May 8, 2015 (the "**Discharge and Transition Order**");

WHEREFORE THE COURT:

- [7] **GRANTS** the Motion;

SERVICE

- [8] **ORDERS** that any prior delay for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof;

APPOINTMENT

- [9] **APPOINTS** Duff & Phelps Canada Restructuring Inc., trustee, to act as receiver (the "**Receiver**") to the Property of Québec Lithium Inc., QLI Métaux Inc., RB Energy Inc. and Sirocco Mining Inc. (collectively, the "**Debtors**") until one of the following events comes to pass:
 - (a) the sale of all the Property; or
 - (b) the issuance of any order by the Court terminating the mandate of the Receiver;

- [10] **DECLARES** that the order (the "Order") and its effects shall survive the filing by any of the Debtors of a notice of intention to make a proposal or of a proposal pursuant to the terms of the BIA or the bankruptcy of any of the Debtors, unless the Court orders otherwise.
- [11] **DECLARES** the Order and its effects shall survive the termination of the CCAA Proceedings.

RECEIVER'S POWERS

- [12] **AUTHORIZES** the Receiver to exercise the following powers:

A) Powers related to the possession of the Property

AUTHORIZES the Receiver to take possession of all Debtors' present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof but excluding (i) the Retained Amount (as defined in the Discharge and Transition Order); (ii) the QLI Vacation Pay Reserve (as defined in the Discharge and Transition Order), (iii) the monetary retainers paid by the Debtors to the Monitor, the Monitor's counsel, the Debtors' counsel and the Debtors' directors' counsel and (iv) the LC Cash Collateral (as defined below) (collectively, the "**Property**") and to exercise the following powers listed hereinafter in the place and stead of the Debtors in respect of the Property:

B) Powers related to the preservation of the Property

- (a) all the powers necessary for the preservation and for the protection of the Property;
- (b) all the powers necessary to control the Property, the place of business and the premises occupied by the Debtors;
- (c) all the powers necessary to grant the Receiver access, at all times, to the place of business and to the premises of the Debtors, to the Property, and to change the locks and security codes required to grant access to such premises and places of business of the Debtors;
- (d) all the powers necessary to grant the Receiver access to all the accounting records of the Debtors, as well as to any document, contract, register of any nature or kind whatsoever, wherever they may be situated and regardless of the medium on which they may be recorded (the "**Records**"), as well as the powers necessary to make copies of all the Records necessary or useful to the execution of the Receiver's functions;
- (e) all the powers necessary to undertake an analysis of the Debtors' Records;

C) Powers related to the Control of Debtors' Receipts and Disbursements

- (f) except as otherwise provided herein, all the powers necessary to control the Debtors' receipts and disbursements;
- (g) all the powers necessary to collect all the accounts receivable and all the other claims of the Debtors and to transact in respect of same, as well as to sign any document for this purpose;
- (h) all the powers necessary to open any required bank account, pursuant to the terms and conditions the Receiver may determine, with any chartered Canadian bank, or any other financial institution, the whole, in order to cash any item payable to the Debtors, and to issue any payment which, in the opinion of the Receiver, is necessary or useful to the preservation or maintenance of the Debtors' Property;

[13] ORDERS the Debtors to remit immediately all cash on hand remaining from advances under the Interim Facility (as defined in the Second Amended and Restated Initial Order) to the Receiver other than the Retained Amount;

D) Powers related to the disposition or sale of the Property

- (i) all the powers necessary to interest or solicit one or several potential buyers of all or any part of the Property, including, without limitation, the right to carry out a public call for tenders or private solicitations in order to dispose of the Property;

[14] ORDERS the Receiver to petition the Court for authorization to sell all or any part of the Property outside the ordinary course of business, upon finding a purchaser and pursuant to conditions it deems reasonable in the circumstances;

[15] DECLARES that, notwithstanding the preceding paragraph, the Receiver shall have the power to sell all or any part of the Property outside the ordinary course of business, without the Court's authorization, provided that the price and value in each case does not exceed \$200,000 or \$4,000,000 in aggregate and subject to the rights of lessors under equipment leases;

[16] GRANTS the Receiver all the powers necessary to initiate, prosecute and continue the prosecution of any and all proceedings it considers appropriate, including for the purpose of Sections 34 and 249 of the BIA, within the performance of its duties regarding the Property;

[17] AUTHORIZES the Receiver to retain the services of any lawyer, or of any person or business in order to appropriately fulfil its functions;

[18] DECLARES that the Receiver may provide creditors and other relevant stakeholders with information in response to requests made by them in writing. A copy of such requests must be sent to the Petitioner's attorney. Where the Receiver has been

advised by the Petitioner that information is confidential, proprietary or competitive, the Receiver shall not provide such information to any person without the consent of the Petitioner unless otherwise directed by this Court.

DEBTORS' DUTIES

- [19] **ORDERS** the Debtors, their directors, officers, employees, agents and representatives to forthwith provide the Receiver with access to the Property, to the places of business and to the premises of the Debtors, as well as to the Records;
- [20] **ORDERS** the Debtors, their directors, officers, employees, agents and representatives to cooperate with the Receiver in the exercise of the powers that are granted pursuant to the terms of the Order;
- [21] **ORDERS** the Debtors not to dispose, alienate, encumber or otherwise transact in any manner whatsoever, with regard to the Property, other than in the ordinary course of business or with the authorization of the Receiver;

NON-INTERFERENCE WITH THE RECEIVER, THE DEBTORS AND THE PROPERTY

- [22] **ORDERS** that subject to any other order rendered by the Court, which may only be rendered after a prior notice has been duly sent to the Receiver and to the Petitioner, no proceeding, seizure, revendication, or any other enforcement process shall be commenced or enforced against the Property;
- [23] **ORDERS** that no person shall interrupt, modify, terminate or fail to execute its obligations pursuant to any contract, agreement, license or permit entered into with any of the Debtors without the prior consent of the Receiver or without the authorization of the Court, provided however that The Bank of Nova Scotia ("BNS") may terminate any VISA card issued to any of the Debtors or on behalf of the Debtors to any of their employees or former employees, as the case may be;

CONTINUATION OF SERVICES

- [24] **ORDERS** that any person having an oral or written agreement with the Debtors, as well as any supplier of goods or services to the Debtors is hereby restrained until further order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services, as may be required by the Receiver and that the Receiver shall be authorized to continue use of the Debtors' current premises, telephone numbers, facsimile numbers, internet addresses, domain names and other services, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver, in accordance with the normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court;

EMPLOYEES

- [25] **AUTHORIZES** the Receiver, on behalf of the Debtors, to continue to engage the services of the employees of the Debtors until the Receiver, acting for and on behalf of the Debtors, terminates the employment of such employees. The Receiver shall not be liable for any employee related liabilities, including any successor-employer liabilities as provided for in sections 14.06(1.2) of the *BIA* other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) and 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*;

PROTECTION OF PERSONAL INFORMATION

- [26] **DECLARES** that pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall be permitted to disclose personal information on identifiable individuals, which information it has in its possession or under its responsibility, to interested parties or to investors, financiers, prospective purchasers or potential strategic partners, as well as to their advisors, but only to the extent desirable or required, and only upon condition that the persons to whom such personal information is disclosed shall undertake to maintain and protect the privacy of such information and limit the use of such information pursuant to confidentiality agreements entered into with the Receiver;

LIMITATION OF LIABILITY

- [27] **DECLARES** that subject to the powers granted to the Receiver pursuant to the terms of paragraph 12 of the Order, nothing contained herein shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Property. The Receiver shall not and shall not be deemed, as a result of this Order, to be in possession or the custodian of any of the Property within the meaning of environmental legislation, the whole pursuant to the terms of the *BIA*;
- [28] **DECLARES** that the Receiver is not subject to any of the obligations contained in sections 232.1 to 232.12 of the *Mining Act*, C.Q.L.R., c. M-13.1 (the "*Mining Act*"), and is not required to comply with any remediation and restoration plan submitted to the Minister of Natural Resources and Wildlife by the Debtors pursuant to section 232.1 of the *Mining Act* nor the supply any guarantee pursuant to section 232.4 of the *Mining Act*. Should the Receiver intend to move, disturb or damage a facility erected under division III of chapter 4 of the *Mining Act*, it shall notify in writing the Minister of Natural Resources and Wildlife.
- [29] **ORDERS** the Receiver to notify in writing the Minister of Natural Resources and Wildlife should it intend to seek from this Court the powers necessary to operate Quebec Lithium Inc.'s mining business.

- [30] **DECLARES** that the powers of the Receiver shall be exercised pursuant to its sole discretion and judgment;
- [31] **DECLARES** that any act or decision made by the Receiver in the exercise of its powers granted by this Order shall be deemed to be made on behalf of the Debtors;
- [32] **DECLARES** that section 215 of the *BIA* applies *mutatis mutandis*, and hence that no action lies against the Receiver by reason of its appointment or the execution of the powers granted by the Court, except by leave of the Court. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph;

FEES

- [33] **DECLARES** that as security for the professional fees and disbursements incurred in relation to these proceedings, both before and after the date of the Order, a charge and security over the Property is hereby constituted in favour of the Receiver, of the Receiver's attorneys and other advisors, to the extent of the aggregate amount of \$500,000 (the "**Receiver's Administration Charge**");
- [34] **DECLARES** that, other than the Tewoo Security and the BNS Cash Collateral Charge, the Receiver's Administration Charge shall rank in priority to any and all hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances, construction liens or security of whatever nature or kind affecting the Property, including any and all charges created by this Court in the CCAA Proceedings (the "**CCAA Charges**") (which CCAA Charges shall continue to bind the Property pursuant to the provisions of the Discharge and Transition Order) and all charges created by orders issued by this Court in this matter (collectively, the "**Encumbrances**") affecting the Property charged by such Encumbrances;
- [35] **DECLARES** that the Receiver's Administration Charge is effective and shall charge, as of 12:01 a.m. (Montreal time) the day of the Order (the "**Effective Time**"), all the Debtors' Property present and future;
- [36] **DECLARES** that notwithstanding: (i) these proceedings and any declaration of insolvency made herein, (ii) any petition for a bankruptcy order filed pursuant to the *BIA* in respect of the Petitioner and any bankruptcy order granting such petition or any assignment in bankruptcy made or deemed to be made in respect of the Petitioner and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by the Receiver pursuant to the Order and the granting of the Receiver's Administration Charges do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting a recourse for abuse under an applicable law, and shall be valid and enforceable as against any person, including any trustee in bankruptcy, and any receiver to the Property of the Debtors;

- [37] **AUTHORIZES** the Receiver to collect the payment of its fees and disbursements and those of its attorneys, with the consent of the Petitioner, the whole subject to taxation in conformity with the *BIA*, if applicable;
- [38] **DECLARES** that notwithstanding anything to the contrary herein the Receiver's Administration Charge shall be junior and subordinate to the Tewoo Security as against the Pledged Shares (as defined in the Motion).
- [39] **DECLARES** that, in respect of certain pre-filing letters of credit issued by BNS and pre-filing credit card and other cash management services provided to the Debtors and certain persons related to the Debtors, secured by cash collateral (the "**LC Cash Collateral**") maintained by BNS in an aggregate principal amount of CDN\$4,001,420 (the "**LC Exposure**"), the Receiver's Administration Charge, as may attach to the LC Cash Collateral, including by operation of law or otherwise, (a) shall rank junior in priority to the BNS Cash Collateral Charge and (b) shall attach to the LC Cash Collateral only to the extent of the rights of the Debtors to the return of any LC Cash Collateral from BNS following (i) the payment and satisfaction of all LC Exposure and (ii) the exercise of any rights in respect of the LC Cash Collateral pursuant to Section 97(3) of the *BIA*, notwithstanding anything to the contrary contained herein.

RECORDS

- [40] **DECLARES** that the Receiver shall allow current or former directors of the Debtors or their authorized representatives reasonable access to the Records on reasonable notice to the Receiver and provide at least 7 days' prior written notice to the directors before destroying such Records or transferring such Records to another party;

GENERAL

- [41] **DECLARES** that the Order, the Motion and the affidavit do not, in and of themselves, constitute a default or failure to comply by the Debtors under any statute, regulation, license, permit, contract, permission, covenant, agreement, undertaking or any other written document or requirement;
- [42] **DECLARES** that the Receiver is at liberty to serve any notice, circular or any other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to persons or other appropriate parties at their respective given address as last shown in the Records; the documents served in this manner shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if delivered by ordinary mail;
- [43] **DECLARES** that the Receiver may serve any court materials in these proceedings on all represented parties, by emailing a PDF or other electronic copy of such

materials to counsels' email addresses, provided that the Receiver shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter;

[44] **DECLARES** that any party interested in these proceedings may serve any court material in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that such party shall deliver a "hard copy" on paper of such PDF or electronic materials to the Debtors' and the Receiver's counsel and to any other party who may request such delivery;

[45] **DECLARES** that a copy of all court material served in these proceedings shall be sent to the Receiver, the Receiver's counsel and Hale Capital Partners L.P.'s counsels at the following email addresses:

If to the Receiver:

Duff & Phelps Canada Restructuring Inc.
c/o: Robert Kofman and David Sieradzki
Bobby.Kofman@duffandphelps.com
David.Sieradzki@duffandphelps.com

If to the Receiver's counsel:

Osler, Hoskin & Harcourt LLP
c/o: Martin Desrosiers and Tracy Sandler
mdesrosiers@osler.com
tsandler@osler.com

If to Hale Capital Partners L.P.'s counsel:

Davies Ward Phillips & Vineberg LLP
c/o: Jay Swartz, Denis Ferland and Gabriel Lavery Lepage
jswartz@dwpv.com
dferland@dwpv.com
glepage@dwpv.com

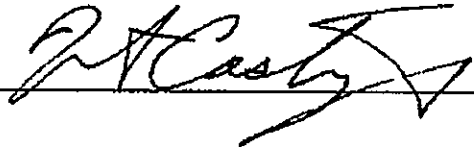
[46] **DECLARES** that, unless otherwise provided herein, ordered by this Court, or provided by the BIA, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a notice of appearance on the solicitors for the Debtors and the Receiver and has filed such notice with the Court;

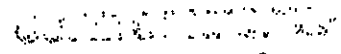

[47] **DECLARES** that any Interested Person may apply to this Court to vary or rescind the Order or seek other relief upon five (5) days notice to the Receiver, the Petitioner and

any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order;

- [48] **DECLARES** that the present Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada;
- [49] **DECLARES** that the Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and any subsequent orders of this Court and, without limitation to the foregoing, an order under Chapter 15 of the *U.S. Bankruptcy Code*, for which the Receiver shall be the foreign representative of the Debtors. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Receiver as may be deemed necessary or appropriate for that purpose;
- [50] **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order;

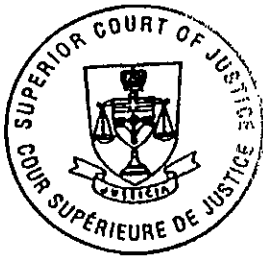
[51] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever;



Clerk adjoint

P-12



Court File No. CV-15-11085-COCL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE

JUSTICE HAINES

) FRIDAY, THE 10TH DAY

) OF JULY, 2015

BETWEEN:

KSV KOFMAN INC.

Applicant

-AND-

D&P CANADA ACQUISITION CORP.

Respondent

Application under Rule 14.05(3)(h) of the *Rules of Civil Procedure*

SUBSTITUTION ORDER

THIS APPLICATION made by KSV Kofman Inc. ("KSV") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Application Record of KSV, including the Affidavit of Robert Kofman sworn July 3, 2015, together with the exhibits attached thereto (the "Affidavit"), and on hearing the submissions of counsel for KSV and counsel listed on the Counsel Slip, no one else appearing although served as evidenced by the Affidavit of Service:

1. THIS COURT ORDERS that the effective date of this order (the "Effective Date") shall be June 30, 2015, being the effective date of the amalgamation of KSV and Duff & Phelps Canada Restructuring Inc. ("D&P Restructuring").

BIA ESTATES

2. **THIS COURT ORDERS** that KSV be and is hereby substituted in place of D&P Restructuring as Trustee in Bankruptcy or Proposal Trustee (the "Trustee") of the estate files listed on **Schedule "A"** hereto (the "BIA Estates").

3. **THIS COURT ORDERS AND DIRECTS** that all real and personal property wherever situate of the BIA Estates be and is hereby vested in KSV in its capacity as Trustee, to be dealt with by KSV in accordance with the provisions of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), pursuant to its powers and obligations as Trustee of the BIA Estates.

4. **THIS COURT ORDERS** that KSV is authorized and directed to continue and complete the administration of the BIA Estates, to deal with the BIA Estates' property in accordance with the duties and functions of the Trustee as set out in the BIA and to receive all remuneration of the Trustee in the BIA Estates for services performed from the commencement of each of the BIA Estates until the discharge of the Trustee, less any remuneration already received by D&P Restructuring in accordance with the provisions of the BIA, or otherwise payable to D&P Restructuring to the date of closing of the Transaction (as defined in the Affidavit).

5. **THIS COURT ORDERS** that the requirement and responsibility for taxation of the Trustee's accounts in respect of the BIA Estates with respect to all work performed in respect of such BIA Estates from the initial appointment of D&P Restructuring or any other party, through to the completion of the administration of such BIA Estates and discharge of KSV as the new Trustee, be and is hereby assigned and transferred to KSV.

