

**MODEL APPROVAL AND VESTING ORDER**

*[current to August 1, 2015]*

No.                      S-220231

Vancouver Registry

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

**IN THE MATTER OF THE RECEIVERSHIP OF  
OTSO GOLD CORP.**

**BETWEEN:**

~~[PLAINTIFF(S)/PETITIONER(S)]~~

~~<PLAINTIFFS>/<PETITIONERS>~~

**PANDION MINE FINANCE LP, RIVERMET RESOURCE CAPITAL LP  
AND PEL RAAHE HOLDINGS LP**

**PETITIONERS**

**AND:**

~~[DEFENDANT(S)/RESPONDENT(S)]~~

~~<DEFENDANTS>/<~~

**OTSO GOLD CORP.**

**RESPONDENT**~~S~~

Action No.                     

Estate No.                     

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

~~IN THE MATTER OF THE RECEIVERSHIP OF  
[NAME OF DEBTOR(S)]~~

**ORDER MADE AFTER APPLICATION**

**APPROVAL AND VESTING ORDER**

BEFORE THE HONOURABLE )  
JUSTICE GOMERY ) ~~dd/mm/yyyy~~ April 12, 2022  
)

~~\_\_\_\_\_~~  
~~\_\_\_\_\_~~

ON THE APPLICATION of ~~[RECEIVER'S NAME]~~ Deloitte Restructuring Inc., in its capacity as Court-appointed ~~[Receiver or Receiver]~~ receiver and ~~Manager]~~ receiver-manager (the "Receiver") of the assets, undertakings and properties of ~~[Name of]~~ Otso Gold Corp. (the "Debtor") coming on for hearing by MS Teams at Vancouver, British Columbia, on the ~~\_\_\_\_\_~~ 12th day of ~~\_\_\_\_\_~~, 201 ~~\_\_\_\_\_~~ April 2022; AND ON HEARING ~~\_\_\_\_\_~~ Lisa Hiebert, counsel for the Receiver, and those other counsel listed on **Schedule "A"** hereto, ~~and no one appearing for~~ ~~\_\_\_\_\_~~, ~~although duly served~~; AND UPON READING the material filed, including the Report of the Receiver dated ~~\_\_\_\_\_~~ April 6, 2022 (the "Report") ~~[1]~~;

THIS COURT ORDERS AND DECLARES THAT:

1. The sale transaction (the "Transaction") contemplated by the ~~[Asset Purchase Agreement]~~ dated ~~\_\_\_\_\_~~ April 4, \_\_\_\_\_ 2022 (the "Sale Agreement") between the Receiver and ~~\_\_\_\_\_~~ CAVU Mining Corp. (the "Purchaser") ~~[2]~~, a copy of which is attached as Appendix "B" to the Report is hereby approved, and the Sale Agreement is commercially reasonable. ~~[3]~~ The execution of the Sale Agreement by the Receiver ~~[4]~~ is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the "Purchased Assets").
2. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as **Schedule "B"** hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement ~~[and listed on Schedule "C" hereto]~~ ~~[5]~~ shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims" ~~[6]~~) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court ~~dated [Date]~~ made January 14, 2022 and January 28, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and (iii) those Claims listed on **Schedule "D"** hereto (all of which are collectively referred to as the "Encumbrances", ~~which term shall not include the permitted~~

~~encumbrances, easements and restrictive covenants listed on Schedule "E" hereto~~), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets. ~~[7]~~

