

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 20th
JUSTICE GILMORE) DAY OF MAY, 2021
)

**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 CLEARBEACH RESOURCES INC. AND FORBES RESOURCES
CORP.**

Applicants

ORDER

THIS APPLICATION, made by Clearbeach Resources Inc. and Forbes Resources Corp. (together, the "**Applicants**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*: (i) approving and giving effect to the Settlement Agreement attached to the Affidavit of Jane Lowrie sworn May 17, 2021 (the "**Lowrie Affidavit**") as Confidential Exhibit "A", and all schedules attached thereto (collectively, the "**Settlement Agreement**"), subject in all cases to the terms, conditions and exceptions provided in the Settlement Agreement; and (ii) authorizing and directing the Applicants and MNP Ltd., in its capacity as the court-appointed monitor of the Applicants under the CCAA (the "**Monitor**"), to take any and all steps necessary to give effect to the Settlement Agreement, was heard this day via videoconference as a result of the COVID-19 pandemic;

ON READING the Application Record of the Applicants and the Pre-filing Report of the Monitor, filed (the "**Report**"), and the appendices and confidential appendices thereto, and on hearing the submissions of counsel for the Applicants, the Monitor, and PACE Savings & Credit

Union Limited (“**Pace**”) and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service of Joshua Foster sworn May 18, 2021;

SERVICE

1. **THIS COURT ORDERS** that, to the extent necessary, the time for service of the Notice of Application, the Application Record and the Report is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall have the meanings given to them in the Lowrie Affidavit and the Settlement Agreement.

SETTLEMENT APPROVAL

3. **THIS COURT ORDERS** that the settlement, releases and other matters contemplated by the Settlement Agreement are hereby approved in their entirety, with such minor amendments as the parties to the Settlement Agreement may agree upon in writing, with the consent of the Monitor, and that the parties to the Settlement Agreement are hereby directed and empowered, *nunc pro tunc*, to execute and deliver the Settlement Agreement, and that such execution is approved. The Applicants and the Monitor are 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 settlement, releases and other matters contemplated by the Settlement Agreement.

4. **THIS COURT ORDERS** that, pursuant to and in accordance with the terms of the Settlement Agreement, the releases attached as Schedules “B”, “D”, “E”, “F” and “G” to the Settlement Agreement are binding and effective.

5. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these CCAA proceedings;

- (b) the NOI Proceedings and the declarations of insolvency made therein or in connection therewith;
- (c) any applications for any bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) in respect of one or more of any of the Applicants or any of their respective predecessors, successors or heirs (collectively, the “**Identified Parties**”), and any bankruptcy order issued pursuant to any such applications; and
- (d) any subsequent assignment in bankruptcy made in respect of any of the Identified Parties,

the payment to Pace of the Purchase Price shall be binding on any trustee in bankruptcy that is now or that may be appointed in respect of any of the Identified Parties and shall not be void or voidable by creditors of any of the Identified Parties, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA, the CCAA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial laws.

SEALING

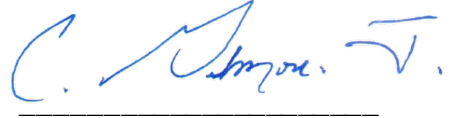
6. **THIS COURT ORDERS** that Confidential Exhibit “A” to the Lowrie Affidavit shall be and is hereby sealed, to be kept confidential and shall not form part of the public record pending further order of this Court.

GENERAL

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Monitor, the Applicants and their respective 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 Applicants and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this

Order or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



C. Moore, Jr.

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Court File No.: CV-21-00662483-00CL

**ONTARIO
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(COMMERCIAL LIST)**

Proceedings commenced in Toronto

ORDER

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