6. **THIS COURT ORDERS AND DIRECTS** that KSV be and is hereby required, in respect of the BIA Estates, to (i) observe all of the terms provided by Rule 61(2) of the BIA Rules, (ii) keep all estate books, records and documents as provided by Rule 68 of the BIA Rules, and (iii) retain all books, estate records, documents within its control including work in progress, billing or time records in support of any claims made for time charges and advances on fees made by D&P Restructuring, and detailed trial

balances (electronic or otherwise) from the date of bankruptcy showing all the funds received and disbursed since the date of bankruptcy notwithstanding KSV assuming responsibility for the BIA Estates as at the Effective Date.

7. **THIS COURT ORDERS AND DIRECTS** to the extent that D&P Restructuring has given security in cash or by bond of a guarantee company pursuant to section 16(1) of the BIA (the "**Security**"), such Security shall be transferred from D&P Restructuring to KSV and any party holding such Security be and is hereby directed to take all steps necessary to effect such transfer. Upon transfer, KSV shall assume, and D&P Restructuring shall be relieved of, all obligations respecting the Security.

RECEIVERSHIP AND CCAA PROCEEDINGS

8. **THIS COURT ORDERS** that KSV be and is hereby substituted in place of D&P Restructuring as the Receiver, Receiver and Manager, or Interim Receiver (collectively, "**Receiver**") in respect of the mandates listed in **Schedule "B"** hereto (the "**Receivership Proceedings**") and the Monitor and Information Officer in respect of the mandates listed on **Schedule "C"** hereto (the "**CCAA Proceedings**").

OBCA PROCEEDINGS

9. **THIS COURT ORDERS** that KSV be and is hereby substituted in place of D&P Restructuring as the Liquidator in respect of the mandates listed in **Schedule "D"** hereto (the "**OBCA Proceedings**"). Collectively, the BIA Estates, the Receivership Proceedings, the CCAA Proceedings and the OBCA Proceedings are referred to herein as the "**Transferred Mandates**".

10. **THIS COURT ORDERS** that KSV (and its legal counsel and representatives, as applicable) will have all rights, benefits, protections and obligations granted to such court officer (and its legal counsel and representatives, as applicable) under any order made in the Transferred Mandates or any statute applicable to the now Transferred Mandates or any contract or agreement to which D&P Restructuring is a signatory in the Transferred Mandates. For greater certainty and without limitation, this includes the benefit of any indemnity, charge or priority granted in the Transferred Mandates and relief from the application of any statute including the *Personal Information Protection and Electronic Documents Act* (Canada) ("PIPEDA").

11. **THIS COURT ORDERS** that to the extent required by the applicable Orders in the Receivership Proceedings and CCAA Proceedings, the accounts of D&P Restructuring and its legal counsel in respect of the Receivership Proceedings and CCAA Proceedings shall be passed in accordance with the applicable Orders in the Receivership Proceedings and CCAA Proceedings on the application of KSV.

ACCOUNTS

12. **THIS COURT ORDERS** that D&P Restructuring be and is hereby authorized to transfer to the name of KSV all funds that remain in its consolidated trust bank accounts and all other trust bank accounts that belong or related to the Transferred Mandates, and D&P Restructuring and KSV be and are hereby authorized to take all steps and to execute any instrument required for such purpose.

13. **THIS COURT ORDERS AND DIRECTS** that KSV be and is hereby authorized to endorse for deposit, deposit, transfer, sign, accept or otherwise deal with all cheques, bank drafts, money orders, cash or other remittances received in relation to any of the Transferred Mandates where such cheques, bank drafts, money orders, cash or other remittances are made payable or delivered to D&P Restructuring, in relation to the same, and any bank, financial institution or other deposit-taking institution with which KSV be and is hereby authorized to rely on this Order for all purposes of this paragraph.

REAL PROPERTY

14. **THIS COURT ORDERS AND DIRECTS** that the Registrar of Land Titles in any Land Title District wherein any registration was previously made by D&P Restructuring in its capacity as Trustee or Receiver of Transferred Mandates including, without limitation, the registration in respect of the real property described in **Schedule "E"** hereto, be and is hereby authorized and directed to amend any such registration to reflect the substitution of KSV for D&P Restructuring as Trustee or Receiver, as the case may be.

GENERAL

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the PIPEDA and any substantially similar legislation, D&P Restructuring is authorized and permitted to disclose and transfer to KSV all employee records within its control. KSV shall maintain and protect the privacy of any personal information contained in the employee records and shall be entitled to collect and use the personal information provided to it for the same purpose(s) as such information was used by D&P Restructuring.

16. **THIS COURT ORDERS** that D&P Restructuring will deliver all files, papers, books, records and property within its control relating to the Transferred Mandates to KSV as soon as practicable following the closing of the Transaction (as defined in the Affidavit).

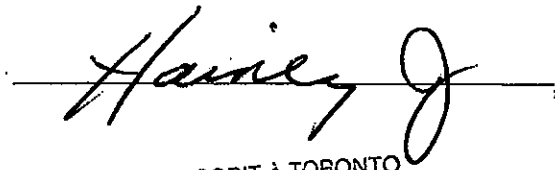
17. **THIS COURT ORDERS** that any required notification of the discharge of D&P Restructuring in respect of the Transferred Mandates, including without limitation statutory notices to proven creditors within the BIA Estates, the applicable bankrupts or debtors within the BIA Estates, the Court, the Office of the Superintendent of Bankruptcy and any other person, be and is hereby waived.

18. **THIS COURT ORDERS** that this Order shall be effective in all judicial districts in Ontario which govern any of the Transferred Mandates.

19. **THIS COURT ORDERS** that the requirement for a separate Notice of Motion and supporting Affidavit to be filed in the Court file of each of the Transferred Mandates be and is hereby waived.

20. **THIS COURT ORDERS** that the requirement for service or notification of this motion on any interested party in the Transferred Mandates including, without limitation, proven creditors within the BIA Estates, the applicable bankrupts or debtors within the BIA Estates, and any other person, be and is hereby waived.

21. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist D&P Restructuring and KSV 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 D&P Restructuring and KSV as may be necessary or desirable to give effect to this Order, or to assist D&P Restructuring and KSV and their respective agents in carrying out the terms of this Order.



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

JUL 10 2015

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SCHEDULE A

Duff & Phelps Canada Restructuring Inc.
Bankruptcies to be transferred to KSV Kofman Inc.

Name	Estate File No.
2515080 Nova Scotia Company	32-1501841
252862 Ontario Inc. (formerly Tectrol Inc.)	31-1929721
Boparai, Rantej Singh	32-158782
Career Canada C.F.P. Limited	31-1963353
Cole, Henry George	31-456669
Colossus Minerals Inc.	31-1826899
CPI Corp.	32-1929730
CPI Portrait Studios of Canada Corp.	32-1929729
EnerNorth Industries Inc.	31-45469B
Everest Colleges Canada Inc.	31-1963343
Frontline Technologies Inc.	31-1696523
IceGen Inc.	31-2003505
Linens 'N Things	31-1121528
Margosa Credit Union Limited	31-1570748
NMC Canada, Inc.	32-1501836
NS Studios (7291931 Canada Inc.)	31-1783744
Premium Disc Corp.	32-158728
Revstone Industries Burlington Inc.	32-1672848
Shaw Canada, L.P.	32-158522
SKD Automotive Co.	32-158287
Stone & Webster Canada Holding One	32-158523
Stone & Webster Canada Holding Two, Inc	32-158524
Surefire Industries Ltd.	25-094411
The Ravelston Corporation Limited	31-455711
The Ravelston Management	31-456255
Trinity Real Estate Partners Inc.	31-456667
Zsemba Apron & Upholstry	31-1901005

SCHEDULE B

Duff & Phelps Canada Restructuring Inc.
 Receiverships to be transferred to KSV Kofman Inc.

