

C A N A D A

**PROVINCE OF QUEBEC
DISTRICT OF ABITIBI
LOCALITY OF VAL-D'OR**

No: 615-11-001311-127

**SUPERIOR COURT
(Commercial Division)
*Bankruptcy and Insolvency Act***

**IN THE MATTER OF THE RECEIVERSHIP
OF:**

CENTURY MINING CORPORATION

Debtor

-and-

**DELOITTE RESTRUCTURING INC.,
formerly known as SAMSON BÉLAIR /
DELOITTE & TOUCHE INC.**

Receiver/Petitioner

-and-

**COMPUTERSHARE TRUST COMPANY OF
CANADA**

Collateral Agent

-and-

DEUTSCHE BANK AG, LONDON BRANCH

Principal Secured Creditor

-and-

NEW CAROLIN GOLD CORP.

-and-

0643990 B.C. LTD., a corporation duly
constituted having its principal place of
business at Suite 3123, 595 Burrard Street,
Vancouver, British Columbia V7X 1J1

-and-

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

Mises-en-cause

MOTION FOR THE ISSUANCE OF (I) AN APPROVAL AND VESTING ORDER, (II) AN ORDER AUTHORIZING THE DISTRIBUTION OF THE PROCEEDS OF THE SALE OF THE PROPERTY AND (III) AN ORDER DISCHARGING THE RECEIVER
(Section 249 of the *Bankruptcy And Insolvency Act*, R.S.C. (1985) C. B-3 (THE "BIA"))

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF ABITIBI, THE RECEIVER RESPECTFULLY SUBMITS AS FOLLOWS: PURPOSE OF THE MOTION

1. Pursuant to the present Motion, and for the reasons set forth herein, Deloitte Restructuring Inc., in its capacity as Court-appointed receiver to the assets of the debtor (the "**Receiver**"), requests that this Court issue the following orders:
 - a) An approval and vesting order with respect to the Proposed Transaction (as defined herein);
 - b) An order authorizing the distribution of the proceeds of the Proposed Transaction and the remaining sums held by the Receiver (collectively, the "**Distribution**"); and
 - c) An order discharging the Receiver upon completion of the Distribution.

the whole in accordance with the draft order communicated herewith as **Exhibit R-1A** as well as a compare version with the model order of the *Comité de Liaison* of the Commercial Chamber of the Superior Court of Québec in the district of Montreal, communicated herewith as **Exhibit R-1B**.

B. THE PARTIES

2. The Debtor Century Mining Corporation ("**CMC**") is a corporation continued under the Canada Business Corporations Act, R.S.C. 1985, c. C-44 and which was operating as a gold producer, with its principal mining operations in Val d'Or, Québec and an indirect majority equity interest in mining operations situated in San Juan, Arequipa, Peru, as appears from the Court record herein.
3. The Petitioner Deloitte Restructuring Inc., formerly known as Samson Bélair / Deloitte & Touche Inc., was appointed receiver to all of the assets, properties and undertakings of CMC (the "**Receiver**") pursuant to an order from the Superior Court of Québec rendered on May 29, 2012 (the "**Receivership Order**" and the "**Receivership Proceedings**").
4. The Mise-en-cause Deutsche Bank AG ("**DB**") is a corporation acting through its London, U.K. Branch, and is the principal secured creditor of CMC and maintains, through Computershare Trust Company of Canada, in its capacity as collateral agent for DB ("**Computershare**"), a security over CMC's property, the whole as appears from the Court record herein.

5. The Receivership Order was rendered by this Honourable Court at the request of DB, through Computershare, as it appears from the Court record herein. As of May 25, 2012, CMC was indebted towards DB in a total amount of US \$66,805,018.00 (the "**Indebtedness**").
6. The mise-en-cause 0643990 B.C. Ltd. ("**0643**") is a corporation duly incorporated under the laws of British Columbia, which has executed the APA (as defined below), for which the Receiver is seeking the authorization from this Court with the present Motion, as more fully detailed hereinafter.

