

**ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

IN THE MATTER OF THE RECEIVERSHIP OF SEAFIELD RESOURCES LTD.

**NOTICE OF MOTION
(RETURNABLE ON A DATE TO BE SET)**

KPMG Inc., in its capacity as receiver (the “**Receiver**”) of Seafield Resources Ltd. (“**Seafield**”), will make a motion to the Court, on a date to be set at 10:00 am or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- in writing under subrule 37.12.1(1) because it is on consent or unopposed or made without notice;
- in writing as an opposed motion under subrule 37.12.1(4);
- orally.

THE MOTION IS FOR:

- (a) Advice and directions regarding the sale and investor solicitation procedures (the “**SISP**”) approved by the Order of the Honourable Justice Wilton-Siegel dated May 20, 2015; and,
- (b) Such further relief as counsel may advise and the Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- (c) On September 9, 2014, KPMG Inc. was appointed receiver pursuant to s. 243 of the *Bankruptcy and Insolvency Act* (“**BIA**”) and s. 101 of the *Courts of Justice Act* (Ontario) of all assets, undertakings and property of Seafield (the “**Receivership Order**”);

- (d) The Receivership Order authorizes the Receiver to market and sell the property of Seafield;
- (e) Seafield is a Toronto based company incorporated pursuant to the Ontario *Business Corporations Act*;
- (f) Seafield's principal asset is 100% of the shares of Minera Seafield S.A.S. ("**Minera**");
- (g) Minera is a mining company constituted under the laws of Colombia, holding various mining claims in Colombia;
- (h) Under the Receivership Order, the Receiver was granted the power to exercise any shareholder, partnership, joint venture or other rights that Seafield has as sole shareholder of Minera;
- (i) On May 20, 2015, Justice Wilton-Siegel granted an order (the "**SISP Order**") approving the SISP in relation to Seafield and its assets;
- (j) Pursuant to the SISP Order and in accordance with the terms of the SISP, the Receiver conducted a two-phase solicitation process involving various parties that are active in the mining sector;
- (k) In conducting the SISP, the Receiver identified and contacted 123 parties active in the mining industry and provided them an investment teaser and non-disclosure agreement;
- (l) A number of parties were deemed Qualified Phase 1 Bidders (as defined in the SISP);
- (m) Qualified Phase 1 Bidders were provided with a confidential information memorandum regarding Minera's assets and access to a data room, among other things;

- (n) A number of the Qualified Phase 1 Bidders qualified to progress to the second phase of the SISP. One of those bidders subsequently withdrew its offer;
- (o) A site visit and technical session in Colombia were held;
- (p) Despite the efforts of the Receiver, the second phase of the SISP did not result in any qualified purchase or investment bids;
- (q) The Receiver is currently in discussions with Seafield's principal secured creditor, RMB Australia Holdings Limited ("**RMB**"), regarding the possibility of RMB submitting a credit bid for the shares of Minera;
- (r) Section 5.5(2) of the SISP provides that the Receiver shall notify RMB forthwith and make an application to the Court for directions within ten days of determining that no Qualified Bids (as defined in the SISP) were received pursuant to the SISP;
- (s) On Monday, September 14, 2015, the Receiver determined that no Qualified Bids were received pursuant to the SISP;
- (t) The Receiver requires directions of the Court regarding the disposition of the assets of Seafield, including the possibility of a sale of the shares of Minera to RMB.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (u) The Order of Justice Newbould, dated September 9, 2014;
- (v) The Order of Justice Wilton-Siegel, dated May 20, 2015;
- (w) The Affidavit of Mudasir Marfatia, sworn September 28, 2015; and,
- (x) Such further material as counsel may advise and the Court permit.

September 28, 2015

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TO: SERVICE LIST

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Proceeding commenced at Toronto

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