



COURT FILE NUMBER **1401-06625**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE Calgary

APPLICANTS **IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, RSC
1985, c C-36, AS AMDENDED**

**AND IN THE MATTER OF THE *BUSINESS*
CORPORATIONS ACT, RSA 2000, C B-9**

**AND IN THE MATTER OF MONGOLIA
MINERALS CORPORATION**

DOCUMENT **APPLICATION**

**(Re: Discharge of Ernst & Young Inc., in its
capacity as the Court-appointed Monitor)**

ADDRESS FOR SERVICE Josef G.A. Krüger, Q.C.
AND Borden Ladner Gervais LLP
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DOCUMENT File No. 413255-000037

NOTICE TO RESPONDENTS

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date February 13, 2015
Time 1:30 p.m.

Where Calgary Court Centre, 601 – 5th Street, Calgary, Alberta
 Before Whom The Honourable Justice S. LoVecchio

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An order deeming service of this Application and all supporting materials good and sufficient, abridging the time for service for the date that this Application is heard and dispensing with further service on any other party;
2. An order discharging EY as Monitor of Mongolia Minerals Corporation (“MMC”), substantially in the draft form of Order attached hereto as Schedule “A”; and
3. Providing such further and other relief as the Monitor may advise and this Honourable Court may deem just.

Grounds for making this application:

4. MMC does not have the financial resources to fund a fulsome sale and investment solicitation process for its remaining assets and has otherwise been unable to identify a viable restructuring option;
5. The Monitor has satisfied all duties and obligations as Monitor of MMC; and
6. Such further and other grounds as are outlined in the Eighth Report of the Monitor filed February 12, 2015 (the “Eight Report”).

Material or evidence to be relied on:

7. The pleadings filed in the within proceedings, including, *inter alia*, the following:
 - (a) The Initial Order;
 - (b) The Eighth Report; and
8. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

9. Rules 6.2 and 6.3 of the Alberta *Rules of Court*.

Applicable Acts and regulations:

10. *Companies Creditors' Arrangement Act*, R.S.C. 185, c. C-36 as amended.

Any irregularity complained of or objection relied on:

11. N/A

How the application is proposed to be heard or considered:

12. In person, before the Presiding Justice in Chambers (Commercial List) on the date and time above-referenced, with all or some of the parties present.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

COURT FILE NUMBER 1401 - 06625

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
MONGOLIA MINERALS CORPORATION

DOCUMENT **ORDER (Discharge of Monitor)**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File No. 413255-000041

DATE ON WHICH ORDER WAS PRONOUNCED: February 13, 2015

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice LoVecchio

LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION of Ernst & Young Inc., in its capacity as the Monitor of Mongolia Minerals Corporation ("MMC"); **AND UPON** having read (i) the Application, (ii) the Eighth Report of the Monitor dated February 11, 2015 (the "Eighth Report"), and such further material in the pleadings and proceedings as was deemed necessary; **AND UPON HEARING** counsel for MMC, the Monitor, and for other interested parties; **AND UPON** being satisfied that circumstances exist that make this Order appropriate;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

Clerk's Stamp

1. The time for service is hereby abridged so that this Application is properly returnable today and any further service thereof is hereby dispensed with.

Definitions

2. All capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Eighth Report.

Approval of Activities

3. The actions, conduct and activities of the Monitor outlined in the First Report to the Eighth Report (all inclusive) filed by the Monitor in these proceedings are hereby approved.

4. As of the date of the Eighth Report and based on the evidence that is currently before this Honourable Court:

- (a) the Monitor has acted honestly and in good faith;
- (b) the Monitor has satisfied all duties and obligations as Monitor of MMC; and
- (c) the Monitor shall not be liable for any act or omission including, without limitation, any act or omission pertaining to the discharge of the Monitor's duties as Monitor, save and except for any liability arising out of fraud, gross negligence or wilful misconduct on the part of the Monitor.

5. The accounts of the Monitor and their legal counsel as outlined in the Eighth Report are hereby approved.

Termination of CCAA Proceeding

6. Except as expressly provided in this Order, the CCAA Proceedings shall be and are hereby terminated effective at 12:01 a.m. on February 12, 2015.

7. As of the filing of this Order (the "Effective Date"), Ernst & Young Inc. shall be discharged from its duties as Monitor in these proceedings and shall hereafter have no further liabilities, obligations, responsibilities or duties under the Initial Order, or otherwise in respect of these proceedings, subject to paragraph 8 hereof.

8. Notwithstanding the discharge of the Monitor, the Monitor remains empowered to perform any act necessary or incidental to the conclusion of the CCAA Proceedings, and will continue to enjoy the same rights and protections previously granted to the Monitor in these proceedings, including, but not limited to, future administrative tax services in relation to tax filings for time periods during which the Monitor was appointed;

9. The Monitor, their affiliates and their respective officers, directors, employees and agents, attorneys and solicitors for the Monitor (collectively, the "Monitor Parties" and each a "Monitor Party") are hereby released and forever discharged from any and all claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising,

based in whole or in part on any act or omission of a Monitor Party in any way relating to, arising out of or in respect of the performance or intended performance of the Monitor's mandate or any activity related to the CCAA Proceedings, save and except for any claim against a Monitor Party arising out of any gross negligence or wilful misconduct on the part of that Monitor Party.

10. No action or other proceeding in any way arising from or related to the performance or intended performance of the Monitor's mandate or any activity in these CCAA Proceedings shall be commenced against a Monitor Party except with prior leave of this Court and on prior written notice to the Monitor Party and upon further order securing, as security for costs, the solicitor and his own client costs of the Monitor Party in connection with any proposed action or proceeding.

11. If, subsequent to the granting of this Order, the Monitor is required to respond to enquiries to provide evidence or testimony in respect of any proceedings in respect of MMC, then the requesting party shall pay the reasonable fees and disbursements incurred by the Monitor, as the case may be, associated with responding to such enquiries or providing such evidence or testimony.

The Administration Charge

12. The Administration Charge, as set out in the Initial Order and amended on October 23, 2014, and further amended on January 21, 2015, shall subsist and continue to rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, notwithstanding the expiration of the Stay and the discharge of the Monitor.

General

13. This Order shall have full force and effect from and after the date of this Order in all Provinces and Territories in Canada and abroad and as against all Persons and Parties against whom it may otherwise be enforced.

14. This Order shall be served, by courier, facsimile transmission, electronic transmission or ordinary post on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta