



District of	British Columbia
Division	No. 03 - Vancouver
Estate No.	11-1904494
Court No.	B-141089

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE BANKRUPTCY OF

CRESTON MOLY CORP.

TRUSTEE'S FINAL REPORT

January 29, 2015

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I. INTRODUCTION

1. Creston Moly Corp. (“**Creston**” or the “**Company**”) is a wholly-owned subsidiary of Mercator Minerals Ltd. (“**Mercator**”), a base metals natural resource company engaged in the mining, development and exploration of its subsidiary-owned mineral properties in the United States of America, Mexico and Canada. Creston is registered under the laws of the Province of British Columbia, Canada.
2. On August 26, 2014, Mercator and Creston (collectively, the “**Debtors**”) each filed a Notice of Intention to make a proposal (“**NOI**”) under Part III, Division I of the *Bankruptcy and Insolvency Act*, Canada (“**BIA**”). Deloitte Restructuring Inc. was appointed as the Proposal Trustee for the Debtors.
3. The Debtors were not able to obtain further sources of funding to allow a Proposal to be made to their creditors. Pursuant to Subsection 50.4(8) of the BIA, the Debtors were deemed to have filed assignments in bankruptcy on September 5, 2014 (“**Date of Bankruptcy**”). Deloitte Restructuring Inc. was appointed as Trustee in Bankruptcy for both Mercator (in such capacity, the “**Mercator Trustee**”) and Creston (in such capacity, the “**Trustee**”) by the Official Receiver.

II. PURPOSE OF REPORT

4. On September 24, 2014, the Trustee filed its Preliminary Report (the “**Preliminary Report**”), to the Office of the Superintendent of Bankruptcy (the “**OSB**”) and tabled this report at the First Meeting of Creditors held on September 25, 2014. A copy of the Preliminary Report is attached as Appendix A.
5. This is the Trustee’s first and final report to Court (“**Final Report**”). The purpose of this Final Report is as follows:
 - a) To report on the causes of the Debtors’ financial difficulties and circumstances leading to the NOI and bankruptcy proceedings;
 - b) To report on the Trustee’s activities from the date of its appointment as Proposal Trustee to January 29, 2015;

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- c) To report on the sale and marketing process undertaken by Deloitte Corporate Finance Inc. (“**DCF**”) and the Trustee to realize the assets of Creston (“**Creston Sale Process**”);
 - d) To report on the sale and purchase agreement entered into between the Mercator Trustee and Starcore Mines International Ltd. (“**Starcore**”) dated January 16, 2015 (the “**Creston SPA**”);
 - e) To report on the creditors of Creston and the claims process undertaken by the Trustee;
 - f) To report on the fees and disbursements of the Trustee, the Trustee’s legal counsel, and DCF;
 - g) To report on the Trustee’s final statement of receipts and disbursements from the Date of Bankruptcy to January 28, 2015 (the “**Trustee’s Final R&D**”); and
 - h) To seek an Order of the Court:
 - (i) Approving the Trustee’s activities as set out herein;
 - (ii) Approving the Trustee’s Final R&D;
 - (iii) Approving the accounts of the Trustee, the Trustee’s legal counsel and DCF;
 - (iv) Subject to and upon the closing of the transaction contemplated by the Creston SPA (the “**Creston Transaction**”), authorizing and directing the Trustee to make the Creditor Payments and the Levy Payment, as defined in paragraph 60 of this Final Report;
 - (v) Subject to and upon the closing of the Creston Transaction, authorizing and directing the Mercator Trustee to make the Closing Disbursements, as defined in paragraph 71 of this Final Report;
 - (vi) Approving an order of discharge of Creston and an order of discharge of the Creston Trustee subject to the Trustee making the Creditor Payments and Levy Payment, and the Mercator Trustee making the Closing Disbursements; and
 - (vii) Waiving the statutory notice periods provided for in Subsections 149, 152(4), 152(5) and 39(5) of the BIA.
6. Throughout this Final Report, amounts are expressed in Canadian Dollars, unless otherwise specified.

III. BACKGROUND TO THE MERCATOR AND CRESTON INSOLVENCY PROCEEDINGS

7. Mercator is the parent company of six wholly-owned subsidiaries: Creston, Mercator Minerals (USA) Ltd., Stingray Copper Inc., Mercator Minerals (Barbados) Ltd., Mercator Mineral Park Holdings Ltd., and Lodestrike Resources Ltd. A copy of the Mercator group structure chart is attached as Appendix B.
8. Mercator was publicly traded on the Toronto Stock Exchange (TSX:ML). Trading in Mercator's shares was suspended on August 26, 2014 as a result of the NOI proceedings.
9. In light of the commodity price environment and difficult capital market conditions, Mercator commenced a process to review its strategic alternatives in mid-2013 with the assistance of its financial advisor, BMO Nesbitt Burns Inc.
10. On December 12, 2013, Mercator announced that it had entered into an arrangement agreement ("**Arrangement**") and ancillary documentation with Intergeo MMC Ltd. ("**Intergeo**") to effect a business combination through a plan of arrangement under Canadian law.
11. In connection with this transaction, Daselina Investments Ltd. ("**Daselina**"), Intergeo's controlling shareholder, agreed to advance up to US\$15 million to Mineral Park Inc. ("**MPI**", a wholly-owned subsidiary of Mineral Park Holdings Ltd.) by way of a bridge loan ("**Bridge Loan**") to provide sufficient funding to stabilize its operations until the business combination transaction could be completed.
12. On April 29, 2014, Mercator agreed with Intergeo to certain amendments to the agreements executed in the Arrangement, including the extension of the completion deadline up to May 30, 2014 and, in certain circumstances, up to August 1, 2014, and additional interim funding. The completion deadline was extended to provide the Russian Federal Anti-Monopoly Services ("**FAS**"), the federal executive body responsible for foreign investments by Russian Federation entities, with additional time to complete its review of the response provided by Mercator and Intergeo to its request for information regarding the terms and conditions of the Arrangement. On July 2, 2014, FAS extended its review of Mercator's application for up to an additional two months.

13. On July 14, 2014, Intergeo advised Mercator that Intergeo was not expecting to request or agree to an extension of the completion deadline beyond August 1, 2014. Effective the end of the day on August 1, 2014, the Arrangement was terminated, and Intergeo provided a waiver of the non-solicitation provisions contained in the Arrangement agreement.
14. In addition to the Bridge Loan provided by Daselina, MPI has a syndicated senior credit facility in place with Société Générale (“**SocGen**”, the administrative agent), WestLB AG, Credit Suisse and Barclays Capital (collectively, the “**MPI Lenders**”) in the amount of approximately US\$103 million (“**SocGen Facility**”) (which amount includes the obligations of MPI in respect of certain terminated copper hedge and interest rate swap contracts). Various defaults had occurred under the SocGen Facility and other credit facilities held by MPI and other related parties. As a result, the Mercator entities had been operating under forbearance arrangements with the applicable lenders.
15. After the expiration of the forbearance agreement with the MPI Lenders on August 15, 2014, Mercator continued to explore its strategic options. However, the Trustee understands that Mercator and the MPI Lenders were unable to come to an agreement to extend any further accommodations to MPI outside of bankruptcy. Subsequently, Mercator Mineral Park Holdings Ltd., MPI, Lodestrike Resources Ltd. and Bluefish Energy Corporation all filed for Chapter 11 protection under the Bankruptcy Code, in the United States Bankruptcy Court on August 25, 2014.
16. The SocGen Facility is supported by an unsecured parent guarantee agreement dated October 23, 2012 (“**SocGen Guarantee**”), under which Mercator guaranteed all the obligations of MPI to the MPI Lenders in certain circumstances. Given Mercator’s lack of liquidity, the SocGen Guarantee, and Mercator’s other liabilities, Mercator was unable to meet its current and future obligations. In order to allow time for the Debtors to restructure their operations and affairs, the Debtors filed an NOI on August 26, 2014 (“**NOI Date**”) and Deloitte Restructuring Inc. consented to act as Proposal Trustee.
17. After filing the NOI, the Debtors continued to solicit interest in Mercator and/or its assets, and to determine whether a transaction could be achieved to allow the Debtors to restructure their financial affairs. Mercator engaged in discussions with various interested parties to explore their interest in the assets of Mercator. However, due to the uncertainty surrounding

the Chapter 11 proceedings, and the complex security structure associated with the Mercator's various lending facilities, it became apparent that it was unlikely that a transaction to recapitalize Mercator which would allow the Debtors to make a viable Proposal to its creditors would be achieved.

18. Effective September 4, 2014 all of the Debtors' directors and officers resigned. Pursuant to Subsection 50.4(8) of the BIA, the Debtors were deemed to have made assignments in bankruptcy on September 5, 2014 as a result of the Debtors not filing the cash flow forecast with the Official Receiver within the prescribed statutory 10-day period. Deloitte Restructuring Inc. was appointed as Trustee for the estates of both Mercator and Creston by the Official Receiver.
19. The appointments of the Mercator Trustee and the Trustee were affirmed by the creditors at the First Meetings of Creditors held on September 25, 2014. On the same date, Mr. Kibben Jackson (Partner of Fasken Martineau DuMoulin LLP and legal counsel for SocGen in these proceedings) and Ms. Tamara Howarth (Senior Legal Counsel for Silver Wheaton Caymans Ltd. ("**Silver Wheaton**")) were appointed inspectors of the estate of Mercator (collectively, the "**Inspectors**"). No inspectors were appointed over the estate of Creston.

IV. CRESTON OVERVIEW

20. Creston is a holding company which owns a 100% interest in three mining properties via its wholly-owned subsidiaries:
 - a) El Creston: a molybdenum/copper exploration and development project located in Sonora, Mexico ("**El Creston**"). The rights to El Creston are owned by a Mexican registered subsidiary Exploraciones Global SA de CV ("**Exploraciones**"), which itself is wholly-owned by an intermediary holding company, Creston Mining Corporation ("**Creston Mining**").
 - b) Ajax: an exploration stage molybdenum property located near Alice Arm, British Columbia ("**Ajax**"). Owned indirectly by Creston via its wholly-owned subsidiary Tenajon Resources Corp. ("**Tenajon**").

- c) Molybrook: an exploration stage molybdenum property located on the south coast of Newfoundland (“**Molybrook**”). Owned indirectly by Creston via its wholly-owned subsidiary Tenajon.
21. Creston was acquired by Mercator in June 2011 via a plan of arrangement for a combination of shares in Mercator and cash, which valued Creston at approximately \$195 million at the time of the transaction. Mercator’s investment in Creston has since been written down to nil in Mercator’s financial statements.
 22. Creston was managed from Mercator’s head office located in Vancouver, British Columbia. Creston did not have any employees at the NOI Date.
 23. Exploraciones has three employees located in Mexico. Exploraciones depends on funding from its ultimate parent, Mercator, to continue the care and maintenance of El Creston.
 24. Tenajon holds the rights to Ajax and Molybrook and has no operations or employees.

V. CRESTON MARKETING AND SALES PROCESS

25. Upon its appointment, the Trustee investigated the current status of Creston’s three mining properties through discussions with the Company’s former Geologist, Mr. David Visagie. The Trustee then used specialists in its mining corporate finance department to analyze the potential value of the properties and the buyers which may be interested in acquiring them.
26. While Creston was acquired by Mercator in June 2011 for consideration of approximately \$195 million, a number of factors were expected to impact the value that may be achievable through a sale by the Trustee, including:
 - a) Continued weakness in the price of molybdenum and copper (copper and molybdenum were trading at \$4.09 per pound and \$15.10 per pound, respectively, as of June 22, 2011. Since then the price of copper and molybdenum have fallen to \$2.59 per pound and \$9.56 per pound (as at January 20, 2015), respectively, corresponding to a decline of 37% for both commodities;
 - b) Continued weakness in the broader mining sector, with lack of liquidity and investor appetite to fund acquisitions;
 - c) Prior to the bankruptcy, the market attributed little value to Creston’s assets;

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- d) Potential concerns relating to the ongoing litigation in respect of the surface rights at El Creston (more fully described in Section 7 of the Preliminary Report); and
 - e) The negative value impact associated with a sale from bankruptcy proceedings.
27. Despite the above concerns, the Trustee, in consultation with the Inspectors, concluded that it would be in the interests of the estate to undertake a first phase of marketing the assets of Creston for sale in order to establish the level of interest in and potential value of the assets.
28. As at the Date of Bankruptcy, the estate of Creston had no cash, with the exception of a fee retainer held by the trustee in the amount of \$40,000. The Mercator estate also had a limited cash balance of approximately \$154,000 in addition to a fee retainer held by the Mercator Trustee in the amount of \$85,000.
29. After account was taken for the preservation costs associated with El Creston (refer to Section VI of this Final Report for further details), in addition to the Mercator Trustee's and the Trustee's anticipated estate administration costs and expenses, the Trustee had insufficient funds to commence a sales and marketing process of Creston and its assets absent third party arrangements. The Trustee sought an indemnity for its fees in running a sale process from SocGen and Silver Wheaton, whose claims are expected to account for more than 95% of all claims against Mercator. However, the Trustee was unable to secure their agreement to a fee indemnity.
30. The Trustee indicated that they were not willing to bear the risk of running a sales process of the Creston shares or assets without assurance that it would be paid for its efforts in doing so. Accordingly, in order to maximize the value of Creston's assets for the benefit of the estate, a resolution was proposed and agreed to by the Inspectors such that, subject to Court approval, the Mercator Trustee and the Trustee (in such dual capacities, the "Trustees") would jointly engage DCF as its advisor in order to conduct a marketing and sale process to divest Creston via the sale of:
- a) Mercator's corporate shares in Creston;
 - b) Creston's corporate shares in its directly and indirectly held wholly-owned subsidiaries, namely Creston Mining, Tenajon, and Exploraciones; or
 - c) The assets of Creston's subsidiaries, El Creston, Ajax and Molybrook.

31. The Trustees filed a Notice of Application to Court dated November 25, 2014, seeking an Order of the Court approving the form of engagement letter between the Trustees and DCF (“**Engagement Letter**”) and authorizing and directing the Trustees to engage DCF on the terms set-out in the Engagement Letter.
32. On December 2, 2014, an Order was made by the Court (attached as Appendix C) granting this relief subject to DCF providing regular reports on the status of the sale process to the Inspectors. In addition, DCF is required to submit its accounts for approval by the Inspectors and the Court which approval shall be given before the Trustee pays any amount to DCF in respect of the Transaction Fee (as defined in the Engagement Letter).
33. DCF was formally appointed by the Trustees to undertake the Creston Sale Process on December 2, 2014 following receipt of Court approval. A copy of the finalized Engagement Letter is attached as Appendix D.
34. Significant efforts were undertaken by DCF relating to the preparation of marketing materials and other marketing efforts as part of the Creston Sale Process. DCF formally commenced the marketing process on December 8, 2014. Marketing materials, including an executive summary (“**Teaser**”), were prepared, an online data site with diligence materials was created with the assistance of the Company’s former geologist, and potential buyers were identified.
35. Approximately 600 potential buyers were approached including strategic investors such as molybdenum producers and developers, financial investors such as private equity companies, and parties specifically focused on acquiring distressed assets.
36. A targeted approach was taken with those parties considered to be most likely to have an interest in the mineral properties. Phone calls or tailored emails were made to approximately 63 parties.
37. Confidentiality agreements were signed with six parties and these parties were given access to the online data site.
38. In total, seven proposals were received from interested parties, with two different proposals from one party. Two proposals (one from a strategic buyer, and another from a financial buyer) were clearly most favorable, expressing an interest in acquiring Mercator’s shares in

Creston for cash consideration. Both proposals provided for comparable cash consideration and had limited conditions precedent.

39. After discussions with the Inspectors, given the similarity of the proposals received and the need to ensure a fair and transparent process, the Trustee was directed by the Inspectors to run a sealed bid process under which both parties (the “**Qualified Bidders**”) would be given a final opportunity to present their best and final offers, and to provide a marked-up and executed proposed form of sale and purchase agreement (“**Sealed Bid Process**”). The specific terms and timelines for the Sealed Bid Process were provided to the Qualified Bidders in a process letter on January 13, 2015. Both Qualified Bidders confirmed their agreement to and participation in the Sealed Bid process on January 14, 2015.
40. On January 16, 2015, the Mercator Trustee received two sealed bids prior to the prescribed bid deadline of noon of that same day. In the afternoon of January 16, 2015, the Trustee met with the Inspectors to review the sealed bids, including the marked-up and executed proposed sale and purchase agreements (“**SPA**”). The bid made by Starcore was superior to that of the other Qualified Bidder, both in terms of the cash consideration offered, and due to the limited number of mark-ups made to the Trustee’s proposed form of SPA. Accordingly, on January 16, 2015, the Inspectors directed the Trustee by way of an Inspectors’ resolution to execute the Creston SPA and move forward with the procedures necessary to close the transaction. A copy of the Inspectors’ resolution is attached as Appendix E.
41. Pursuant to the Creston SPA, Starcore has agreed to purchase, and the Mercator Trustee has agreed to sell, the shares of Creston for cash consideration of \$2.0 million. The Creston SPA was executed by both Starcore and the Mercator Trustee on January 16, 2015. The Trustee’s legal counsel was also provided with a deposit by Starcore in the amount of \$200,000.
42. Closing of the Creston Transaction is subject to:
 - a) Payment of the balance of the purchase price (\$1.8 million) by Starcore to the Mercator Trustee;
 - b) The Trustee making payment in full to all proven creditors of Creston;
 - c) Discharge of Creston from bankruptcy proceedings; and
 - d) Discharge of the Trustee.

43. Pursuant to the terms of the Sealed Bid Process, closing of the Creston Transaction is contemplated to take place by no later than February 11, 2015. Time is of the essence given the ongoing working capital requirements of Exploraciones in order to continue to preserve the El Creston asset and owing to the limited cash balances held in the estates of Creston and Mercator (as outlined in Section VI below). In particular, a further payment of mineral concession taxes amounting to approximately US\$66,000 falls due on January 31, 2015.
44. In light of the extensive marketing process conducted by DCF, and the factors impacting the value of Creston's assets as outlined in paragraph 26 of this Final Report, the Trustee is of the opinion that the terms and timing of the Creston Transaction are reasonable and appropriate under the circumstances and will maximize the value of Creston's assets.

VI. EL CRESTON MAINTENANCE COSTS

45. Immediately following its appointment, the Trustee made enquiries regarding the ongoing maintenance costs associated with El Creston and the cash position of Exploraciones. Based on the cash flow forecast prepared by Exploraciones and reviewed by the Trustee, it was estimated that Exploraciones would require funding to preserve Creston's ownership interests in its subsidiaries and properties, particularly El Creston. The funding required for the period September 1, 2014 to early January, 2015 was estimated at approximately \$84,000 (the "**Preservation Costs**"). The Preservation Costs consisted primarily of ongoing operating costs in Mexico (wages, rent, utilities), in addition to outstanding mineral concession taxes of approximately US\$42,000.
46. As discussed in more detail in Section VIII of this Final Report, there are no known security interests against Creston, its subsidiaries or any of its assets. Furthermore, there are limited unsecured creditor claims, with proven claims amounting to approximately \$132,000. Accordingly, after satisfying the fees and expenses of the Trustee, DCF and the Trustee's legal counsel, any additional value obtained for the sale of Creston in excess of the aforementioned realization costs will ultimately benefit the creditors of the Mercator estate.
47. The funding requirement of Exploraciones and the costs associated with the Creston Sale Process were discussed in detail with the Inspectors at meetings held on October 8, 2014 and October 23, 2014. Given the lack of cash in the Creston estate, and potential value associated

with Creston's assets, the Inspectors agreed to the use of cash held in the Mercator estate to fund the Preservation Costs. This decision was documented by way of an Inspector's resolution dated December 2, 2014.

48. On November 4, 2014, a secured promissory note was executed by the Trustees pursuant to which Mercator loaned \$73,000 to Creston at an interest rate of 5% per annum due on the maturity date, March 31, 2015 (the "**Mercator Loan Agreement**"). The Mercator Loan Agreement provided that the funds could only be disbursed by Creston for the purposes of paying the Preservation Costs and for keeping the El Creston, Molybrook, and Ajax mineral properties in good standing.
49. As set out in the Trustee's Final R&D, attached as Appendix F, approximately \$61,149 of the Mercator Loan has been disbursed to Exploraciones. Preservation Costs were less than originally estimated due to Exploraciones receiving a tax refund in Mexico which provided additional working capital that had not been accounted for in the Exploraciones' original cash flow forecast. A further \$7,329 has been disbursed to Tenajon to extend a mineral claim held by Tenajon.

VII. CRESTON'S ASSETS

50. On the Date of Bankruptcy, the following assets were listed on Creston's balance sheet:

b) Cash

- (i) The Trustee received a fee retainer for acting in the Creston NOI and bankruptcy proceedings in the amount of \$40,000.

c) Intercompany Balances

- (i) As at the Date of Bankruptcy, Creston's balance sheet included various intercompany balances owing to the Company. These balances included \$1.3 million owing from Mercator, \$23.7 million owing from Exploraciones, and \$0.4 million owing from Creston Mining.
- (ii) The Company had estimated the net realizable value of these intercompany receivable balances in its Statement of Affairs ("**SoA**"), attached as Appendix B to the Preliminary Report, at nil due to the uncertainty of the outcome of the Mercator

bankruptcy proceedings and since both Exploraciones and Creston Mining had no significant tangible assets other than their direct and indirect interests in El Creston.

(iii) Prior to the closing of the Creston Transaction, the Mercator Trustee will provide a release and waiver of any and all claims that it may have against Creston.

d) Investments in Subsidiaries

(i) As at the Date of Bankruptcy, Creston's balance sheet included an investment in its subsidiary Tenajon in the amount of \$17.9 million and an investment in Creston Mining in the amount of \$35.3 million.

(ii) As per the SoA, the Company assigned estimated realizations to these equity interests at \$1.0 million and \$3.0 million for Tenajon and Creston Mining, respectively.

51. Following the closing of the proposed Creston Transaction there will be no remaining assets of Creston to be realized.

VIII. CRESTON'S CREDITORS & THE CLAIMS PROCESS

52. As previously noted, there are no known security interests registered against Creston or its subsidiaries. The Company's SoA indicated the following unsecured liabilities:

e) Tenajon \$2.9 million;

f) Miller Thompson LLP ("**Miller Thompson**") \$1,000; and

g) Sattva Capital Corporation ("**Sattva**") \$200,000.

53. On September 11, 2014, pursuant to Subsection 102(1) of the BIA, the Trustee sent by ordinary mailing to all listed creditors of Creston a creditor package, containing the following documents:

a) Form 67 – Notice of Bankruptcy and First Meeting of Creditors;

b) Form 78 – Company's SoA as at September 5, 2014;

c) Copy of the Certificate of Assignment issued by the OSB dated September 5, 2014; and

d) Blank Proof of Claim and Proxy form.

54. Proven claims were filed by Tenajon in the amount of \$2.9 million and Miller Thompson in the amount of \$2,124.
55. As a condition precedent to the closing of the Creston Transaction, Tenajon, Exploraciones and Creston Mining shall each release and waive any and all claims that it may have in the Creston and Mercator bankruptcy proceedings, and as at closing shall not have made any claim in the Creston and Mercator bankruptcy proceedings. Accordingly, the proof of claim previously submitted by Tenajon will be withdrawn and Tenajon is not considered a proven creditor of Creston.
56. Prior to the First Meeting of Creditors for the Creston estate, the Trustee received a phone call from a representative of Sattva notifying the Trustee that all monies owed to it had been paid and that Sattva did not have a claim against Creston.
57. On January 13, 2015, the Trustee sent by courier to Sattva and by email and ordinary mail to Tenajon and Miller Thompson a notice indicating that the Trustee intended to make a final dividend to proven creditors conditional on the closing of a transaction to sell Mercator's shares in Creston and subject to the discharge of the Trustee following the discharge of Creston from bankruptcy proceedings. The notice, attached as Appendix F, also required unproven creditors (Sattva) to prove their claims by January 23, 2015 in order to be eligible for the dividend distribution (the "**Claims Barred Date**").
58. The Trustee notes that the full 30 day notice period provided for under Section 149 of the BIA was not given to Sattva due to the necessity to close the Creston Transaction on an expedited basis.
59. On January 23, 2015, Sattva submitted a proof of claim and supporting documentation to the Trustee in the amount of \$151,378 (the "**Sattva Claim**"). The Sattva Claim relates to outstanding legal fees incurred by Sattva in respect of litigation and arbitration between Creston and Sattva during the period December 2007 to August 2014. The arbitration and subsequent appeal in the Supreme Court of Canada was ultimately awarded in favour of Sattva. The Trustee reviewed the Sattva Claim and also discussed it with Creston's former legal counsel and the Trustee's counsel. It was determined that the Sattva Claim was generally reasonable, although under usual circumstances the costs awarded may have been subject to additional review and/or approvals. The Trustee subsequently held discussions

with Sattva's legal counsel, McCarthy Tetrault LLP, in relation to the Sattva Claim. In consideration of the fact that the legal costs had not been formally reviewed and awarded in the arbitration process, and in light of the need to expedite the claims review and approval process in order to allow for a closing of the Creston Transaction, Sattva agreed to reduce its claim in the Creston bankruptcy proceedings to the amount of \$130,000. This agreement is documented by way of an email from Sattva's legal counsel dated January 29, 2015 and attached as Appendix G.

60. As previously indicated, the Creston Transaction is subject to Creston being discharged from bankruptcy proceedings. Pursuant to Subsection 169(4) of the BIA, a bankrupt corporation may not apply for a discharge unless it has satisfied the claims of its creditors in full. Upon closing of the Creston Transaction, the Trustee intends to pay in full the proven claims against the Creston estate, net of the OSB levy. The final distribution to creditors will be as follows:
- a) To the unsecured creditors: Miller Thompson \$2,018.27, and Sattva \$123,500 (together, the "**Creditor Payments**"); and
 - b) To the OSB: Levy in the amount of \$6,606.22 (the "**Levy Payment**").

IX. REQUEST FOR FEE APPROVAL

61. The total fees of the Trustee during the period from the NOI Date to January 16, 2015 (the "**Trustee Fee Period**") amount to \$85,833, together with expenses and disbursements in the amount of \$233, and GST in the amount of 4,303.30, (collectively, the "**Trustee's Fees and Disbursements**"). The time spent by the Trustee's personnel during the Trustee Fee Period is more particularly described in the Affidavit of Paul Chambers of Deloitte Restructuring Inc. (the "**Chambers Affidavit**"), sworn in support hereof and attached as Appendix H. Exhibit B to the Chambers Affidavit is a summary of the personnel, hours and hourly rates charged by the Trustee in respect of the Creston bankruptcy proceedings, for the Trustee Fee Period.
62. The total fees for the services provided by the Trustee's legal counsel, Gowling Lafleur Henderson LLP ("**Gowlings**"), during the period from September 5, 2014 to January 23, 2015 (the "**Gowlings Fee Period**") amount to \$63,404.50, together with expenses and disbursements in the amount of \$128.75, and GST/PST in the amount of \$7,613.76

(collectively, the “**Gowlings’ Fees and Disbursements**”). The time spent by Gowlings’ personnel during the Gowlings Fee Period is more particularly described in the Affidavit of Colin Brousson, a Partner with Gowlings (the “**Brousson Affidavit**”), sworn in support hereof and attached as Appendix I. Exhibit A to the Brousson Affidavit is a summary of the personnel, hours and hourly rates charged by Gowlings in respect of the Creston bankruptcy proceedings, for the Gowlings Fee Period.

63. Pursuant to the Engagement Letter, the total fees for the services provided by DCF in relation to the Creston Sale Process, during the period from October 21, 2014 to January 16, 2015 (the “DCF Fee Period”) amount to \$256,960, together with expenses and disbursements in the amount of \$136, and GST in the amount of \$12,854.80 (collectively, “**DCF’s Fees and Disbursements**”). The time spent by DCF’s personnel during the DCF Fee Period is more particularly described in the Affidavit of Kevin Becker, a Vice President of Deloitte Corporate Finance Inc. (the “**Becker Affidavit**”), sworn in support hereof and attached as Appendix J. Exhibit A to the Becker Affidavit is a summary of the personnel, hours and hourly rates charged by DCF in respect of the Creston Sale Process, for the DCF Fee Period.
64. DCF’s fees have been incurred in accordance with the Engagement Letter and in the Trustees’ view are reasonable given the work undertaken and are at reasonable market rates given the risks borne by DCF, risks that the Trustee was unwilling to take, and given that an indemnity could not be secured from Silver Wheaton or SocGen.
65. Given that the surplus proceeds from the Creston Transaction will benefit the Mercator estate, the Trustee provided draft copies of the Chambers Affidavit, the Brousson Affidavit, and the Becker Affidavit to the Inspectors of the Mercator estate for their review. Subsequently, on January 29, 2015, the Inspectors resolved that the Trustee’s Fees and Disbursements, Gowlings’ Fees and Disbursements and DCF’s Fees and Disbursements be approved in the amounts as outlined in paragraph’s 61, 62, and 63 above, respectively.
66. The Trustee respectfully submits that the Trustee’s Fees and Disbursements, the Gowlings’ Fees and Disbursements, and DCF’s Fees and Disbursements are reasonable in the circumstances and have been validly incurred. Accordingly, the Trustee seeks the approval of the Trustee’s Fees and Disbursements, the Gowlings’ Fees and Disbursements, and DCF’s Fees and Disbursements.

67. The Mercator Trustee intends to seek the approval of the Inspectors for the remaining fees and disbursements of the Trustee and its legal counsel for the period from January 17, 2015 to complete the Creston Transaction and the administration of the bankruptcy at a later date.

X. TRUSTEE'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

68. The Trustee's Final R&D is set out in summary below, and in Form 12, attached as Appendix K.

IN THE MATTER OF THE BANKRUPTCY OF CRESTON MOLY CORP.

Final Statement of Receipts and Disbursements For the Period of September 5, 2014 to January 28, 2015 (Canadian Funds)

Receipts		
Mercator loan	\$	73,000.00
Funds from retainer		40,000.00
Bank interest		67.44
Total Receipts		<u>\$ 113,067.44</u>
Disbursements		
Funding to Exploraciones	\$	61,148.83
Funding to Tenajon		7,329.31
Legal fees		5,386.52
Bank charges		294.70
GST paid		249.70
Court filing fees		150.00
OSB filing fees		150.00
Total Disbursements		<u>(74,709.06)</u>
Net Receipts		<u><u>\$ 38,358.38</u></u>

69. The net cash balance held by the Trustee at January 28, 2015 was \$38,358.38 (before payment of the Trustee's, Gowlings and DCF's Fees and Disbursements).

70. The Trustee notes that the OSB will be served with the Notice of Application dated January 29, 2015 to which this Final Report is appended. As at the date of this Final Report, the Trustee has not yet received a comment letter from the OSB pursuant to Section 152(4) of the BIA. Given that the proven creditors in the Creston estate will be paid in full, and the Trustee has obtained the approval of its fees and disbursements and the approval of DCF's and Gowlings' fees and disbursements from the Inspectors of the Mercator estate (the ultimate

beneficiary of the net proceeds), the Trustee seeks the approval of the Court to waive the provisions of Subsection 152(4), Subsection 152(5), and Subsection 39(5) of the BIA.

XI. PROPOSED CLOSING DISTRIBUTION AND DISBURSEMENTS

71. Subject to and upon closing of the Creston Transaction, the Trustee proposes to make the Creditor Payments and the Levy Payment. In addition, the Mercator Trustee proposes to make the following disbursements from the proceeds of the Creston Transaction together with the remaining net cash balance held in the estate of Creston:

- a) To the Mercator estate, the full amount owing under the Mercator Loan Agreement, including accrued interest (approximately \$73,912.50);
- b) To DCF, DCF's Fees and Disbursements (\$269,950.80 inclusive of GST);
- c) To the Trustee, the Trustee's Fees and Disbursements (\$90,369.30 inclusive of GST);
- d) To Gowlings, the Gowlings' Fees and Disbursements, net of amounts previously paid (\$65,900.38 inclusive of GST/PST); and
- e) To the Mercator estate, the balance of funds, estimated at approximately \$1,406,101 (together, the "**Closing Disbursements**").

XII. CONCLUSION AND RECOMMENDATION

72. The Trustee respectfully recommends that the Court grant an order:

- a) Approving the activities of the Trustee as set out herein;
- b) Approving the Trustee's Final R&D;
- c) Approving the Trustee's Fees and Disbursements;
- d) Approving the Gowlings' Fees and Disbursements;
- e) Approving DCF's Fees and Disbursements;
- f) Discharging Creston and the Creston Trustee subject to the Trustee making the Creditor Payments and the Levy Payment, and the Mercator Trustee making the Closing Disbursements; and

- g) Waiving the statutory notice periods provided for in Subsections 149, 152(4), 152(5) and 39(5) of the BIA.

Dated at Vancouver, British Columbia this 29th day of January, 2015.

DELOITTE RESTRUCTURING INC.

In its capacity as Trustee in Bankruptcy of
Creston Moly Corp. and not in its personal capacity.



Per: Huey Lee, MBA, CPA, CMA, CIRP
Senior Vice President

APPENDIX A – TRUSTEE’S PRELIMINARY REPORT DATED SEPTEMBER 24, 2014

District of British Columbia
Division No. 03 - Vancouver
Estate No. 11- 1904501
Court No. B-141088

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE BANKRUPTCY OF

Mercator Minerals Ltd.

TRUSTEE'S PRELIMINARY REPORT

September 24, 2014

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APPENDICES

- A. Mercator Minerals Ltd. Group Structure Chart
- B. Mercator Minerals Ltd. Statement of Affairs dated September 5, 2014

GLOSSARY

895	4394895 Canada Inc.
909	4394909 Canada Inc.
Ajax	An exploration stage molybdenum property located near Alice Arm, British Columbia
Arrangement	The arrangement agreement, dated December 12, 2013, between Mercator and Intergeo to effect a business combination via a plan of arrangement under Canadian law
BIA	<i>Bankruptcy and Insolvency Act</i>
Bluefish	Bluefish Energy Corporation
Bridge Loan	US\$15 million bridge loan advanced by Daselina to MPI
Company / Mercator	Mercator Minerals Ltd.
Creston Moly	Creston Moly Corp.
Creston Moly Assets	Properties owned indirectly by Creston Moly: El Creston, Molybrook and Ajax

Daselina	Daselina Investments Ltd.
Debtors	Collectively, Mercator and Creston Moly
Deloitte/Trustee	Deloitte Restructuring Inc.
Deloitte CF	Deloitte Corporate Finance Inc.
Ejido	Village disputing surface land ownership with Exploraciones regarding El Creston property
El Creston	A molybdenum/copper exploration and development project located in Sonora, Mexico
El Pilar	An advanced development stage copper project located in Sonora, Mexico
El Pilar Sale Process	Sales process related to El Pilar
Exploraciones	Exploraciones Global SA de CV
FAS	Russian Federal Antimonopoly Services
Intercompany Note	US\$40 million promissory note issued by MPI to Mercator in connection with the Silver Wheaton Purchase Agreement
Intergeo	Intergeo MMC Ltd.
Lodestrike	Lodestrike Resources Ltd.
Mercator	Mercator Minerals Ltd.
Mercator Barbados	Mercator Minerals (Barbados) Ltd.
Mercator Group	Mercator group of subsidiaries
Mercator USA	Mercator Minerals (USA) Ltd.
Mineral Park	A large tonnage, long life, producing copper/molybdenum mine located near Kingman, Arizona
Molybrook	An exploration stage molybdenum property located on the south coast of Newfoundland
MPI	Mineral Park Inc.
MPI Holdings	Mercator Mineral Park Holdings Ltd.
MPI Lenders	Collectively, Société Générale (the administrative agent), WestLB AG, Credit Suisse and Barclays Capital
MPI Silver Purchase Agreement	Agreement between MPI and Mercator Barbados where MPI agreed to sell to Mercator Barbados, and Mercator Barbados agreed to purchase from MPI, an amount of silver equal to one hundred percent (100%) of the number of ounces of silver mined, produced, extracted or otherwise recovered from Mineral Park
NOI	Notice of Intention

Recursos	Recursos Stingray de Cobre SA de CV
Report	Trustee's Preliminary Report
RMB	RMB Australia Holdings Limited
RMB Facility	US\$30 million corporate debt facility provided by RMB to Mercator on December 20, 2012
Silver Wheaton	Silver Wheaton (Caymans) Ltd.
Silver Wheaton Purchase Agreement	Silver purchase agreement between Mercator Barbados, Mercator and Silver Wheaton, pursuant to which Mercator Barbados agreed to sell its purchased silver to Silver Wheaton
SoA	Form 78 - Statement of Affairs, as prescribed under the BIA
SocGen Facility	Syndicated senior credit facility provided by the MPI Lenders to MPI in the amount of approximately USD\$103 million
SocGen Guarantee	Unsecured parent guarantee agreement dated October 23, 2012 under which Mercator guaranteed all the obligations of MPI to the MPI Lenders in certain circumstances
Stingray	Stingray Copper Inc.
Tenajon	Tenajon Resources Corp.
US Filers	Collectively, MPI Holdings, Lodestrike, MPI and Bluefish Energy Corporation

1. Introduction

Mercator Minerals Ltd. ("Mercator" or the "Company") is a base metals natural resource company engaged in the mining, development and exploration of its subsidiary-owned mineral properties in the United States of America, Mexico and Canada. Founded in 1984, Mercator is registered under the laws of the Province of British Columbia, Canada.

On August 26, 2014, Mercator and its directly owned subsidiary Creston Moly Corp. ("Creston Moly") filed a Notice of Intention to make a proposal ("NOI") under Part III, Division I of the *Bankruptcy and Insolvency Act* ("BIA"). Deloitte Restructuring Inc. was appointed as the Proposal Trustee.

Mercator and Creston Moly (collectively, the "Debtors") were not able to obtain further sources of funding to allow a Proposal to be made to their creditors. Pursuant to Section 50.4(8) of the BIA, the Debtors were deemed to have filed assignments in bankruptcy on September 5, 2014. Deloitte Restructuring Inc. was appointed as Trustee in Bankruptcy ("Trustee") for the Debtors by the Official Receiver.

The purpose of the Trustee's Preliminary Report ("Report") is to:

- Provide background information concerning the Company and the causes of the Company's financial difficulties;
- Outline the key activities of the Trustee since its appointment; and
- Provide the Trustee's preliminary evaluation of the assets and liabilities of the Company.

Throughout this Report, amounts are expressed in Canadian Dollars, unless otherwise specified.

2. Mercator Overview

Mercator is the parent company of six wholly-owned subsidiaries: Mercator Minerals (USA) Ltd. ("Mercator USA"), Stingray Copper Inc. ("Stingray"), Creston Moly, Mercator Minerals (Barbados) Ltd. ("Mercator Barbados"), Mercator Mineral Park Holdings Ltd. ("MPI Holdings"), and Lodestrike Resources Ltd. ("Lodestrike"). A copy of the Mercator group structure chart is attached as Appendix A.

Via its wholly-owned direct and indirect subsidiaries, Mercator owns a 100% interest in five mining properties:

- Mineral Park: a large tonnage, long life, producing copper/molybdenum mine located near Kingman, Arizona ("Mineral Park"). Owned indirectly by MPI Holdings via its wholly-owned subsidiary Mineral Park Inc. ("MPI").

- El Pilar: an advanced development stage copper project located in Sonora, Mexico ("El Pilar"). Owned indirectly by Stingray via its various wholly-owned subsidiaries.
- El Creston: a molybdenum/copper exploration and development project located in Sonora, Mexico ("El Creston"). Owned indirectly by Creston Moly via its various wholly-owned subsidiaries.
- Ajax: an exploration stage molybdenum property located near Alice Arm, British Columbia ("Ajax"). Owned indirectly by Creston Moly via its wholly-owned subsidiary Tenajon Resources Corp. ("Tenajon").
- Molybrook: an exploration stage molybdenum property located on the south coast of Newfoundland ("Molybrook"). Owned indirectly by Creston Moly via its wholly-owned subsidiary Tenajon.

The Company was publicly traded on the Toronto Stock Exchange (TSX:ML). Trading in the Company's shares was suspended on August 26, 2014 as a result of the NOI proceedings. Mercator's head office is located in, Vancouver, British Columbia. The Company provided head office functions to the Mercator group of subsidiaries ("Mercator Group") and had 10 employees located in Canada and the United States as at August 26, 2014.

3. Background

In light of the commodity price environment and difficult capital market conditions, Mercator commenced a process to review its strategic alternatives in mid-2013 with the assistance of its financial advisor, BMO Nesbitt Burns Inc.

On December 12, 2013, Mercator announced that it had entered into an arrangement agreement ("Arrangement") and ancillary documentation with Intergeo MMC Ltd. ("Intergeo") to effect a business combination through a plan of arrangement under Canadian law.

In connection with this transaction, Daselina Investments Ltd. ("Daselina"), Intergeo's controlling shareholder, agreed to advance up to US\$15 million to MPI by way of a bridge loan ("Bridge Loan") to provide sufficient funding to stabilize its operations until the business combination transaction could be completed.

On April 29, 2014, the Company agreed with Intergeo to certain amendments to the agreements executed in the Arrangement, including the extension of the completion deadline up to May 30, 2014 and, in certain circumstances, up to August 1, 2014, and additional interim funding. The completion deadline was extended to provide the Russian Federal Anti-Monopoly Services ("FAS"), the federal executive body responsible for foreign investments by Russian Federation entities, with additional time to complete its review of the response provided by Mercator and Intergeo to its request for information regarding the terms and conditions of the Arrangement. On July 2, 2014, FAS extended its review of Mercator's application for up to an additional two months.

On July 14, 2014, Intergeo advised the Company that Intergeo was not expecting to request or agree to an extension of the completion deadline beyond August 1, 2014. Effective the end of the day on August 1, 2014, the Arrangement was terminated, and Intergeo provided a waiver of the non-solicitation provisions contained in the Arrangement agreement.

In addition to the Bridge Loan provided by Daselina, MPI has a syndicated senior credit facility in place with Société Générale (the administrative agent), WestLB AG, Credit Suisse and Barclays Capital (collectively, the "MPI Lenders") in the amount of approximately US\$103 million ("SocGen Facility") (which amount includes the obligations of MPI in respect of certain terminated copper hedge and interest rate swap contracts). Various defaults had occurred under the SocGen Facility and other credit facilities held by MPI and other related parties. As a result, the Mercator entities had been operating under forbearance arrangements with the applicable lenders.

After the expiration of the forbearance agreement with the MPI Lenders on August 15, 2014, the Company continued to explore its strategic options. However, we understand that the Company and the MPI Lenders were unable to come to an agreement to extend any further accommodations to MPI outside of bankruptcy. Subsequently, MPI Holdings, Lodestrike, MPI and Bluefish Energy Corporation ("Bluefish") (collectively, the "US Filers") all filed for Chapter 11 protection under the Bankruptcy Code, in the United States Bankruptcy Court on August 25, 2014.

The SocGen Facility is supported by an unsecured parent guarantee agreement dated October 23, 2012 ("SocGen Guarantee"), under which Mercator guaranteed all the obligations of MPI to the MPI Lenders in certain circumstances. Given Mercator's lack of liquidity, the SocGen Guarantee, and Mercator's other liabilities, Mercator was unable to meet its current and future obligations. In order to allow time for the Company to restructure its operations and affairs, the Company filed an NOI on August 26, 2014 and Deloitte Restructuring Inc. consented to act as trustee under the NOI.

After filing the NOI, the Company continued to solicit interest in the Company and/or its assets, and to determine whether a transaction could be achieved to allow the Company to restructure its financial affairs. The Company engaged in discussions with various interested parties to explore their interest in the Company and the assets of the Mercator Group. However, due to the uncertainty surrounding the Chapter 11 proceedings, and the complex security structure associated with the Mercator Group's various lending facilities, it became apparent that it was unlikely that a transaction to recapitalize Mercator which would allow the Company to make a viable Proposal to its creditors would be achieved.

Effective September 4, 2014 all the Company's directors and officers resigned. Pursuant to Section 50.4(8) of the BIA, the Debtors were deemed to have made assignments in bankruptcy on September 5, 2014 as a result of the Debtors not filing the cash flow forecast with the Official Receiver within the prescribed statutory 10-day period. Deloitte Restructuring Inc. was appointed as Trustee by the Official Receiver, subject to affirmation by the creditors at the meeting of creditors on September 25, 2014.

4. Conservatory and Protective Measures

On September 5, 2014, the Trustee met with the former Corporate Secretary and Officer, Marc LeBlanc and the former CEO and Officer, Bruce McLeod at the Company's office located at 1050 – 625 Howe Street, Vancouver, British Columbia. The Trustee took an inventory of the office furniture and equipment and took possession of the Company's books and records.

The Trustee has engaged the services of the Company's former Exploration Manager to review, collate and secure the soft and hard copy records relating to El Creston, Ajax and Molybrook which will be required for undertaking a sale process (refer to Section 7 for further details). The Trustee has also engaged the services of the Company's former Corporate Secretary to assist in the process of providing the relevant information required for the Trustee to assess the Company's assets, liabilities and operations.

5. Assets

i) Cash

The Company held various bank accounts with ScotiaBank in Vancouver. The Trustee advised ScotiaBank of the bankruptcy proceedings and arranged for the account balances to be transferred to the Trustee's account. As at the date of our appointment, the Company had a cash balance of \$154,198 which has been received into the Trustee's account. In addition, the Company has provided a fee retainer to the Trustee for acting in Mercator's NOI and bankruptcy proceedings in the amount of \$85,000.

The Company's Statement of Affairs ("SoA") indicated cash at bank totaling \$239,236, which represents the combined total of the cash at bank and the Trustee's retainer. A copy of the SoA is attached as Appendix B.

We also note that the Trustee received a fee retainer in the amount of \$40,000 for acting in Creston Moly's NOI and bankruptcy proceedings. These monies were provided by Mercator Minerals Ltd. during the NOI proceedings.

ii) Accounts Receivable

The Company's books indicate that it had accounts receivable of \$87,826, of which \$2,539 related to receivables from subtenants of its office and \$85,287 related to a GST receivable. The Company has estimated that the realizable value of the accounts receivable is \$2,539 since CRA is likely to offset other amounts owing against the receivable.

iii) **Office Furniture & Equipment**

The Company's books indicate that it had furniture and equipment with a net book value of \$4,381. Per the SoA, the Company has indicated an estimated realizable value of \$1,000.

iv) **Intercompany Balances**

The Company's books indicate that it has the following intercompany balances owing to Mercator, totaling \$100.3 million:

- MPI Holdings \$87.7 million;
- BlueFish \$1.5 million;
- Minera Stingray SA de CV \$0.3 million;
- Mercator USA \$5.6 million;
- Recursos Stingray de Cobre SA de CV ("Recursos") \$2.7 million; and
- Exploraciones Global SA de CV ("Exploraciones") \$2.5 million.

The Company has estimated the net realizable value of these intercompany balances in the SoA at \$1 each (\$6 in total) due to the uncertainty of the outcome of the various insolvency proceedings and sale processes (refer to Section 7 for further details).

v) **Investments in Subsidiaries**

The Company's books indicate that it has the following investments in subsidiaries, totaling \$158.9 million:

- MPI Holdings \$156.0 million;
- Bluefish \$0.4 million;
- Lodestrike \$2,031; and
- Stingray \$2.5 million.

The Company has estimated the net realizable value of its equity interests in its subsidiaries in the SoA at \$1 each (\$4 in total) due to the uncertainty of the outcome of the various insolvency proceedings and sale processes (refer to Section 7 for further details).

6. Creditors

i) **Secured Creditors**

RMB Australia Holdings Limited ("RMB")

On December 20, 2012, the Company executed an agreement with RMB Australia Holdings Ltd. for a US\$30 million corporate debt facility ("RMB Facility"). Security interests were granted to RMB which include a first ranking charge over El Pilar and a pledge of the securities of certain Mercator subsidiaries.

The Company's SoA indicates an amount owing to RMB of \$33.1 million, including accrued interest. The Trustee notes that since RMB's security interests primarily relate to El Pilar, any claim of RMB against Mercator will likely depend on the outcome of the sale process of this asset (refer to Section 7 for further details).

Daselina

As outlined in Section 3, Daselina provided a Bridge Loan to MPI. Under the Bridge Loan, as at August 26, 2014, Daselina is owed approximately \$14.2 million including accrued interest by MPI as borrower, and each of Mercator, MPI Holdings, Stingray, 4394895 Canada Inc. ("895"), 4394909 Canada Inc. ("909") and Recursos as guarantors. The Trustee has been informed by Daselina's legal counsel that Daselina holds various security in support of the Bridge Loan.

The Trustee understands that Daselina currently stands in second lien priority for amounts owed under the Bridge Loan. As against MPI and MPI Holdings, Daselina is subordinated to the MPI Lenders and as against Mercator, Stingray, 895, 909 and Recursos, Daselina is subordinated to RMB. The Trustee understands that Daselina has an intercreditor agreement in place with both the MPI Lenders and RMB.

The Company's SoA indicates an amount owing by Mercator to Daselina of \$1 since Daselina's security interests primarily relate to El Pilar and MPI, and any claim of Daselina against Mercator will likely depend on the outcome of the sale processes of these assets (refer to Section 7 for further details).

Silver Wheaton (Caymans) Ltd. ("Silver Wheaton")

In March 2008, MPI entered into an agreement (the "MPI Silver Purchase Agreement") with Mercator Barbados, a wholly-owned subsidiary of Mercator. Pursuant to the MPI Silver Purchase Agreement, MPI agreed to sell to Mercator Barbados, and Mercator Barbados agreed to purchase from MPI, an amount of silver equal to one hundred percent (100%) of the number of ounces of silver mined, produced, extracted or otherwise recovered from Mineral Park for so long as silver is mined, produced, extracted or otherwise recovered therefrom.

Pursuant to a separate silver purchase agreement (the "Silver Wheaton Purchase Agreement") between Mercator Barbados, Mercator and Silver Wheaton, Mercator Barbados agreed to sell its purchased silver to Silver Wheaton. Under the Silver Wheaton Purchase Agreement, Silver Wheaton made an up-front payment of US\$42 million to Mercator Barbados. Mercator guaranteed the repayment obligations of Mercator Barbados under the agreement, subordinate to certain claims. Mercator Barbados loaned US\$40 million to Mercator, which in turn loaned US\$40 million to MPI, and MPI issued a promissory note in favor of Mercator in the amount of US\$40 million (the "Intercompany Note").

The Intercompany Note was secured by a deed of trust against the silver in Mineral Park in favor of Mercator. In turn, Mercator assigned its interest in the Intercompany

Note and associated deed of trust to Silver Wheaton. In 2013, Mercator, MPI and Mercator Barbados entered into a deferral agreement whereby MPI would, for a period of up to one year, defer up to fifty percent (50%) of the refined silver that MPI is obligated to deliver to Mercator Barbados under the terms of the Silver Wheaton Purchase Agreement. As of August 25, 2014, the face amount outstanding under the Intercompany Note held by Silver Wheaton is US\$50.0 million.

On September 11, 2014, Silver Wheaton issued a default letter outlining various breaches and defaults under the Silver Wheaton Purchase Agreement and demanding immediate delivery of the deferred silver balance by Mercator Barbados and Mercator. The deferred silver balance was calculated as 178,572 ounces as at the date of the letter, which is equivalent to approximately US\$3.3 million based on the per ounce silver fixing price quoted by the London Bullion Market Association on that date.

Refer to Section 7 for further details on Mercator Barbados.

The Company's SoA indicates an amount owing by Mercator to Silver Wheaton of \$1 since Silver Wheaton's security interests primarily relate to MPI, and any claim of Silver Wheaton against Mercator will likely depend on the outcome of the sale process of this asset (refer to Section 7 for further details).

ii) **Unsecured Creditors**

Société Générale

All of the obligations owing to the MPI Lenders are secured by liens on substantially all of MPI's assets, including cash collateral. As outlined in Section [3], Mercator entered into a Guarantee Agreement in favour of the MPI Lenders under which Mercator guaranteed all obligations of MPI to the MPI Lenders, subject to certain carve-outs for any indebtedness, liens and asset disposals as they relate to El Pilar and/or the RMB Facility. As at September 2, 2014, MPI was indebted to the MPI Lenders in the amount of approximately US\$103.0 million.

The Company's SoA indicates an amount owing by Mercator to Société Générale of \$1 since Société Générale's security interests primarily relate to Mineral Park, and any claim of Société Générale against Mercator will likely depend on the outcome of the sale process of this asset (refer to Section 7 for further details).

Other

Mercator has listed other unsecured creditor claims in its SoA as follows:

- Employee severance claims \$2.2 million;
- Intercompany balances \$44.0 million;
- Service providers \$2.4 million;
- **Total \$48.6 million**

iii) **Provable Claims**

At the time of finalizing this Report, proofs of claims have been filed by eleven unsecured creditors totaling approximately \$1,953,965.

We have been advised that the Company owed four employees severance as at the date of bankruptcy. Claims will be filed pursuant to the Wage Earner Protection Program Act.

7. **Subsidiaries**

i) **Creston Moly**

As outlined in Section 2, Creston Moly indirectly owns a 100% interest in the El Creston, Molybrook and Ajax properties (collectively, the "Creston Moly Assets"). Creston Moly was acquired by Mercator in June 2011 via a plan of arrangement for a combination of shares in Mercator and cash, which valued Creston Moly at approximately \$195 million at the time of the transaction. The Company's investment in Creston Moly has since been written down to nil in the Company's financial statements.

The Trustee is not currently aware of any security interests attaching to Creston Moly, its subsidiaries or assets. It is the intention of the Trustee to seek the approval of creditors to initiate a sale process to solicit interest in the Creston Moly Assets.

We understand that Exploraciones, the wholly-owned subsidiary of Creston Mining and the entity that holds the rights to El Creston, has 3 employees in Mexico which are responsible for the maintenance of the property. Further, Exploraciones has outstanding mineral concession taxes of US\$42,000, lease surface rights payments of US\$23,000 and other accounts payable of US\$20,000 owing. In the past, Exploraciones has depended on funding from its ultimate parent, Mercator. Given the bankruptcy proceedings, the ongoing funding of this entity is subject to uncertainty. The Trustee intends to carry out a cost/benefit analysis of maintaining the Exploraciones entity and El Creston asset.

As at the date of this Report, the Trustee is aware of two outstanding litigation actions against the Exploraciones entity which may impact the realizable value of Creston Moly's interest in El Creston, including:

- *Severance payment dispute*: In February 2014, Exploraciones was served in Mexico with a claim in the Mexican labour courts by the former Mexico country manager in respect of payments due for change of control provisions. The former country manager tendered his letter of resignation on November 1, 2013, with an effective date of December 31, 2013. Exploraciones engaged legal counsel to defend this matter. A hearing was scheduled to be held in August 2014, which has not yet occurred.

- Surface land ownership dispute: In November 2011 and February 2012, Exploraciones was served in connection with two lawsuits filed in Mexican Agrarian Court by certain members of the Ejido (village) that previously owned the surface land in question. These lawsuits seek to nullify the surface ownership right transfers of two parcels of land, Parcels 38 and 39, which transfers were originally negotiated by Exploraciones and the Ejido in 2007, and legally and finally effectuated and registered in March of 2011. The suits claim that the Notices of Intent to sell the surface land ownership rights to Exploraciones were not properly given. These Notices of Intent implement a right of first refusal process that is required under Mexican law to allow certain parties (to whom the Agrarian Law affords such right of first refusal) an opportunity to purchase the parcels for the same price and on the same terms being offered by the intended purchaser. The hearings and litigation in relation to this dispute is ongoing.

The SoA for Creston Moly lists estimated realization values of \$3 million for its investment in Creston Mining Corporation (indirect owner of El Creston) and \$2 million for its investment in Tenajon (owner of Ajax and Molybrook). The Trustee cautions that any realizable value will be dependent on the impact of the above noted litigation and ability to continue to fund the Exploraciones through a sale process.

Creston Moly has listed unsecured creditors in its Statement of Affairs of \$3.1 million, of which \$2.9 million relates to an intercompany balance owing to Tenajon.

ii) **Stingray**

Stingray and its direct and indirect subsidiaries are not subject to BIA or Chapter 11 proceedings. We understand from management of Stingray that the company and its wholly-owned subsidiaries are in the process of agreeing a mutually acceptable forbearance arrangement with its primary senior lender, RMB to allow Stingray to initiate a sale process for El Pilar (the "El Pilar Sale Process"). In addition, Stingray is in the process of negotiating a funding agreement with RMB and an intercreditor agreement with the subordinated lender, Daselina, to allow normal course business to continue at El Pilar and to fund the cost of the El Pilar Sale Process.

To the extent that the sale process may realize proceeds in excess of the amounts owing to RMB and Daselina, there may be a surplus available in Stingray which may ultimately be available for the benefit of Mercator's creditors via Mercator's equity interest in Stingray.

Stingray is in the process of engaging a financial advisor to conduct the El Pilar Sale Process which is likely to be a Canadian investment bank experienced in undertaking mining transactions. Given the Trustee's interest in the El Pilar Sale Process by way of Mercator's ownership of Stingray, Deloitte Corporate Finance Inc. ("Deloitte CF") is proposing to provide services to Stingray as a strategic advisor to assist in its assessment of the strategic options and potential economic outcomes available to

Stingray specific to the El Pilar Sale Process and to provide strategic advice and recommendations in relation to the El Pilar Sale Process, including the provision of advice as to the form, structure, terms and price of a transaction with a view to maximizing value for all stakeholders.

iii) **MPI Holdings**

As outlined in Section 2, MPI Holdings indirectly owns Mineral Park through its wholly-owned subsidiary MPI.

Mineral Park encompasses approximately 6,497 acres of contiguous ground in the Wallapai mining district located in the Cerbat Mountains in Northwestern Arizona and employs over 400 people. The mine is continuing to operate during the Chapter 11 proceedings and Evercore Partners Inc. has been engaged to undertake a sale process in respect of Mineral Park. FTI Consulting Inc. is engaged as Chief Restructuring Officer.

The outcome of any sale process and the value of Mercator's equity interest in MPI Holdings is currently unknown.

iv) **Mercator Barbados**

As outlined in Section 6(i), Mercator Barbados is a wholly-owned subsidiary of Mercator and was set-up for the purpose of administering the Silver Wheaton Purchase Agreement.

We understand that Mercator Barbados is currently holding approximately US\$550,000 in cash. The extent to which Mercator has any interest in this cash balance is as yet undetermined and will be subject to review by the Trustee.

v) **Lodestrike and Bluefish**

Lodestrike is a holding company which owns a wholly-owned subsidiary Bluefish. Bluefish's operations consist of the ownership and operation of an industrial gas turbine power generator, which Bluefish purchased in August 2010. The generator is housed at a facility located at Mineral Park, and the power generated at the Bluefish facility is utilized exclusively to supply Mineral Park.

The power supplied by Bluefish partially satisfies Mineral Park's power requirements, and MPI satisfies the balance of its power requirements through purchases from third parties on the power grid. MPI pays for power purchases from Bluefish by purchasing natural gas to run the turbine and satisfying other operating obligations of Bluefish.

In August 2010, Bluefish entered into an agreement to purchase a Gas Turbine from GE Packaged Power, Inc. Bluefish financed the purchase of the gas turbine with a loan from Transfigura AG, dated October 21, 2010. The original principal amount of the

loan under the agreement was US\$20.8 million, of which approximately \$13 million remained outstanding as at August 26, 2014. Bluefish pledged substantially all of its assets to secure the obligations under the agreement with Transfigura AG. Lodestrike has also pledged the shares of Bluefish to secure such obligations.

The Trustee understands that Evercore Partners Inc. has been engaged to market and sell Bluefish as part of the sale of Mineral Park during the Chapter 11 proceedings.

The outcome of any sale process and the value of Mercator's equity interest in Lodestrike is currently unknown.

vi) **Mercator USA**

Mercator USA is an employment arm of the Mercator Group. The Trustee understands from management of Mercator USA that the entity is not subject to any insolvency proceedings and does not have any material assets.