Name	Court File No.
1095195 Ontario Limited - Di Felice	11-9193-00CL
1650473 Ontario Inc./2328247 Ontario Inc. o/a Scrapmen	13-10386-00CL
252862 Ontario Inc. (formerly Tectrol Inc.)	31-1929721
721362 Ontario Limited	11-9193-00CL
ARXX Building Products Inc.	13-10353-00CL
CO Capital Growth Corp.	10-8883-00CL
CPI Corporation	13-10069-00CL
Di Felice, Nina & Italo	11-9193-00CL
Goudas Food Products and Investments Limited	14-10680-00CL
Graceway Canada Company	11-9411CL
Grafikom LP	08-CL-7840
Linens 'N Things	31-1121528
Mady Steeles 2011 Ltd.	15-10897-00CL
Newtek Automotive	13-9982-00CL
Prizm Group	11-9375-00CL
Quebec Lithium Inc., QLI Metaux Inc., and Sirocco Mining Inc.	500-11-047560-145
RB Energy Inc.	500-11-047560-145
Retrocom Growth Fund	31-452496
Revstone Industries Burlington Inc.	12-9542-00CL
Robgreen Investments Limited	31-456362
Robert Mander and E.M.B. Asset Group Inc.	10-8619-00CL
Sirocco Mining Inc.	500-11-047560-145
SKD Automotive Co.	09-CL-7960
Stewart v. Lawrynowicz	13-10224-00CL
Surefire Industries Ltd.	1301-11285
Tamerlane Ventures inc.	14-10417-00CL
The Ravelston Corporation Limited	31-455711
Xchange Technology Group	13-10310-00CL
Zsemba Apron & Upholstry	14-10569-00CL

SCHEDULE C

Duff & Phelps Canada Restructuring Inc.
CCAA proceedings to be transferred to KSV Kofman Inc.

Name	Court File No.
Allied Systems (Canada) Company	12-CV-9757-00CL
Eddie Bauer of Canada Inc. Monitor	09-8240-CL
iMarketing Solutions Group Inc.	13-10067-00CL
Labrador Iron Mines Limited	15-10926-00CL
Pine Point Holding Corp.	13-10028-00CL
Tamerlane Ventures Inc.	13-10228-00CL
Unique Broadband Systems, Inc.	11-9283-00CL

SCHEDULE D

Duff & Phelps Canada Restructuring Inc.
OBCA Court proceedings to be transferred to KSV Kofman Inc.

<u>Name</u>	<u>Court File No.</u>
Diversinet Corp.	13-10282-00CL
Coventree	12-9594-00CL

SCHEDULE E

SCHEDULE
LEGAL DESCRIPTION

PIN 06050-0199 (LT)

PT LOTS 18 & 19, CON 5; PT ROAD ALLOWANCE BETWEEN LOTS 18 & 19 CON 5, AS CLOSED BY-LAW 406 BEING PT OF PT 1 66R12477 LYING NORTH OF PLAN 66M1996; SAVE & EXCEPT PT OF LOTS 18 & 19 CON 5 PT 1 66R16987...SUBJ. TO EASE. OVER PTS 1 & 2 66R17070 AS IN C981858. SCARBOROUGH, CITY OF TORONTO; S/T EASEMENT OVER PART 37 PL 66R23655 AS IN AT1787207; TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

PIN 06050-0266 (LT)

PT LT 20 CON 5 SCARBOROUGH DESIGNATED AS PT 1 PL 66R23210; SCARBOROUGH; CITY OF TORONTO

PIN 06050-0263 (LT)

PART OF LOT 19 CON 5, SCARBOROUGH, DESIGNATED AS PART 1 ON PLAN 66R-23217, CITY OF TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

PIN 06050-0264 (LT)

PART LOT 18 CON 5, SCARBOROUGH; PT RDAL BTN LOTS 18 AND 19, CON 5, SCARBOROUGH (CLOSED BY BY-LAW NO. 406 AS IN SC608215), CITY OF TORONTO, DESIGNATED AS PART 2 ON PLN 66R-23217; S/T EASEMENT OVER 38 PL 66R23655 AS IN AT1787207; TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655

PIN 06050-0272 (LT)

PT LOT 18 CON. 5 SCARBOROUGH, PT 3 PL 66R23217 SAVE AND EXCEPT PT 32 PL 66R23655; CITY OF TORONTO; S/T EASEMENT OVER PT 36 66R23655 AS IN AT1787207; T/W ROW OVER PT 32 66R23655 AS IN AT1787644; T/W EASEMENT OVER PT 35 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

KSV KOFMAN INC.
Applicant

and

D&P CANADA ACQUISITION CORP.
Respondent

Court File No: CV-15-11025-0001

ONTARIO

SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding Commenced At Toronto

ORDER

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Jay A. Swartz / Dina Milivojevic
(LSUC #: 15417L / 64521U)

Telephone: 416.863.0900
Facsimile: 416.863.0871

Lawyers for KSV Kofman Inc.

P-13

**SUPERIOR COURT
(Commercial Division)**

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No.: 500-11-049079-151

DATE: JUNE 21, 2016

PRESIDING: THE HONOURABLE MARTIN CASTONGUAY, J.S.C.

IN THE MATTER OF THE RECEIVERSHIP OF:

**QUÉBEC LITHIUM INC., QLI MÉTAUX INC., RB ENERGY INC. AND SIROCCO
MINING INC.**

Debtors

-and-

KSV KOFMAN INC.

Petitioner

-and-

HALE CAPITAL PARTNERS, L.P.

-and-

INVESTISSEMENT QUÉBEC

-and-

9554661 CANADA INC.

-and-

2242974 CANADA INC. (formerly CONSTRUCTION PROMEC INC.)

-and-

9190-5778 QUEBEC INC.

-and-

3391612 CANADA INC.

JC 0009

COPIE CONFORME

21 jun 2016
Abigail Carbonnier, gcs.
Carbonnier

500-11-049079-151

-and-

LES STRUCTURES GB LTÉE

-and-

2985080 CANADA INC.

-and-

CONSTRUCTION NORASCON INC.

-and-

J.Y. MOREAU ÉLECTRIQUE INC.

-and-

2950-0519 QUÉBEC INC.

-and-

WSP CANADA INC.

-and-

CONSTRUCTION P.B.M. INC.

-and-

LES INDUSTRIES BLAIS INC.

-and-

BREMO INC. (doing business as REMATECH DIVISION BREMO)

-and-

DYNAMITAGE CASTONGUAY LTÉE

-and-

9222-0201 QUÉBEC INC. (formerly LOCATION DUMCO INC.)

-and-

9208-1777 QUÉBEC INC.

-and-

LES HUILES H.L.H. LTÉE

-and-

PETER SECKER

-and-

RICHARD P. CLARK

500-11-049079-151

-and-

L. SIMON JACKSON

-and-

KEVIN ROSS

-and-

KATHY LOVE

-and-

KERRY KNOLL

-and-

IAN MCDONALD

-and-

STÉPHANE BERTRAND

-and-

ALESSANDRO BITELLI

-and-

BRENDAN PIDCOCK

-and-

ROTHSCHILD INC.

-and-

SGS CANADA INC.

-and-

SCHYAN EXPLORATION INC. / EXPLORATION SCHYAN INC.

-and-

**THE REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION
DIVISION OF ABITIBI**

-and-

**THE REGISTRAR OF THE PUBLIC REGISTER OF REAL AND IMMOVABLE MINING
RIGHTS**

-and-

**THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL
RIGHTS**

Mis-en-cause

APPROVAL, ASSIGNMENT AND VESTING ORDER

[1] The Petitioner presents an *Application for approval of an Asset Purchase Agreement and for the issuance of a vesting and assignment order* dated June 10, 2016 (the "**Application**") pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**");

[2] **CONSIDERING** the Application, the affidavit and the exhibits in support thereof as well as the representations of the Receiver's attorney;

[3] **CONSIDERING** the report of the Receiver dated June 13, 2016 (the "**Receiver's Report**");

[4] **CONSIDERING** the provisions of the BIA.

FOR THESE REASONS, THE COURT:

[5] **GRANTS** the Application.

[6] **DECLARES** that the service of the Application constitutes good and sufficient service on all persons and further **DECLARES** that the Petitioner is relieved of any other requirements for service of the Application.

[7] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Application.

SALE APPROVAL

[8] **ORDERS** and **DECLARES** that the transactions (the "**Transaction**") contemplated by the Asset Purchase Agreement (the "**Purchase Agreement**") dated as of June 10, 2016 by and among KSV Kofman Inc., in its capacity as court-appointed receiver (the "**Receiver**") of the assets, rights, undertakings and properties of Québec Lithium Inc. ("**QLI**"), RB Energy Inc. ("**RBE**") and Sirocco Mining Inc. ("**Sirocco**" and collectively with QLI and RBE, the "**Debtors**") and not in its personal capacity, as vendor (the "**Vendor**") and 9554661 Canada Inc., as purchaser (the "**Purchaser**"), a copy of which was filed under seal as Exhibit P-39 of the Application, and vesting in the Purchaser all of QLI's rights, title and interest in and to all of the Purchased Assets (as defined in the Purchase Agreement), a summary of which is identified in Schedule A

hereto, is hereby approved, and the execution of the Purchase Agreement by the Vendor is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to by the Purchaser and the Vendor.

[9] **AUTHORIZES** and **DIRECTS** the Receiver to apply, disburse, release and/or deliver the Deposit or the applicable portions thereof in accordance with the provisions of the Purchase Agreement and this Order.