3. Upon presentation ~~for registration in the Land Title Office for the Land Title District of~~ ~~\_\_\_\_\_~~ of a certified copy of this Order, together with a letter from ~~[Receiver's counsel]~~ Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, the ~~British Columbia Registrar of Land Titles is hereby directed to~~ Land Title Office (Land Title District of Prince Rupert), the Mineral Titles Branch and any other public registry in which an interest in the Purchased Assets may be registered (collectively, the "Registries") shall:
  - (a) ~~enter~~ Enter the Purchaser as the 49% owner (in place of Firesteel Resources Inc.) of the ~~Lands, as~~ mineral claims identified in **Schedule "FD"** hereto, ~~together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licenses, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of the Lands, (the "Mineral Claims")~~ and this Court declares that it has been proved to the satisfaction of the Court on investigation that ~~the~~ title of the Purchaser in and to the ~~Lands~~ Mineral Claims is ~~a~~ good, safe holding and marketable title and directs the ~~BC Registrar~~ Registries to register indefeasible title in favour of the Purchaser as ~~aforesaid~~ set out above; and
  - (b) ~~having~~ Having considered the interest of third parties, to discharge, release, delete and expunge from title to the ~~Lands~~ Mineral Claims all of the registered Encumbrances ~~except for those listed in Schedule "E".~~ ~~[8]~~
4. For the purposes of determining the nature and priority of Claims, the net proceeds ~~[9]~~ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale ~~[10]~~, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
5. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
6. ~~Pursuant to Section 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act or Section 18(10)(e) of the Personal Information Protection Act of British Columbia, the Receiver is hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the company's records pertaining to the Debtor's past and current employees, including personal information~~

~~of those employees listed in Schedule "E" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor. [11]~~

6. ~~7.~~ Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement ~~and listed on Schedule "E".~~

7. ~~8.~~ The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court ~~[provided that the Closing Date occurs by \_\_\_\_\_ or within \_\_\_\_\_ days of the date of this Order].~~

8. ~~9.~~ Notwithstanding:

- (a) these proceedings;
- (b) any applications for a bankruptcy order in respect of the Debtor now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made by or in respect of the Debtor,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. ~~10.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

11. Endorsement of this Order by counsel appearing on this application other than counsel for the Receiver is hereby dispensed with.

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

\_\_\_\_\_  
Signature of

~~Party~~ ~~Lawyer for~~ Lisa Hiebert, counsel to the  
~~Petitioners~~ Receiver

[Redacted signature area]

<Print Name>

\_\_\_\_\_  
Signature of

~~Party~~ ~~Lawyer for~~ <name of party(ies)>

[Redacted signature area]

<Print Name>

BY THE COURT

\_\_\_\_\_  
REGISTRAR

**Schedule "A ~~Purchased Assets~~"**

**LIST OF COUNSEL**

<b><u>COUNSEL</u></b>	<b><u>PARTY REPRESENTED</u></b>

[Note: Specifically list legal titles if Real Property]

Schedule “~~B~~ — ~~Claims to be deleted/expunged from~~ ~~title to Real Property~~”



**Schedule C – Permitted Encumbrances, Easements and Restrictive Covenants  
related to Real Property**

1. ~~The reservations, limitations, provisos and conditions expressed in the original grant  
thereof from the Crown.~~

2. ~~←\*→~~

**BRITISH COLUMBIA MODEL APPROVAL AND VESTING ORDER**  
**EXPLANATORY NOTES**

B.C. Model Insolvency Order Committee

**Form of Receiver's Certificate**

**No. S-220231**

**Vancouver, British Columbia Registry**

~~These Notes are to be read together with the new Model Approval and Vesting Order developed by the B.C. Model Insolvency Order Committee (as described below).~~

~~[1] — This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. In the past, the Land Title Office has been unwilling to vest off interests without proof that certain parties have been served. Accordingly, it is recommended that the Order itself reflect service on all parties whose interests are to be removed from title.~~

~~[2] — If the Purchased Assets include real property, counsel will need to describe the Purchaser in accordance with how it wishes to be described on title including Purchaser's full name, Incorporation details if applicable, address, joint tenancy, etc.~~

~~[3] — Section 247 of the *Bankruptcy and Insolvency Act*, section 68(2) of the *British Columbia Personal Property Security Act* and the relevant case authorities provide that the Receiver has a duty to ensure that any sale of assets is commercially reasonable. Accordingly, it has become the practice of Receivers and their counsel to seek a declaration of the Court that a particular asset sale is commercially reasonable. The Receiver and its counsel should ensure that there is sufficient evidence to enable the Court to make a finding that the transaction to be approved is commercially reasonable, including without limitation evidence as to marketing and any appraisals.~~

~~[4] — In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

~~[5] — To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a schedule. Some judges prefer to have the Sale Agreement itself appended as a schedule to the Order.~~