8. Anticipated Realization and Projected Distribution

The level of realizations available to secured and unsecured creditors of Mercator is as yet unknown, and will depend primarily on the following:

- The outcome of the sale of the Creston Moly Assets;
- The outcome of the El Pilar Sale Process, after discharging the secured creditor claims of RMB and Daselina;
- The outcome of the sale process related to Mineral Park, after discharging the secured creditor claims of the MPI Lenders; and
- The outcome of the sale process related to Bluefish, after discharging the secured creditor claims of Transfigura AG.

9. Legal Proceedings, Reviewable Transactions and Preference Payments

At the time of this Report, the Trustee is not aware of any legal proceedings against the Company.

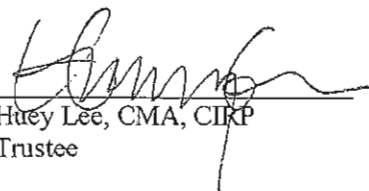
A preliminary review of the Company's books and records has not identified any reviewable transactions or preference payments.

Dated at Vancouver, this 24th day of September, 2014.

DELOITTE RESTRUCTURING INC.

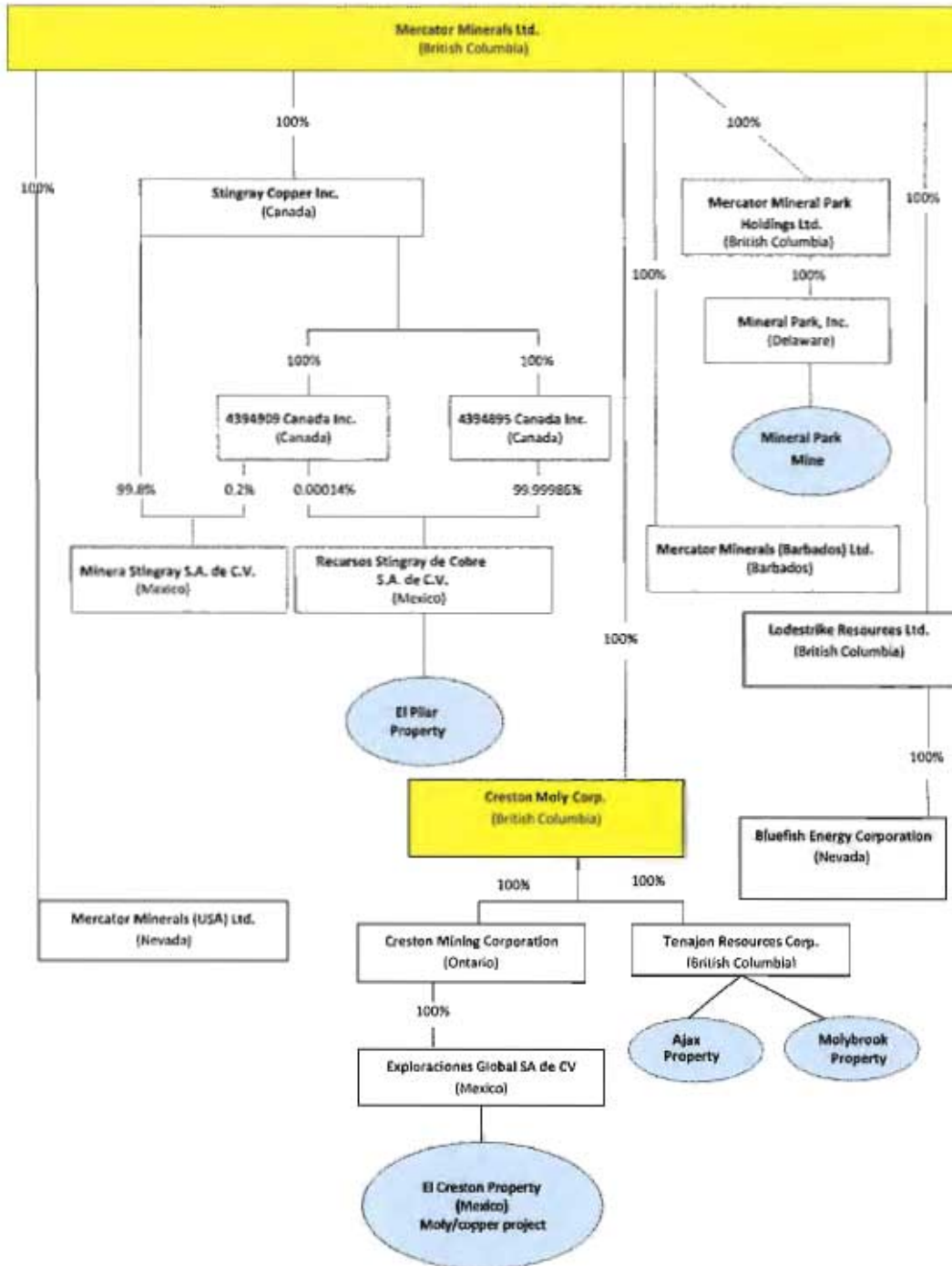
In its capacity as Trustee in Bankruptcy
of Mercator Minerals Ltd.
and not in its personal capacity.

Per: _____


Huey Lee, CMA, CIKP
Trustee

APPENDIX A

Mercator Minerals Ltd. Group Structure Chart



APPENDIX B

Mercator Mineral's Ltd. Statement of Affairs dated September 5, 2014

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141088
Estate No. 11-1904501

FORM 67
Notice of Bankruptcy and First Meeting of Creditors
(Subsection 102(1) of the Act)

In the matter of the bankruptcy of
Mercator Minerals Ltd.
of the City of Vancouver, in the Province of British Columbia

Take notice that:

1. Mercator Minerals Ltd. filed (or was deemed to have filed) an assignment on the 5th day of September 2014, and the undersigned, Deloitte Restructuring Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court); subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.

2. The first meeting of creditors of the bankrupt will be held on the 25th day of September 2014, at 9:00 AM, at the office of Deloitte Restructuring Inc., at 2800 - 1055 Dunsmuir Street, Vancouver, British Columbia.

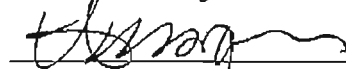
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.

4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.

5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the City of Vancouver in the Province of British Columbia, this 11th day of September 2014.

Deloitte Restructuring Inc. - Trustee



2800 - 1055 Dunsmuir Street, PO Box 49279
Vancouver BC V7X 1P4
Phone: (604) 534-0921 Fax: (604) 534-7429

District of: British Columbia
 Division No. 03 - Vancouver
 Court No. B-141088
 Estate No. 11-1904501

Original Amended

Form 78
 Statement of Affairs (Business Bankruptcy) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of
 Mercator Minerals Ltd.
 of the City of Vancouver, in the Province of British Columbia

To the bankrupt:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 5th day of September 2014. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	48,627,277.22	1. Inventory	0.00
Balance of secured claims as per list "B"	32,765,225.24	2. Trade fixtures, etc.	0.00
Total unsecured creditors	81,392,502.46	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	311,803.39	Good	2,539.08
3. Preferred creditors as per list "C"	0.00	Doubtful	85,286.60
4. Contingent, trust claims or other liabilities as per list "D"		Bad	0.00
estimated to be reclaimable for	1.00	Estimated to produce	2,539.08
Total liabilities	81,704,306.85	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
Surplus	NIL	5. Deposits in financial institutions	0.00
		6. Cash	239,238.67
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	1,000.00
		11. RRSPs, RRIIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	10.00
		If bankrupt is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	242,765.75
		Deficiency	81,461,621.10

I, Marc S. LeBlanc, of the City of Vancouver in the Province of British Columbia, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 5th day of September 2014 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Vancouver in the Province of British Columbia, on this 10th day of September 2014.

Melinda McKie, Commissioner of Oaths
 For the Province of British Columbia
 Expires Sep. 30, 2014

Marc S. LeBlanc

Former officer and
 Employee

MELINDA C. MCKIE
 A Commissioner for Taking Affidavits
 Within the Province of British Columbia
 Suite 2800, 1055 Dunsmuir Street
 Vancouver, B.C. V7X 1P4
 Appointment Expires: September 30, 2014

District of: British Columbia
 Division No. 03 - Vancouver
 Court No. B-141088
 Estate No. 11-1904501

FORM 78 - Continued

List "A"
 Unsecured Creditors

Mercator Minerals Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Adnet Communications Inc.	#401 - 510 West Hastings Street Vancouver BC V6B 1L8	250.15	0.00	250.15
2	Aurora Resource Group Ltd	#1020 - 800 West Pender Street Vancouver BC V6C 2V6	6,029.09	0.00	6,029.09
3	BDO Canada LLP	600 Cathedral Place, 925 W. Georgia Street Vancouver BC V6C 3L2	24,901.71	0.00	24,901.71
4	Bell Canada	Floor 2 - 6116 Creekbank Road Mississauga ON L4W 5R1	2,869.67	0.00	2,869.67
5	Bell Conferencing Inc.	5095 Creekbank Road B4 Mississauga ON L4W 5N3	872.29	0.00	872.29
6	Bigdough	PO Box 26886 New York NY 10087 United States	4,083.75	0.00	4,083.75
7	Blake, Cassels & Graydon LLP - Vancouver	2800 - 595 Burrard Street, PO Box 49314, Three Bentall Centre Vancouver BC V7X 1L3	50,080.64	0.00	50,080.64
8	Broadridge	PO Box 57461 Toronto ON M5W 5M5	49.21	0.00	49.21
9	Bruce McLeod	[REDACTED]	761,861.59	0.00	761,861.59
10	CML Professional Accounting Corporation	1040 Westmount Drive Port Moody BC V3H 1K9	3,203.37	0.00	3,203.37
11	Computershare	11th Floor, 100 University Avenue Toronto ON M5J 2Y1	1,696.35	0.00	1,696.35
12	Creston Moly Corp.	10th Floor, 695 Howe Street Vancouver BC V6C 2T5	1,512,252.31	0.00	1,512,252.31
13	Cutfield Freeman & Co Ltd	Royal Bank Plaza 200 Bay Street Suite 1650, North Tower PO Box 72 Toronto ON M5J 2J2	136,126.09	0.00	136,126.09
14	Daniel Tellechea	[REDACTED]	70,890.79	0.00	70,890.79
15	David Jan	[REDACTED]	225,000.00	0.00	225,000.00
16	David Visagie	[REDACTED]	164,775.00	0.00	164,775.00
17	Doborah Williams	[REDACTED]	4,135.85	0.00	4,135.85
18	Dorsey & Whitney LLP	PO Box 1680 Minneapolis MN 55480-1680 United States	11,103.68	0.00	11,103.68
19	DuMoulin Black LLP	10th Floor, 595 Howe Street Vancouver BC V6C 2T5	324,135.60	0.00	324,135.60
20	Elsaine Shum	[REDACTED]	1,692.31	0.00	1,692.31
21	Federal Express Canada Ltd.	PO Box 4626 Toronto ON M5W 5B4	205.73	0.00	205.73
22	Herbert Smith Freehills	36/250 St Georges Terrace Perth, 6000 WA Australia	1,093.36	0.00	1,093.36
23	International Northair Mines Ltd.	Suite 860 - 625 Howe Street Vancouver BC V6C 2T6	3,651.75	0.00	3,651.75

10-Sep-2014

Date



Marc S. LeBlanc

Former officer & Employee

District of: British Columbia
 Division No. 03 - Vancouver
 Court No. B-141088
 Estate No. 11-1904501

FORM 78 - Continued


List "A"
 Unsecured Creditors

Mercator Minerals Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
24	John H. Bowles	[REDACTED]	87,482.53	0.00	87,482.53
25	K&H Dispatch Couriers	165 - 6260 Graybar Rd Richmond BC V6W 1H6	38.99	0.00	38.99
26	KPMG LLP	PO Box 4348, Station A Toronto ON M5W 7A6	220,587.54	0.00	220,587.54
27	Landsberg and Associates	5980 Canoga Ave, Suite 605, Woodland Hills CA 91387 USA	18,023.09	0.00	18,023.09
28	Madill Office Company	PO Box 1240 Ladysmith BC V9G 1A8	515.88	0.00	515.88
29	Marc LeBlanc	[REDACTED]	369,666.67	0.00	369,666.67
30	Mark Distler	[REDACTED]	390,750.00	0.00	390,750.00
31	Marketwire LP	25 York Street, Suite 900, PO Box 403 Toronto ON M5J 2V5	8,840.09	0.00	8,840.09
32	McLennan Ross	#1001 Precambrian Bldg, 4920 - 52 Street Yellowknife NT X1A 3T1	364.16	0.00	364.16
33	Mercator Minerals (Barbados) Ltd.	C/o Melanie Jones Worthing Corporate Centre Worthing, Christ Church 15008 Barbados	42,522,789.17	0.00	42,522,789.17
34	Michael Broch	[REDACTED]	290,150.00	0.00	290,150.00
35	Miller Thomson LLP	1000-840 Howe Street Vancouver BC V6Z 2M1	2,160.80	0.00	2,160.80
36	Pfney Bowes	PO Box 278 Orangeville ON L9W 2Z7	187.93	0.00	187.93
37	RMB Australia Holdings Ltd	c/o Sean Collins, McCarthy Tetraull Suite 1300, 777 Dunsmuir St PO Box 10424, Pacific Centre Vancouver BC V7Y1K2	0.00	32,765,225.24	32,765,225.24
38	Robert J. Quinn	[REDACTED]	139,711.82	0.00	139,711.82
39	Rogers Wireless*	PO Box 8878 Stn Terminal Vancouver BC V6B 0H6	1,200.98	0.00	1,200.98
40	Roman Friedrich	[REDACTED]	55,891.15	0.00	55,891.15
41	Ron Vankoughnell	[REDACTED]	122,788.33	0.00	122,788.33
42	Salans FMC SNR Denton Europe	Suite 1000, 2101 L Street, N.W. Washington DC 20037 United States	22,710.39	0.00	22,710.39
43	Shaw Business	100 - 3636 23rd Street NE Calgary AB T2E 8Z5	1,084.34	0.00	1,084.34
44	Shaw Cable	PO Box 2468 Stn Main Calgary AB T2P 4Y2	164.43	0.00	164.43
45	Shred-It International Inc.	Unit 300 - 1650 Brigantine Drive Coquitlam BC V3K 7B5	135.72	0.00	135.72

10-Sep-2014

Date


 Marc S. LeBlanc
 Former Officer &
 Employee

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141088
Estate No. 11-1904501

FORM 78 - Continued

List "A"
Unsecured Creditors

Mercator Minerals Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
46	SITek	10200 Algonquin Drive Richmond BC V7A 3A4	286.53	0.00	286.53
47	St. Bernadine Mission Communications Inc.	Main Floor, 228 E. Georgia St. Vancouver BC V6A 1Z7	631.59	0.00	631.59
48	Steelhead Business Products	5589 Regent Street Burnaby BC V5B 4R6	2,677.84	0.00	2,677.84
49	Stephen Qain (CAD)	[REDACTED]	70,396.12	0.00	70,396.12
50	Stikeman Elliott LLP	5300 Commerce Court West, 189 Bay Street Toronto ON M5L 1B9	974,708.69	0.00	974,708.69
51	Tapia, Robles, Cabrera y Moreno	Miguel Hidalgo 64, 83280 Hermosillo Sonora Mexico	3,868.64	0.00	3,868.64
52	Tenajon Resources Corp.	C/o Dumoulin 10th Floor, 595 Howe Street Vancouver BC V6C 2T5	8,248.83	0.00	8,248.83
53	Van Houtte Coffee Services Inc.	9 Burdigo Street, Unit 120 Coquitlam BC V3K 7B2	254.68	0.00	254.68
Total:			48,827,277.22	32,765,225.24	81,392,502.46

10-Sep-2014

Date



Marc S. LeBlanc

Former Officer &
Employee

District of: British Columbia
 Division No. 03 - Vancouver
 Court No. B-141088
 Estate No. 11-1904501

FORM 78 - Continued

List "B"
 Secured Creditors

Mercator Minerals Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	Oasefina Investments Ltd.	c/o Alexander Schmitt, Norton Rose Fulbright Royal Bank Plaza, Suite 3800, 200 Bay Street Toronto ON M5J 2Z4	1.00	Other - Investment in Slingray Copper Inc.	12-Dec-2013	0.00		1.00
2	RMB Australia Holdings Ltd	c/o Sean Collins, Mearthy Tetrault Suite 1300, 777 Dunsmuir St PO Box 10424, Pacific Centre Vancouver BC V7Y1K2	33,077,028.63	Other - Investment in Slingray Copper Inc.	14-Dec-2012	2,542,007.00		30,535,019.63
3	Silver Wheaton (Caymans) Ltd.	c/o Cassels Brock and Blackwell LLC, Shayne Kukulowicz 2100 Scotia Plaza, 40 King Street West, Toronto ON M5H 3C2	1.00	Other - Investment in Mercator Mineral Park Holdings Ltd.	10-Jun-2008	1.00	158,005,518.00	
Total:			33,077,028.63			2,542,008.00	158,005,518.00	30,535,020.63

10-Sep-2014

Date



Marc S. LeBlanc

Partner Officer &
 Employee

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141088
Estate No. 11-1904501

FORM 78 - Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Mercator Minerals Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

10-Sep-2014

Date



Marc S. LeBlanc

Former officer & employee

District of: British Columbia
Division No.: 03 - Vancouver
Court No.: B-141088
Estate No.: 11-1904501

FORM 78 - Continued

List "D"
Contingent or Other Liabilities

Mercator Minerals Ltd.

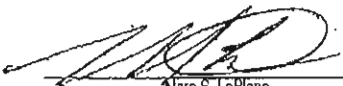
No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
1	Société Générale c/o Kibben Jackson	Fasken Martineau Dumoulin LLP, 2900-550 Burrard St Vancouver BC V6C 0A3	1.00	0.00		Unsecured contingent liability
Total:			1.00	0.00		

Note:

1. Mercator Minerals Ltd. provided an unsecured guarantee to Société Générale guaranteeing all obligations of Mineral Park, Inc. to Société Générale. Mineral Park, Inc. is currently indebted to Société Générale in the amount of approximately 103 million USD. Mineral Park, Inc. is subject to Chapter 11 proceedings in the U.S.

10-Sep-2014

Date



Marc S. LeBlanc
Former Officer &
Employee

District of: British Columbia
 Division No. 03 - Vancouver
 Court No. B-141088
 Estate No. 11-1904501

FORM 78 - Continued

List "E"
 Debts Due to the Bankrupt

Mercator Minerals Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Accounts Receivable from Tenants	1050 - 625 Howe Street Vancouver BC V6C 2T6	Tenant receivables	2,539.08 0.00 0.00		05-Sep-2014	2,539.08	Nil
2	Accounts Receivable GST	1166 W Pender Street Vancouver BC V6E 3H8	GST accrued	0.00 85,286.80 0.00		05-Sep-2014	0.00	nil
Total:				2,539.08 85,286.80 0.00			2,539.08	

10-Sep-2014

Date



Marc S. LeBlanc

Former Officer &
 Employee

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141088
Estate No. 11-1904501

FORM 78 - Continued

Ust "F"

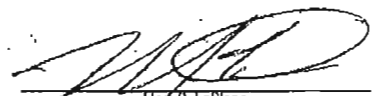
Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Mercator Minerals Ltd.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

10-Sep-2014

Date



Marc S. LeBlanc

Former officer &
Employee

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141088
Estate No. 11-1904501

FORM 78 - Continued

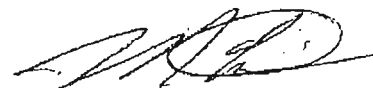
List "G"
Real Property or Immovables Owned by Bankrupt

Mercator Minerals Ltd.

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

10-Sep-2014

Date



Marc S. LeBlanc

Former officer &
Employee

District of: British Columbia
 Division No. 03 - Vancouver
 Court No. B-141088
 Estate No. 11-1904501

FORM 78 - Concluded

List "H"
 Property

Mercator Minerals Ltd.
 FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			239,236.67	239,236.67
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture		Office furniture & equipment	4,381.77	1,000.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Intercompany due from Mercator Mineral Park Holdings Ltd.	87,700,318.00	1.00
		Intercompany due from Bluefish Energy Corporation	1,472,420.57	1.00
		Intercompany due from Minera Simgay SA de CV	311,801.39	1.00
		Investment in Mercator Mineral Park Holdings Ltd.	156,005,517.00	1.00
		Investment - Lodesniko Resources Ltd.	2,031.00	1.00
		Investment in Simgay Copper Inc.	2,542,007.00	1.00
		Investment in Bluefish Energy Corporation	364,012.00	1.00
		Intercompany due from Mercator Minerals (USA) Ltd.	5,609,976.87	1.00
		Intercompany due from Recursos Simgay de Cobre SA de CV	2,711,090.45	1.00
		Intercompany due from Exploraciones Global SA de CV	2,540,710.00	1.00
Total:				240,248.67

Note:

- Other Assets: The value of Mercator Minerals Ltd.'s equity interests in its wholly owned direct and indirect subsidiaries and intercompany balances are currently pending the outcome of the Chapter 11 proceedings in the U.S. and any sale process in respect of the El Pilar and El Creston properties.

10-Sep-2014

Date



Marc S. Lettanc

Former officer &
 Employee



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: British Columbia
Division No.: 03 - Vancouver
Court No.: 11-1904501
Estate No.: 11-1904501

In the Matter of the Bankruptcy of:

Mercator Minerals Ltd.
Debtor

DELOITTE RESTRUCTURING INC/RESTRUCTURATION
DELOITTE INC
Trustee

Ordinary Administration

Date of bankruptcy: September 05, 2014

Security: \$0.00

Meeting of creditors:

Chair:

Designated person: Marc S. LeBlanc

CERTIFICATE OF ASSIGNMENT - Paragraph 50.4(8)(b.1) of the Act

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- a notice of intention in respect of the aforementioned debtor was filed under section 50.4 of the *Bankruptcy and Insolvency Act*;
- the debtor has failed to file a cash-flow statement or a proposal within the provided period following the filing of the notice of intention or within any Court-granted extension and is thereupon deemed to have made an assignment.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: September 09, 2014

E-File/Dépôt Electronique

Official Receiver

300 Georgia Street W, Suite 2000, Vancouver, British Columbia, Canada, V6B6E1, (877)376-9902

Canada



Deloitte Restructuring Inc.
 2800 - 1055 Dunsmuir Street
 4 Bentall Centre
 P.O. Box 49279
 Vancouver BC V7X 1P4
 Canada

Please submit this Proof of Claim (Form 31) to the Deloitte office administering the Proposal estate.

Fax: (604) 602 - 1583
 www.bankruptcy.deloitte.ca

**BANKRUPTCY AND INSOLVENCY ACT
 PROOF OF CLAIM FORM**

Sections 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) and 128(1), and paragraphs 51(1)(e) and 66.14(b) of the Act

Provide the complete address, including postal code, to which any notice or correspondence is to be forwarded.

All notices or correspondence regarding this claim are to be forwarded to the following address: _____

IN THE MATTER OF THE BANKRUPTCY / PROPOSAL / RECEIVERSHIP OF _____ (NAME OF DEBTOR)

of the City of _____ (CITY & PROVINCE), and the claim of _____ (NAME OF CREDITOR)

I, _____, residing in the City of _____ in the Province of _____

DO HEREBY CERTIFY THAT:

1. I am a creditor of the above-named debtor (or that I am _____ of _____ (POSITION OR TITLE) (NAME OF CREDITOR OR REPRESENTATIVE))

2. I have knowledge of all circumstances connected with the claim referred to below.

3. The debtor was, at the date of the bankruptcy (or the date of the receivership or, in the case of a proposal, the date of the notice of intention or of the proposal if no notice of intention was filed), namely the _____ day of _____, and still is indebted to the above-named creditor in the sum of \$ _____ as specified in the statement of account (or affidavit) attached and marked Schedule "A" after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Complete appropriate category:

A. UNSECURED CLAIM of \$ _____
 That in respect of this debt, I do not hold any assets of the debtor as security and:
 Regarding the amount of \$ _____, I do not claim a right to a priority.
 Regarding the amount of \$ _____, I claim a right to a priority under Section 136 of the Act.

B. CLAIM OF LANDLORD FOR DISCLAIMER OF A LEASE of \$ _____
 That I hereby make a claim under Subsection 85.2(4) of the Act, particulars of which are as follows: (Attach full particulars of the claim, including calculations upon which the claim is based.)

C. SECURED CLAIM of \$ _____
 That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows: (Attach full particulars of the security, including the date on which the security was given and the value at which you assess the security and attach a copy of the security document.)

D. CLAIM BY FARMER, FISHERMAN or AQUACULTURIST of \$ _____
 That I hereby make a claim under Subsection 81.2(1) of the Act for the unpaid amount of \$ _____ (Attach a copy of the sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____
 That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____
 (Give full particulars of the claim, including the calculations upon which the claim is based.)

F. CLAIM AGAINST DIRECTOR of \$ _____ (To be filed when a proposal provides for the compromise of claims against directors).
 That I hereby make a claim under Subsection 50(13), particulars of which are as follows: (Attach full particulars of the claim, including the calculations upon which the claim is based.)

G. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
 That I hereby make a claim as a customer for net equity as contemplated by section 282 of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2(1) of the Act: (Provide details of payment, credits and transfers at undervalue.)

Dated at _____, this _____ day of _____ (CITY & PROVINCE)

 (SIGNATURE OF INDIVIDUAL COMPLETING THIS FORM) (SIGNATURE OF WITNESS)

 (CREDITOR'S PHONE NUMBER) (CREDITOR'S FACSIMILE NUMBER)

APPLICABLE ONLY IN THE CASE OF BANKRUPTCY OF AN INDIVIDUAL:

I request that a copy of the report filed by the Trustee regarding the bankrupt's application for discharge, pursuant to Subsection 170(1) of the Act, be sent to the above address.

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits or solemn declarations.

WARNINGS: A Trustee may, pursuant to Subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed in a proof of security by the secured creditor. Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PLEASE TURN OVER AND COMPLETE THE PROXY ON THE BACK OF THIS FORM.

Ensure you attach a Schedule "A" consisting of relevant documents. The amount on Schedule "A" must correspond with the amount on your Proof of Claim.

You must indicate if you are (are) not claiming a priority. Ensure you tick the appropriate box. Section 136 may provide a priority to certain creditors such as employees and landlords.

If you are a Secured Creditor, you must provide a certified true copy of your registered security and provide full details.

Ensure you indicate whether you or your company are related to the debtor.

Provide a listing of all monies or credits received from the debtor within three months prior to bankruptcy.

Insert city, province, and date. Sign the document and have someone witness your signature. Insert your phone number and facsimile number.

GENERAL PROXY (with Power of Substitution)
WHERE A CREDITOR IS A CORPORATION, THE PROXY MUST BE COMPLETED AND SIGNED IN THE CORPORATE NAME

IN THE MATTER OF THE BANKRUPTCY / PROPOSAL / RECEIVERSHIP OF _____
(NAME OF DEBTOR)

I, _____, of the City of _____, in the Province of _____
(NAME OF CORPORATION) (CITY) (PROVINCE)

a creditor in the above matter, hereby appoint _____ of _____
(NAME OF PROXY) (CITY & PROVINCE)

to be my general proxy in the above matter except as to the receipt of dividends with / without power to appoint another general proxy in his / her place.

Dated at the City of _____, in the Province of _____, this _____ day of _____

(CORPORATE NAME) (SIGNATURE OF WITNESS)

(ADDRESS) (SIGNATURE OF PROXY GRANTOR)

PROXY

The Bankruptcy and Insolvency Act permits a Proof of Claim to be made by a duly authorized agent of a creditor; however, this does not give such a person power to vote at the First Meeting of Creditors or to act as the proxy of the creditors.

GENERAL

- A creditor may vote either in person or by proxy.
- The Trustee may be appointed as a proxy for any creditor.
- A Corporation may vote by an authorized agent at a meeting of creditors.
- Debtors may not be appointed a proxy to vote at any meeting of their creditors.
- In order for a duly authorized person to have a right to vote, they must be a creditor themselves or be the holder of a properly executed proxy, showing the name of the creditor.

DIRECTIONS AS TO COMPLETING PROOF OF CLAIM FORM
(CLAIMS NOT COMPLETED CORRECTLY IN EVERY RESPECT WILL BE RETURNED)

Every creditor who does not prove a claim is not entitled to share in any distribution. The checklist below is provided to assist you in preparing the Proof of Claim and, where required, Proxy in a complete and accurate manner. Please check each requirement.

GENERAL

- The signature of a witness is required.
- This document must be signed personally by the person completing the Proof of Claim.
- Give the complete address, including postal code, where any notice or correspondence is to be forwarded.
- The amount on the Statement of Account must correspond with the amount indicated on the Proof of Claim.

PARAGRAPH 1

- The creditor must state the full and complete legal name of the company or firm.
- If the individual completing the Proof of Claim is not the creditor himself, he must state his position or title.

PARAGRAPH 3

- The Schedule A or Statement of Account must be complete and detailed, showing the date, number and amount of all invoices or charges, together with the date, number and amount of all creditors or payments. A Statement of Account is not complete if it begins with an amount brought forward.

PARAGRAPH 4

- All claims must be submitted in Canadian dollars converted at the closing exchange rate in effect on the date of bankruptcy, September 5, 2014 (USD:CAD 1.0890).
- A claim by a farmer, fisherman or aquaculturist must attach a copy of the sales agreement and delivery documents.
- Details of Section 136 are available from Deloitte upon request.