EXECUTION OF DOCUMENTATION

[10] **AUTHORIZES** and **DIRECTS** the Receiver, the Debtors (represented by the Receiver for all intents and purposes) and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in or contemplated by the Purchase Agreement, including without limitation the Subscription Options, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Receiver, and any other ancillary document which could be required or useful to give full and complete effect thereto, including any application form required under the *Mining Act and the Act respecting the lands in the domain of the State*.

AUTHORIZATIONS

[11] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Receiver to proceed with the Transaction and that no shareholder approval, if applicable, shall be required in connection therewith.

[12] **AUTHORIZES** and **ORDERS** the Receiver to pay the aggregate amount of \$232,500 under the KERP to the entitled beneficiaries, in accordance with the terms of the KERP.

[13] **AUTHORIZES** and **ORDERS** the Vendor to make a partial payment of the Interim Lender Payment to the Interim Lender, as per the payment instructions from the Interim Lender, from the surplus funds in the receivership bank accounts.

[14] **AUTHORIZES** and **ORDERS** the Purchaser, on behalf of the Vendor, to pay the unpaid balance of the Interim Lender Payment to the Interim Lender, as per the payment instructions from the Interim Lender.

[15] **ORDERS** that the Receiver's Report is hereby approved and the actions, conduct and activities of the Receiver described therein are hereby approved.

VESTING OF THE PURCHASED ASSETS

[16] **ORDERS** and **DECLARES** that upon the delivery by the Receiver of a certificate substantially in the form appended as **Schedule B** hereto (the "**Certificate**") to the Purchaser, all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear from any and all right, title, benefits, priorities, court-ordered priorities, claims (including claims provable in bankruptcy in the event that the Debtors (or anyone of them) should be adjudged bankrupt), liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, CCAA Charges, hypothecs, mortgages, pledges, trusts, deemed trusts (whether contractual, statutory, or otherwise), conditional sales, resolutive conditions, title retention agreements, servitudes, easements, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, agreements, rights of distress, legal, equitable or contractual setoff, adverse claims, levies, taxes, disputes, debts, charges, options to purchase, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing, (i) all Encumbrances created by order of this Court; (ii) all charges, security interests or charges evidenced by registration, publication or filing pursuant to the *Civil Code of Québec*, or any other applicable legislation providing for a security interest in personal or movable property, (iii) the registrations made on the Register of Personal and Movable Real Rights listed on **Schedule C** hereto; and (iv) the registrations made on the Land Register for the Registration Division of Abitibi (both on the index of immovables and the Register of Real Rights of State Resource Development) and on the Public Register of Real and Immovable Mining Rights listed on **Schedule D** hereto, excluding however, the permitted encumbrances, easements and restrictive covenants listed on **Schedule E** hereto (the "**Permitted Encumbrances**") and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, other than the Permitted Encumbrances, be hereby expunged, radiated, cancelled and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.

[17] Upon delivery by the Receiver of the Certificate to the Purchaser, **TERMINATES** the Sales Advisor Priority created by an Order of this Court on November 13, 2014 and **DECLARES** that no amount is due by the Debtors or the Receiver to the Sales Advisor.

[18] Upon delivery by the Receiver of the Certificate to the Purchaser, **TERMINATES** and **DISCHARGES** all CCAA Charges provided that, for greater certainty, the CCAA Charges do not include the Receiver's Administration Charge.

[19] **ORDERS** and **DECLARES** that upon the issuance of the Certificate, the rights and obligations of the Vendor under the Agreement listed on **Schedule F** hereto (the "**Assigned Agreement**") are assigned to the Purchaser.

[20] **ORDERS** and **DIRECTS** the Receiver to send a copy of this Order to the party to the Assigned Agreement.

[21] **ORDERS** that the Receiver file a copy of the Certificate with the Court no later than two business days following delivery thereof to the Purchaser.

[22] **DECLARES** that the Receiver may rely exclusively on a written confirmation from the Purchaser that the Purchase Agreement conditions in its favour have been satisfied or waived to deliver the Certificate, without any obligation to independently confirm or verify the waiver or satisfaction of the applicable conditions.

[23] **DECLARES** that upon issuance of the Certificate, the Transaction shall be deemed to constitute and shall have the same effect as a sale under judicial authority as per the provisions of the *Code of Civil Procedure* and a forced sale as per the provisions of the *Civil Code of Quebec*.

CANCELLATION OF SECURITY REGISTRATIONS

[24] **ORDERS** the Registrar of the Land Registry Office for the Registration Division of Abitibi (including, for greater certainty, the index of immovables and the Register of Real Rights of State Resource Development) and the Registrar of the Public Register of Real and Immovable Mining Rights (collectively, the "**Registers**") upon presentation of the Certificate and a certified copy of this Order accompanied by the required application for registration and upon payment of the prescribed fees, to publish this Order and:

- (i) to proceed with an entry on the Registers showing the Purchaser as the owner or holder of the immovable rights and mineral rights and mineral leases identified in **Part 2 of Schedule A** hereto (the "**Immovable Rights**"); and
- (ii) to cancel and discharge all Encumbrances on the Immovable Rights listed on **Schedule D** hereto.

[25] **ORDERS** the Registrar of the Registry of Personal and Movable Real Rights, upon presentation of true copies of this Order and of the Certificate accompanied by the required form and upon payment of the prescribed fees, to proceed with the cancellation, radiation and discharge of all registrations listed on **Schedule C** hereto as against the Purchased Assets, in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registrations.

VALIDITY OF TRANSACTION

[26] **ORDERS** that notwithstanding:

- (a) the pendency of these proceedings;
- (b) any assignment in bankruptcy;
- (c) any application for bankruptcy order now or hereafter issued pursuant to the BIA or otherwise and any order issued pursuant to such application; or
- (d) the provisions of any federal or provincial legislation;

the remittance of all payments in accordance with the Purchase Agreement is to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Receiver, the Debtors or the Purchaser, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

PROTECTION OF PERSONAL INFORMATION

[27] **ORDERS** that, pursuant to sub-section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, or any similar provision of any applicable provincial legislation including, without limitation, the *Act respecting the Protection of Personal Information in the Private Sector*, CQLR c P-39.1, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Receiver's records pertaining to the Debtors' past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which corresponds in all material respects to the prior use of such information by the Vendor.

LIMITATION OF LIABILITY

[28] **DECLARES** that, the Receiver shall not, as a result of this Order, (i) be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, or (ii) be an employer, or a joint or successor employer or a related or common employer or payor within the meaning of any legislation governing employment or labour standards or labour relations or pension benefits or health and safety or other statute, regulation or rule of law.

[29] **DECLARES** that no action lies against the Receiver by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court, with no less than seven days' written notice to the Receiver. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph.

CONFIDENTIALITY

[30] **ORDERS** that Appendix "1" and Appendix "2" of the Receiver's Report shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.

[31] **ORDERS** that the Purchase Agreement (Exhibit P-39 of the Application) shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened following the filing of the Certificate or upon further Order of the Court, whichever comes first.

GENERAL

[32] **ORDERS** and **DIRECTS** the Receiver and **AUTHORIZES** the Purchaser to (i) take all steps and execute all additional documents and application forms required by the Ministère de l'Énergie et des Ressources Naturelles as may be necessary for the completion of the Transaction and (ii) to take all steps as may be necessary to effect conveyance of the Purchase Assets to the Purchaser and the removal, cancellation and the discharge of the Encumbrances (other than the Permitted Encumbrances) as against the Purchased Assets.

[33] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

[34] **DECLARES** that the Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Receiver as may be deemed necessary or appropriate for that purpose.

[35] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any

court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

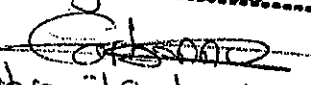
[36] **ORDERS** the provisional execution of the present Order, notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.


MARTIN CASTONGUAY J.S.C.

Hearing date : June 21, 2016

Me Martin Desrosiers
Me Julien Morissette
Me Julien Hynes-Gagné
Osler, Hoskin & Harcourt LLP
Counsel to Petitioner

COPIE CONFORME
21 JUN 2016

Abigail Carbonnier, gacs.