C. THE RECEIVERSHIP PROCEEDINGS

7. Since the issuance of the Receivership Order on May 29, 2012, the Receiver has taken multiple measures in order to achieve the orderly sale of CMC's assets, as well as taken all conservatory measures deemed necessary with respect to said assets and other measures to settle CMC's obligations as needed during its mandate, the whole as more fully appears from the Court record and notably from (i) the seventeenth Receiver's report dated February 1, 2018 (the "**Seventeenth Report**"), already filed in the Court record and of which a courtesy copy is communicated herewith under seal as **Exhibit R-2**, and (ii) the eighteenth Receiver's report (the "**Eighteenth Report**") dated July 20, 2021 and filed in support of the present Motion under seal as **Exhibit R-3**.
8. The Receiver last appeared before this Court on February 6, 2018 for the presentation of the *Motion for the Issuance of an Order Authorizing the Sale of Part of the Debtor's Assets, and for the Issuance of an Approval and Vesting Order*, with respect to the sale of CMC's rights, title and interests in and to the following mining claims:
 - a) Claim #1210470, Cirrus Lake Area, Ontario;
 - b) Claim #1232129, Lorna Lake Area, Ontario;
9. In February 2018, the Receiver completed and closed the transaction authorized by this Court on February 6, 2018 with respect to the sale of CMC's rights, titles and interest in the above-mentioned mining claims, and has dealt with certain post-closing matters in the months following that transaction, the whole as appears from the Eighteenth Report (Exhibit R-3 under seal).

D. THE NCGC AGREEMENT

10. On December 2, 2014, the Receiver sought and obtained an order from this Court authorizing the sale by the Receiver of certain mining claims (the "**Carolin Mine Assets**") to New Carolin Gold Corp. ("**NCGC**") pursuant to an Asset Purchase Agreement between the Receiver and NCGC (as amended, the "**NCGC Agreement**"), as appears from the Court record. A copy of the NCGC Agreement is filed under seal as Schedule A to the APA (Exhibit R-4).

11. Indeed, the Receiver still holds shares in the share capital of NCGC as a result of the NCGC Agreement, as well as other mining rights resulting from same, which the Receiver now wishes to sell to the mise-en-cause 0643 and which may be described as follows (the “**Remaining NCGC Assets**”):
 - a) a 2% net smelter return royalty on the Ladner Gold Project (as defined in the NCGC Agreement);
 - b) an amount equal to 35% of the profits, if any, earned and received by NCGC from the sale of gold obtained by NCGC, or obtained by any third party contracted by NCGC for that purpose; and
 - c) certain issued and outstanding shares of NCGC, which, as of the date hereof, total 2 738 951 common shares (the “**NCGC Shares**”).
12. NCGC is a public company, whose shares are currently trading on the TSX Venture Exchange under the ticker LAD.CVE.
13. The Remaining NCGC Assets subject to the APA for which approval is being sought through the present Motion are effectively the last assets of CMC subject to the Receivership Proceedings.
14. The key facts and circumstances regarding the NCGC Agreement are more amply described in the Eighteenth Report filed in support of this Motion (Exhibit R-3 **under seal**).

E. THE LATEST SOLICITATION EFFORTS AND THE PROPOSED TRANSACTION

15. Since the closing of the transactions contemplated by the NCGC Agreement, and despite the Receiver’s best efforts, the Receiver had been unable to sell or otherwise realize the NCGC Shares, namely due to its low trading volume and due to the Receiver’s preference to sell the NCGC Shares as part of the Remaining NCGC Assets rather than separately.
16. As such, and in consultation with DB, the Receiver informed NCGC of its intention to dispose of the Remaining NCGC Assets, including the NCGC Shares, it being understood that the Receiver’s intentions were to dispose of these assets through a single transaction.
17. After evaluating all of its options under the NCGC Agreement, the Receiver determined that the sale of the Remaining NCGC Assets was the only viable option for the benefit of CMC’s stakeholders.
18. In light of the foregoing, on May 5, 2021, the Receiver initiated a sales process for the Remaining NCGC Assets (the “**Sales Process**”).
19. The parameters and details of the Sales Process are further outlined in the Eighteenth Report filed in support of this Motion (Exhibit R-3 **under seal**), but may be summarized as follows:

- a) The Receiver identified and communicated with 93 prospective purchasers;
 - b) The deadline to submit an offer was set at June 4, 2021 at 2:00 P.M.
 - c) The Receiver received two (2) offers in the context of the Sales Process, including an offer from 0643.
 - d) After discussion with the offerors, and given the similarities between their respective offer, the Receiver asked each offeror to submit a new offer.
 - e) Ultimately, the Receiver determined that a transaction with 0643 as contemplated in the Asset Purchase Agreement, filed **under seal** as **Exhibit R-4** (the “**Proposed Transaction**”) was the best offer and in the best interests of CMC’s stakeholders.
20. The Remaining NCGC Assets essentially provide the Purchaser with the non-monetary consideration of the NCGC Agreement, and in turn allow the Receiver to monetize such assets for the benefit of CMC’s stakeholders in order to complete the Receivership Proceedings.

F. THE ORDERS SOUGHT

21. It is respectfully submitted to this Honourable Court that the Proposed Transaction is the best offer under the circumstances, notably given the efforts of the Receiver resulting from the various solicitation efforts and Sales Process, and considering the nature and limited scope of the purchased assets (i.e. the Remaining NCGC Assets), the whole as more fully appears from the Court record and the Eighteenth Report (Exhibit R-3, under seal).
22. In light of the foregoing, the Receiver respectfully submits to this Honourable Court that the Proposed Transaction should be authorized, the whole in accordance with the conclusions set forth herein.
23. Moreover, as stated earlier, the Remaining NCGC Assets are effectively the last non-monetary assets of CMC subject to the Receivership Proceedings.
24. In such circumstances, upon the closing of the Proposed Transaction, the assets held by the Receiver will have been entirely liquidated into cash, such that the Receiver respectfully submits that it is appropriate to now authorize the Receiver to perform the Distribution to DB after the closing of the Proposed Transaction and to effectively discharge the Receiver from its duties after the Distribution upon the filing of a certificate confirming that to the Receiver’s knowledge, all matters pertaining to these receivership proceedings have been completed.
25. Finally, the Receiver respectfully submits that Exhibits R-2, R-3 and R-4 must be filed **under seal** in the Court Record.
26. Indeed, as stated earlier, the NCGC is a public company whose shares are currently trading on the TSX Venture Exchange. The APA and the Eighteenth

Report filed in support of this motion contain commercially sensitive information which is not available to the market, such that disclosure of same could have an impact on the trading price of the shares.

27. In addition to the above, since the APA pertains to the Remaining NCGC Assets, the NCGC Agreement, which was already subject to a sealing order by this Court, forms part of the APA as a necessary schedule thereto.
28. The present Motion is well founded both in fact and in law.

FOR THESE REASONS, MAY IT PLEASE THIS COURT TO:

- [A] **GRANT** the present Motion;
- [B] **ISSUE** an order substantially in the form of the draft order communicated as Exhibit R-1A in support of the Motion;
- [C] **THE WHOLE** without costs, save in case of contestation.

Montréal, this July 22, 2021

Fasken Martineau DuMoulin LLP

Fasken Martineau DuMoulin LLP

Attorneys for Receiver/Petitioner

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SWORN STATEMENT

I, Martin Franco, Partner at Deloitte Restructuring Inc, practicing my profession at 1190, avenue des Canadiens-de-Montréal, Suite 500, City of Montréal, Province of Québec, H3B 0M7, do solemnly affirm:

1. I am a duly authorized representative of Receiver/Petitioner;
2. I have personal knowledge of all the facts alleged in the attached Motion;
3. All the facts mentioned in the attached Motion are true.