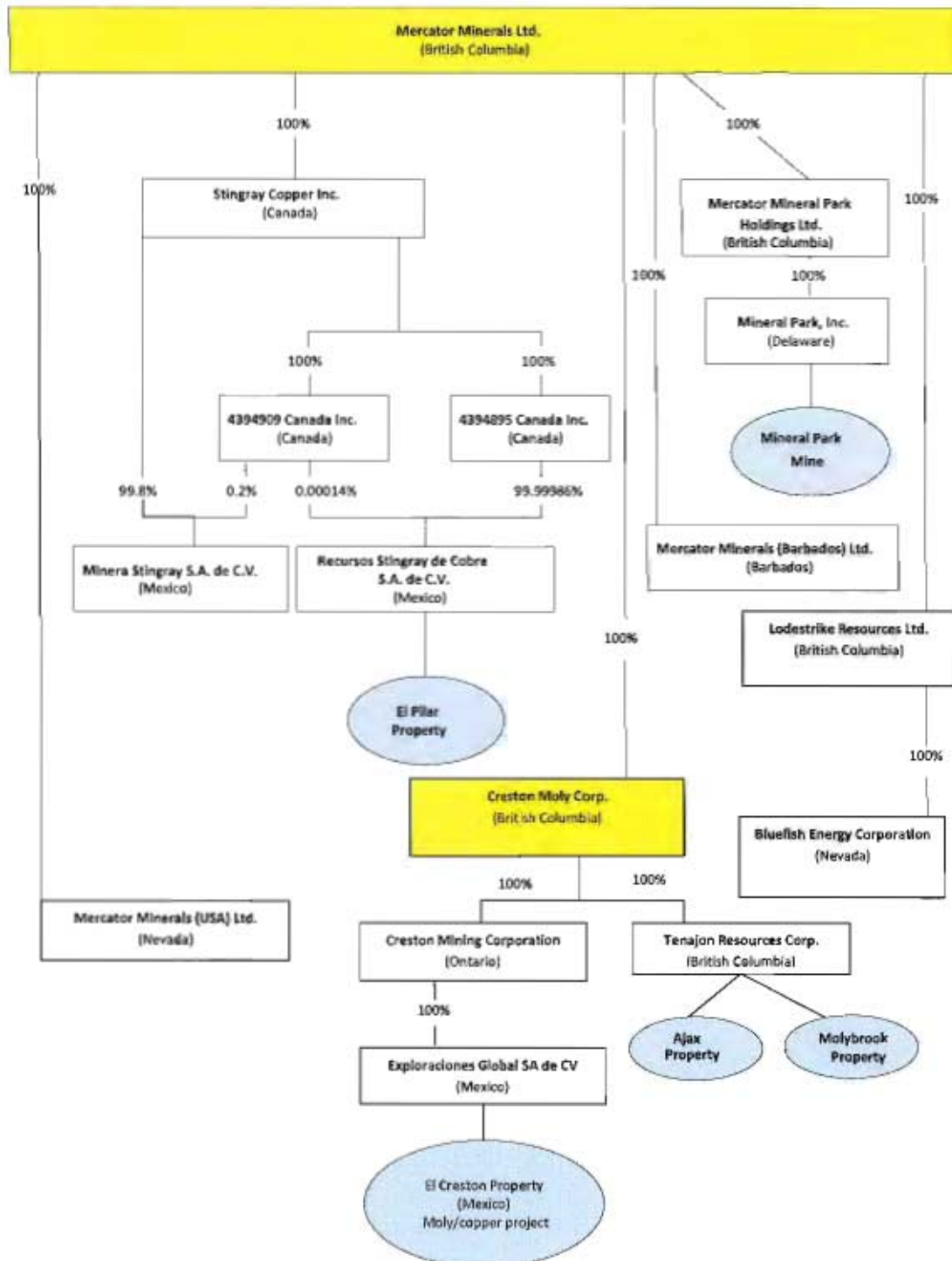
PARAGRAPH 5

- All claimants must indicate if they are / are not related to the debtor, as defined in Section 4 of the Bankruptcy and Insolvency Act, "if you are related by blood or marriage to the bankrupt, then you should consider yourself to be a related person pursuant to Section 4. If the bankrupt is a corporation, you would be considered to be related to it if you were a shareholder or if your company was controlled by the same shareholders as the bankrupt corporation."

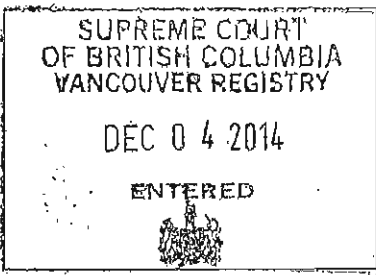
PARAGRAPH 6

- All claimants must attach a detailed list of all payments or credits received or granted as follows:
 - Within the three months preceding the bankruptcy / proposal, in the case where the claimant and debtor are not related;

APPENDIX B – MERCATOR GROUP STRUCTURE CHART



APPENDIX C – COURT ORDER DATED DECEMBER 2, 2014



Estate No. 11-1904501
Court No. B141088
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE BANKRUPTCY OF
MERCATOR MINERALS LTD.

ORDER MADE AFTER APPLICATION

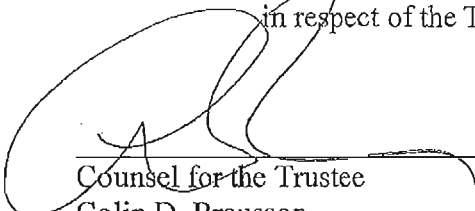
BEFORE REGISTRAR CAMERON) TUESDAY, THE 2ND DAY
) OF DECEMBER, 2014
)

THE APPLICATION of the Deloitte Restructuring Inc. in its capacity as trustee in bankruptcy of Creston Moly Corp. and Mercator Minerals Ltd. (in such dual capacities the "Trustee") coming on for hearing at Vancouver, British Columbia, on this day; AND ON HEARING Colin D. Brousson, counsel for the Trustee; AND Vicki Tickle, counsel for Société Générale; AND UPON READING the material filed:

THIS COURT ORDERS AND DECLARES THAT:

1. The form of Engagement Letter (the "**Engagement Letter**") between the Trustee and Deloitte Corporate Finance Inc. (the "**Deloitte CF**") attached hereto as Schedule "A" is approved.
2. The Trustee is authorized and directed to engage Deloitte CF on the terms set out in the Engagement Letter.
3. During the term of the Engagement Letter, in addition to the terms set out therein, Deloitte CF shall:

- (a) provide, to the Inspectors of the Estate of Mercator Minerals Ltd. (the “**Inspectors**”) on a monthly basis, and upon other reasonable request of the Inspectors, reports on the status of the sales process, the work Deloitte CF has completed under the Engagement Letter and Deloitte CF fees as at the date of such report;
- (b) submit its accounts (in accordance with section 4. “Consideration for Services” of the Engagement Letter) for approval by the Inspectors and the Court which approval shall have been given before the Trustee pays any amount to Deloitte CF in respect of the Transaction Fee (as defined in the Engagement Letter).

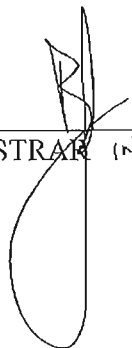


Counsel for the Trustee
Colin D. Brousson



Counsel for Société Générale
Vicki Tickle

BY THE COURT



REGISTRAR IN BANKRUPTCY

Schedule "A"

Deloitte.

Deloitte Corporate Finance Inc.
2800 - 1055 Dunsmuir Street
4 Bentall Centre
P.O. Box 49279
Vancouver BC V7X 1P4
Canada

Tel: 604-669-4466
Fax: 604-802-1583
www.deloitte.ca

November 28, 2014

Private and Confidential

Deloitte Restructuring Inc.
2800 - 1055 Dunsmuir Street
4 Bentall Centre
Vancouver, BC V7X 1P4

Attention: Huey Lee, Senior Vice President

Subject: Creston Moly Corp., in bankruptcy

Dear Sir:

The purpose of this letter is to confirm the appointment of Deloitte Corporate Finance Inc. ("**Financial Advisor**" or "**Deloitte**") as financial advisor to Deloitte Restructuring Inc. in its capacity as trustee in bankruptcy of Mercator Minerals Ltd. and Creston Moly Corp. (the "**Trustee**"). The Financial Advisor will conduct a sales process to divest Creston Moly Corp. ("**Creston**"), a wholly-owned subsidiary of Mercator Minerals Ltd. ("**Mercator**"), via the sale of either:

- (a) Mercator's corporate shares in Creston; or
- (b) Creston's corporate shares in its directly and indirectly held wholly owned subsidiaries, namely Creston Mining Corporation, Tenajon Resources Corp. and Exploraciones Global SA de CV; or
- (c) The assets of Creston's subsidiaries, namely the El Creston deposit located in Sonora, Mexico; the Ajax deposit located in British Columbia, Canada; and the Molybrook deposit located in Newfoundland, Canada.

Such sale may occur on a solicited or unsolicited basis, or by way of an amalgamation, arrangement, merger or other business combination transaction involving Creston and a third party to effect any such sale or disposition by Creston (individually or collectively, a "**Transaction**"). This letter of engagement is subject to Court approval.

This letter confirms our mutual understanding and agreement regarding the terms and scope of our engagement to render financial advisory services to the Trustee in connection with a Transaction. This letter agreement constitutes the entire agreement of the parties pertaining to a Transaction and supersedes all prior communications, understandings and agreements relating to the subject matter hereof.

1. Appointment and Engagement

By its acceptance of this letter, the Trustee hereby appoints Financial Advisor, and we agree to act, as financial advisor to the Trustee in respect of the Transaction.

This engagement of Financial Advisor shall be for a period of six months (the "Initial Term") and commences on the date hereof unless extended by the mutual agreement of the Trustee and Financial Advisor, or unless earlier terminated by Financial Advisor or the Trustee upon giving 30 days' written notice to that effect to the other party.

2. Services to be Rendered by Financial Advisor

Financial Advisor shall perform such advisory services of a strategic and financial nature as are required by and/or reasonably requested by the Trustee including the following:

- (a) Review and analyze public and confidential financial and technical information, management prepared and third party studies and forecasts relating to Crestor;
- (b) Undertake the necessary activities to prepare Crestor for marketing and prepare a list of prospective buyers;
- (c) In consultation with the Trustee, assist in preparing a marketing document and engage with prospective buyers in a dialogue to solicit feedback and determine level of interest in consummating a Transaction;
- (d) Assist in all negotiations in respect of any Transaction including the provision of advice as to the form, structure, terms and price of a Transaction with a view to maximizing value for the bankruptcy estate of Mercator Minerals Ltd and Crestor Poly Corp. (the "Estates");
- (e) Assist in the preparation of materials pertaining to a Transaction;
- (f) In the event of alternative proposals, assist in the detailed assessment of such proposals, the financial qualifications of potential purchasers and, if applicable, the negotiation of alternative transactions to the Transaction;
- (g) Assist in due diligence matters, along with the Trustee and its other advisors; and
- (h) Generally assist in the execution of an overall process that seeks to maximize realizations for the Estates.

The engagement of Financial Advisor to perform any additional services in respect of the Transactions and not otherwise covered by the terms of this letter shall be set forth in, and subject to the terms and conditions of, a separate or amending letter agreement and the fees for such services, including but not limited to detailed assessment of tax structuring related items, will be negotiated separately and in good faith.

3. Disclosure of our Advice and this Engagement

The Trustee acknowledges that all oral or written opinions, advice and materials provided by Financial Advisor to the Trustee in connection with Financial Advisor's engagement hereunder are intended solely for the benefit and internal use of the Trustee and the Trustee agrees that no such opinion, advice or material shall be used for any other purpose or publicly reproduced, disseminated, quoted from or referred to at any time, in any manner or for any purpose, nor shall any public references to Financial Advisor or this engagement be made by the Trustee (or such persons), without our prior written consent in each specific instance; provided, however, that the foregoing shall not prevent the Trustee from making such disclosure which, in the judgment of the Trustee, is required under applicable securities laws or the *Bankruptcy and Insolvency Act, Canada* ("BIA") or policy statements or stock exchange rules and provided in any event to the extent permitted thereunder that Financial Advisor is given a reasonable opportunity to review and comment thereon prior to any such disclosure being made.

Notwithstanding the foregoing, Financial Advisor consents to the disclosure of the terms of engagement of Financial Advisor and the services provided by Financial Advisor under this letter agreement in any take-over bid circular, directors' circular, management proxy circular or other disclosure document (each a "Disclosure Document") prepared by the Trustee or any other parties to the Transaction and mailed to shareholders of the Mercator Minerals Ltd. or the shareholders of any other parties to the Transaction from time to time in connection with a Transaction. Financial Advisor also understands that it will be necessary to share some opinions, advice and materials provided by Financial Advisor to the Trustee with the Inspectors of the Mercator bankruptcy estate. Financial Advisor also understands that the Disclosure Document may be filed with securities regulatory authorities. Financial Advisor expressly disclaims any liability or responsibility for the form or content of any directors' circular or similar disclosure document prepared by the Trustee or any other parties to the Transaction and mailed to Mercator's shareholders or the shareholders of any other parties to the Transaction in connection with any Transaction, other than disclosure of the terms of engagement of Financial Advisor and the services provided by Financial Advisor under this engagement letter that may be required by law, and any advice given by Financial Advisor, and such disclosure shall have been approved by Financial Advisor, acting reasonably. Financial Advisor expressly disclaims any liability or responsibility to the Trustee or any other party by reason of any unauthorized use, publication or distribution of the advice or opinions provided by Financial Advisor in connection with any Transaction.

4. Consideration for Services

Notwithstanding anything else contained herein, for our services hereunder, the Trustee agrees to pay or issue to Financial Advisor from proceeds of the Estate, the following:

- a) Accrued fees calculated on an hourly basis will be due and payable on closing of a Transaction (the "Transaction Fee") using the below billing rates and classifications.

Deloitte's fees will be based on the amount of professional time required using our standard hourly billing rates inclusive of a risk premium customary to this type of engagement, which vary depending upon the experience level of the professionals involved as follows:

Managing Director / Partner:	\$1,075/hr
Executive Director:	\$ 850/hr
Vice-President:	\$ 675/hr
Associate:	\$ 475/hr
Analyst:	\$ 350/hr

It is hereby agreed that the minimum Transaction Fee payable shall be the lower of: a) \$250,000; and b) the Transaction Value (as defined below).

Engagement team

This engagement will be under the direction of Jeremy South, who will maintain overall responsibility for the engagement on behalf of Financial Advisor. Kevin Becker will coordinate daily management of the engagement. The engagement team will include the following personnel:

Name	Function	Title
Kevin Becker	Project Lead	Executive Director
Jeremy South	Project Oversight	Managing Director / Partner
Cecilia Zhao	Execution Support	Vice-President
Chelsea Jiang	Execution Support	Analyst

Other professionals who will be identified during the course of the engagement may also be included to provide technical support. Circumstances may occur that could result in changes to our anticipated staffing for this engagement. Deloitte will, however, use its best efforts to ensure that the members of the engagement team are not changed without prior consultation.

Deloitte will provide to the Trustee a monthly statement summary of accrued hourly billings. The first statement will be provided one month following execution of this engagement letter.

- b) In the event that a Transaction is not completed during the Initial Term (subject to extension by the mutual agreement), and the Trustee enters into an agreement in respect of one or more Transactions or to complete one or more Transactions within six months of the termination of this engagement, then the Trustee shall pay Financial Advisor the Transaction Fee, payable upon closing of such Transaction, and
- c) In the event that Financial Advisor is requested to perform additional services in addition to those described in this agreement, Financial Advisor shall receive additional fees, as may be agreed between Financial Advisor and the Trustee.

For these purposes, the "Transaction Value" shall be the aggregate value of the total consideration (in cash, securities, assumption of debt or other property or interest) paid, payable, committed to, received by, issued to or transferred to the Trustee and/or Mercator's or its subsidiaries' security holders that can reasonably be considered to be payment for a Transaction. For the purposes of calculating the "Transaction Value", any non-cash consideration will be assessed, where specified, as valued in any Disclosure Document, and otherwise, at its estimated fair market value at the time of the closing of the Transaction with the value of publicly traded securities being determined by reference to the ten day weighted average trading price immediately subsequent to the closing of the Transaction.

The Trustee will reimburse Financial Advisor for all reasonable out-of-pocket expenses incurred by Financial Advisor in performing this agreement, including (but not limited to) travel and communication expenses, courier charges and reasonable fees and disbursements of any other consultants engaged by Financial Advisor with the prior consent of the Trustee. Financial Advisor shall obtain the prior approval of the Trustee to any single expenditure in excess of CDN\$2,000. Such reimbursable expenses will be payable on the closing of a Transaction, upon receipt by the Trustee of Financial Advisor's invoices.

5. Confidentiality

We and each of our directors, officers, employees and agents will keep strictly confidential and will use only for the purpose of performing our obligations hereunder all information, whether written or oral, acquired from the Trustee and Mercator's subsidiaries and their respective agents and advisors in connection with our work hereunder except information that was made available to the public prior to our engagement or that thereafter becomes available to the public other than through a breach by us of our obligations hereunder or was known to us prior to our engagement and except to the extent that we are required by Law or in connection with legal process or regulatory proceedings to disclose such information. If we are so required to disclose any such information, we will provide the Trustee with advance written notice of such requirement so that the Trustee may seek an appropriate protective order. For purposes of this agreement, "Law" means any rule, regulation, stock exchange rule, subpoena, court order or any other similar judicial, legal or regulatory process or examination.

6. Information

The Trustee will ensure that Financial Advisor is provided, on a timely basis, with all information (financial or otherwise), data, opinions, appraisals, valuations, documentation or other information and materials of whatsoever nature or kind concerning Creston and any Transaction which might reasonably be considered by the Trustee to be material to this engagement or which Financial Advisor may reasonably request in the performance of its services, including reasonable access to the officers, directors, employees, independent auditors and other advisors and consultants of the Trustee.

To the extent that any Transaction involves any non-cash consideration, the Trustee will also ensure that Financial Advisor is provided, on a timely basis, with all information (financial or otherwise), data, opinions, appraisals, valuations, documentation or other information and materials of whatsoever nature or kind concerning the party offering such non-cash consideration and its subsidiaries to the extent such information is available or made available to the Trustee and legally permitted to be provided to Financial Advisor, as Financial Advisor might reasonably be considered material to this engagement or which Financial Advisor may reasonably request in the performance of its services.

The Trustee acknowledges and agrees that Financial Advisor shall be relying upon the accuracy and completeness of the information and documentation furnished to it pursuant to the preceding paragraphs and, subject to the exercise of its professional judgment, shall be under no obligation to verify independently the accuracy and completeness of such information and documentation or to investigate whether any changes have occurred to the facts set out or referred to in such information or documentation subsequent to the date thereof (but shall consider the impact of any such changes of which it is aware or that are brought to its attention).

7. Advertisements

Once the Transaction is consummated, the Trustee agrees that Financial Advisor has the right to place advertisements in financial and other newspapers and journals, at its own expense, describing its services to the Trustee hereunder; provided that Financial Advisor shall submit a copy of any such proposed advertisements to the Trustee for its approval, such approval not to be unreasonably withheld.

8. Survival of Terms

Sections 3, 4 and 5 of this letter agreement and the Indemnity shall survive the completion of our engagement hereunder.

9. Notices

Any notice or other communication required or permitted to be given under this letter agreement shall be in writing and shall be sufficiently given or made by delivery or by telecopy or similar facsimile transmission (receipt confirmed) to the respective parties as follows:

If to the Trustee:

Deloitte Restructuring Inc.

Attention: Mr. Paul Chambers
Senior Manager
1055 Dunsmuir St, Suite 2800
Vancouver BC V7X 1P4
Email: pachambers@deloitte.ca

If to Financial Advisor:

Deloitte Corporate Finance Inc.

Attention: Mr. Kevin S. Becker
Executive Director
1055 Dunsmuir St, Suite 2800
Vancouver BC V7X 1P4
Email: kebecker@deloitte.ca

Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or so telecopied or transmitted. Any party may change its address by notice to the others in the manner set out above.

10. No Partnership

The Trustee acknowledges that it has retained Financial Advisor solely to provide the services set forth in this letter. In rendering such services, Financial Advisor will act as an independent contractor, and Financial Advisor owes its duties arising out of this engagement solely to the Trustee and to no other person. The Trustee acknowledges that nothing in this letter is intended to create duties beyond those expressly provided for in this letter, and Financial Advisor and the Trustee specifically disclaim the creation of any partnership, joint venture, fiduciary, agency or non-contractual relationship between, or the imposition of any partnership, joint venture, fiduciary, agency or non-contractual duties on, either party.

11. General Business Terms

The attached General Business Terms form part of our mutual agreement concerning this engagement. By signing this agreement the parties agree to be bound by these General Business Terms. In the event of a conflict between this letter and the General Business Terms, the letter shall take precedence with respect to that term.

12. Governing Law

The agreement resulting from the acceptance of this engagement letter shall be governed by and construed in accordance with the laws of the Province of British Columbia and the parties hereto attorn to the exclusive jurisdiction of the superior courts of the Province of British Columbia.

If the foregoing is in accordance with your understanding, please indicate your agreement to the above terms and conditions by signing the enclosed duplicate copy of this letter and returning it to us.
Yours truly,

Jeremy South, Managing Director
Deloitte Corporate Finance Inc.

Agreed and accepted by:

DELOITTE RESTRUCTURING INC.
in its capacity as trustee in bankruptcy of
Mercator Minerals Ltd. and Creston Moly Corp.
and not in its personal capacity

Signature of authorized signing officer

Name

Title

Date

DRAFT

General business terms

The following general business terms (the "Terms") apply to the engagement letter between Deloitte Corporate Finance Inc. and Deloitte Restructuring Inc. in its capacity as trustee in bankruptcy of Mercator Minerals Ltd. and Creston Moly Corp. and not in its personal capacity (the "Trustee") except as expressly set forth in the engagement letter to which these Terms are attached (the "Engagement Letter" or engagement letter").

1. Contracting parties

- a) **Definitions.** "Deloitte" or "Deloitte Canada" shall mean the Canadian corporation Deloitte Corporate Finance Inc. "Deloitte Entities" shall mean Deloitte Canada and where appropriate its directors, officers, partners, principals, professional corporations, employees, agents, subsidiaries and affiliates and to the extent providing services under the engagement letter, the member firms of Deloitte Touche Tohmatsu Limited, the subsidiaries and affiliates of such member firms, and all of their respective directors, officers, partners, principals, professional corporations, employees, agents; and in all cases any successor or assignee.
- b) This engagement letter is between the Trustee and Deloitte Canada. The Trustee agrees that its relationship is solely with Deloitte Canada as the entity contracting with the Trustee to provide the services covered by this engagement letter. Notwithstanding the fact that certain services covered by this engagement letter may be carried out by personnel provided to Deloitte Canada from other Deloitte Entities through service or other agreements, Deloitte Canada remains solely responsible and liable to the Trustee for all services covered by the engagement letter. Accordingly, the Trustee agrees that none of the Deloitte Entities (except Deloitte Canada) will have any liability to the Trustee, and the Trustee will not bring any claims or proceedings of any nature (whether in contract, tort, breach of statutory duty, or otherwise and including, but not limited to, a claim of negligence) in any way in respect of or in connection with this engagement against any of the Deloitte Entities (except Deloitte Canada) or against any subcontractors that Deloitte Canada may use to provide the services covered by this engagement letter.
- c) To the extent that Deloitte Entities (other than Deloitte Canada) are providing services to Deloitte Canada in connection with this engagement as subcontractors to Deloitte Canada, then the term "Deloitte" should read as "Deloitte Entities" for purposes of these Terms.

2. Services

- a) It is understood and agreed that the services to be provided under the Engagement Letter (the "Services") may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and be made by, the Trustee. In connection with the Services, Deloitte shall be entitled to rely on all decisions and approvals of the Trustee.

- b) The Services conducted by Deloitte cannot be relied upon to disclose errors or fraud should they exist. The Services will not constitute an audit conducted in accordance with generally accepted auditing standards, an examination or compilation of, or the performance of agreed upon procedures with respect to prospective financial information, an examination of or any other form of assurance with respect to internal controls, or other attestation or review services in accordance with standards or rules established by the CICA or other regulatory body. Deloitte will not express an opinion or any other form of assurance on any operating or internal controls, financial statements, forecasts, projections or other financial information.
- c) Neither the Services or any advice or reports in connection therewith are intended to be, nor shall be construed to be, "investment advice" within the meaning of the US Investment Advisors Act of 1940. In the performance of the Services, Deloitte will not perform any evaluation of internal controls and procedures for financial reporting upon which the Trustee and/or Mercator and its subsidiaries can base its assertion in connection with the US Sarbanes-Oxley Act of 2002 or related rules or regulations ("Sarbanes-Oxley"). Deloitte will make no representations or warranties and will provide no assurances that Mercator's and its subsidiaries' disclosure controls and procedures are compliant with the certification requirements of and internal controls and procedures for financial reporting are effective as required by Sarbanes-Oxley or any other standards or rules, including, without limitation, Sections 302 and 404 of Sarbanes-Oxley. The Services will be conducted in accordance with these Terms and, to the extent performed by the subsidiaries of Deloitte & Touche USA LLP, in accordance with the *Statement of Standards for Consulting Services* established by the American Institute of Certified Public Accountants.

3. Term

Unless terminated sooner in accordance with its terms, this engagement shall terminate on the completion of the Services. Either party may terminate this engagement at any time upon giving at least thirty (30) days written notice, unless otherwise stated in the above portion of the Engagement Letter, to that effect to the other party, provided that in the event of termination for cause, the breaching party shall have the right to cure the breach within the notice period. In the event of termination pursuant to this paragraph, the Trustee agrees to compensate Deloitte Canada under the terms of the Engagement Letter for Services performed and expenses incurred through the effective date of termination.

4. Timely performance

Deloitte will endeavour to complete within any agreed upon time-frame the performance of the Services. However, Deloitte will not be liable for failures or delays in performance that arise from causes beyond Deloitte's control, including the untimely performance by the Trustee of its obligations as set out in the engagement letter and in these Terms.

5. Fees and payment

- a) All fees and other charges do not include any applicable federal, provincial or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by the Trustee without deduction from the fees and charges hereunder.
- b) To the extent that, as part of the Services to be performed by Deloitte Canada as described in the engagement letter, Deloitte Canada personnel are required to perform the services in the United States of America ("US Business"), the Trustee and Deloitte Canada agree to assign performance of the US Business to Deloitte Canada LLP, an affiliate of Deloitte Canada. All services

performed by Deloitte Canada LLP shall be performed under the direction of Deloitte Canada which shall remain responsible to the Trustee for such Services. Deloitte Canada LLP shall invoice the Trustee with respect to the US Business and Deloitte Canada will invoice for services performed in Canada ("Canadian Business"). Payment for US business and/or Canadian Business can be settled with one payment to Deloitte Canada.

6. Independence

- a) Deloitte Canada may terminate this engagement upon written notice to the Trustee if it determines that (i) a governmental, regulatory or professional entity (including, without limitation, provincial accounting institutes, Canadian and foreign securities commissions, the Canadian Public Accountability Board and the Public Company Accounting Oversight Board) or an entity having the force of law has introduced a new, or modified an existing, law, rule, regulation, interpretation or decision the result of which would render the performance by Deloitte of any part of the engagement illegal or otherwise unlawful or in conflict with independence or professional rules, or (ii) circumstances change (including, without limitation, changes in ownership of Mercator or any of its affiliates) such that the performance by Deloitte of any part of the engagement would be illegal or otherwise unlawful or in conflict with independence or professional rules. Upon termination of the engagement, the Trustee will compensate Deloitte Canada under the terms of the Engagement Letter for the expenses incurred through the effective date of termination. For greater certainty, in the event that Deloitte Canada terminates this engagement pursuant to this section 6(a), the Transaction Fee shall not be payable under any circumstances including under section 4(a) of the Engagement letter.
- b) The Trustee shall provide Deloitte Canada with prompt written notice if Mercator or any of its subsidiaries or affiliates engages Deloitte Canada, a member firm of Deloitte Touche Tohmatsu Limited or any affiliate of such a member firm to provide audit related services.

7. Conflict of interest

- a) **Notification and resolution.** Should Deloitte Canada determine that there is a potential conflict of interest in connection with its performance of the Services, Deloitte Canada will advise the Trustee promptly and endeavour to resolve such potential conflict. Also, the Trustee agrees to notify Deloitte Canada promptly of any potential conflict affecting this engagement of which it is, or becomes aware. Where a potential conflict is identified by either party and Deloitte Canada believes the Trustee's interests can be properly safeguarded by the implementation of appropriate procedures, Deloitte Canada will discuss and agree such procedures with the Trustee.
- b) In the event that Deloitte Canada, an affiliate of Deloitte Canada or a member firm of Deloitte Touche Tohmatsu Limited or any of their respective affiliates acts for any other party, (i) Deloitte will not disclose any Confidential Information (defined below) that the Trustee provides to Deloitte in connection with this engagement and will not use such Confidential Information for another party's benefit, and (ii) Deloitte will establish appropriate ethical walls between the persons involved in advising the Trustee under this engagement and the persons involved in advising another party.

8. Trustee responsibilities

- a) **Cooperation.** The Trustee shall cooperate with Deloitte in the performance of the Services, including, without limitation, providing Deloitte with reasonable facilities and timely access to data, information and personnel of the Trustee. The Trustee shall be responsible for the

performance of its personnel and agents and for the accuracy and completeness of all data and information provided to Deloitte for purposes of the performance by Deloitte of the Services hereunder.

- b) **Management.** The Trustee shall be solely responsible for, among other things: (i) making all decisions and performing all functions in respect of its statutory duties in administering the Estates under the BIA; (ii) designating a competent management member to oversee the Services; (iii) evaluating the adequacy and results of the Services; (iv) accepting responsibility for the results of the Services; and (v) establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities.