SCHEDULE A – SUMMARY OF PURCHASED ASSETS

PART 1

The Purchased Assets are described in section 2.1 of the Asset Purchase Agreement and consist of all of QLI's right, undertaking, title and interests, if any, in and to the assets, rights, undertakings and properties, of every kind and nature and wherever situated other than certain excluded assets, including the following:

- (a) all immovable property, and all other parcels of real or immovable property used in the Lithium Project, including those listed in Part 2 of Schedule A;
- (b) all mining claims, mineral concessions and mining leases of QLI, as well as all other real or immovable property leases granted pursuant to *An Act respecting the lands in the domain of the State* (Québec) to which QLI is a party, including the mining claims, mineral concessions, mining leases and other real or immovable property owned, used or leased listed in Part 2 of Schedule A;
- (c) all machinery, spare parts, equipment, tools, computers, technology and communication hardware and infrastructure, furniture, furnishings and office equipment owned, used or leased by QLI;
- (d) all automobiles, trucks, trailers and other rolling stock of QLI and used in the Lithium Project;
- (e) all inventories of QLI of every kind and nature including all raw materials, work-in-progress, finished goods and operating supplies;
- (f) all accounts receivable, trade accounts and other debts owing or accruing to QLI or Vendor in connection with the Lithium Project and any insurance proceeds;
- (g) certain assumed contracts, in each case, as amended, extended, assigned or otherwise modified;
- (h) all permits, certificates, registrations, licenses, or similar authorizations owned by or issued to QLI or Vendor in connection with the Lithium Project that are transferable, and all pending applications therefor, but only to the extent that such may be conveyed by Vendor (with or without any authorization);
- (i) income tax refunds and other tax refunds or receivables related to the Lithium Project (including the QLI's tax credit claims for the years 2012, 2013 and 2014) and taxes paid in advance (including immovable taxes paid in advance related to the Lithium Project)

- (j) the books and records;
- (k) all insurance policies in the name of QLI of any kind whatsoever and all rights of QLI under such insurance policies, in each case, to the extent assignable, and all amounts relating to prepaid insurance in respect thereto; and
- (l) any goodwill associated with QLI, but only to the extent that such may be conveyed by Vendor.

PART 2

The Immovable Rights, mining lease, mining claims, other mining rights and related leases (located in the municipality of La Corne, in the Province of Québec) are composed of the following:

MINING RIGHTS

All rights, titles and interest of Québec Lithium Inc. conferred by the following Mining Lease and Mining Claims:

A. Mining lease

1. Mining Lease granted by the Minister of Natural Resources and Wildlife (now Minister of Energy and Natural Resources) to Québec Lithium Inc. for a term of twenty (20) years, commencing on May 29, 2012 and terminating on May 28, 2032, signed by the corporation on May 24, 2012 and by the Minister on May 29, 2012, which was registered at the Public Register of Real and Immovable Mining Rights kept by Minister of Energy and Natural Resources under the number one thousand and five (**BM 1005**) and in the Registration Division of Abitibi on July 3, 2012 under number 19 223 220 and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-1843**.

The said Mining Lease affects the immovable property known and designated as being composed of the following lots:

- (a) Lot number **FOUR MILLION SEVEN HUNDRED TWO THOUSAND TWO HUNDRED AND FIFTEEN (4 702 215)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (b) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND TEN (5 013 510)** of the Cadastre of Quebec, Registration Division of Abitibi;

- (c) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND ELEVEN (5 013 511)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (d) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND TWELVE (5 013 512)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (e) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND THIRTEEN (5 013 513)** of the Cadastre of Quebec, Registration Division of Abitibi; and
- (f) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND FOURTEEN (5 013 514)** of the Cadastre of Quebec, Registration Division of Abitibi.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

2. The rights, titles and interests of Québec Lithium Inc. in the following lots:

- (a) Lot number **FOUR MILLION SEVEN HUNDRED TWO THOUSAND TWO HUNDRED AND FIFTEEN (4 702 215)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (b) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND TEN (5 013 510)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (c) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND ELEVEN (5 013 511)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (d) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND TWELVE (5 013 512)** of the Cadastre of Quebec, Registration Division of Abitibi;
- (e) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND THIRTEEN (5 013 513)** of the Cadastre of Quebec, Registration Division of Abitibi; and
- (f) Lot number **FIVE MILLION THIRTEEN THOUSAND FIVE HUNDRED AND FOURTEEN (5 013 514)** of the Cadastre of Quebec, Registration Division of Abitibi.

B. Mining claims

1. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145325** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3022**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

2. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145326** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3023**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

3. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145327** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3024**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

4. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145328** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3025**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

5. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145329** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3026**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

6. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145330** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3027**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

7. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145331** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3028**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

8. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145332** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3029**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

9. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145333** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3030**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

10. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145334** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3031**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

11. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145335** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3032**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

12. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2145336** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3033**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

13. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154987** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3034**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

14. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154988** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3035**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

15. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154989** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3036**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

16. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154990** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3037**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

17. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154991** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3038**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

18. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154992** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3039**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

19. Mining Claim registered at the Public Register of Real and Immovable Mining Rights kept by the Minister of Energy and Natural Resources under the number **CDC 2154993** and for which a land file was opened at the Register of Real Rights of State Resource Development for the Registration Division of Abitibi, under the serial number **84-A-3040**.

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened.

LEASES RESPECTING LANDS IN THE DOMAIN OF THE STATE

All rights, title and interest of Québec Lithium Inc., as superfiary, relating to the following leases granted under the *Act respecting lands in the domain of the State*.

1. Lease number 823737 00 000 granted by the Minister of Natural Resources and Wildlife to Québec Lithium Inc. which was signed on behalf of the Minister of Natural Resources and Wildlife on June 21, 2011 and by Québec Lithium Inc on June 27, 2011.
2. Lease number 824386 00 000 granted by the Minister of Natural Resources to Québec Lithium Inc which was signed on behalf of the Minister of Natural Resources on December 18, 2012 and by Québec Lithium Inc on January 3, 2013.
3. Lease number 824390 00 000 granted by the Minister of Natural Resources and Wildlife to Québec Lithium Inc which was signed on behalf of the Minister of Natural Resources and Wildlife on September 19, 2012 and by Québec Lithium Inc on September 21, 2012.
4. Lease number 824392 00 000 granted by the Minister of Natural Resources and Wildlife to the Corporation which was signed on behalf of the Minister of Natural Resources and Wildlife on September 6, 2012 and by Québec Lithium Inc on September 17, 2012.
5. Lease number 824394 00 000 granted by the Minister of Natural Resources and Wildlife to Québec Lithium Inc which was signed on behalf of the Minister of Natural Resources and Wildlife on September 19, 2012 and by Québec Lithium Inc on September 21, 2012.
6. Lease executed on June 15, 2012 covering an area of 43 hectares, for a five-year term expiring in June 2017.
7. Lease executed on November 20, 2012 covering an area of 96.31 hectares, for a five-year term expiring in November 2017.

SCHEDULE B – RECEIVER'S CERTIFICATE

**SUPERIOR COURT
(Commercial Division)**

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No.: 500-11-049079-151

IN THE MATTER OF THE RECEIVERSHIP OF:

**QUÉBEC LITHIUM INC., QLI MÉTAUX INC., RB ENERGY INC. AND SIROCCO
MINING INC.**

Debtors

-and-

KSV KOFMAN INC.

Petitioner

-and-

HALE CAPITAL PARTNERS, L.P.

-and-

INVESTISSEMENT QUÉBEC

-and-

9554661 CANADA INC.

-and-

2242974 CANADA INC. (formerly CONSTRUCTION PROMEC INC.)

-and-

9190-5778 QUEBEC INC.

-and-

3391612 CANADA INC.

-and-

LES STRUCTURES GB LTÉE

-and-

2985080 CANADA INC.

-and-

CONSTRUCTION NORASCON INC.

-and-

J.Y. MOREAU ÉLECTRIQUE INC.

-and-

2950-0519 QUÉBEC INC.

-and-

WSP CANADA INC.

-and-

CONSTRUCTION P.B.M. INC.

-and-

LES INDUSTRIES BLAIS INC.

-and-

BREMO INC. (doing business as REMATECH DIVISION BREMO)

-and-

DYNAMITAGE CASTONGUAY LTÉE

-and-

9222-0201 QUÉBEC INC. (formerly LOCATION DUMCO INC.)

-and-

9208-1777 QUÉBEC INC.

-and-

LES HUILES H.L.H. LTÉE

-and-

PETER SECKER

-and-

RICHARD P. CLARK

-and-

L. SIMON JACKSON

-and-

KEVIN ROSS

-and-

KATHY LOVE

-and-

KERRY KNOLL

-and-

IAN MCDONALD

-and-

STÉPHANE BERTRAND

-and-

ALESSANDRO BITELLI

-and-

BRENDAN PIDCOCK

-and-

ROTHSCHILD INC.

-and-

SGS CANADA INC.

-and-

SCHYAN EXPLORATION INC. / EXPLORATION SCHYAN INC.