AND I HAVE SIGNED:



MARTIN FRANCO

Solemnly affirmed before me, in
Montréal, on July 22, 2021



Commissioner for Oaths for Québec

NOTICE OF PRESENTATION

TO: **Stikeman Elliott, s.e.n.c.r.l.**
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Attention: Me Chantal Comtois

Chantal.comtois@justice.gc.ca

**Computershare Trust Company of
Canada**

c/o: Me Guy Martel

gmartel@stikeman.com

AVIS DE PRÉSENTATION EN DIVISION DE PRATIQUE – VAL-D'OR

(Article 411 C.p.c.)

1. APPEL DU RÔLE PROVISOIRE DE LA DEMANDE PAR CONFÉRENCE TÉLÉPHONIQUE / VIRTUAL CALLING OF THE ROLL

PRENEZ AVIS qu'un appel du rôle provisoire par conférence téléphonique aura lieu le **10 août 2021 à 13h15 heures.**

TAKE NOTICE that a Virtual Roll Call will be held on **August 10, 2021 at 1:15 pm.**

Lors de cet appel du rôle, si le dossier est complet, vous pourrez réserver votre date d'audience ou informer la Cour du temps requis pour la présentation des demandes devant être entendues par un juge le jour suivant, et ce, en conformité avec les directives du juge coordonnateur de la Cour supérieure du district d'Abitibi (Val-d'Or et Chibougamau).

Pour vous joindre à l'appel du rôle provisoire, vous devez composer le numéro de téléphone **1-833-450-1741** et joindre la conférence téléphonique en composant le numéro **825 268 525#**, **cinq (5) minutes avant l'heure prévue pour la conférence téléphonique**. Celle-ci sera présidée par le greffier spécial de la Cour supérieure.

To join the Virtual Roll Call, please dial **1-833-450-1741 – ID Access number 825 268 525#, five (5) minutes before the scheduled time for the conference call.**

II. PRÉSENTATION DE LA DEMANDE

PRENEZ AVIS qu'à la suite de l'appel du rôle provisoire, la demande, si elle n'a pas été remise à une date ultérieure, sera présentée en **salle 1.02** du palais de justice de Val-d'Or, 900, 7^e rue, Val-d'Or, province de Québec, **le 11 août 2021 à 9 heures** ou aussitôt que conseil pourra être entendu.

TAKE NOTICE that the Motion will be presented in **room 1.02** of the Val d'Or Courthouse, 900 7th Street, Val-d'Or, Province of Quebec, on August 11, 2021 at 9:00 a.m. or as soon as counsel can be heard.

Pour cette audition vous pouvez être présent en salle d'audience ou par lien teams à l'adresse suivante : <https://url.justice.gouv.qc.ca/5jqQ> - ID vidéoconférence : 1138265591

For this hearing you can be present in the hearing room or by link teams at the following address: <https://url.justice.gouv.qc.ca/5jqQ> - ID vidéoconférence : 1138265591

III. DÉFAUT DE PARTICIPER À L'APPEL DU RÔLE PROVISOIRE PAR CONFÉRENCE TÉLÉPHONIQUE

PRENEZ AVIS que si vous désirez contester la demande, vous devez participer à l'appel du rôle provisoire par voie de conférence téléphonique. À défaut, un jugement pourra être rendu contre vous lors de la présentation de la demande, sans autre avis ni délai.

TAKE NOTICE that if you wish to contest the application, you must participate in the appeal of the provisional roll by telephone conference. Failure to do so may result in a judgment being rendered against you at the time the application is filed, without further notice or delay.