9. Information

- a) **Access and reliance.** The Trustee will make available to Deloitte all information (financial or otherwise) reasonably necessary to enable Deloitte to provide the Services. The Trustee will also provide Deloitte with any information, advice and opinions relevant to the engagement that may be delivered by third parties, such as legal counsel (except where necessary to preserve privilege) and accounting, financial, environmental or other advisors, and will ensure that such third parties co-operate with Deloitte on matters considered by Deloitte to be relevant to the engagement. In carrying out its Services, Deloitte will rely on information that is publicly available, prepared or supplied by the Trustee or provided to Deloitte by third parties. Deloitte will be entitled to rely on, and is under no obligation to verify, the accuracy or completeness of such information and Deloitte has no responsibility for the accuracy or completeness of the information provided by, or on behalf of, Trustee or other parties. This engagement cannot be relied upon to disclose errors or fraud should they exist. Further, Deloitte is under no obligation to investigate any changes that may occur in such information subsequent to the date thereof.
- b) **Confidentiality.** To the extent that, in connection with this engagement, Deloitte come into possession of any proprietary or confidential information of Trustee, Mercator, Creston or its subsidiaries ("Confidential Information") (including Personal Information as defined in section 12(b) below), Deloitte will not disclose such information to any third party, other than the Deloitte Entities, without the Trustee's consent, except as may be required or permitted by law, regulation, judicial or administrative process, or in accordance with applicable professional standards, or in connection with litigation pertaining thereto. "Confidential Information" shall not include information which:
- i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by Deloitte in breach hereof;
 - ii) is disclosed by the Trustee to a third party without substantially the same restrictions as set forth herein;
 - iii) becomes available to Deloitte on a non-confidential basis from a source other than the Trustee which Deloitte believes is not prohibited from disclosing such information to Deloitte by obligation to the Trustee;
 - iv) is known by Deloitte prior to its receipt from the Trustee without any obligation of confidentiality with respect thereto; or
 - v) is developed by Deloitte independently of any disclosures made by the Trustee to Deloitte of such information.
- c) **Prospective financial information.** Unless Deloitte Canada and the Trustee agree otherwise in the Engagement Letter, Deloitte will not compile, examine or apply other procedures to prospective financial information of Mercator, Creston or its subsidiaries or other parties in

accordance with Canadian Institute of Chartered Accountants Standards and accordingly, will express no opinion or any other form of assurance or representations concerning its accuracy, completeness or presentation format. Any financial forecasts or projections belong to Mercator, Creston or its subsidiaries or other parties and are the sole responsibility of such management. There will usually be differences between projected and actual results, because events and circumstances frequently do not occur as expected or predicted, and those differences may be material.

- d) Deloitte will not return or provide records or information obtained in the course of the engagement to the Trustee if it is illegal to do so or if Deloitte is required to withhold the records or information by law enforcement or other public regulatory authorities (regardless of whether the engagement has been terminated).

10. Reporting

- a) **Qualifications to advice, opinions, and reports.** Any advice, opinions, or reports provided by Deloitte will be made subject to, and will be based upon, such assumptions, limitations, qualifications and reservations as Deloitte, in its judgment, deems necessary or prudent in the circumstances, including without limitation: (i) the time available to perform the Services, (ii) the information, data, opinions, advice and representations made available to Deloitte, and (iii) access to the Trustee's management, advisors and agents.
- b) **Amendments to reports.** Deloitte reserves the right to amend its advice, opinions, and reports accordingly, in the event that new information becomes available which may be contrary to or different from that which is set out to the Trustee in documents or verbal reports. Notwithstanding the foregoing, Deloitte has no responsibility for performing any services or procedures beyond those agreed to by Trustee and Deloitte Canada or for updating the Services performed.
- c) **Limitation on use and distribution.** Except as otherwise agreed in writing, all services in connection with this engagement shall be solely for the Trustee's internal purposes and use, and this engagement does not create privity between Deloitte and any person or party other than the Company ("third party"). This engagement is not intended for the express or implied benefit of any third party. No third party is entitled to rely, in any manner or for any purpose, on the advice, opinions, reports, or Services of Deloitte. The Company further agrees that the advice, opinions, reports or other materials prepared or provided by Deloitte are to be used only for the purpose contemplated by the Engagement Letter and shall not be distributed to any third party, except to the extent required under applicable securities laws or the BIA, without the prior written consent of Deloitte Canada.
- d) **Ownership.** Deloitte shall retain all right, title and interest in the reports, opinions and other documents provided by Deloitte to the Company and the Company shall be entitled to use such material in accordance with section 10(c).

11. Indemnification and limitation on liability

- a) **Application.** The provisions of this Section 11 shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise. This Section shall survive termination or expiry of the engagement. The provisions of this Section are not applicable to the extent that mandatory provisions of applicable regulatory bodies prohibit a professional financial advisor from limiting liability.

- b) **Limitation on liability.** The Trustee and Deloitte Canada agree to the following with respect to Deloitte's liability to the Trustee:
- i) Deloitte shall not be liable to the Trustee for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by the Trustee to Deloitte Canada pursuant to this engagement, except to the extent finally judicially determined to have resulted from the Gross Negligence (defined herein), bad faith or intentional misconduct of Deloitte. For the purposes of this agreement, "gross negligence" shall mean: any act performed in connection with providing the Services that is (a) a substantially marked and flagrant departure from the duty to abide by the rules of conduct normally applicable to the provision of such Services under the circumstances in which such Services are provided or (b) intended to inflict, or which is in reckless disregard of, or wanton indifference to harmful consequences which Deloitte knew or should have known could result from such act provided however that "gross negligence" does not include mere ordinary fault, any error of judgment or mistake made by Deloitte or any partner, director, officer, employee or agent of Deloitte in good faith in connection with providing the Services for the purposes of this engagement and is more than just neglect or ordinary care towards others or just inadvertence.
 - ii) In no event shall Deloitte be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this engagement or any loss of revenue or profit or any other commercial or economic loss or failure to realize expected savings.
 - iii) In any action, claim, loss or damage arising out of the engagement, the Trustee agrees that Deloitte's liability will be several and not joint and several and the Trustee may only claim payment from Deloitte of Deloitte's proportionate share of the total liability based on the degree of fault of Deloitte as finally determined by a court of competent jurisdiction.
- c) **Limitation on actions.** No action, regardless of form, relating to this engagement, may be brought by either party more than one year after the cause of action has accrued, except for an action for non-payment of fees.

12. Other

- a) **Regulatory or legal action.** The Trustee will notify Deloitte Canada promptly of any request received by the Trustee from any third party, including a regulatory authority, for any material information or for a meeting or hearing; the issuance of any restraining order; or the initiation of a proceeding or litigation relating to this engagement.

Subject to any professional issues including audit independence, if requested and if the parties agree, Deloitte will testify (as a non expert witness) or provide reasonable support services to the Trustee before any governmental commission, regulatory authority or court. Any such testimony or support services will be confined to the services performed under this engagement. Deloitte shall have the right to employ counsel in connection with such testimony or support services.

Deloitte shall be paid for any time spent by its personnel in connection with such support at their standard hourly rates, which shall be separate and apart from any other professional fees payable hereunder. The Trustee shall also reimburse Deloitte for its reasonable out-of-pocket costs, charges and expenses, including legal counsel, incurred in connection therewith. These fees and expenses shall be separate and in addition to any other fees or amounts payable under the provisions for payment of fees in the engagement letter.

- b) **Privacy.** Deloitte and the Trustee acknowledge and agree that, during the course of this engagement, Deloitte may collect personal information about identifiable individuals ("Personal Information"), either from the Trustee or from third parties. The Trustee and Deloitte Canada agree that Deloitte will collect, use and disclose Personal Information on behalf of the Trustee solely for purposes related to completing this engagement, providing services to the Trustee and in a manner consistent with section 9(c) above. Deloitte shall not collect, use and disclose such Personal Information for Deloitte's own behalf or for its own purposes.
- c) **Survival and interpretation.** The agreements and undertakings of the Trustee contained in the Engagement Letter together with the following sections of these Terms shall survive the expiration or termination of this engagement: 1, 2, 4, 5, 6, 8, 9, 10, 11 and 12.
- d) **Governing law.** These Terms, the Engagement Letter and all matters relating to this engagement (whether in contract, statute, tort (such as negligence), or otherwise), shall be governed by, and construed in accordance with, the laws of the Province of British Columbia. Any action or proceeding relating to this engagement shall be brought in the Province of British Columbia, and the parties submit to the jurisdiction of the courts of that Province and waive any defence of inconvenient forum to the maintenance of such action or proceeding.
- e) **Severability.** If any provision of the Terms or the Engagement Letter is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein.
- f) **Entire agreement.** These Terms and the Engagement Letter is the complete agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, proposals, negotiations, representations or warranties of any kind whether oral or written.
- g) **Assignment.** Except as provided below, neither party may assign, transfer or delegate any of its rights or obligations hereunder (including, without limitation, interests or Claims relating to this engagement) without the prior written consent of the other party. Trustee hereby consents to Deloitte Canada assigning or subcontracting any portion of the Services to any affiliate or related entity, whether located within or outside of Canada, provided that, any such assignment or subcontracting shall not relieve Deloitte Canada of its obligations hereunder. Services performed hereunder by Deloitte Canada's subcontractors shall be invoiced as professional fees on the same basis as Services performed by Deloitte Canada's personnel, unless otherwise agreed. Deloitte Canada may, without the consent of the Trustee, assign or subcontract its rights and obligations hereunder to (i) any affiliate or related entity or (ii) any entity which acquires all or a substantial part of the assets or business of Deloitte Canada.
- h) **Currency.** All financial references herein are to Canadian dollars unless specifically indicated otherwise. If it is necessary to convert any amounts into Canadian dollars, a prevailing commercial bank exchange rate at closing or the time of the invoice shall be used.
- i) **Notices.** Any notice or other communication required or permitted to be given under this engagement shall be in writing and shall be sufficiently given or made by delivery or by post or by telecopy or similar facsimile transmission (with confirmation of accurate and complete transmission obtained by the sender) to the respective parties. Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or posted or so telecopied or transmitted, except that any notice delivered after 5:00 p.m. on the day prior to a

non-business day shall be deemed to have been received at 9:00 a.m. on the first business day following delivery. Any party may change its address, telephone number or facsimile number by notice to the others in the manner set out above.

- j) **Communication.** Except as instructed otherwise in writing, each party may assume that the other approves of properly addressed fax, email (including email exchanged via Internet media) and voicemail communication of both sensitive and non-sensitive documents and other communications concerning this engagement, as well as other means of communication used or accepted by the other.
- k) **Language.** The parties have requested that this Agreement and all communications and documents relating hereto be expressed in the English language. Les parties ont exigé que la présente convention ainsi que tous les documents s'y rattachant soient rédigés dans la langue anglaise.
- l) **Quality of Service.** If, at any time, you believe our service to you could be improved or if you are dissatisfied with any aspect of our services you should raise the matter with the engagement partner. Alternatively, if you wish to discuss the matter with someone other than the engagement partner, or make a complaint, please email nfethics@deloitte.ca or call 1 (888) 683-2020 and ask for the National Ethics Leader. We will acknowledge the complaint upon receipt and every effort will be made to investigate expeditiously.

DRAFT

Estate No. 11-1904501
Court No. B141088
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE BANKRUPTCY OF
MERCATOR MINERALS CORP.

ORDER MADE AFTER APPLICATION

GOWLING LAFLEUR HENDERSON LLP
Barristers & Solicitors
Bentall 5, Suite 2300
550 Burrard Street
Vancouver, BC V6C 2B5

Tel. No. 604-683-6498
Fax. No. 604-683-3558

Attn: Colin D. Brousson
File No. V42227

DLW
8076311-1

APPENDIX D – DELOITTE CORPORATE FINANCE INC. LETTER OF ENGAGEMENT



Deloitte Corporate Finance Inc.
2800 - 1055 Dunsmuir Street
4 Bentall Centre
P.O. Box 49279
Vancouver BC V7X 1P4
Canada

Tel: 604-669-4466
Fax: 604-602-1583
www.deloitte.ca

December 2, 2014

Private and Confidential

Deloitte Restructuring Inc.
2800 - 1055 Dunsmuir Street
4 Bentall Centre
Vancouver, BC V7X 1P4

Attention: Huey Lee, Senior Vice President

Subject: Creston Moly Corp., in bankruptcy

Dear Sir:

The purpose of this letter is to confirm the appointment of Deloitte Corporate Finance Inc. ("**Financial Advisor**" or "**Deloitte**") as financial advisor to Deloitte Restructuring Inc. in its capacity as trustee in bankruptcy of Mercator Minerals Ltd. and Creston Moly Corp. (the "**Trustee**"). The Financial Advisor will conduct a sales process to divest Creston Moly Corp. ("**Creston**"), a wholly-owned subsidiary of Mercator Minerals Ltd. ("**Mercator**"), via the sale of either:

- (a) Mercator's corporate shares in Creston; or
- (b) Creston's corporate shares in its directly and indirectly held wholly owned subsidiaries, namely Creston Mining Corporation, Tenajon Resources Corp. and Exploraciones Global SA de CV; or
- (c) The assets of Creston's subsidiaries, namely the El Creston deposit located in Sonora, Mexico; the Ajax deposit located in British Columbia, Canada; and the Molybrook deposit located in Newfoundland, Canada.

Such sale may occur on a solicited or unsolicited basis, or by way of an amalgamation, arrangement, merger or other business combination transaction involving Creston and a third party to effect any such sale or disposition by Creston (individually or collectively, a "**Transaction**"). This letter of engagement is subject to Court approval.

This letter confirms our mutual understanding and agreement regarding the terms and scope of our engagement to render financial advisory services to the Trustee in connection with a Transaction. This letter agreement constitutes the entire agreement of the parties pertaining to a Transaction and supersedes all prior communications, understandings and agreements relating to the subject matter hereof.

1. Appointment and Engagement

By its acceptance of this letter, the Trustee hereby appoints Financial Advisor, and we agree to act, as financial advisor to the Trustee in respect of the Transaction.

This engagement of Financial Advisor shall be for a period of six months (the "Initial Term") and commences on the date hereof unless extended by the mutual agreement of the Trustee and Financial Advisor, or unless earlier terminated by Financial Advisor or the Trustee upon giving 30 days' written notice to that effect to the other party.

2. Services to be Rendered by Financial Advisor

Financial Advisor shall perform such advisory services of a strategic and financial nature as are required by and/or reasonably requested by the Trustee including the following:

- (a) Review and analyze public and confidential financial and technical information, management prepared and third party studies and forecasts relating to Creston;
- (b) Undertake the necessary activities to prepare Creston for marketing and prepare a list of prospective buyers;
- (c) In consultation with the Trustee, assist in preparing a marketing document and engage with prospective buyers in a dialogue to solicit feedback and determine level of interest in consummating a Transaction;
- (d) Assist in all negotiations in respect of any Transaction including the provision of advice as to the form, structure, terms and price of a Transaction with a view to maximizing value for the bankruptcy estate of Mercator Minerals Ltd. and Creston Moly Corp. (the "Estates");
- (e) Assist in the preparation of materials pertaining to a Transaction;
- (f) In the event of alternative proposals, assist in the detailed assessment of such proposals, the financial qualifications of potential purchasers and, if applicable, the negotiation of alternative transactions to the Transaction;
- (g) Assist in due diligence matters, along with the Trustee and its other advisors; and
- (h) Generally assist in the execution of an overall process that seeks to maximize realizations for the Estates.

The engagement of Financial Advisor to perform any additional services in respect of the Transactions and not otherwise covered by the terms of this letter shall be set forth in, and subject to the terms and conditions of, a separate or amending letter agreement and the fees for such services, including but not limited to detailed assessment of tax structuring related items, will be negotiated separately and in good faith.

3. Disclosure of our Advice and this Engagement

The Trustee acknowledges that all oral or written opinions, advice and materials provided by Financial Advisor to the Trustee in connection with Financial Advisor's engagement hereunder are intended solely for the benefit and internal use of the Trustee and the Trustee agrees that no such opinion, advice or material shall be used for any other purpose or publicly reproduced, disseminated, quoted from or referred to at any time, in any manner or for any purpose, nor shall any public references to Financial Advisor or this engagement be made by the Trustee (or such persons), without our prior written consent in each specific instance; provided, however, that the foregoing shall not prevent the Trustee from making such disclosure which, in the judgment of the Trustee, is required under applicable securities laws or the *Bankruptcy and Insolvency Act, Canada* ("BIA") or policy statements or stock exchange rules and provided in any event to the extent permitted thereunder that Financial Advisor is given a reasonable opportunity to review and comment thereon prior to any such disclosure being made.

Notwithstanding the foregoing, Financial Advisor consents to the disclosure of the terms of engagement of Financial Advisor and the services provided by Financial Advisor under this letter agreement in any take-over bid circular, directors' circular, management proxy circular or other disclosure document (each a "Disclosure Document") prepared by the Trustee or any other parties to the Transaction and mailed to shareholders of the Mercator Minerals Ltd. or the shareholders of any other parties to the Transaction from time to time in connection with a Transaction. Financial Advisor also understands that it will be necessary to share some opinions, advice and materials provided by Financial Advisor to the Trustee with the Inspectors of the Mercator bankruptcy estate. Financial Advisor also understands that the Disclosure Document may be filed with securities regulatory authorities. Financial Advisor expressly disclaims any liability or responsibility for the form or content of any directors' circular or similar disclosure document prepared by the Trustee or any other parties to the Transaction and mailed to Mercator's shareholders or the shareholders of any other parties to the Transaction in connection with any Transaction, other than disclosure of the terms of engagement of Financial Advisor and the services provided by Financial Advisor under this engagement letter that may be required by law, and any advice given by Financial Advisor, and such disclosure shall have been approved by Financial Advisor, acting reasonably. Financial Advisor expressly disclaims any liability or responsibility to the Trustee or any other party by reason of any unauthorized use, publication or distribution of the advice or opinions provided by Financial Advisor in connection with any Transaction.

4. Consideration for Services

Notwithstanding anything else contained herein, for our services hereunder, the Trustee agrees to pay or issue to Financial Advisor from proceeds of the Estate, the following:

- a) Accrued fees calculated on an hourly basis will be due and payable on closing of a Transaction (the "Transaction Fee") using the below billing rates and classifications.

Deloitte's fees will be based on the amount of professional time required using our standard hourly billing rates inclusive of a risk premium customary to this type of engagement, which vary depending upon the experience level of the professionals involved as follows:

Managing Director / Partner:	\$1,075/hr
Executive Director:	\$ 850/hr
Vice-President:	\$ 675/hr
Associate:	\$ 475/hr
Analyst:	\$ 350/hr

It is hereby agreed that the minimum Transaction Fee payable shall be the lower of: a) \$250,000; and b) the Transaction Value (as defined below).

Engagement team

This engagement will be under the direction of Jeremy South, who will maintain overall responsibility for the engagement on behalf of Financial Advisor. Kevin Becker will coordinate daily management of the engagement. The engagement team will include the following personnel:

Name	Function	Title
Kevin Becker	Project Lead	Executive Director
Jeremy South	Project Oversight	Managing Director / Partner
Cecilia Zhao	Execution Support	Vice-President
Chelsea Jiang	Execution Support	Analyst

Other professionals who will be identified during the course of the engagement may also be included to provide technical support. Circumstances may occur that could result in changes to our anticipated staffing for this engagement. Deloitte will, however, use its best efforts to ensure that the members of the engagement team are not changed without prior consultation.

Deloitte will provide to the Trustee a monthly statement summary of accrued hourly billings. The first statement will be provided one month following execution of this engagement letter.

- b) In the event that a Transaction is not completed during the Initial Term (subject to extension by the mutual agreement), and the Trustee enters into an agreement in respect of one or more Transactions or to complete one or more Transactions within six months of the termination of this engagement, then the Trustee shall pay Financial Advisor the Transaction Fee, payable upon closing of such Transaction; and
- c) In the event that Financial Advisor is requested to perform additional services in addition to those described in this agreement, Financial Advisor shall receive additional fees, as may be agreed between Financial Advisor and the Trustee.

For these purposes, the "Transaction Value" shall be the aggregate value of the total consideration (in cash, securities, assumption of debt or other property or interest) paid, payable, committed to, received by, issued to or transferred to the Trustee and/or Mercator's or its subsidiaries' security holders that can reasonably be considered to be payment for a Transaction. For the purposes of calculating the "Transaction Value", any non-cash consideration will be assessed, where specified, as valued in any Disclosure Document, and otherwise, at its estimated fair market value at the time of the closing of the Transaction with the value of publicly traded securities being determined by reference to the ten day weighted average trading price immediately subsequent to the closing of the Transaction.

The Trustee will reimburse Financial Advisor for all reasonable out-of-pocket expenses incurred by Financial Advisor in performing this agreement, including (but not limited to) travel and communication expenses, courier charges and reasonable fees and disbursements of any other consultants engaged by Financial Advisor with the prior consent of the Trustee. Financial Advisor shall obtain the prior approval of the Trustee to any single expenditure in excess of CDN\$2,000. Such reimbursable expenses will be payable on the closing of a Transaction, upon receipt by the Trustee of Financial Advisor's invoices.

5. Confidentiality

We and each of our directors, officers, employees and agents will keep strictly confidential and will use only for the purpose of performing our obligations hereunder all information, whether written or oral, acquired from the Trustee and Mercator's subsidiaries and their respective agents and advisors in connection with our work hereunder except information that was made available to the public prior to our engagement or that thereafter becomes available to the public other than through a breach by us of our obligations hereunder or was known to us prior to our engagement and except to the extent that we are required by Law or in connection with legal process or regulatory proceedings to disclose such information. If we are so required to disclose any such information, we will provide the Trustee with advance written notice of such requirement so that the Trustee may seek an appropriate protective order. For purposes of this agreement, "Law" means any rule, regulation, stock exchange rule, subpoena, court order or any other similar judicial, legal or regulatory process or examination.

6. Information

The Trustee will ensure that Financial Advisor is provided, on a timely basis, with all information (financial or otherwise), data, opinions, appraisals, valuations, documentation or other information and materials of whatsoever nature or kind concerning Creston and any Transaction which might reasonably be considered by the Trustee to be material to this engagement or which Financial Advisor may reasonably request in the performance of its services, including reasonable access to the officers, directors, employees, independent auditors and other advisors and consultants of the Trustee.

To the extent that any Transaction involves any non-cash consideration, the Trustee will also ensure that Financial Advisor is provided, on a timely basis, with all information (financial or otherwise), data, opinions, appraisals, valuations, documentation or other information and materials of whatsoever nature or kind concerning the party offering such non-cash consideration and its subsidiaries to the extent such information is available or made available to the Trustee and legally permitted to be provided to Financial Advisor, as Financial Advisor might reasonably be considered material to this engagement or which Financial Advisor may reasonably request in the performance of its services.

The Trustee acknowledges and agrees that Financial Advisor shall be relying upon the accuracy and completeness of the information and documentation furnished to it pursuant to the preceding paragraphs and, subject to the exercise of its professional judgment, shall be under no obligation to verify independently the accuracy and completeness of such information and documentation or to investigate whether any changes have occurred to the facts set out or referred to in such information or documentation subsequent to the date thereof (but shall consider the impact of any such changes of which it is aware or that are brought to its attention).

7. Advertisements

Once the Transaction is consummated, the Trustee agrees that Financial Advisor has the right to place advertisements in financial and other newspapers and journals, at its own expense, describing its services to the Trustee hereunder; provided that Financial Advisor shall submit a copy of any such proposed advertisements to the Trustee for its approval, such approval not to be unreasonably withheld.

8. Survival of Terms

Sections 3, 4 and 5 of this letter agreement and the Indemnity shall survive the completion of our engagement hereunder.

9. Notices

Any notice or other communication required or permitted to be given under this letter agreement shall be in writing and shall be sufficiently given or made by delivery or by telecopy or similar facsimile transmission (receipt confirmed) to the respective parties as follows:

If to the Trustee:

Deloitte Restructuring Inc.

Attention: Mr. Paul Chambers
Senior Manager
1055 Dunsmuir St, Suite 2800
Vancouver BC V7X 1P4
Email: pachambers@deloitte.ca

If to Financial Advisor:

Deloitte Corporate Finance Inc.

Attention: Mr. Kevin S. Becker
Executive Director
1055 Dunsmuir St, Suite 2800
Vancouver BC V7X 1P4
Email: kebecker@deloitte.ca

Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or so telecopied or transmitted. Any party may change its address by notice to the others in the manner set out above.

10. No Partnership

The Trustee acknowledges that it has retained Financial Advisor solely to provide the services set forth in this letter. In rendering such services, Financial Advisor will act as an independent contractor, and Financial Advisor owes its duties arising out of this engagement solely to the Trustee and to no other person. The Trustee acknowledges that nothing in this letter is intended to create duties beyond those expressly provided for in this letter, and Financial Advisor and the Trustee specifically disclaim the creation of any partnership, joint venture, fiduciary, agency or non-contractual relationship between, or the imposition of any partnership, joint venture, fiduciary, agency or non-contractual duties on, either party.

11. General Business Terms

The attached General Business Terms form part of our mutual agreement concerning this engagement. By signing this agreement the parties agree to be bound by these General Business Terms. In the event of a conflict between this letter and the General Business Terms, the letter shall take precedence with respect to that term.

12. Governing Law

The agreement resulting from the acceptance of this engagement letter shall be governed by and construed in accordance with the laws of the Province of British Columbia and the parties hereto attorn to the exclusive jurisdiction of the superior courts of the Province of British Columbia.

If the foregoing is in accordance with your understanding, please indicate your agreement to the above terms and conditions by signing the enclosed duplicate copy of this letter and returning it to us.

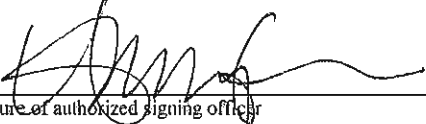
Yours truly,

Deloitte Corporate Finance Inc.

Jeremy South, Managing Director
Deloitte Corporate Finance Inc.

Agreed and accepted by:

DELOITTE RESTRUCTURING INC.
in its capacity as trustee in bankruptcy of
Mercator Minerals Ltd. and Creston Moly Corp.
and not in its personal capacity



Signature of authorized signing officer

HUEY LEE

Name

SENIOR VICE PRESIDENT

Title

02 DECEMBER 2014

Date

General business terms

The following general business terms (the “Terms”) apply to the engagement letter between Deloitte Corporate Finance Inc. and Deloitte Restructuring Inc. in its capacity as trustee in bankruptcy of Mercator Minerals Ltd. and Creston Moly Corp. and not in its personal capacity (the “Trustee”) except as expressly set forth in the engagement letter to which these Terms are attached (the “Engagement Letter” or engagement letter”).

1. Contracting parties

- a) **Definitions:** “Deloitte” or “Deloitte Canada” shall mean the Canadian corporation Deloitte Corporate Finance Inc. “Deloitte Entities” shall mean Deloitte Canada and where appropriate its directors, officers, partners, principals, professional corporations, employees, agents, subsidiaries and affiliates and to the extent providing services under the engagement letter, the member firms of Deloitte Touche Tohmatsu Limited, the subsidiaries and affiliates of such member firms, and all of their respective directors, officers, partners, principals, professional corporations, employees, agents; and in all cases any successor or assignee.
- b) This engagement letter is between the Trustee and Deloitte Canada. The Trustee agrees that its relationship is solely with Deloitte Canada as the entity contracting with the Trustee to provide the services covered by this engagement letter. Notwithstanding the fact that certain services covered by this engagement letter may be carried out by personnel provided to Deloitte Canada from other Deloitte Entities through service or other agreements, Deloitte Canada remains solely responsible and liable to the Trustee for all services covered by the engagement letter. Accordingly, the Trustee agrees that none of the Deloitte Entities (except Deloitte Canada) will have any liability to the Trustee, and the Trustee will not bring any claims or proceedings of any nature (whether in contract, tort, breach of statutory duty, or otherwise and including, but not limited to, a claim or negligence) in any way in respect of or in connection with this engagement against any of the Deloitte Entities (except Deloitte Canada) or against any subcontractors that Deloitte Canada may use to provide the services covered by this engagement letter.
- c) To the extent that Deloitte Entities (other than Deloitte Canada) are providing services to Deloitte Canada in connection with this engagement as subcontractors to Deloitte Canada, then the term “Deloitte” should read as “Deloitte Entities” for purposes of these Terms.

2. Services

- a) It is understood and agreed that the services to be provided under the Engagement Letter (the “Services”) may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and be made by, the Trustee. In connection with the Services, Deloitte shall be entitled to rely on all decisions and approvals of the Trustee.

- b) The Services conducted by Deloitte cannot be relied upon to disclose errors or fraud should they exist. The Services will not constitute an audit conducted in accordance with generally accepted auditing standards, an examination or compilation of, or the performance of agreed upon procedures with respect to prospective financial information, an examination of or any other form of assurance with respect to internal controls, or other attestation or review services in accordance with standards or rules established by the CICA or other regulatory body. Deloitte will not express an opinion or any other form of assurance on any operating or internal controls, financial statements, forecasts, projections or other financial information.
- c) Neither the Services or any advice or reports in connection therewith are intended to be, nor shall be construed to be, "investment advice" within the meaning of the US Investment Advisors Act of 1940. In the performance of the Services, Deloitte will not perform any evaluation of internal controls and procedures for financial reporting upon which the Trustee and/or Mercator and its subsidiaries can base its assertion in connection with the US Sarbanes-Oxley Act of 2002 or related rules or regulations ("Sarbanes-Oxley"). Deloitte will make no representations or warranties and will provide no assurances that Mercator's and its subsidiaries' disclosure controls and procedures are compliant with the certification requirements of and internal controls and procedures for financial reporting are effective as required by Sarbanes-Oxley or any other standards or rules, including, without limitation, Sections 302 and 404 of Sarbanes-Oxley. The Services will be conducted in accordance with these Terms and, to the extent performed by the subsidiaries of Deloitte & Touche USA LLP, in accordance with the *Statement of Standards for Consulting Services* established by the American Institute of Certified Public Accountants.

3. Term

Unless terminated sooner in accordance with its terms, this engagement shall terminate on the completion of the Services. Either party may terminate this engagement at any time upon giving at least thirty (30) days written notice, unless otherwise stated in the above portion of the Engagement Letter, to that effect to the other party, provided that in the event of termination for cause, the breaching party shall have the right to cure the breach within the notice period. In the event of termination pursuant to this paragraph, the Trustee agrees to compensate Deloitte Canada under the terms of the Engagement Letter for Services performed and expenses incurred through the effective date of termination.

4. Timely performance

Deloitte will endeavour to complete within any agreed upon time-frame the performance of the Services. However, Deloitte will not be liable for failures or delays in performance that arise from causes beyond Deloitte's control, including the untimely performance by the Trustee of its obligations as set out in the engagement letter and in these Terms.

5. Fees and payment

- a) All fees and other charges do not include any applicable federal, provincial or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by the Trustee without deduction from the fees and charges hereunder.
- b) To the extent that, as part of the Services to be performed by Deloitte Canada as described in the engagement letter, Deloitte Canada personnel are required to perform the services in the United States of America ("US Business"), the Trustee and Deloitte Canada agree to assign performance of the US Business to Deloitte Canada LLP, an affiliate of Deloitte Canada. All services

performed by Deloitte Canada LLP shall be performed under the direction of Deloitte Canada which shall remain responsible to the Trustee for such Services. Deloitte Canada LLP shall invoice the Trustee with respect to the US Business and Deloitte Canada will invoice for services performed in Canada ("Canadian Business"). Payment for US business and/or Canadian Business can be settled with one payment to Deloitte Canada.

6. Independence

- a) Deloitte Canada may terminate this engagement upon written notice to the Trustee if it determines that (i) a governmental, regulatory or professional entity (including, without limitation, provincial accounting institutes, Canadian and foreign securities commissions, the Canadian Public Accountability Board and the Public Company Accounting Oversight Board) or an entity having the force of law has introduced a new, or modified an existing, law, rule, regulation, interpretation or decision the result of which would render the performance by Deloitte of any part of the engagement illegal or otherwise unlawful or in conflict with independence or professional rules, or (ii) circumstances change (including, without limitation, changes in ownership of Mercator or any of its affiliates) such that the performance by Deloitte of any part of the engagement would be illegal or otherwise unlawful or in conflict with independence or professional rules. Upon termination of the engagement, the Trustee will compensate Deloitte Canada under the terms of the Engagement Letter for the expenses incurred through the effective date of termination. For greater certainty, in the event that Deloitte Canada terminates this engagement pursuant to this section 6(a), the Transaction Fee shall not be payable under any circumstances including under section 4(a) of the Engagement letter.
- b) The Trustee shall provide Deloitte Canada with prompt written notice if Mercator or any of its subsidiaries or affiliates engages Deloitte Canada, a member firm of Deloitte Touche Tohmatsu Limited or any affiliate of such a member firm to provide audit related services.

7. Conflict of interest

- a) *Notification and resolution.* Should Deloitte Canada determine that there is a potential conflict of interest in connection with its performance of the Services, Deloitte Canada will advise the Trustee promptly and endeavour to resolve such potential conflict. Also, the Trustee agrees to notify Deloitte Canada promptly of any potential conflict affecting this engagement of which it is, or becomes aware. Where a potential conflict is identified by either party and Deloitte Canada believes the Trustee's interests can be properly safeguarded by the implementation of appropriate procedures, Deloitte Canada will discuss and agree such procedures with the Trustee.
- b) In the event that Deloitte Canada, an affiliate of Deloitte Canada or a member firm of Deloitte Touche Tohmatsu Limited or any of their respective affiliates acts for any other party, (i) Deloitte will not disclose any Confidential Information (defined below) that the Trustee provides to Deloitte in connection with this engagement and will not use such Confidential Information for another party's benefit, and (ii) Deloitte will establish appropriate ethical walls between the persons involved in advising the Trustee under this engagement and the persons involved in advising another party.

8. Trustee responsibilities

- a) *Cooperation.* The Trustee shall cooperate with Deloitte in the performance of the Services, including, without limitation, providing Deloitte with reasonable facilities and timely access to data, information and personnel of the Trustee. The Trustee shall be responsible for the

performance of its personnel and agents and for the accuracy and completeness of all data and information provided to Deloitte for purposes of the performance by Deloitte of the Services hereunder.

- b) **Management.** The Trustee shall be solely responsible for, among other things: (i) making all decisions and performing all functions in respect of its statutory duties in administering the Estates under the BIA; (ii) designating a competent management member to oversee the Services; (iii) evaluating the adequacy and results of the Services; (iv) accepting responsibility for the results of the Services; and (v) establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities.

9. Information

- a) **Access and reliance.** The Trustee will make available to Deloitte all information (financial or otherwise) reasonably necessary to enable Deloitte to provide the Services. The Trustee will also provide Deloitte with any information, advice and opinions relevant to the engagement that may be delivered by third parties, such as legal counsel (except where necessary to preserve privilege) and accounting, financial, environmental or other advisors, and will ensure that such third parties co-operate with Deloitte on matters considered by Deloitte to be relevant to the engagement. In carrying out its Services, Deloitte will rely on information that is publicly available, prepared or supplied by the Trustee or provided to Deloitte by third parties. Deloitte will be entitled to rely on, and is under no obligation to verify, the accuracy or completeness of such information and Deloitte has no responsibility for the accuracy or completeness of the information provided by, or on behalf of, Trustee or other parties. This engagement cannot be relied upon to disclose errors or fraud should they exist. Further, Deloitte is under no obligation to investigate any changes that may occur in such information subsequent to the date thereof.
- b) **Confidentiality.** To the extent that, in connection with this engagement, Deloitte come into possession of any proprietary or confidential information of Trustee, Mercator, Creston or its subsidiaries ("Confidential Information") (including Personal Information as defined in section 12(b) below), Deloitte will not disclose such information to any third party, other than the Deloitte Entities, without the Trustee's consent, except as may be required or permitted by law, regulation, judicial or administrative process, or in accordance with applicable professional standards, or in connection with litigation pertaining thereto. "Confidential Information" shall not include information which:
- i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by Deloitte in breach hereof;
 - ii) is disclosed by the Trustee to a third party without substantially the same restrictions as set forth herein;
 - iii) becomes available to Deloitte on a non-confidential basis from a source other than the Trustee which Deloitte believes is not prohibited from disclosing such information to Deloitte by obligation to the Trustee;
 - iv) is known by Deloitte prior to its receipt from the Trustee without any obligation of confidentiality with respect thereto; or
 - v) is developed by Deloitte independently of any disclosures made by the Trustee to Deloitte of such information.
- c) **Prospective financial information.** Unless Deloitte Canada and the Trustee agree otherwise in the Engagement Letter, Deloitte will not compile, examine or apply other procedures to prospective financial information of Mercator, Creston or its subsidiaries or other parties in

accordance with Canadian Institute of Chartered Accountants Standards and accordingly, will express no opinion or any other form of assurance or representations concerning its accuracy, completeness or presentation format. Any financial forecasts or projections belong to Mercator, Creston or its subsidiaries or other parties and are the sole responsibility of such management. There will usually be differences between projected and actual results, because events and circumstances frequently do not occur as expected or predicted, and those differences may be material.

- d) Deloitte will not return or provide records or information obtained in the course of the engagement to the Trustee if it is illegal to do so or if Deloitte is required to withhold the records or information by law enforcement or other public regulatory authorities (regardless of whether the engagement has been terminated).

10. Reporting

- a) *Qualifications to advice, opinions, and reports.* Any advice, opinions, or reports provided by Deloitte will be made subject to, and will be based upon, such assumptions, limitations, qualifications and reservations as Deloitte, in its judgment, deems necessary or prudent in the circumstances, including without limitation: (i) the time available to perform the Services, (ii) the information, data, opinions, advice and representations made available to Deloitte, and (iii) access to the Trustee's management, advisors and agents.
- b) *Amendments to reports.* Deloitte reserves the right to amend its advice, opinions, and reports accordingly, in the event that new information becomes available which may be contrary to or different from that which is set out to the Trustee in documents or verbal reports. Notwithstanding the foregoing, Deloitte has no responsibility for performing any services or procedures beyond those agreed to by Trustee and Deloitte Canada or for updating the Services performed.
- c) *Limitation on use and distribution.* Except as otherwise agreed in writing, all services in connection with this engagement shall be solely for the Trustee's internal purposes and use, and this engagement does not create privity between Deloitte and any person or party other than the Company ("third party"). This engagement is not intended for the express or implied benefit of any third party. No third party is entitled to rely, in any manner or for any purpose, on the advice, opinions, reports, or Services of Deloitte. The Company further agrees that the advice, opinions, reports or other materials prepared or provided by Deloitte are to be used only for the purpose contemplated by the Engagement Letter and shall not be distributed to any third party, except to the extent required under applicable securities laws or the BIA, without the prior written consent of Deloitte Canada.
- d) *Ownership.* Deloitte shall retain all right, title and interest in the reports, opinions and other documents provided by Deloitte to the Company and the Company shall be entitled to use such material in accordance with section 10(c).

11. Indemnification and limitation on liability

- a) *Application.* The provisions of this Section 11 shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise. This Section shall survive termination or expiry of the engagement. The provisions of this Section are not applicable to the extent that mandatory provisions of applicable regulatory bodies prohibit a professional financial advisor from limiting liability.

- b) **Limitation on liability.** The Trustee and Deloitte Canada agree to the following with respect to Deloitte's liability to the Trustee:
- i) Deloitte shall not be liable to the Trustee for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by the Trustee to Deloitte Canada pursuant to this engagement, except to the extent finally judicially determined to have resulted from the Gross Negligence (defined herein), bad faith or intentional misconduct of Deloitte. For the purposes of this agreement, "gross negligence" shall mean: any act performed in connection with providing the Services that is (a) a substantially marked and flagrant departure from the duty to abide by the rules of conduct normally applicable to the provision of such Services under the circumstances in which such Services are provided or (b) intended to inflict, or which is in reckless disregard of, or wanton indifference to harmful consequences which Deloitte knew or should have known could result from such act provided however that "gross negligence" does not include mere ordinary fault, any error of judgment or mistake made by Deloitte or any partner, director, officer, employee or agent of Deloitte in good faith in connection with providing the Services for the purposes of this engagement and is more than just neglect or ordinary care towards others or just inadvertence.
 - ii) In no event shall Deloitte be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this engagement or any loss of revenue or profit or any other commercial or economic loss or failure to realize expected savings.
 - iii) In any action, claim, loss or damage arising out of the engagement, the Trustee agrees that Deloitte's liability will be several and not joint and several and the Trustee may only claim payment from Deloitte of Deloitte's proportionate share of the total liability based on the degree of fault of Deloitte as finally determined by a court of competent jurisdiction .
- c) **Limitation on actions.** No action, regardless of form, relating to this engagement, may be brought by either party more than one year after the cause of action has accrued, except for an action for non-payment of fees.

12. Other

- a) **Regulatory or legal action.** The Trustee will notify Deloitte Canada promptly of any request received by the Trustee from any third party, including a regulatory authority, for any material information or for a meeting or hearing; the issuance of any restraining order; or the initiation of a proceeding or litigation relating to this engagement.

Subject to any professional issues including audit independence, if requested and if the parties agree, Deloitte will testify (as a non expert witness) or provide reasonable support services to the Trustee before any governmental commission, regulatory authority or court. Any such testimony or support services will be confined to the services performed under this engagement. Deloitte shall have the right to employ counsel in connection with such testimony or support services.

Deloitte shall be paid for any time spent by its personnel in connection with such support at their standard hourly rates, which shall be separate and apart from any other professional fees payable hereunder. The Trustee shall also reimburse Deloitte for its reasonable out-of-pocket costs, charges and expenses, including legal counsel, incurred in connection therewith. These fees and expenses shall be separate and in addition to any other fees or amounts payable under the provisions for payment of fees in the engagement letter.

- b) **Privacy.** Deloitte and the Trustee acknowledge and agree that, during the course of this engagement, Deloitte may collect personal information about identifiable individuals ("Personal Information"), either from the Trustee or from third parties. The Trustee and Deloitte Canada agree that Deloitte will collect, use and disclose Personal Information on behalf of the Trustee solely for purposes related to completing this engagement, providing services to the Trustee and in a manner consistent with section 9(c) above. Deloitte shall not collect, use and disclose such Personal Information for Deloitte's own behalf or for its own purposes.
- c) **Survival and interpretation.** The agreements and undertakings of the Trustee contained in the Engagement Letter together with the following sections of these Terms shall survive the expiration or termination of this engagement: 1, 2, 4, 5, 6, 8, 9, 10, 11 and 12.
- d) **Governing law.** These Terms, the Engagement Letter and all matters relating to this engagement (whether in contract, statute, tort (such as negligence), or otherwise), shall be governed by, and construed in accordance with, the laws of the Province of British Columbia. Any action or proceeding relating to this engagement shall be brought in the Province of British Columbia, and the parties submit to the jurisdiction of the courts of that Province and waive any defence of inconvenient forum to the maintenance of such action or proceeding.
- e) **Severability.** If any provision of the Terms or the Engagement Letter is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein.
- f) **Entire agreement.** These Terms and the Engagement Letter is the complete agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, proposals, negotiations, representations or warranties of any kind whether oral or written.
- g) **Assignment.** Except as provided below, neither party may assign, transfer or delegate any of its rights or obligations hereunder (including, without limitation, interests or Claims relating to this engagement) without the prior written consent of the other party. Trustee hereby consents to Deloitte Canada assigning or subcontracting any portion of the Services to any affiliate or related entity, whether located within or outside of Canada, provided that, any such assignment or subcontracting shall not relieve Deloitte Canada of its obligations hereunder. Services performed hereunder by Deloitte Canada's subcontractors shall be invoiced as professional fees on the same basis as Services performed by Deloitte Canada's personnel, unless otherwise agreed. Deloitte Canada may, without the consent of the Trustee, assign or subcontract its rights and obligations hereunder to (i) any affiliate or related entity or (ii) any entity which acquires all or a substantial part of the assets or business of Deloitte Canada.
- h) **Currency.** All financial references herein are to Canadian dollars unless specifically indicated otherwise. If it is necessary to convert any amounts into Canadian dollars, a prevailing commercial bank exchange rate at closing or the time of the invoice shall be used.
- i) **Notices.** Any notice or other communication required or permitted to be given under this engagement shall be in writing and shall be sufficiently given or made by delivery or by post or by telecopy or similar facsimile transmission (with confirmation of accurate and complete transmission obtained by the sender) to the respective parties. Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or posted or so telecopied or transmitted, except that any notice delivered after 5:00 p.m. on the day prior to a

non-business day shall be deemed to have been received at 9:00 a.m. on the first business day following delivery. Any party may change its address, telephone number or facsimile number by notice to the others in the manner set out above.

- j) **Communication.** Except as instructed otherwise in writing, each party may assume that the other approves of properly addressed fax, email (including email exchanged via Internet media) and voicemail communication of both sensitive and non-sensitive documents and other communications concerning this engagement, as well as other means of communication used or accepted by the other.
- k) **Language.** The parties have requested that this Agreement and all communications and documents relating hereto be expressed in the English language. Les parties ont exigé que la présente convention ainsi que tous les documents s'y rattachant soient rédigés dans la langue anglaise.
- l) **Quality of Service.** If, at any time, you believe our service to you could be improved or if you are dissatisfied with any aspect of our services you should raise the matter with the engagement partner. Alternatively, if you wish to discuss the matter with someone other than the engagement partner, or make a complaint, please email ntlethics@deloitte.ca or call 1 (888) 683-2020 and ask for the National Ethics Leader. We will acknowledge the complaint upon receipt and every effort will be made to investigate expeditiously.

APPENDIX E – INSPECTORS’ RESOLUTION DATED JANUARY 16, 2015

Estate No. 11-1904501
Court No. B-141088
Vancouver Registry

**IN THE MATTER OF THE BANKRUPTCY OF
Mercator Minerals Ltd. (the "Company")
OF THE CITY OF VANCOUVER
IN THE PROVINCE OF BRITISH COLUMBIA**

INSPECTORS' RESOLUTION

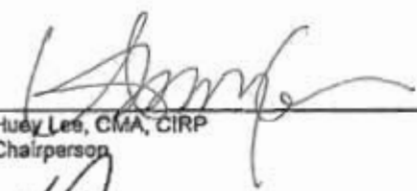
WHEREAS:

1. The Trustee is in receipt of a sale and purchase agreement pursuant to which Starcore International Mines Ltd. has agreed to purchase, and the Trustee has agreed to sell, the shares of the Company's wholly-owned subsidiary, Creston Moly Corp., for cash consideration of \$2.0 million (the "Agreement").
2. The Agreement was reviewed by the Inspectors at the Inspectors' Meeting held on January 16, 2015 at 12:15pm.

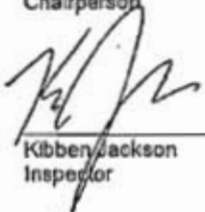
BE IT RESOLVED THAT:

3. The Trustee is directed to execute the Agreement and move forward with the procedures necessary to close the transaction.


Approved this 16th day of January 2015 in the City of Vancouver.



Huey Lee, CMA, CIRP
Chairperson



Kibben Jackson
Inspector



Tamera Howarth
Inspector

APPENDIX F – NOTICE TO CREDITORS DATED JANUARY 13, 2015



Deloitte Restructuring Inc.
2800 - 1055 Dunsmuir Street
4 Bentall Centre
P.O. Box 48270
Vancouver BC V7X 1P4
Canada

Tel: 604-640-3368
Fax: 604-602-1583
www.deloitte.ca

January 13, 2015

To all known creditors of Creston Moly Corp.

Dear Sirs:

Re: In the Matter of the Bankruptcy of Creston Moly Corp.

On September 5, 2014, Mercator Minerals Ltd. ("Mercator") and Creston Moly Corp. ("Creston") were deemed to have filed assignments in bankruptcy pursuant to the *Bankruptcy and Insolvency Act* (Canada). Deloitte Restructuring Inc. was appointed as Trustee in Bankruptcy of the estates of Mercator (in such capacity the "Mercator Trustee") and Creston (in such capacity the "Creston Trustee").

On December 2, 2014 the Mercator Trustee and the Creston Trustee jointly engaged Deloitte Corporate Finance Inc. to undertake a sale and marketing process to divest all three of Creston's development projects by way of share or asset sales.

As an outcome of this process, the Mercator Trustee anticipates entering into an agreement to sell Mercator's shares in Creston (the "Creston Sale"). The Creston Sale is anticipated to close within approximately 30 days, subject to the approval of the Inspectors of the Mercator estate, and the approval of the Court for the discharge of the Creston Trustee.

If the Creston Sale proceeds, a final dividend will be issued by the Creston Trustee to all proven claims of Creston and Creston will be discharged from bankruptcy. The Creston Trustee will also be seeking its discharge to take effect once the final dividend is paid.

This letter is to provide notice to creditors that all proof of claim forms (with supporting documentation) must be submitted to the Creston Trustee no later than January 23, 2015 in order to be eligible for a dividend distribution. Any and all claims received after this date shall be forever barred and extinguished.

If you do not prove your claim on or before January 23, 2015, or within such further time as the Court may allow, we shall proceed to make a final dividend and the various discharges discussed above without regard to claims which have not been filed.

A copy of the proof of claim form is attached to this letter.

January 13, 2015

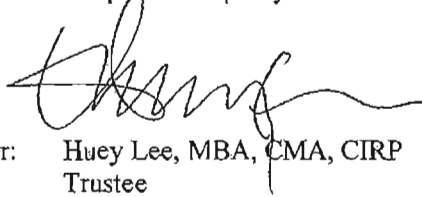
Page 2

Should you have any questions regarding these proceedings, please do not hesitate to contact Mr. Paul Chambers at (604) 640-3368.

Yours truly,

DELOITTE RESTRUCTURING INC.

In its capacity as the Trustee in the Bankruptcy of
Creston Moly Corp. and Mercator Minerals Ltd.
and not in its personal capacity.

A handwritten signature in black ink, appearing to read 'Huey Lee', written over a horizontal line.

Per: Huey Lee, MBA, CMA, CIRP
Trustee

Please submit this Proof of Claim (Form 31) to the Deloitte office administering the bankruptcy estate.

BANKRUPTCY AND INSOLVENCY ACT PROOF OF CLAIM FORM

Sections 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) and 128(1), and paragraphs 51(1)(e) and 66.14(b) of the Act

Provide the complete address, including postal code, to which any notice or correspondence is to be forwarded.

All notices or correspondence regarding this claim are to be forwarded to the following address: _____

IN THE MATTER OF THE BANKRUPTCY / PROPOSAL / RECEIVERSHIP OF _____ (NAME OF DEBTOR)

of the City of _____ (CITY & PROVINCE), and the claim of _____ (NAME OF CREDITOR)

I, _____, residing in the City of _____ in the Province of _____,

DO HEREBY CERTIFY THAT:

1. I am a creditor of the above-named debtor (or that I am _____ of _____ (POSITION OR TITLE) of _____ (NAME OF CREDITOR OR REPRESENTATIVE))

2. I have knowledge of all circumstances connected with the claim referred to below.

3. The debtor was, at the date of the bankruptcy (or the date of the receivership or, in the case of a proposal, the date of the notice of intention or of the proposal if no notice of intention was filed), namely the _____ day of _____, and still is indebted to the above-named creditor in the sum of \$ _____ as specified in the statement of account (or affidavit) attached and marked Schedule "A" after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Complete appropriate category:

A. UNSECURED CLAIM of \$ _____

That in respect of this debt, I do not hold any assets of the debtor as security and:

Regarding the amount of \$ _____, I do not claim a right to a priority.

Regarding the amount of \$ _____, I claim a right to a priority under Section 136 of the Act.

B. CLAIM OF LANDLORD FOR DISCLAIMER OF A LEASE of \$ _____

That I hereby make a claim under Subsection 65.2(4) of the Act, particulars of which are as follows: (Attach full particulars of the claim, including calculations upon which the claim is based.)

C. SECURED CLAIM of \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows: (Attach full particulars of the security, including the date on which the security was given and the value at which you assess the security and attach a copy of the security document.)

D. CLAIM BY FARMER, FISHERMAN or AQUACULTURIST of \$ _____

That I hereby make a claim under Subsection 81.2(1) of the Act for the unpaid amount of \$ _____ (Attach a copy of the sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

(Give full particulars of the claim, including the calculations upon which the claim is based.)

F. CLAIM AGAINST DIRECTOR of \$ _____ (To be filed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under Subsection 50(13), particulars of which are as follows: (Attach full particulars of the claim, including the calculations upon which the claim is based.)

G. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2(1) of the Act. (Provide details of payment, credits and transfers at undervalue.)

Dated at _____, this _____ day of _____ (CITY & PROVINCE)

(SIGNATURE OF PERSONAL COMPLETING THIS FORM)

(SIGNATURE OF WITNESS)

(CREDITOR'S PHONE NUMBER)

(CREDITOR'S FACSIMILE NUMBER)

APPLICABLE ONLY IN THE CASE OF BANKRUPTCY OF AN INDIVIDUAL:

I request that a copy of the report filed by the Trustee regarding the bankrupt's application for discharge, pursuant to Subsection 170(1) of the Act, be sent to the above address.

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits or solemn declarations.

WARNINGS: A Trustee may, pursuant to Subsection 126(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed in a proof of security by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PLEASE TURN OVER AND COMPLETE THE PROXY ON THE BACK OF THIS FORM.

GENERAL PROXY (with Power of Substitution)

WHERE A CREDITOR IS A CORPORATION, THE PROXY MUST BE COMPLETED AND SIGNED IN THE CORPORATE NAME

IN THE MATTER OF THE BANKRUPTCY / PROPOSAL / RECEIVERSHIP OF _____,
(NAME OF DEBTOR)

I, _____, of the City of _____, in the Province of _____,
(NAME OF CORPORATION) (CITY) (PROVINCE)

a creditor in the above matter, hereby appoint _____ of _____
(NAME OF PROXY) (CITY & PROVINCE)

to be my general proxy in the above matter except as to the receipt of dividends with / without power to appoint another general proxy in his / her place.

Dated at the City of _____, in the Province of _____, this _____ day of _____.

(CORPORATE NAME) (SIGNATURE OF WITNESS)

(ADDRESS) (SIGNATURE OF PROXY GRANTOR)

PROXY

The Bankruptcy and Insolvency Act permits a Proof of Claim to be made by a duly authorized agent of a creditor; however, this does not give such a person power to vote at the First Meeting of Creditors or to act as the proxy of the creditors.

GENERAL

- A creditor may vote either in person or by proxy.
- The Trustee may be appointed as a proxy for any creditor.
- A Corporation may vote by an authorized agent at a meeting of creditors.
- Debtors may not be appointed a proxy to vote at any meeting of their creditors.
- In order for a duly authorized person to have a right to vote, they must be a creditor themselves or be the holder of a properly executed proxy, showing the name of the creditor.

DIRECTIONS AS TO COMPLETING PROOF OF CLAIM FORM
(CLAIMS NOT COMPLETED CORRECTLY IN EVERY RESPECT WILL BE RETURNED)

Every creditor who does not prove a claim is not entitled to share in any distribution. The checklist below is provided to assist you in preparing the Proof of Claim and, where required, Proxy in a complete and accurate manner. Please check each requirement.

GENERAL

- The signature of a witness is required.
- This document must be signed personally by the person completing the Proof of Claim.
- Give the complete address, including postal code, where any notice or correspondence is to be forwarded.
- The amount on the Statement of Account must correspond with the amount indicated on the Proof of Claim.

PARAGRAPH 1

- The creditor must state the full and complete legal name of the company or firm.
- If the individual completing the Proof of Claim is not the creditor himself, he must state his position or title.

PARAGRAPH 3

- The Schedule A or Statement of Account must be complete and detailed, showing the date, number and amount of all invoices or charges, together with the date, number and amount of all creditors or payments. A Statement of Account is not complete if it begins with an amount brought forward.

PARAGRAPH 4

- A claim by a farmer, fisherman or aquaculturist must attach a copy of the sales agreement and delivery documents.
- Details of Section 136 are available from Deloitte upon request.

PARAGRAPH 5

- All claimants must indicate if they are / are not related to the debtor, as defined in Section 4 of the Bankruptcy and Insolvency Act, "If you are related by blood or marriage to the bankrupt, then you should consider yourself to be a related person pursuant to Section 4. If the bankrupt is a corporation, you would be considered to be related to it if you were a shareholder or if your company was controlled by the same shareholders as the bankrupt corporation."

PARAGRAPH 6

- All claimants must attach a detailed list of all payments or credits received or granted as follows:
 - Within the three months preceding the bankruptcy / proposal, in the case where the claimant and debtor are not related;
 - Within the twelve months preceding the bankruptcy / proposal, in the case where the claimant and debtor are related.

APPENDIX G – EMAIL RE: SATTVA’S REDUCED CLAIM DATED JANUARY 29, 2015

Chambers, Paul (CA - British Columbia)

From: Van Ommen, Herman <HVANOMMEN@MCCARTHY.CA>
Sent: Thursday, January 29, 2015 8:09 AM
To: Chambers, Paul (CA - British Columbia)
Subject: RE: Creston Moly v. Sattva Capital Corp

Categories: 2. Mercator

I confirm that Sattva will accept a reduction of its Proof of Claim to \$130,000 in order to resolve any concerns about the quantum of its claim. I trust this is sufficient for your purposes.



Herman Van Ommen*, Q.C.
Managing Partner, BC Region | Associé directeur, Région du British Columbia
Litigation | Litige

T: 604-643-7973
C: 604-345-6822
F: 604-622-5673
E: hvanommen@mccarthy.ca

McCarthy Tétrault LLP

Pacific Centre
P.O. Box 10424, Suite 1300
777 Dunsmuir Street
Vancouver BC V7Y 1K2

*Law Corporation

Please, think of the environment before printing this message



From: Van Ommen, Herman
Sent: Friday, January 23, 2015 11:59 AM
To: 'pachambers@deloitte.ca'
Cc: Hai Van Le (sattva@sattvacapital.net)
Subject: Creston Moly v. Sattva Capital Corp

Further to our call please see attached the Proof of Claim for Sattva.

Schedule A attached to the Proof of Claim is being couriered to the attention of Mr. Huey Lee.

I trust you will find it to be in order. Thank you.



Herman Van Ommen*, Q.C.
Managing Partner, BC Region | Associé directeur, Région du British Columbia
Litigation | Litige

T: 604-643-7973
C: 604-345-6822
F: 604-622-5673
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Vancouver BC V7Y 1K2

*Law Corporation

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APPENDIX H – AFFIDAVIT OF PAUL CHAMBERS OF DELOITTE RESTRUCTURING INC.

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141089
Estate No. 11-1904494

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY**

**IN THE MATTER OF THE BANKRUPTCY OF
CRESTON MOLY CORP.**

AFFIDAVIT IN SUPPORT OF TRUSTEE'S REMUNERATION

I, Paul Chambers, ACA(UK), CIRP, of the City of Vancouver, do hereby make oath and say:

1. I am a Vice President with Deloitte Restructuring Inc., the Trustee in Bankruptcy of Creston Moly Corp. ("Creston") and, as such, am authorized to make this affidavit.
2. In support of this affidavit is the Trustee's Final Report to Court dated January 29, 2015 (the "Final Report") which provides an overview of the administration of the estate.
3. In support of this affidavit, attached as Exhibit "A" is the Trustee's Final Statement of Receipts and Disbursements.
4. In support of this affidavit, attached as Exhibit "B" is a summary and detailed time analysis of the Trustee's fees incurred for the period of September 5, 2014 to January 16, 2015, which amount to more than 7.5% of the estate realizations.
5. The total fees of the Trustee during the period from September 5, 2014 to January 16, 2015 amount to \$85,833.00, together with expenses and disbursements in the amount of \$233.00, both excluding GST, as shown in Exhibit "B".
6. The normal services rendered in the estate as to the Trustee's statutory obligations have been complied with.
7. There were no extraordinary statutory obligations performed by the Trustee for the proper administration of the estate.

8. The non-statutory obligations performed by the Trustee for the proper administration of the estate include the following:
- Investigating the status and marketability of Creston's three mining properties (El Creston, Ajax, and Molybrook).
 - Filing a Notice of Application to Court dated November 25, 2014 to approve the engagement of Deloitte Corporate Finance Inc. ("DCF") as the Financial Advisor for the marketing and sale of Creston.
 - Administering and arranging for the funding of the preservation costs, relating to the mining properties owned by Creston's subsidiaries.
 - Overseeing and assisting with the marketing and sale of Creston, including but not limited to, providing guidance and assistance to DCF during the marketing process, reviewing proposals received by interested parties, overseeing the sealed bid process, and assisting with the execution of the sale and purchase agreement with the successful bidder.
 - Further details regarding the administration of this estate are outlined in the Final Report.
9. Subject to and upon the closing of the sale transaction entered into between the Trustee in Bankruptcy of Mercator Minerals Ltd. and Starcore International Mines Ltd., as detailed in the Final Report, the actual gross dividend to creditors will equal 100% of proven claims.

