

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

N°: 500-11-040900-116

SUPERIOR COURT
COMMERCIAL DIVISION

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985, C
C-36, AS AMENDED

KITCO METALS INC.

PETITIONER

and

RSM RICHTER INC.

MONITOR

ORDER FOR A THIRD EXTENSION OF THE INITIAL ORDER

SEEING Kitco Metals Inc.'s (the "**Petitioner**") Motion for a Third Extension of the Initial Order, pursuant to section 11.02 of the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36 ("**CCAA**") (the "**Motion**"), the affidavit of Denis Majeau filed in support thereof, the Ninth Report of the Monitor and submissions of counsel present at the hearing;

SEEING the Ninth Report of the Monitor;

CONSIDERING the need for additional time to resolve the Debtor's litigation with the Ministère du Revenu;

CONSIDERING that creditors will not be prejudiced by an extension of the stay period;

CONSIDERING that the Debtor continues to act diligently and in good faith;

CONSIDERING the benefits of reducing monitoring and legal costs;

CONSIDERING that a six month extension is not excessive, in the circumstances;

CONSIDERING that quarterly monitoring is adequate in the circumstances.

WHEREFORE, THE COURT:

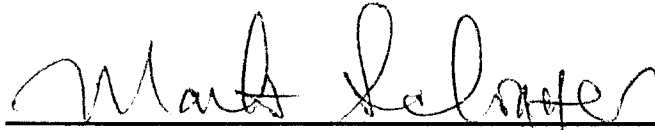
- [1] **GRANTS** the Motion;
- [2] **DECLARES** that the notices given of the presentation of the Motion are adequate and sufficient;
- [3] **ORDERS** that the Stay Period as defined in the Initial Order be extended up to and including **October 17, 2012**;
- [4] **AMENDS** paragraph 30 of the Initial Order so that it reads as follows (changes are underlined):

[30] ORDERS that the appointment of RSM Richter Inc. as Interim Receiver is hereby terminated and AUTHORIZES RSM Richter Inc., as Monitor, to:

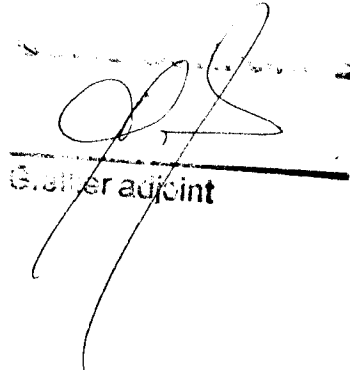
- a. contact any third party (clients, suppliers or others) doing business with the Petitioner in order to obtain all information or confirmation relating to the operations of the Petitioner, its assets and the assets that it holds on behalf of its clients;*
- b. monitor the Petitioner's cash flow on a monthly basis;*
- c. file a report in the Court record on a quarterly basis in order to report the following:*
 - i. the developments in the status of the Petitioner's projected cash flow;*
 - ii. the position of the precious metals and participations in the pool accounts held by the Petitioner on behalf of its clients or customers;*
 - iii. the position of the segregated accounts held by the Petitioner on behalf of its clients or customers;*
 - iv. the position of the storage accounts held by the Petitioner on behalf of its clients or customers;*
 - v. transactions (in dollar value) carried out by the scrap gold purchasing department;*

- vi. *procedural developments with respect to the contestation by the Petitioner of the Notices of Assessment issued by the Agence du Revenu du Québec which have been filed in support of the Petitioner's Petition for the Issuance of an Initial Order as Exhibit R-4;*
- d. *request from any third party (clients, suppliers, depositories, financial institutions and others) doing business with the Petitioner to communicate all information, documents or confirmation that may be reasonably requested from them by the Monitor within the scope of its functions and, in case of any refusal by any such third party, the Monitor shall have the ability to bring this issue to the attention of the Court, with prior notice to the third party concerned.*
- [5] **DECLARES** that the Initial Order shall remain otherwise unchanged;
- [6] **ORDERS** the provisional execution of this Order notwithstanding any appeal without the need to furnish any security;
- [7] **THE WHOLE** without costs.

Montreal, April 18, 2012



THE HONOURABLE MARK SCHRAGER, J.S.C.



Clerk