~~[6] The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the BCMIOC's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

~~[7] The Order is not intended to relieve the Debtor, the Receiver or any Purchaser of any applicable statutory or regulatory requirements arising on the transfer of the Purchased Assets (for example, complying with Forest Act requirements in respect of the transfer of a license such as a Forest License).~~

~~[8] This provision is required if the Purchased Assets include real property. In addition, in some cases, it is appropriate to provide that the Petitioner or Plaintiff provide a release of its Certificate of Pending Litigation.~~

~~[9] The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds". In some cases, it may be appropriate to direct the Receiver to pay certain claims, such as, for example, to secured creditors where there is no issue as to priority.~~

~~[10] This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept~~

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF  
OTSO GOLD CORP.

BETWEEN:

PANDION MINE FINANCE LP, RIVERMET RESOURCE CAPITAL LP  
AND PEL RAAHE HOLDINGS LP

PETITIONERS

AND:

OTSO GOLD CORP.

RESPONDENT

RECEIVER'S CLOSING CERTIFICATE

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Approval and Vesting Order, as pronounced by the Honourable Mr. Justice Gomery in these proceedings on the \_\_\_\_\_ day of April, 2022 (the "Sale Approval Order").

Pursuant to paragraph 2 of the Sale Approval Order, Deloitte Restructuring Inc., in its capacity as Receiver of the assets, properties and undertakings of Otso Gold Corp., hereby delivers and files with the Court this Certificate and hereby certifies that the Transaction contemplated in the Sale Agreement has closed and is complete in all respects.

DATED the \_\_\_\_\_ day of April, 2022

DELOITTE RESTRUCTURING INC., in its capacity as Receiver of the properties, assets, and undertakings of Otso Gold Corp., and not in its personal capacity:

Per: \_\_\_\_\_

\_\_\_\_\_ Name:

\_\_\_\_\_ Title:

Schedule "C"

Claims to be deleted/expunged from the Purchased Assets

Alberta Personal Property Registry

<u>Registration No.</u>	<u>Registration Type</u>	<u>Debtor(s)</u>	<u>Secured Party</u>
<u>17112810682</u>	<u>Security Agreement</u>	<u>Firesteel Resources Inc.</u> <u>Nordic Gold Inc.</u> <u>Otso Gold Corp.</u>	<u>PFL Raahe Holdings LP</u>

British Columbia Personal Property Registry

<u>Base Registration No.</u>	<u>Registration Type</u>	<u>Debtor(s)</u>	<u>Secured Party</u>
<u>425756K</u>	<u>Security Agreement</u>	<u>Firesteel Resources Inc.</u> <u>Nordic Gold Inc.</u> <u>Otso Gold Corp.</u>	<u>PFL Raahe Holdings LP</u>

**Schedule “D”**

**Mineral Claims**

The right title and interest of Otso Gold Corp (formerly Firesteel Resources Ltd.) in and to the following mineral claims in respect of cells located in the Atlin Mining Division of northwestern British Columbia, as set out in the attached table “BC Mineral Titles”.

~~[11] The Receiver and Purchaser should take care to act under this provision with respect to the Purchased Assets only.~~



Action No. [REDACTED]

No. S-220231  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH  
COLUMBIA**

**BETWEEN:**

**[PLAINTIFF(S)/PETITIONER(S)]**

Plaintiff(s)/Petitioner(s)

**-and-**

**[DEFENDANT(S)/RESPONDENT(S)]**

Defendant(s)/Respondent(s)

**AND:**

Action No. [REDACTED]

Estate No. [REDACTED]

~~IN THE SUPREME COURT OF BRITISH COLUMBIA~~

**IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE RECEIVERSHIP OF

**[THE DEBTOR(S)]**



**B.C. MODEL**  
OTSO GOLD CORP.

BETWEEN:

PANDION MINE FINANCE LP, RIVERMET  
RESOURCE CAPITAL LP  
AND PFL RAAHE HOLDINGS LP

PETITIONERS

AND:

OTSO GOLD CORP.

RESPONDENT

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**APPROVAL AND VESTING ORDER**

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Client/Matter: 560836/00013  
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