SWORN BEFORE ME at the City of Vancouver, in the Province of British Columbia, this 29th day of January 2015.



Commissioner for Taking Affidavits



Paul Chambers, ACA(UK), CIRP

RYAN ADKIN
Barrister & Solicitor
DELOITTE TAX LAW LLP
PO Box 49279 Four Bentall Centre
2800 - 1055 Dunsmuir Street
Vancouver, B.C. V7X 1P4
Telephone: 604-669-4416

Exhibit "A"

**IN THE MATTER OF THE BANKRUPTCY OF
CRESTON MOLY CORP.**

**Final Statement of Receipts and Disbursements
For the Period of September 5, 2014 to January 28, 2015
(Canadian Funds)**

Receipts

Mercator loan	\$	73,000.00
Funds from retainer		40,000.00
Bank interest		67.44

Total Receipts

\$ 113,067.44

Disbursements

Funding to Exploraciones	\$	61,148.83
Funding to Tenajon		7,329.31
Legal fees		5,386.52
Bank charges		294.70
GST paid		249.70
Court filing fees		150.00
OSB filing fees		150.00

Total Disbursements

(74,709.06)

Net Receipts

\$ 38,358.38

Exhibit "B"

District of British Columbia
Division No. 03 - Vancouver
Court No. B-141089
Estate No. 11-1904494

**IN THE MATTER OF THE BANKRUPTCY OF
CRESTON MOLY CORP.**

TIME ANALYSIS FROM SEPTEMBER 5, 2014 TO JANUARY 16, 2015

	<u>HOURS</u>	<u>DISCOUNTED FEES</u>	<u>RATE PER HOUR</u>
TRUSTEES / PARTNERS /SR MGR			
Huey Lee	57.5	\$ 42,032.50	\$ 731.00
Melinda McKie	1.6	1,169.60	731.00
Jeremy South	2.0	1,402.50	701.25
Paul Chambers	49.3	28,285.88	573.75
Kevin Becker	12.0	6,885.00	573.75
Ivor Luk	0.5	442.00	884.00
	<u>122.9</u>	<u>\$ 80,217.48</u>	<u>\$ 652.71</u>
SENIOR STAFF			
Allison Burton	12.9	\$ 4,276.35	\$ 331.50
Chelsea Jiang	2.5	605.63	242.25
Fraser Ince	4.0	629.00	157.25
	<u>19.4</u>	<u>\$ 5,510.98</u>	<u>\$ 284.07</u>
SUPPORT STAFF	<u>1.0</u>	<u>\$ 104.55</u>	<u>\$ 104.55</u>
Total Time to January 16, 2015	143.3	\$ 85,833.00	\$ 598.97
Out-of-pocket expenses	N/A	233.00	N/A
Total	<u>143.3</u>	<u>\$ 86,066.00</u>	<u>\$ 598.97</u>

Creston Moly Corp., in Bankruptcy
Detailed time analysis from September 5, 2014 to January 16, 2015

Date	Name	Hours	Narrative
9/26/2014	Becker, Kevin Scott	3.5	engagement planning, meeting with DV, teaser review
9/29/2014	Becker, Kevin Scott	3.5	Meeting with DV to review info; data review; teaser prep
9/30/2014	Becker, Kevin Scott	3.0	Additional teaser prep / meetings with Jr staff on buyers list over course of week
9/30/2014	Becker, Kevin Scott	1.0	Teaser work
10/15/2014	Becker, Kevin Scott	1.0	Call with Interested Parties on Mercator situation - primary interest on El Creston
	Becker, Kevin Scott	12.0	
9/26/2014	Brown, Rose M	0.3	Website updates.
	Brown, Rose M	0.3	
9/9/2014	Burton, Allison	3.0	Prepare Statement of Affairs
9/10/2014	Burton, Allison	1.2	Continue preparation of creditor package
9/11/2014	Burton, Allison	1.0	Send out creditor packages; efile creditor package
9/23/2014	Burton, Allison	3.8	Prepare preliminary trustee report
9/25/2014	Burton, Allison	0.8	First meeting of creditors; prepare minutes;
10/6/2014	Burton, Allison	0.4	Prepare FMOC minutes
1/15/2015	Burton, Allison	1.2	Discussion with PC on setup of court report; start Court Report;
1/16/2015	Burton, Allison	1.5	Discussion with CB/HL/PC regarding court report and next steps
	Burton, Allison	12.9	
9/10/2014	Chambers, Paul A	2.0	Review SoA. Discuss with MLB. Meet with legal counsel to discuss scenario. Discuss insurance requirements. Request website set-up. Review various correspondence.
9/11/2014	Chambers, Paul A	0.2	Call with DV re: data room.
9/17/2014	Chambers, Paul A	1.0	Meet with DV to discuss next steps.
9/19/2014	Chambers, Paul A	2.0	Discussions with MLB re: insurance. Email to tenants re: server. Draft contractor agreements. Brief AB on report. Call with interested parties. Discussions with MLB re: forbearance agreement and review of same.
9/22/2014	Chambers, Paul A	2.0	Discuss El Creston entities with MLB and insurance. Various other matters.
9/23/2014	Chambers, Paul A	1.0	Preparation of the FMOC; discussion with MLB on various issues
9/24/2014	Chambers, Paul A	4.0	Review and draft report. Prep for creditors meetings.
9/25/2014	Chambers, Paul A	0.5	First meeting of creditors. Update to contractor agreement.
9/26/2014	Chambers, Paul A	1.5	Meeting with DV. Filing of report with OSB and on website.
9/29/2014	Chambers, Paul A	3.0	Review and update DV contract. Call with Enrique re: Mexican operations and cash flow. Review and update cash flow forecast. Review emails.
9/30/2014	Chambers, Paul A	1.5	Discuss Sundance JV with MLB. Discuss sale process timetable with KB. Updates to cash flow forecast.
10/2/2014	Chambers, Paul A	0.2	Update cash flow forecast for insurance and other costs.
10/6/2014	Chambers, Paul A	2.0	Discussions re: sale process timing and value. Review cash flow requirement and update. Discuss next steps with team.
10/7/2014	Chambers, Paul A	0.2	Review creditor meeting minutes.

10/9/2014	Chambers,Paul A	0.5	Correspondence with MLB and ES re: Minera employees and need to transfer/fund. Call with DV re: next steps.
10/10/2014	Chambers,Paul A	5.0	Call with Enrique to discuss status of tax concessions and labor payments. Review and discuss CF deck to go to inspectors. Draft responses to KJ's queries re: El Creston sale process. Call MLB and DV to discuss litigation and value impact. Review creditors of Creston Moly and consider implications for distribution. Arrange Minera payment.
10/20/2014	Chambers,Paul A	0.8	Internal strategy meeting to discuss next steps re: sale of Creston Moly
10/27/2014	Chambers,Paul A	0.4	Review Exploraciones cash requirement and update cash flow.
11/3/2014	Chambers,Paul A	0.3	Call with Mexican legal counsel re: o/s costs and Agrarian litigation.
12/2/2014	Chambers,Paul A	0.8	Review teaser doc and provide comments to KB. Send onto MLB for review. Correspondence with compliance reviewer re: teaser.
12/3/2014	Chambers,Paul A	1.0	Review and make amendments to CMC NDA
12/4/2014	Chambers,Paul A	0.4	Update NDA for new rider terminology and forward to Gowlings for review
12/8/2014	Chambers,Paul A	0.2	Email to DV re: core samples. Review NDA mark-up.
12/12/2014	Chambers,Paul A	0.3	Update meeting with DCF re: Creston sale process.
12/29/2014	Chambers,Paul A	1.6	Review emails and correspondence re: LOIs on CMC. Respond to DV email re: Ajax claims. Internal conf call to discuss sale process status. Call with interested party to discuss their LOI.
12/30/2014	Chambers,Paul A	0.4	Call with MLB re: Ajax claims and letter to Mining Bureau. Call with KB to discuss sale process and follow-up with Enrique re: cash call and certificates.
12/31/2014	Chambers,Paul A	1.1	Discussion regarding sales process with KB. Conf call.
1/5/2015	Chambers,Paul A	2.7	Review intercompany balances and consider implications for SPA. Diagram and forward to JR. Review and consider levy issue re: transaction structure. Follow-up email with Enrique. Discussion with DCF re: offers received. Meeting with tax to discuss restructuring options. Discuss Tenajon claims payment with CZ.
1/6/2015	Chambers,Paul A	1.3	Review DCF deck re: sale process for Inspectors' meeting and discuss with DCF. Discuss Ajax claims with DV and arrange for payment. Consider next steps.
1/7/2015	Chambers,Paul A	3.0	Call with BG to discuss tax implications and transaction structuring. Estimated outcome analysis for Inspectors.
1/8/2015	Chambers,Paul A	0.9	Discuss revised offer from Starcore with team and consider next steps. Discuss El Creston process with MLB and draft SPA.
1/9/2015	Chambers,Paul A	0.8	Call with CB re: Starcore response. Review email from CB. Discuss next steps.
1/12/2015	Chambers,Paul A	1.7	Review emails re: sale process. Respond with suggestion. Calls re: Sattva claim with CB and Miller Thompson. Consider next steps. Draft letter - notice of final dividend.
1/13/2015	Chambers,Paul A	2.4	Call with JR re: notice to creditors and discharge process. Review of process letter and SPA. Provide comments. Discussions re: access to Dave Visagie. Amendments to notice to creditors. Send out. Correspondence with Miller Thompson.

1/14/2015	Chambers,Paul A	1.7	Brief AB on status of process, action points for discharge and report. Discuss next steps. Email re: insurance request from IP. Discuss and review Exploraciones cash requirement. Discuss debt assignment and tax consequences - send email to BG.
1/15/2015	Chambers,Paul A	0.9	Review Exploraciones cash call and Ajax costs. Email CB with funding need.
	Chambers,Paul A	<u>49.3</u>	
9/12/2014	Faria,Cecilia	0.3	Website update.
	Faria,Cecilia	<u>0.3</u>	
12/22/2014	Huie,Pauline	0.1	post deposit interest, bank rec and filing
	Huie,Pauline	<u>0.1</u>	
10/1/2014	Ince,Fraser D	4.0	Prepare teaser
	Ince,Fraser D	<u>4.0</u>	
9/30/2014	Jiang,Yachen CJ	2.5	client meeting and data management
	Jiang,Yachen CJ	<u>2.5</u>	
9/15/2014	Lee,Huey	5.0	Review of SoA, secured interests, statutory filing documents, creditors correspondence. Review of potential sales process. Discussions with Gowlings regarding potential secured interests and next steps. Meetings with team to discuss insurance, employment contracts, landlord, IT and other operational issues. Review of D&O insurance re Creston subsidiaries. Preparation for FMOC.
9/25/2014	Lee,Huey	4.0	Preparation for FMOC. Review of Preliminary Report. Chair FMOC. Review of potential security interests. Meeting with D. Visage re sales process. Review of POC and other statutory documents.
10/8/2014	Lee,Huey	2.0	Review and finalization of CMC sales and marketing presentation to MML inspectors.
10/16/2014	Lee,Huey	3.0	Review and analysis of CMC third party funding request, R&D, cash flow projections, discussions with Faskens (SocGen) and Silver Wheaton.
10/23/2014	Lee,Huey	2.5	Inspectors meeting - resolution re preservation of CMC and sale of office furniture. Consideration re arrangement to fund CMC sales process. Review of third party sales process conducted by IB.
10/28/2014	Lee,Huey	1.0	Discussion and review of proposed sales process with Gowlings re SOCGEN and SW.
11/4/2014	Lee,Huey	5.0	Discussions with counsel re proposed sales process, preservation costs, steps with Inspectors re Court approval for success fee based arrangement. Consideration of other sales and initial expressions of interest.
11/13/2014	Lee,Huey	5.0	Review and preparation of DRB. Review of Inspector resolutions re funding and preservation costs to initiate CMC sales process.
11/20/2014	Lee,Huey	6.0	Sales process review, affidavit review, LOE review, correspondence with Inspectors re CF engagement.
11/26/2014	Lee,Huey	4.0	Review of CMC CF letter of engagement. Correspondence with Inspectors re terms. Review of cash flow projections.

12/12/2014	Lee,Huey	2.0	Review of CMC sales process, cash flow forecast and discussion on next steps re upcoming preservation costs.
12/15/2014	Lee,Huey	2.0	Review of Barbados issue re SW. Review of CMC sales process. Review of CAs. Initial review of LOIs.
12/31/2014	Lee,Huey	8.0	Update and review of sales process and LOI. Discussions with CIC and Starcore re CMC acquisition. Discussions with CF team on next steps. Discussions with Gowlings on SPA, next steps and agenda for Inspectors update.
1/7/2015	Lee,Huey	2.0	Inspectors meeting to discuss CMC sales process and LOIs. Review of minutes. Discussions with counsel re sales process, approvals, discussions with counsels for buyers.
1/8/2015	Lee,Huey	1.0	Discussions with counsel re sales process, sealed bids, sales structure.
1/12/2015	Lee,Huey	2.0	Meeting with CIC and counsel to review sealed bid process. Review of Sattva matter. Correspondence and review of Miller Thompson/Sattva SCC case and costs.
1/16/2015	Lee,Huey	3.0	Receipt and review of CMC sealed bids. Inspectors meeting to select Starcore bid. Review of next steps on process including reporting, waivers, conditions precedent, R&D, timing, proceeds, discharge and other matters. Meeting with counsel and team to determine intercompany loan forgiveness.
	Lee,Huey	<u>57.5</u>	
9/19/2014	Luk,Ivor	0.5	Discussion regarding engagement with HL
	Luk,Ivor	<u>0.5</u>	
9/9/2014	McKie,Melinda	0.4	review and signoff on various documents re: deemed bankruptcy, review of termination letters with AB, discussion on WEPPA requirements, calculation of amounts
9/10/2014	McKie,Melinda	0.2	commission the affidavit for the SoA
9/24/2014	McKie,Melinda	0.6	review of Trustees Preliminary Report
10/24/2014	McKie,Melinda	0.4	QA draft process for sale of El Creston
	McKie,Melinda	<u>1.6</u>	
11/10/2014	South,Jeremy	2.0	Assisted with the review of Creston assets; consider market opportunity; discussion with DV regarding mine sale detail.
	South,Jeremy	<u>2.0</u>	
9/23/2014	Turrie,Ashley	0.3	Review of proof of claim and log in Ascend system.
	Turrie,Ashley	<u>0.3</u>	
	Total	<u><u>143.3</u></u>	

APPENDIX I – AFFIDAVIT OF COLIN BROUSSON OF GOWLINGS LAFLEUR HENDERSON LLP

Colin D. Brousson #1
Sworn: January 29, 2015

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141089
Estate No. 11-1904494

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF
CRESTON MOLY CORP.

A F F I D A V I T

I, Colin D. Brousson, Barrister and Solicitor, of Suite 2300, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Partner with the firm of Gowling Lafleur Henderson LLP, counsel for Deloitte Restructuring Inc. in its capacity as trustee (the "Trustee") in bankruptcy of Creston Moly Corp., and as such have personal knowledge of the facts and matters hereinafter deposed to, save and except where stated to be made on information and belief, and where so stated I verily believe those facts to be true.

2. Gowling Lafleur Henderson LLP was retained by the Trustee to act as its counsel.

3. Attached hereto and marked collectively as **Exhibit "A"** to this my Affidavit, are true copies of the accounts of Gowling Lafleur Henderson LLP dated September 30, 2014, October 31, 2014 and January 28, 2015 for fees totalling **\$71,013.07** (\$63,404.50 + \$3,170.24 GST + \$4,438.33 PST); and disbursements totalling **\$133.94** (\$128.75 + \$5.19 GST), which fees and disbursements were necessarily incurred in fulfilling the instructions of the Trustee.

4. There are no inspectors of the estate of Creston Moly Corp.
5. The services comprised in the accounts of Gowling Lafleur Henderson LLP attached as Exhibit "A" relate to:
 - (a) reviewing and considering implications of the complex inter-company relationships in the Mercator Group of which Creston Moly Corp. is a part in the context of numerous insolvency proceedings in different jurisdictions;
 - (b) reviewing and consideration of potential creditor claims;
 - (c) reviewing various potential secured claims of Creston Moly and related companies and issuance of Section 18 notices to confirm conclusions on same;
 - (d) reviewing and revising various reports of the Trustee;
 - (e) drafting of loan documents to allow for financing to preserve the assets of the estate;
 - (f) attending to insurance issues regarding directors of subsidiaries of the estate;
 - (g) attending to contracts of various individuals deemed necessary for preservation of the assets of the estate;
 - (h) attendance at the first meeting of creditors;
 - (i) researching law re. engagement of financial advisors; preparing materials for and attending Court application to approve engagement of financial advisor and for directions to allow sale of shares or assets in the estate;
 - (j) advising on sales process;
 - (k) reviewing and revising marketing teaser documentation necessary for liquidation of assets, including addressing public disclosure concerns;
 - (l) review of proposals and urgent drafting of template Share Purchase Agreement ("SPA");
 - (m) considering tax issues in connection with potential revision to sales process;
 - (n) developing a written revised plan for marketing and liquidating the assets of the estate and payment of the creditors in full (the "**Revised Liquidation Plan**");
 - (o) executing the Revised Liquidation Plan, including drafting of a revised SPA and written sales process, meeting with various potential offerors, review of various proposals and overseeing sealed bid process; and

- (p) attendance upon various inspector meetings in Mercator proceedings which related to sale of Creston Moly assets

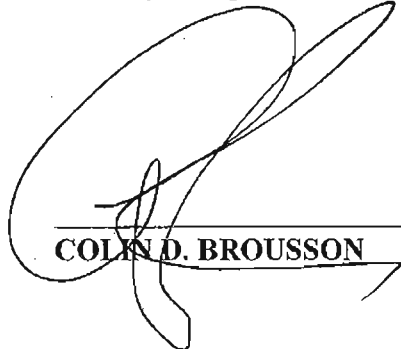
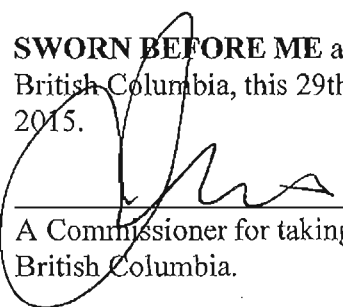
The total time comprised in the said accounts is 149.7 hours

NAME	POSITION	HOURS
Colin D. Brousson	Partner	72.4
Jonathan B. Ross	Associate	58.7
Catherine M. Graham	Associate	14.5
Yong-Jae Kim	Partner	3.5
Melissa McDonald	Law Clerk	0.5
Karon McLean	Word Processing	0.1
Total		149.7

6. I was called to the bar and admitted as a solicitor in the Province of British Columbia in 1996. Since that time have primarily acted in insolvency and realization matters and in financing issues, including advice to trustees in bankruptcy. I am a partner in Gowlings' Vancouver office and national leader of the firm's Restructuring and Insolvency Group.

SWORN BEFORE ME at Vancouver,)
British Columbia, this 29th day of January,)
2015.)

A Commissioner for taking Affidavits for)
British Columbia.)



COLIN D. BROUSSON

JONATHAN B. ROSS
BARRISTER & SOLICITOR
GOWLING LAFLEUR HENDERSON LLP
550 BARRARD STREET - SUITE 2300
BENTALL 5 - VANCOUVER, B.C. V6C 2B5
(604) 891-2778



montréal · ottawa · toronto · hamilton · waterloo region · calgary · vancouver · beijing · moscow · london

Deloitte & Touche
ATTN: Huey Lee
Associate Partner, Financial Advisory
Suite 2800 - 1055 Dunsmuir Street
P.O. Box 49279
Four Bentall Centre
Vancouver BC V7X 1P4

September 30, 2014
INVOICE: 18057950

Our Matter: V42229 / 98538
RE: Creston Moly Corp., Bankruptcy of

TO OUR FEE:

Fees for Professional Services	\$2,806.50
GST on Fees	140.33
PST on Fees	196.46
Total Fees and Taxes	3,143.29

TOTAL INVOICE BALANCE:

Total for this Invoice	3,143.29
[Total GST: \$140.33 Total PST: \$196.46]	
Please remit total invoice balance due:	In Canadian Dollars 3,143.29

This is Exhibit "A" referred to in the affidavit of Colin D. Brousson sworn before me at Vancouver this 29th day of January, 2015


A Commissioner for taking Affidavits within British Columbia

GOWLING LAFLEUR HENDERSON LLP

PER Colin Brousson

Our services are provided in accordance with our Standard Retainer Terms (www.gowlings.com/RetainerTerms), subject to any other written retainer agreement entered into between the parties.

Terms: due upon receipt
Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded
GST/HST: 11936 4511 RT

September 30, 2014
INVOICE: 18057950

Deloitte & Touche
Our Matter: V42229
Creston Moly Corp., Bankruptcy of

PROFESSIONAL SERVICES

- 08/09/2014 Attend upon conference call with Mr. Jackson's clients and Mr. Chambers and Mr. Lee;; telephone call to Mr. Lee re plan of attack for liquidation
- 10/09/2014 Meeting with Trustee re steps to take to liquidate assets; review organization chart
- 16/09/2014 Review Silver Wheaten; consider strategy re realizing on assets; consider Intercreditor Agreements; draft reporting emails; consider baseline security issues; instruct Mr. Ross; review emails from Mr. Lee.
- 16/09/2014 Review overview, background and security documents; correspondence with H. Lee and P. Chambers;
- 17/09/2014 Consider sale of El Pillar and possible approach at creditors' meeting; review offers re El Pillar; review stingray forbearance and advise on signature; instruct Mr. Ross re report to Ms. Chambers
- 18/09/2014 Attend to letter to insurer issues and payment of D & O insurance
- 18/09/2014 Correspondence with P. Chambers re. possible resignation of directors; confer with C. Brousson re. same; consider possible issues;
- 19/09/2014 Review update re security, potential sales processes and other development; draft emails to Ms. Chambers
- 19/09/2014 Correspondence with P. Chambers re. need for director of subsidiaries; conduct research re. same;
- 25/09/2014 Correspondence with P. Chambers;
- 26/09/2014 Review and revise consultant agreement;

Total Fees for Professional Services \$2,806.50

Terms: due upon receipt
Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded

Remittance Copy

Client: 98538 Deloitte & Touche
Matter: V42229
RE: Creston Moly Corp., Bankruptcy of
Amount Due: \$2,103.34

PAYMENT BY CHEQUE:

Please return this page with your payment payable to **Gowling Lafleur Henderson LLP**

Remit to: Gowling Lafleur Henderson LLP
PO Box 466, STN D
Ottawa, ON K1P 1C3
Canada

PAYMENT BY WIRE TRANSFER:

Pay by Swift MT 103 Direct to:
SWIFTCODE: CIBCCATT

BENEFICIARY BANK: Canadian Imperial Bank of Commerce
119 Sparks Street, Ottawa, ON K1P 5B5

TRANSIT NUMBER: 0010-00006

BENEFICIARY ACCOUNT NAME: Gowling Lafleur Henderson LLP
160 Elgin Street, Suite 2600, Ottawa, ON K1P 1C3

BENEFICIARY ACCOUNT NUMBER(S): CDN Account: 41-02916
USD Account: 02-21015

International payments intermediary banking information:
USD WELLS FARGO BANK, N.A. PNBPU33NNYC (ABA 026005092)

* if paying by wire or EFT please e-mail the remittance details to payments@gowlings.com



montréal · ottawa · toronto · hamilton · waterloo region · calgary · vancouver · beijing · moscow · london

4

Deloitte & Touche
ATTN: Huey Lee
Associate Partner, Financial Advisory
Suite 2800 - 1055 Dunsmuir Street
P.O. Box 49279
Four Bentall Centre
Vancouver BC V7X 1P4

October 31, 2014
INVOICE: 18080263

Our Matter: V42229 / 98538
RE: Creston Moly Corp., Bankruptcy of

TO OUR FEE:

Fees for Professional Services	\$1,877.50
GST on Fees	93.88
PST on Fees	131.43
Total Fees and Taxes	2,102.81

DISBURSEMENTS:

Disbursements (Taxable)	0.50
GST on Disbursements	0.03
Total Disbursements and Taxes	0.53

TOTAL INVOICE BALANCE:

Total for this Invoice	2,103.34
[Total GST: \$93.91 Total PST: \$131.43]	
Please remit total invoice balance due:	In Canadian Dollars
	\$2,103.34

GOWLING LAFLEUR HENDERSON LLP

PER Colin Brousson

Our services are provided in accordance with our Standard Retainer Terms (www.gowlings.com/RetainerTerms), subject to any other written retainer agreement entered into between the parties.

Terms: due upon receipt
Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded
GST/HST: 11936 4511 RT



5

October 31, 2014
INVOICE: 18080263

Deloitte & Touche
Our Matter: V42229
Creston Moly Corp., Bankruptcy of

PROFESSIONAL SERVICES

- 23/09/2014 Draft emails re security and preparation for creditors meeting
- 24/09/2014 Review and comment on Trustee's Preliminary Report
- 01/10/2014 Review details re stingray amending agreements; draft email to Mr. Schmitt; review BMO engaged letter; instruct Mr. Ross.
- 07/10/2014 Attend to planning meeting re sale of El Creston
- 08/10/2014 Review correspondence re. sales process for CMC assets; consider issues regarding same; confer with C. Brousson;
- 10/10/2014 Meeting with Y. Kim and C. Brousson; research Chapter 11 materials; review draft correspondence from P. Chambers to K. Jackson; confer with C. Brousson re. same; correspondence with P. Chambers;
- 13/10/2014 Research and review law re. contingency fee arrangements;

Total Fees for Professional Services \$1,877.50

DISBURSEMENTS

Taxable Costs

Copying \$0.50

Total Taxable Disbursements \$0.50

Terms: due upon receipt
Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded

September 30, 2014
INVOICE: 18057950

Remittance Copy

Client: 98538 Deloitte & Touche
Matter: V42229
RE: Creston Moly Corp., Bankruptcy of
Amount Due: \$3,143.29

PAYMENT BY CHEQUE:

Please return this page with your payment payable to Gowling Lafleur Henderson LLP

Remit to: Gowling Lafleur Henderson LLP
PO Box 466, STN D
Ottawa, ON K1P 1C3
Canada

PAYMENT BY WIRE TRANSFER:

Pay by Swift MT 103 Direct to:
SWIFTCODE: CIBCCATT

BENEFICIARY BANK: Canadian Imperial Bank of Commerce
119 Sparks Street, Ottawa, ON K1P 5B5

TRANSIT NUMBER: 0010-00006

BENEFICIARY ACCOUNT NAME: Gowling Lafleur Henderson LLP
160 Elgin Street, Suite 2600, Ottawa, ON K1P 1C3

BENEFICIARY ACCOUNT NUMBER(S): CDN Account: 41-02916
USD Account: 02-21015

International payments intermediary banking information:
USD WELLS FARGO BANK, N.A. PNBPU33NNYC (ABA 026005092)

* if paying by wire or EFT please e-mail the remittance details to payments@gowlings.com

Deloitte & Touche
ATTN: Huey Lee
Associate Partner, Financial Advisory
Suite 2800 - 1055 Dunsmuir Street
P.O. Box 49279
Four Bentall Centre
Vancouver BC V7X 1P4

January 28, 2015
INVOICE: 18146552

Our Matter: V42229 / 98538
RE: Creston Moly Corp., Bankruptcy of

TO OUR FEE:

Fees for Professional Services	\$58,720.50
GST on Fees	2,936.03
PST on Fees	4,110.44
Total Fees and Taxes	65,766.97

DISBURSEMENTS:

Disbursements (Taxable)	103.25
Disbursements (Non-Taxable)	25.00
GST on Disbursements	5.16
Total Disbursements and Taxes	133.41

TOTAL INVOICE BALANCE:

Total for this Invoice	65,900.38
[Total GST: \$2,941.19 Total PST: \$4,110.44]	
Please remit total invoice balance due:	In Canadian Dollars
	<u>\$65,900.38</u>



GOWLING LAFLEUR HENDERSON LLP

PER Colin Brousson

Our services are provided in accordance with our Standard Retainer Terms (www.gowlings.com/RetainerTerms), subject to any other written retainer agreement entered into between the parties.