IV. CONTESTATION DE LA DEMANDE

PRENEZ AVIS que pour mettre le dossier en état et contester la demande, vous devez avoir fait notifier au(x) soussigné(s) et produit au dossier de la cour supérieure, dans le délai d'au moins cinq jours avant la date de présentation de la demande, le formulaire de fixation des pensions alimentaires pour enfants (annexe 1), votre déclaration de revenus provinciale pour l'année précédente, l'avis de cotisation, trois relevés de paie récents et tout autre document permettant d'établir l'ensemble de vos revenus pour l'année en cours. Vous devrez également fournir une déclaration dûment signée par vous en vertu de l'article 444 C.p.c. ainsi que l'attestation de participation à la séance de parentalité.

TAKE NOTICE that in order to prepare the file and contest the application, you must have served the undersigned and filed in the Superior Court file, at least five days prior to the date of presentation of the application, the child support determination form (Schedule 1), your provincial income tax return for the previous year, the notice of assessment, three recent pay statements and any other document that establishes your total income for the current year. You will also need to provide a signed declaration under section 444 C.C.P. and proof of attendance at the parenting session.

V. DÉFAUT DE SE PRÉSENTER À LA DATE D'AUDIENCE FIXÉE LORS DE LA CONFÉRENCE TÉLÉPHONIQUE

PRENEZ AVIS que si vous ne vous présentez pas à la cour supérieure à la date d'audience fixée lors de la conférence téléphonique, jugement pourra être rendu contre vous sans autre avis ni délai.

TAKE NOTICE that if you fail to appear in Superior Court on the hearing date set during the conference call, judgment may be entered against you without further notice or delay.

VI. OBLIGATIONS

A. Collaboration

PRENEZ AVIS que vous avez l'obligation de coopérer avec l'autre partie, notamment en vous informant mutuellement, en tout temps, des faits et des éléments susceptibles de favoriser un débat loyal et en vous assurant de préserver les éléments de preuve pertinents (article 20 C.p.c.).

TAKE NOTICE that you have an obligation to cooperate with the other party, in particular by informing each other, at all times, of the facts and elements likely to promote a fair debate and by ensuring that you preserve the relevant evidence (article 20 C.C.P.)

B. Mode de prévention et de règlement des différends

PRENEZ AVIS que vous devez, avant de vous adresser au Tribunal, considérer le recours aux modes privés de prévention et de règlement de votre différend qui sont, entre autres, la négociation, la médiation ou l'arbitrage, pour lesquels les parties font appel à l'assistance d'un tiers (article 2 C.p.c.).

TAKE NOTICE that you must, before applying to the Tribunal, consider the use of private methods of preventing and resolving your dispute which are, among others, negotiation, mediation or arbitration, for which the parties call upon the assistance of a third party (article 2 C.C.P.).

VII. CONVENTION

PRENEZ AVIS qu'advenant le cas où une entente était conclue entre les parties, la convention en résultant sera déposée devant un juge de la cour supérieure ou un greffier spécial de cette cour.

TAKE NOTICE that in the event an agreement is reached between the parties, the resulting agreement will be filed with a judge of the Superior Court or a special clerk of that court.

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, this July 22, 2021

Fasken Martineau DuMoulin LLP

Fasken Martineau DuMoulin LLP

Attorneys for Receiver/Petitioner

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Mises-en-cause

LIST OF EXHIBITS

EXHIBIT R-1A: Draft order.

- EXHIBIT R-1B:** Compare version with the model order of the Comité de Liaison of the Commercial Chamber of the Superior Court of Quebec in the district of Montreal.
- EXHIBIT R-2:** *Under seal* - Seventeenth Receiver's report.
- EXHIBIT R-3:** *Under seal* – Eighteenth Receiver's report.
- EXHIBIT R-4:** *Under seal* - Asset Purchase Agreement.

Montréal, this July 22, 2021

Fasken Martineau DuMoulin LLP

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Attorneys for the Receiver/Petitioner

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