-and-

**THE REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION
DIVISION OF ABITIBI**

-and-

**THE REGISTRAR OF THE PUBLIC REGISTER OF REAL AND IMMOVABLE MINING
RIGHTS**

-and-

**THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL
RIGHTS**

Mis-en-cause

**RECEIVER'S CERTIFICATE
(Approval, Assignment and Vesting Order)**

- A. Pursuant to a receivership order (the "**Receivership Order**") rendered by the Honourable Mr. Justice Martin Castonguay of the Superior Court of Québec, Commercial Division (the "**Court**") on May 8, 2015, Duff & Phelps Canada Restructuring Inc. ("**D&P**") was appointed to act as receiver to the Property (as this term is defined in the Receivership Order) of Québec Lithium Inc. ("**QLI**"),

QLI Métaux Inc. ("**QLIM**"), RB Energy Inc. ("**RBE**") and Sirocco Mining Inc. ("**Sirocco**" and, collectively with QLI, QLIM and RBE, the "**Debtors**").

- B. On June 30, 2015, D&P was acquired by KSV Kofman Inc. ("**KSV**") and, pursuant to an Order of the Ontario Superior Court of Justice issued on July 10, 2015 in file number CV-15-11025-00CL, D&P's ongoing mandates were transferred to KSV, including acting as receiver for the Property of the Debtors (in such capacity, the "**Receiver**").
- C. Pursuant to the *Approval, Assignment and Vesting Order* rendered by the Court on June 21, 2016 (the "**Approval and Vesting Order**"), the transactions contemplated by the Asset Purchase Agreement dated as of June 10, 2016 (the "**Purchase Agreement**") by and among the Receiver, as Vendor of the assets, rights, undertakings and the properties of QLI, RBE and Sirocco and 9554661 Canada Inc., as Purchaser, with a view, *inter alia*, to vest in and to the Purchaser, all of QLI's right, title and interest in and to the Purchased Assets.
- D. All capitalized term used and not defined herein have the meaning given to such terms in the Purchase Agreement.
- E. The Approval and Vesting Order provides for the vesting of all of QLI's right, title and interest in and to the Purchased Assets in the Purchaser, in accordance with the terms of the Approval and Vesting Order and upon the delivery of a certificate (the "**Certificate**") issued by the Receiver confirming that all conditions precedent have been satisfied or waived.
- F. In accordance with the Approval and Vesting Order, the Receiver has the power to authorize, execute and deliver this Certificate to the Purchaser and to file it with the Court.

THEREFORE THE RECEIVER CERTIFIES THAT:

1. In its capacity of Vendor, the Receiver confirms that all applicable conditions in its favour under the Purchase Agreement have been satisfied or waived, as applicable.
2. The Purchaser has delivered to the Receiver confirmation in writing evidencing that all applicable conditions in its favour under the Purchase Agreement have been satisfied or waived, as applicable.
3. In its capacity of Vendor, the Receiver has received from the Purchaser all amounts payable to it by the Purchaser on Closing, in accordance with the Purchase Agreement.
4. Hale Capital Partners, L.P. has delivered to the Receiver confirmation in writing evidencing that all capital, interest, fees and costs payable to Hale by the Purchaser on Closing were received, in accordance with the Purchase Agreement.

Closing is deemed to have occurred on _____, 2016.

THIS CERTIFICATE was issued by the Receiver on _____, 2016.

**KSV Kofman Inc., in its capacity of
Receiver of the Debtors and not in its
personal or corporate capacity.**

By: _____
Name: _____
Title: _____

SCHEDULE C – RPMRR REGISTRATIONS

1. Conventional movable hypothec with delivery by QUÉBEC LITHIUM INC. in favour of THE BANK OF NOVA SCOTIA registered at the Register of Personal and Movable Real Rights ("RPMRR") on August 22, 2012 under registration number 12-0685519-0001, as assigned to INVESTISSEMENT QUÉBEC on July 15, 2015 under registration number 15-0667906-0001.
2. Conventional movable hypothec without delivery by QUÉBEC LITHIUM INC. in favour of THE BANK OF NOVA SCOTIA registered at the RPMRR on August 22, 2012 under registration number 12-0685519-0002, as assigned to INVESTISSEMENT QUÉBEC on July 15, 2015 under registration number 15-0667906-0001.
3. Conventional movable hypothec without delivery by QUÉBEC LITHIUM INC. and RB ENERGY INC. in favour of INVESTISSEMENT QUÉBEC registered at the RPMRR on September 16, 2014 under registration number 14-0861570-0001.

SCHEDULE D – CANCELLED IMMOVABLE REGISTRATIONS

1. Hypothec in the amount of \$150,000,000 in favor of The Bank of Nova Scotia registered by summary in the Land Register, for the Registration Division of Abitibi, on September 12, 2012 under number 19 407 539 and at the Public Register of Real and Immovable Mining Rights on September 6, 2012 under number 54749.
2. Hypothec in the amount of \$5,000,000 in favor of Investissement Québec (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on September 16, 2014 under number 21 054 104 and at the Public Register of Real and Immovable Mining Rights on September 24, 2014 under number 55712.
3. Notice of Replacement of *Fondée de Pouvoir* in connection with the hypothec referred to in paragraph 1 above, registered in the Land Register, for the Registration Division of Abitibi, on April 14, 2016 under number 22 235 340 and at the Public Register of Real and Immovable Mining Rights on May 20, 2016 under number 56159.

SCHEDULE E – PERMITTED ENCUMBRANCES

Construction legal hypothecs

All legal hypothecs registered and prior notices of the exercise of a hypothecary right against the Purchased Assets (as such term is defined in the Asset Purchase Agreement) as of the Closing Date (as such term is defined in the Asset Purchase Agreement) with respect to claims of Persons (as such term is defined in the Asset Purchase Agreement) having taken part in the construction or renovation of an immovable including, without limitation:

1. Legal Hypothec (construction) dated October 8, 2014 in favour of 9190-5778 Québec Inc. for an amount of \$96,618.74 with interest at the rate of 26.82% per annum registered at the Land Registry Office for the Registration Division of Abitibi under number 21 105 742 and at the Public Register of Real and Immovable Mining Rights under number 55738.
2. Legal Hypothec (construction) dated October 9, 2014 in favour of 2985080 Canada Inc. for an amount of \$734,034.80 registered at the Land Registry Office for the Registration Division of Abitibi under number 21 109 091.
3. Legal Hypothec (construction) dated October 15, 2014 in favour of 3391612 Canada Inc. for an amount of \$174,727.96 with interest at the rate of 24% per annum registered at the Land Registry Office for the Registration Division of Abitibi under number 21 119 314 and at the Public Register of Real and Immovable Mining Rights under number 55741.
4. Legal Hypothec (construction) dated October 8, 2014 in favour of Les Structures GB Ltée for an amount of \$470,831.05 plus taxes registered at the Land Registry Office for the Registration Division of Abitibi under number 21 122 484.
5. Legal Hypothec (construction) dated August 29, 2014 in favour of Construction Promec Inc. for an amount of \$200,996.59 registered at the Land Registry Office for the Registration Division of Abitibi under number 21 122 491.
6. Legal Hypothec (construction) dated October 17, 2014 in favour of Construction Norascon Inc. for an amount of \$286,212.95 with interest at the rate of 18% per annum and registered at the Land Registry Office for the Registration Division of Abitibi under number 21 129 101 and at the Public Register of Real and Immovable Mining Rights under number 55742.
7. Amended Legal Hypothec (construction) dated May 11, 2015 in favour of 2985080 Canada Inc. for an amount of \$734,034.80 registered at the Land Registry Office for the Registration Division of Abitibi under number 21 524 049.
8. Legal Hypothec (construction) dated May 11, 2015 by 2985080 Canada Inc. registered at the Public Register of Real and Immovable Mining Rights under number 55957.

9. Legal Hypothec (construction) dated October 7, 2014 in favour of J.Y. Moreau Électrique Inc. for an amount of \$570,137.27 (plus \$950.00 in fees) registered at the Land Registry Office for the Registration Division of Abitibi under number 21 108 199.
10. Legal Hypothec (construction) dated October 7, 2014 in favour of 2950-0519 Québec Inc. for an amount of \$10,903.97 (plus \$950.00 in fees) registered at the Land Registry Office for the Registration Division of Abitibi under number 21 108 202.
11. Legal Hypothec (construction) dated October 10, 2014 in favour of WSP Canada Inc. for an amount of \$1,192,899.84 registered at the Land Registry Office for the Registration Division of Abitibi under number 21 113 397 and at the Public Register of Real and Immovable Mining Rights under number 55736.
12. Legal Hypothec (construction) dated October 10, 2014 in favour of Construction P.B.M. Inc. for an amount of \$253,989.40 (plus \$950.00 in fees) registered at the Land Registry Office for the Registration Division of Abitibi under number 21 113 595.
13. Legal Hypothec (construction) dated October 14, 2014 in favour of Les Industries Blais Inc. for an amount of \$325,222.21 (plus \$950.00 in fees) and registered at the Land Registry Office for the Registration Division of Abitibi under number 21 117 712.
14. Legal Hypothec (construction) dated October 15, 2014 in favour of Brema Inc., faisant affaires sous la dénomination REMATECH DIVISION BREMO for an amount of \$70,673.83 plus interest, registered at the Land Registry Office for the Registration Division of Abitibi under number 21 120 700.
15. Legal Hypothec (construction) dated October 14, 2014 in favour of Dynamitage Castonguay Ltée. for an amount of \$535,656.12 plus interest at the rate of 18% per annum, registered at the Land Registry Office for the Registration Division of Abitibi under number 21 121 017.
16. Legal Hypothec (construction) dated October 14, 2014 in favour of Location Dumco Inc. for an amount of \$39,702.30, registered at the Land Registry Office for the Registration Division of Abitibi under number 21 134 515.
17. Legal Hypothec (construction) dated October 22, 2014 in favour of 9208-1777 Québec Inc. for an amount of \$325,149.69, registered at the Land Registry Office for the Registration Division of Abitibi under number 21 137 982.
18. Legal Hypothec (construction) dated April 29, 2015 in favour of Les Huiles H.L.H. Ltée. for an amount of \$541,613.28 (plus \$950 in fees), registered at the Land Registry Office for the Registration Division of Abitibi under number 21 501 173.

19. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Brema Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on February 17, 2015 under number 21 353 755.
20. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Dynamitage Castonguay Ltée (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 13, 2015 under number 21 398 919.
21. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by J.Y. Moreau Électrique Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 25, 2015 under number 21 417 383.
22. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by 2950-0519 Québec Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 25, 2015 under number 21 417 385.
23. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Les Industries Blais Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 25, 2015 under number 21 417 388.
24. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Construction P.B.M. Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 25, 2015 under number 21 417 393.
25. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Location Dumco Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 25, 2015 under number 21 417 394.
26. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by 9208-1777 Québec Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 25, 2015 under number 21 417 396.
27. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Construction Promec Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on March 27, 2015 under number 21 423 934.
28. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by 3391612 Canada Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on April 1st, 2015 under number 21 433 457 and at the Public Register of Real and Immovable Mining Rights on April 23, 2015 under number 55891.
29. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Construction Norascon Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on April 1st, 2015 under number 21 433 458 and at the Public Register of Real and Immovable Mining Rights on April 23, 2015 under number 55890.

30. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Brema Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on April 1st, 2015 under number 21 433 521.
31. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by 9190-5778 Québec Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on April 1st, 2015 under number 21 434 452 and at the Public Register of Real and Immovable Mining Rights on May 19, 2015 under number 55917.
32. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by WSP Canada Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on April 13, 2015 under number 21 451 471 and at the Public Register of Real and Immovable Mining Rights on May 19, 2015 under number 55918.
33. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by Les Huiles H.L.H. Ltée (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on May 20, 2015 under number 21 539 306.
34. Prior Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by 2985080 Canada Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on April 21, 2015 under number 21 469 203 and at the Public Register of Real and Immovable Mining Rights on July 7, 2015 under number 55962.
35. Amended Notice of the Exercise of a Hypothecary Right (Sale under Judicial Control) by 2985080 Canada Inc. (Creditor) registered in the Land Register, for the Registration Division of Abitibi, on May 25, 2015 under number 21 552 781 and at the Public Register of Real and Immovable Mining Rights on July 7, 2015 under number 55962.

Receiver's charge

Receiver's Administration Charge (as defined in the Order Appointing a Receiver issued by the Superior Court of Québec (Commercial Division) on May 8, 2015 in file 500-11-047560-145 and later transferred to file 500-11-049079-151 (the "Receivership Order")), securing amounts due to the Receiver (as defined in the Receivership Order), its attorneys and other advisors.

Other Liens

1. Reservation of ownership and assignment of the reservation in favour of Ally Credit Canada Limited registered at the Register of Personal and Movable Real Rights on November 22, 2011 under registration number 11-0902112-0019.
2. Reservation of ownership (instalment sale) in favour of S. HUOT INC. registered at the Register of Personal and Movable Real Rights on June 5, 2012 under registration number 12-0444596-0002.

SCHEDULE F – ASSIGNED AGREEMENT

1. Mining Claim Transfer and Easement Agreement entered into as of February 1, 2010 between Schyan Exploration Inc./Exploration Schyan Inc. and Canada Lithium Corp., registered at the Public Register of Real and Immovable Mining Rights on July 22, 2010 under number 53 517, as amended by an Amendment to Mining Claim Transfer and Easement Agreement registered at the Public Register of Real and Immovable Mining Rights on September 24, 2010 under number 53 597.

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SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-049079-151

DATE: July 4, 2017

BEFORE THE HONOURABLE MARTIN CASTONGUAY, J.S.C.

IN THE MATTER OF THE RECEIVERSHIP OF: QUÉBEC LITHIUM INC., QLI MÉTAUX INC., RB ENERGY INC. AND SIROCCO MINING INC.

Debtors

-and-

KSV KOFMAN INC.

Receiver/Petitioner

-and-

NORTH AMERICAN LITHIUM INC.

-and-

TIANJIN PRODUCTS AND ENERGY RESOURCES DEVELOPMENT CO., LTD

-and-

ATACAMA MINERALS CHILE S.C.M.

Mises-en-cause

JUDGMENT

[1] The Petitioner, KSV Kofman Inc., as receiver (the "**Receiver**") of the Debtors Québec Lithium Inc., QLI Métaux Inc., RB Energy Inc. and Sirocco Mining Inc., presents an *Application for the Termination of the Receivership and for a Discharge Order with respect to QLI Métaux Inc., RB Energy Inc. and Sirocco Mining Inc.* (hereinafter collectively referred to as the "**Corporations**") dated June 20, 2017 (the "**Application**")

pursuant to sections 243 and following of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "BIA");

[2] **CONSIDERING** the Application, the affidavit and the exhibits in support thereof as well as the representations of the Receiver's attorney;

[3] **CONSIDERING** the second report of the Receiver dated June 20, 2017 (the "Receiver's Second Report");

[4] **CONSIDERING** the provisions of the BIA.

FOR THESE REASONS, THE COURT:

[5] **GRANTS** the Application.

[6] **DECLARES** that the service of the Application constitutes good and sufficient service on all persons and further **DECLARES** that the Petitioner is relieved of any other requirements for service of the Application.

[7] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Application.

APPROVAL OF RECEIVER'S ACTIONS AND ACTIVITIES

[8] **ORDERS** and **DECLARES** that the actions and activities of the Receiver as regards the Corporations described in the *Second Report of the Receiver* dated June 20, 2016 are hereby approved.

Confidentiality

[9] **ORDERS** that Confidential Appendix "1" to the Receiver's Second Report shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.

TERMINATION AND DISCHARGE

[10] **ORDERS** and **DECLARES** that, except as expressly provided in this Order, the proceedings initiated under the BIA with respect to the Corporations (the "**Receivership Proceedings**") shall be and are hereby terminated.

[11] **ORDERS** and **DECLARES** that, subject to the terms of this Order, the Receiver is hereby discharged as the receiver of all of the Corporations' present and future assets,

rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof.

[12] **ORDERS** that, notwithstanding its discharge herein, (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in the Receivership Proceedings, including all approvals, protections and stays of proceedings in favour of KSV Kofman Inc. in its capacity as Receiver.

[13] **ORDERS AND DECLARES** that no action, demand, claim, complaint or other proceedings shall be commenced or filed against the Receiver in any way arising out of or related to its capacity, decisions, actions or conduct as Receiver, except with prior leave of this Court and on prior written notice to the Receiver, the whole as provided in the Order appointing the Receiver dated May 8th 2015, and such further order securing, as security for costs, the full judicial and reasonable extrajudicial costs of the Receiver in connection with any proposed action or proceedings as the Court hearing such motion for leave to proceed may deem just and appropriate.

[14] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

[15] **DECLARES** that the Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada or elsewhere, for orders which aid and complement this Order.

[16] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

THE WHOLE WITHOUT COSTS.



Martin Castonguay, j.c.s.

ME ME MARTIN DESROSIER
ME JULIEN MORISSETTE
ME JULIEN HYNES-GAGNÉ
OSLER, HOSKIN & HARCOURT LLP
COUNSEL TO PETITIONER
Hearing date : July 4th 2017

No: 500-11-049079-151

**SUPERIOR COURT
(Commercial Division)**

DISTRICT OF MONTRÉAL

**IN THE MATTER OF THE RECEIVERSHIP OF :
QUÉBEC LITHIUM INC.**

Debtor

-and-

KSV KOFMAN INC.

Receiver/Petitioner

-and-

NORTH AMERICAN LITHIUM INC.

Mise-en-cause

**APPLICATION FOR THE TERMINATION OF THE
RECEIVERSHIP AND FOR A DISCHARGE ORDER
WITH RESPECT TO QUÉBEC LITHIUM INC.**

ORIGINAL

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