Terms: due upon receipt
Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded
GST/HST: 11936 4511 RT

Deloitte & Touche
Our Matter: V42229
Creston Moly Corp., Bankruptcy of

PROFESSIONAL SERVICES

- 12/11/2014 Initial draft of affidavit in support of DCF engagement;
- 17/11/2014 Further drafting of application materials for approval of DCF engagement;
- 21/11/2014 Further review and revision of application materials for approval of engagement; correspondence with P. Chambers re. same;
- 24/11/2014 Telephone call to Mr. Chambers; review and revise Notice of Application and Affidavit; draft emails re same; draft email to Mr. Jackson and Ms. Howarth; review instruction letter and provide comments re same.
- 24/11/2014 Further drafting, review and revision of application materials; correspondence with P. Chambers re. same;
- 25/11/2014 Finalize service documents; draft email to Trustee re adding in Court approval piece into process letter; begin review of Share Purchase; draft email to Mr. Chambers and MR. Ross; instructions re service issues
- 25/11/2014 Revision of affidavit of H. Lee; correspondence with P. Chambers re same;
- 26/11/2014 Draft email to Mr. Brotman re court application;
- 26/11/2014 Review comments from counsel for Silver Wheaton on engagement; e-mail to V. Tickle;
- 28/11/2014 Draft email to Mr. Brotman re court application for El Creston sale;
- 01/12/2014 Preparation for application re sales process at El Creston and engagement; telephone calls and emails to Superintendent of Bankruptcy's Office; draft email re wording of Order; revise final Order;
- 01/12/2014 Confer with C. Brousson; Telephone call from P. Chambers; revise draft order with comments from S. Brotman; review law re. service on superintendent; E-mail from and response to S. Brotman; review and revise timetable;
- 02/12/2014 Telephone call to Superintendent of Bankruptcy's Office; negotiate resolution; preparation for Court application; draft emails to counsel for Societe Generale; draft email to Trustee re court approval status; attendance in Supreme Court Chambers and obtain Court approval of sales process commencing with Deloitte as investment broker; draft reporting emails re same;
- 02/12/2014 Receive, review and respond to Colin Brousson request re NI 43-101 issue on teaser;
- 03/12/2014 Determining NI 43-101 requirements in respect of Deloitte's sale of Creston Moly, revising Creston Moly teaser to work around qualified person requirements;
- 03/12/2014 Review draft teaser for proper NI 43-101 disclosure language; review NI 43-101 in detail and companion policy; discuss issues and risks with Colin Brousson; review email correspondence and riders and mark-up to teaser; telephone call from Kevin Becker to discuss suggested riders
- 04/12/2014 Attend to Creston Moly teaser issues; instruct Mr. Russ re El Creston sale issues;
- 04/12/2014 Reviewing and revising comments on Creston Moly teaser in accordance with NI 43-101; reviewing final draft of Creston Moly Teaser as reviewed by qualified person;
- 05/12/2014 Further Review of teaser; draft email to Mr. Becker;
- 07/12/2014 Review Creston Moly NDA;

Terms: due upon receipt
 Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this Invoice

Errors and omissions excluded

- 08/12/2014 Review updates re El Creston marketing and re NDAs; instruct Mr. Ross re same; draft email to Mr. Chambers;
- 08/12/2014 Review and revise NDA; review and revise proofs of claim;
- 28/12/2014 Review agreements re Creston Molly;
- 29/12/2014 Review of LOIs; lengthy telephone conferences with DCF and trustee; research applicability of levy; consider structure of deal; confer with C. Brousson;
- 30/12/2014 Commence drafting of Creston Moly SPA;
- 31/12/2014 Instruct Mr. Ross; draft email to Trustee; review term sheets re Creston Molly transaction; telephone call to Mr. Becker and Mr. Lee; ; instruct Ms. Graham and Mr. Yong Jae Kim
- 31/12/2014 Status update on sale process for Creston Moly deal and exchange correspondence with Colin Brousson re draft SPA;
- 31/12/2014 Telephone conference with H. Lee; K. Becker; and C. Brousson; further drafting of Creston Moly SPA;
- 02/01/2015 Draft email re Inspector's Meeting; telephone call to Mr. Jackson; email to Yong Jae Kim; review changes to draft
- 02/01/2015 Conference with Jon Ross re draft SPA for Ajax and El Creston; exchange correspondence with Colin Brousson and Jon Ross re comments and draft
- 02/01/2015 Further drafting, review and revision of Creston SPA; correspondence with K. Becker; telephone call to P. Chambers; confer with C. Brousson and Y.-J. Kim; correspondence to client; further review and revision;
- 03/01/2015 Review comments from P. Chambers and K. Becker; review and revise SPA; correspondence to team;
- 05/01/2015 Review levy issues for Creston Molly transaction; telephone call from DuMoulin Black re Creston Molly transaction; draft email re same
- 05/01/2015 Creston Mining Corporation - attendance to corporate search;
- 05/01/2015 Correspondence from P. Chambers and response to same re. levy; consider options for payment to shareholder of bankrupt; confer with C. Brousson re. same;
- 06/01/2015 Attend upon inspector's meeting; consider annulment issues
- 06/01/2015 Review conflict consent and provide comments re. same; review law re. same; confer with C. Brousson;
- 07/01/2015 Draft email to Ms. Chambers re resolutions; attend to conference calls with Inspectors; attend to consent issues for DuMoulin Black to act; email re same.
- 08/01/2015 Attend upon conference call re latest offers and failure to obtain resolution; consider all issues in flow of funds; review new offer and revise strategy to solve all process and structure issues; telephone call to Mr. Lec; attend at Inspectors' Meeting; telephone calls to Mr. Reardon and Mr. Jackson; attend to issues for DuMoulin Black's involvement; draft email to Ms. Schilling; telephone call to Mr. Sutherland; consider issues re payout letter
- 08/01/2015 Receiving instructions from J. Ross re and reviewing emails and intercompany debt structure in connection with share purchase agreement;
- 08/01/2015 Revise form of consent to act for Dumoulin Black; see to execution of same; further review and revision to SPA, e-mail same to C. Graham and confer re. same; confer with C. Brousson re. strategy;
- 09/01/2015 Review consent of Inspectors re new plan for sealed bid; review email from Mr. Sutherland; telephone calls to Trustee re plans going forward; draft email re Court approval for Stingray; email

Terms: due upon receipt

Interest at the rate of 1.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded

January 28, 2015
INVOICE: 18146552

- reply to Mr. Sutherland re approach to take given no agreement in principle re new structure and process; telephone call from Mr. Becker; draft follow-up email to Mr. Sutherland
- 09/01/2015 Transcribe voicemail message from J. Ross
- 09/01/2015 Further review and revision of SPA;
- 10/01/2015 Review requests of Mr. Sutherland; draft reporting email re same; attend to detailed email re series of events and strategy going forward
- 10/01/2015 Further review and revision of SPA; review various correspondence;
- 12/01/2015 Attend to emails to CIC; email to the Trustee; attend upon meeting with CIC; telephone call to Mr. Reardon; consider Sattva claim issues; email re Sattva issues; email to Mr. Sutherland; telephone call to Mr. Mitchell re Sattva claim; instruct Mr. Ross re SPA; email to Inspectors
- 12/01/2015 Reviewing and revising share purchase agreement;
- 12/01/2015 Further re-drafting of SPA; telephone call to C. Graham; review recent correspondence; attend meeting with K. Becker, C. Brousson and H. Lee; further revision with C. Brousson; further conference with C. Graham;
- 13/01/2015 Prepare structure and process letter; revise SPA; draft reporting emails; revise letter re claims process; draft emails to Mr. Sutherland and Mr. Reardon; telephone call to Mr. Reardon; draft emails re form of SPA and confidentiality agreements of Mr. Visagic
- 13/01/2015 Drafting share purchase agreement;
- 13/01/2015 Further final review and revision of SPA; confer with client re. same; review process letter;
- 14/01/2015 Telephone calls from Mr. Reardon re SPA and process; attend to Sattva issues for Mr. Sutherland; draft various reporting emails re CMC sales process; draft emails to each of Mr. Reardon and Mr. Sutherland.
- 15/01/2015 Draft email to Mr. Sutherland; draft reporting email to Trustee; telephone call from Mr. Chambers; email to Inspectors; review inter-company debt tax issues; telephone calls from Mr. Reardon re amendments
- 16/01/2015 Prepare for and attendance at Inspectors Meeting; review offers re Creston Moly; email to Trustee re procedure to follow chosen offer; emails to Mr. Sutherland and Mr. Reardon; review Inspectors resolution; instruct Mr. Ross re next steps
- 16/01/2015 Confer with C. Brousson re. strategy for next steps; review executed agreement; correspondence with P. Chambers;
- 19/01/2015 Telephone call from Mr. Reardon; review CMC sales process
- 19/01/2015 Draft releases; confer with C. Brousson;
- 20/01/2015 Telephone conversations with Mr. Becker, RBC, Deloitte Corporate Finance and Trustee re El Pillar sale; telephone call from Mr. Reardon re press release status; telephone call to Mr. Chambers; draft email to Mr. Becker
- 20/01/2015 Review correspondence from P. Chambers and suggested steps to completion; review law re. s. 170; telephone call to P. Chambers re. same; confer with C. Brousson;
- 21/01/2015 Telephone call from Mr. Reardon; consider payment of Tenegon expenses; draft emails re same to resolve in favour of trustee; telephone call to Mr Chambers; review Creston report; draft email to Mr. Chambers
- 21/01/2015 Review and revise Starcore press release; various correspondence re. Tenajon mineral claim payments; obtain agreement re. same;
- 22/01/2015 Draft email to Mr. Sutherland; draft email to Mr. Becker; review news release; instruct Mr. Ross re closing issues

Terms: due upon receipt

Interest at the rate of 4.3% per annum will be charged on all amounts not paid within one month from the date of this invoice

Errors and omissions excluded

January 28, 2015
 INVOICE: 18146552

22/01/2015 Review and revise press release; correspondence with K. Becker;
 23/01/2015 Review release; telephone call from Mr. Kent re closing; consider Saatva issues; draft emails to Mr. Lee; instruct Ms. Graham re closing
 23/01/2015 Drafting closing documents;

Total Fees for Professional Services \$58,720.50

DISBURSEMENTS

Non-Taxable Costs

Corporate Searches - Agency	\$11.00
02/01/2015 Minister of Finance - Agency	\$7.00
BCOL - BCRS Search Fee	
12/01/2015 Minister of Finance - Agency	\$7.00
BCOL - BCRS Search Fee	
Total Non-Taxable Disbursements	<u>\$25.00</u>

Taxable Costs

Copying	\$71.25
Scanning Service	\$2.00
Trust Administration Fee - Law Society	\$15.00
Corporate Searches - Taxable	\$12.00
02/01/2015 Minister of Finance - Taxable	\$1.50
BCOL Service Charge - BCRS Search Fee	
12/01/2015 Minister of Finance - Taxable	\$1.50
BCOL Service Charge - BCRS Search Fee	
Total Taxable Disbursements	<u>\$103.25</u>

January 28, 2015
INVOICE: 18146552

Remittance Copy

Client: 98538 Deloitte & Touche
Matter: V42229
RE: Creston Moly Corp., Bankruptcy of
Amount Due: \$65,900.38

PAYMENT BY CHEQUE:

Please return this page with your payment payable to **Gowling Lafleur Henderson LLP**

Remit to: Gowling Lafleur Henderson LLP
PO Box 466, STN D
Ottawa, ON K1P 1C3
Canada

PAYMENT BY WIRE TRANSFER:

Pay by Swift MT 103 Direct to:
SWIFTCODE: CIBCCATT

BENEFICIARY BANK: Canadian Imperial Bank of Commerce
119 Sparks Street, Ottawa, ON K1P 5B5

TRANSIT NUMBER: 0010-00006

BENEFICIARY ACCOUNT NAME: Gowling Lafleur Henderson LLP
160 Elgin Street, Suite 2600, Ottawa, ON K1P 1C3

BENEFICIARY ACCOUNT NUMBER(S): CDN Account: 41-02916
USD Account: 02-21015

International payments intermediary banking information:

USD WELLS FARGO BANK, N.A. PNBPU3N NYC (ABA 026005092)

* if paying by wire or EFT please e-mail the remittance details to payments@gowlings.com

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141089
Estate No. 11-1904494

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF

CRESTON MOLY CORP.

AFFIDAVIT

GOWLING LAFLEUR HENDERSON LLP

Barristers and Solicitors
Suite 2300, 550 Burrard Street
Vancouver, BC, V6C 2B5
Tel. No. 683-6498
Fax No. 683-3558

File No. V42229

JBR/jbr

APPENDIX J – AFIDAVIT OF KEVIN BECKER OF DELOITTE CORPORATE FINANCE INC.

District of: British Columbia
Division No. 03 - Vancouver
Court No. B-141089
Estate No. 11-1904494

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY**

**IN THE MATTER OF THE BANKRUPTCY OF
CRESTON MOLY CORP.**

**AFFIDAVIT IN SUPPORT OF
DELOITTE CORPORATE FINANCE INC.'S REMUNERATION**

I, Kevin Becker, MBA, CFA, of the City of Vancouver, do hereby make oath and say:

1. I am an Executive Director with Deloitte Corporate Finance Inc. ("DCF"). DCF is engaged as Financial Advisor by Deloitte Restructuring Inc. in its capacity as Trustee in Bankruptcy of Creston Moly Corp. ("Creston") and Mercator Minerals Ltd. ("Mercator") and, as such, am authorized to make this affidavit.
2. In support of this affidavit is the Trustee's Final Report to Court dated January 29, 2015 (the "Final Report") which provides an overview of DCF's role in the marketing and sale of Creston.
3. In support of this affidavit, attached as Exhibit "A" is a summary and detailed time analysis of DCF's time incurred for the period of October 21, 2014 to January 16, 2015.
4. The total fees of DCF during the period from October 21, 2014 to January 16, 2015 amount to \$256,960.00, together with expenses and disbursements in the amount of \$136.00, both excluding GST, as shown in Exhibit "A".
5. DCF's fees have been incurred in accordance with the engagement letter between DCF and Deloitte Restructuring Inc. in its capacity as Trustee in Bankruptcy of Creston and Mercator, dated December 2, 2014 and attached as Appendix D to the Final Report.

SWORN BEFORE ME at the City of Vancouver, in the Province of
British Columbia, this 29th day of January 2015.



Commissioner for Taking Affidavits

RYAN ADEIN
Barrister & Solicitor
Deloitte Tax Law LLP
PO Box 492079 Four Bentsall Centre
2800-1055 Dunsmuir Street
Vancouver, BC V7X 1W4 Tel: 604-669-4416



Kevin Becker, MBA, CFA

**IN THE MATTER OF THE BANKRUPTCY OF
CRESTON MOLY CORP.**

**DELOITTE CORPORATE FINANCE INC.
TIME ANALYSIS FROM OCTOBER 21, 2014 TO JANUARY 16, 2015**

	<u>HOURS</u>	<u>FEES</u>	<u>RATE PER HOUR</u>
PARTNERS/ SR MANAGERS			
Jeremy South	40.0	\$ 43,000.00	\$ 1,075.00
Neil Pogany	2.8	3,010.00	1,075.00
Bradley Gordica	3.1	3,332.50	1,075.00
Kevin Becker	132.3	112,455.00	850.00
Ivor Luk	0.5	537.50	1,075.00
	<u>178.7</u>	<u>\$ 162,335.00</u>	<u>\$ 908.42</u>
SENIOR STAFF			
Cecilia Zhao	100.0	\$ 67,500.00	\$ 675.00
Fraser Ince	77.5	27,125.00	350.00
	<u>177.5</u>	<u>\$ 94,625.00</u>	<u>\$ 533.10</u>
Total Time to January 16, 2015	356.2	\$ 256,960.00	\$ 721.39
Out-of-pocket expenses	N/A	136.00	N/A
Total	<u>356.2</u>	<u>\$ 257,096.00</u>	<u>\$ 721.39</u>

Creston Moly Corp. - DCF
Detailed time analysis from October 21, 2014 to January 16, 2015

Date	Name	Hours	Narrative
10/21/2014	Becker, Kevin Scott	5.5	Calls with Interested parties, call w/ Tamara, inspector's meeting, correspondence to Colin /inspector on CMC mandate including budget assessment; teaser and buyer's list review / finalization
10/30/2014	Becker, Kevin Scott	3.5	discussions with counsel, correspondence on potential mandate, final teaser prep and review
11/13/2014	Becker, Kevin Scott	1.5	Senior (national) Deloitte CF team engagement review and work plan discussions
11/18/2014	Becker, Kevin Scott	4.0	DCF team meeting to assign working tasks and review critical path items; detailed buyer list compilation review + new names brainstorming
11/28/2014	Becker, Kevin Scott	2.5	2.5hrs: engagement finalization, inbound buyer interest correspondence, marketing preparation
12/1/2014	Becker, Kevin Scott	3.5	Internal correspondence on engagement / court approval
12/2/2014	Becker, Kevin Scott	3.8	Marketing preparation: buyer's lists; teaser review; meeting with Ajax bidder
12/3/2014	Becker, Kevin Scott	3.5	Marketing preparation - teaser finalization; legal disclaimer review; correspondence with QP
12/4/2014	Becker, Kevin Scott	2.5	Legal disclaimer discussion; buyer's list review; call strategy; email template preparation
12/5/2014	Becker, Kevin Scott	2.0	Marketing preparation for Monday launch
12/8/2014	Becker, Kevin Scott	6.0	marketing – leaser distribution calls / emails to targeted parties
12/9/2014	Becker, Kevin Scott	6.0	teaser distribution calls / emails to targeted parties
12/10/2014	Becker, Kevin Scott	6.0	teaser distribution calls / emails to targeted parties, Mexico focused company review and internal calls
12/11/2014	Becker, Kevin Scott	6.5	teaser distribution calls / emails to targeted parties...final initial approach to targeted names, follow up to respondent passes; some clarification dialogue
12/12/2014	Becker, Kevin Scott	2.5	internal update, targeted emails follow-up
12/15/2014	Becker, Kevin Scott	4.0	additional new approaches to potential bidders
12/16/2014	Becker, Kevin Scott	2.0	strategy meeting; follow on calls and correspondence
12/17/2014	Becker, Kevin Scott	2.5	follow up calls to interested parties; internal correspondence for dd preparation
12/18/2014	Becker, Kevin Scott	3.5	meeting with interested parties; LOI review; internal correspondence based on dd requests
12/19/2014	Becker, Kevin Scott	4.0	calls with interested parties; internal correspondence based on dd requests
12/29/2014	Becker, Kevin Scott	4.5	Time adjustment - Dec 24 work: calls with interested parties; LOI reviews; negotiations and internal call and correspondence
12/29/2014	Becker, Kevin Scott	4.0	Dec 29: calls with external parties; internal bid review call with counsel; calls with Trustee, Deloitte CF, and internal correspondence on bid status / reviews
12/30/2014	Becker, Kevin Scott	5.5	Time adjustment - Dec. 23: Interested party bid review; Interested party bid review; Internal CF calls comparing bids; clarification call with Interested party; internal correspondence
12/31/2014	Becker, Kevin Scott	1.5	Dec 31 - calls and correspondence on bid status with counsel, trustee, and CF. SPA drafting discussions
12/31/2014	Becker, Kevin Scott	3.5	Bid summary document; correspondence with Trustee and counsel; calls / emails to low bidders inquiring on status; Interested party proposal #3 review; internal CF calls on bidder strategy
12/31/2014	Becker, Kevin Scott	1.5	Time adjustment Dec 21-22: internal correspondence and calls on received bids and strategy for early part of week; Interested Party correspondence and calls
12/31/2014	Becker, Kevin Scott	3.5	Bid summary document; correspondence with Trustee and counsel; calls / emails to low bidders inquiring on status; Interested party proposal #3 review; internal CF calls on bidder strategy
12/31/2014	Becker, Kevin Scott	1.5	Time adjustment Dec 21-22: internal correspondence and calls on received bids and strategy for early part of week; Interested Party correspondence and calls
12/31/2014	Becker, Kevin Scott	1.5	Dec 31 - calls and correspondence on bid status with counsel, trustee, and CF. SPA drafting discussions
1/2/2015	Becker, Kevin Scott	2.5	SPA review and internal correspondence
1/5/2015	Becker, Kevin Scott	4.5	creston moly: bids review, internal / counsel discussions, and negotiations

1/6/2015	Becker, Kevin Scott	3.5	creston moly: inspectors meeting; presentation prep and review for inspectors meeting
1/8/2015	Becker, Kevin Scott	6.5	extensive discussions with bidders post-inspector recommendation, internal calls, counsel correspondence
1/9/2015	Becker, Kevin Scott	2.5	creston moly: continued discussions with bidders, internal calls and Gowlings calls / emails
1/10/2015	Becker, Kevin Scott	2.0	Late Friday lengthy call with Interested party; call with Huey and Gowlings on Sat; further correspondence over weekend
1/12/2015	Becker, Kevin Scott	3.0	Meeting with Interested party at Gowlings offices; follow up discussion; due diligence correspondence re: Sattva claims;
1/13/2015	Becker, Kevin Scott	2.0	inbound calls from 'new' interested parties; correspondence and doc review on notice to creditors; dealings with Dave Visagie
1/14/2015	Becker, Kevin Scott	1.5	review of SPA and process letter and emails from interested parties
1/15/2015	Becker, Kevin Scott	0.5	emails on interested party status
1/16/2015	Becker, Kevin Scott	1.5	Inspector meeting; calls to successful and unsuccessful parties; internal correspondence
	Becker, Kevin Scott	<u>132.3</u>	
1/5/2015	Gordica, Bradley	0.8	Discussion with Paul C and Kevin B re: disposition scenarios regarding El Creston project; understand bidding situation and ownership structure (including intercompany debt); provide initial impressions on tax impacts of sale, particularly with respect to potential debt forgiveness in Canada/Mexico; reach out to Deloitte Mexico for views on their rules
1/6/2015	Gordica, Bradley	0.4	discussion with Deloitte Mexico (CGonzalez) re:debt forgiveness rules given different sales scenarios (and what could happen with existing interco debt that presumably purchaser does not want in existence post-close)
1/7/2015	Gordica, Bradley	0.5	Updates to Kevin B and Paul C re: discussion with Mexico re debt forgiveness and available choices re interco debt - i.e. sell debt with shares, forgive debt, contribute debt to equity, do nothing; discussion on likely purchaser pressure points/concerns
1/14/2015	Gordica, Bradley	0.3	Update on deals and bid process from PChambers; reiterate tax comments given no further changes from original structure (yet)
1/16/2015	Gordica, Bradley	1.1	Read Paul's note; research stop loss (small); discuss with NPogany; concur email - all regarding latest sale scenario involving movement of intercompany debt(s)
	Gordica, Bradley	<u>3.1</u>	
12/1/2014	Ince, Fraser D	8.0	Creston buyers list: database merge from other sales process buyer lists into master list
12/2/2014	Ince, Fraser D	10.0	Teaser (turns from CZ, PC, lawyers, Marc Leblanc, etc), drafting CA, buyers list
12/3/2014	Ince, Fraser D	10.0	Teaser (edits from CZ, PC, lawyers, Marc Leblanc; changing disclaimer language, etc.); buyers list; data room prep
12/4/2014	Ince, Fraser D	10.5	Teaser (edits from CZ, PC, lawyers, Marc Leblanc; changing disclaimer language, etc.); buyers list; data room prep
12/5/2014	Ince, Fraser D	5.5	final edits to teaser; meetings with KB and CZ; editing email; arranging mass mail out; buyers list; data room
12/8/2014	Ince, Fraser D	10.0	Buyers list (pulling new Mx buyers, searching for names, tracking responses); NDA (completed turns for CZ)
12/9/2014	Ince, Fraser D	2.0	Buyers list, NDA (KB's turns)
12/11/2014	Ince, Fraser D	2.0	Creston moly status update
12/15/2014	Ince, Fraser D	5.5	Tracking list, CA cross-check, data room prep
12/16/2014	Ince, Fraser D	3.0	Updating buyers list
12/17/2014	Ince, Fraser D	7.0	Updated tracking list for all emails sent/undelivered/passed; CA cross-check; called firmex; liaised with LeAnna for email tracking
12/18/2014	Ince, Fraser D	4.0	processing CA's; updated tracking list
	Ince, Fraser D	<u>77.5</u>	
12/8/2014	Luk, Ivor	0.5	Review of engagement letter
	Luk, Ivor	<u>0.5</u>	
1/5/2015	Pogany, Neil	1.0	Meeting with Brad, Paul, and Kevin to discuss various transactions and the settlement of debt
1/6/2015	Pogany, Neil	0.5	Call with team to discuss the options of settling the inter-company debt between Creston and its subsidiaries
1/7/2015	Pogany, Neil	0.3	Review e-mails from the team regarding the debt forgiveness issues and obtaining tax returns to review the tax pools and financial statements to review tax basis of subsidiaries.

1/15/2015 Pogany,Neil	1.0 Respond to Paul Chamber's questions on settlement of debt and moving debt from MML to Creston Moly.
Pogany,Neil	<u>2.8</u>
12/5/2014 South,Jeremy	2.1 Internal discussions on potential buyer analysis; revising list; discussion of various issues regarding buyers
12/10/2014 South,Jeremy	3.8 Communications with potential buyers and various interested parties; discussion with team and follow up with interested parties
12/16/2014 South,Jeremy	2.8 Communications with potential buyers and discussion with internal team
12/17/2014 South,Jeremy	2.8 Communications with potential buyers and discussion with internal team
12/18/2014 South,Jeremy	5.3 Internal discussions regarding interested parties and various issues, correspondence with interested parties regarding the same
12/22/2014 South,Jeremy	2.5 correspondence with interested parties regarding queries and various issues; internal discussion regarding the same
12/23/2014 South,Jeremy	2.7 correspondence with interested parties regarding queries and various issues; internal discussion regarding the same
12/29/2014 South,Jeremy	4.3 Negotiation with bidders, internal meetings and discussion with team on various issues raised by interested parties; discussion with team on bidder strategy
1/8/2015 South,Jeremy	6.8 Negotiation with bidders with team, internal meetings regarding received bids and various issues arising from discussions with bidders
1/15/2015 South,Jeremy	6.9 Negotiation with bidders with team, internal meetings regarding received bids and various issues arising from discussions with bidders
South,Jeremy	<u>40.0</u>
12/1/2014 Zhao,Jiangmei C	6.0 finalize teaser, buyer list meeting
12/2/2014 Zhao,Jiangmei C	7.0 buyer list and teaser meeting, generate mandate, teaser comments by Paul, Alain, Jeremy. template email
12/3/2014 Zhao,Jiangmei C	3.0 template email, draft CA, Marc comments, communications with Team
12/4/2014 Zhao,Jiangmei C	5.0 data room sort through, call with Dave V. and incorporate comments, Gowling comments
12/5/2014 Zhao,Jiangmei C	0.5 check final leaser, communications with team on going out to market
12/6/2014 Zhao,Jiangmei C	20.0 leaser revisions, buyer list reviews, mandate set up
12/8/2014 Zhao,Jiangmei C	3.0 review data room, communications with Dave, review CA
12/9/2014 Zhao,Jiangmei C	2.0 lawsuits, communications with Dave
12/10/2014 Zhao,Jiangmei C	2.5 meeting with Dave 2.5hr re data room
12/12/2014 Zhao,Jiangmei C	2.5 meeting with Dave re data room 2.5hr
12/15/2014 Zhao,Jiangmei C	4.0 Interested party CA, data room clean up
12/16/2014 Zhao,Jiangmei C	5.5 data room clean up and upload, team meeting to discuss buyers list, Multiple interested party CA and data room access, buyer list tracking
12/16/2014 Zhao,Jiangmei C	1.0 communications with multiple Interested parties
12/17/2014 Zhao,Jiangmei C	1.5 Multiple interested party CA and data room processing, property tax payments on El Creston; Interested party term sheet review
12/18/2014 Zhao,Jiangmei C	5.0 property tax payments, payables schedule, various communications with Dave and Marc on legal, bond, financial statements and etc. communications with interested parties
12/19/2014 Zhao,Jiangmei C	8.0 various due diligence items and communications
12/22/2014 Zhao,Jiangmei C	8.0 various due diligence and communications, summarize bids and call with DRI
12/23/2014 Zhao,Jiangmei C	
12/24/2014 Zhao,Jiangmei C	4.0 communications with Becker, summarize bids, communication with Dave, check interested party claim cost calculation, communications with Enrique
12/29/2014 Zhao,Jiangmei C	2.0 Interested party prep call and call 1 hr
12/29/2014 Zhao,Jiangmei C	revise Ajax claims letter
12/30/2014 Zhao,Jiangmei C	2.5 call with Interested party
12/30/2014 Zhao,Jiangmei C	Ajax claims renew, communications with Marc and Dave, time at Gold Commissioner's office
12/31/2014 Zhao,Jiangmei C	3.5 Ajax claims renew, communications with Marc and Dave, time at Gold Commissioner's office, update LOI summary
1/2/2015 Zhao,Jiangmei C	0.5 review Interested party new offer, communications
1/5/2015 Zhao,Jiangmei C	3.0 3hr call with DRI, discussion with KB on surface rights, call with Marc, Inspector's deck, summarize Ajax claims renewal account for Paul
Zhao,Jiangmei C	<u>100.0</u>
Total	<u>356.2</u>

APPENDIX K – TRUSTEE’S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

District of British Columbia
 Division No. 03 - Vancouver
 Court No. B-141089
 Estate No. 11-1904494

**In the Matter of the Bankruptcy of
 Creston Moly Corp.
 of the City of Vancouver, in the Province of British Columbia**

Form 12
 Final Statement of Receipts and Disbursements

RECEIPTS

1. Asset Realization			
Promissory notes	73,000.00		73,000.00
2. Miscellaneous			
Funds from retainer	40,000.00		
Interest allocation	67.44		40,046.07
TOTAL RECEIPTS			113,067.44

DISBURSEMENTS

3. Fees Paid			
To registrar	150.00		
To official receiver	150.00		300.00
4. Federal and Provincial taxes			
GST paid on disbursements exclusive of fees	249.70		249.70
5. Miscellaneous			
Bank charges	294.70		
Funding to Tenajon	7,329.31		
Legal fees/disbursements	5,386.52		
Funding to Exploraciones Global	61,148.83		74,159.36
TOTAL DISBURSEMENTS			74,709.06

Note: How much of the total disbursements was paid for services provided by persons related to the trustee?

0.00

Amount available for distribution

38,358.38

6. Levy payable under section 147 of the Act

0.00

7. Unsecured creditors

Final dividend	0.00	less levy	0.00	<u>0.00</u>
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8. Amount retained in the Trust account by the Trustee:

38,358.38

Assets not sold or realized

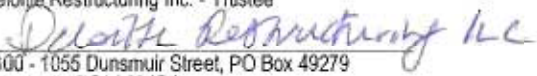
Other - Intercompany due from Creston Mining Corporation	457,101.00	Nil value
Other - Intercompany due from Mercator Minerals Ltd.	1,378,089.00	Nil value
Other - Investment in Tenajon Resources Corp.	19,535,976.00	Realized

Asset Notes

Other - Investment in Creston Mining Corporation	38,494,715.00	El Creston disposed of as part of the Creston Transaction. Please refer to the Final Report to Court for further details.
Other - Investment in Tenajon Resources Corp.	19,535,976.00	Ajax & Molybrook disposed of as part of the Creston Transaction. Please refer to the Final Report to Court for further details.

Dated at the City of Vancouver in the Province of British Columbia, this 28th day of January 2015.

Deloitte Restructuring Inc. - Trustee


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Vancouver BC V7X 1P4
Phone: (604) 640-3060 Fax: (604) 602-1583