

This is the 1st Affidavit of
Malcolm Keith Buck in this case and was
made on December 12, 2021

No. S-2110503
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF OTSO GOLD CORP., OTSO GOLD OY, OTS GOLD AB, and
2273265 ALBERTA LTD.

PETITIONERS

A F F I D A V I T

I, **Malcolm Keith Buck**, care of 2200-885 West Georgia Street, Vancouver BC, SWEAR
THAT:

1. I am a Partner and Principal – Mine Evaluations at A-Z Mining Professionals Ltd. ("**A-Z Mining**"), hold a Bachelor of Engineering from Technical University of Nova Scotia and a Master of Engineering (Mineral Economics) from McGill University, and have worked in the mining and minerals sector for over thirty-five years, including extensive experience in mine operations and engineering and mine viability evaluations. A-Z Mining provides consulting services (including, for example, technical advice on project viability) to various companies and organizations in connection with their investments in, and financing of, various mining operations around the world. A-Z Mining has provided such services to Pandion Mine Finance ("**Pandion**") and Rivermet Resource Capital in connection with their investments in the Otso Gold Mine, and as such I have personal knowledge of the facts and matters hereinafter deposed to, save and except where they are stated to be on information and belief in which I verily believe them to be true.
2. I am authorized to make this affidavit on behalf of Pandion in response to various statements made in the Third Affidavit of Victor Koshkin, sworn December 8, 2021 (the "**Third Koshkin Affidavit**").

JE

3. In making this affidavit, I have reviewed the First Affidavit of Victor Koshkin, sworn December 3, 2021, the Third Koshkin Affidavit and, as detailed further below, attended/participated in a conference call on December 11, 2021, with representatives of Pandion, A&M, and the Petitioners to discuss, among other things, the Petitioners' stated plan to suspend operations at the Otso Gold Mine.

4. Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Third Koshkin Affidavit.

I. Concerns Regarding Suspension of Operations

5. Mine designs include specific pit physical design components and safety considerations, which are then incorporated into mine plans and, in turn, the operations at the mine site. In respect of the Otso Gold Mine, the feasibility study (the "**Feasibility Study**") containing the life of mine Mine Plan (the "**LOM Plan**"), prepared by John T. Boyd Company and dated November 1, 2021, contains specific safety and design components that govern the operations at the open pits.

6. Safety and design elements of the Otso Gold Mine are inherently included in all mine plans, and are already incorporated in the LOM Plan. Accordingly, and in response to paragraphs 11 and 12 of the Third Koshkin Affidavit, I do not agree that the Otso Gold Mine cannot continue to operate due to safety concerns and therefore must suspend operations. Monthly mine plans and schedules are done on a continuing, rolling basis. Although the current monthly mine plan for the Otso Gold Mine is set to expire on December 17, 2021, the Petitioners could have created the next monthly plan, and still could create the next one to two-week and monthly plans prior to December 17, 2021, using grade control information that would have been collected during the prior month of operations.

7. On December 11, 2021 (local time), representatives of Pandion (which included myself, Ryan Byrne, Joe Archibald, Dave Young, Richard Kehmeier, and Pandion's counsel), A&M (including Thomas Dillensen and Dan Andersson), and the Petitioners (including Andrey Maruta, Pavel Ustenko (geologist), Ricardo Aque, and Jacques (last name unknown), as well as the Petitioners' counsel) had a conference call to discuss the Petitioners' stated intention to suspend operations at the Otso Gold Mine and to understand the safety issues referenced in the Third Koshkin Affidavit.

8. Although I was about twenty-minutes late joining, while I was on the call representatives of A&M and the Petitioners repeatedly indicated that the suspension of operations was not

necessary because of any safety or operational issues, or because of any defects in the Feasibility Study or the LOM Plan. Rather, the representatives of A&M and the Petitioners said the suspension of operations was necessary because they did not have sufficient funding to continue producing/preparing short and medium-term (i.e., weekly and monthly) mine plans.

9. During this call, I asked whether the Petitioners could create a two to three-month work plan to allow mining operations to continue at the Otso Gold Mine. In response to this question, representatives of the Petitioners advised that: (i) the preparation of a two to three-month plan could be done if there was funding to do the grade control and planning work; and (ii) the next set of weekly and monthly plans could have been prepared because they have the necessary grade control information; and (iii) the inability to prepare these weekly and monthly plans was a cash-flow issue.

10. Weekly and monthly mine plans can and should be developed based on ongoing grade control drilling, and during the call on December 11, 2021, representatives of A&M and the Petitioners repeatedly indicated that the reason the Petitioners have stopped preparing these plans for the Otso Gold Mine is because of a shortage of available working capital.

11. The representatives of A&M and the Petitioners mentioned during the call that a long term mine plan was necessary in order to obtain additional financing.

12. As I am located near Winchester, Hampshire, England, and counsel is located in Vancouver, British Columbia, I was not physically present before the commissioner while swearing this affidavit, but was linked with the commissioner utilizing video conferencing technology, and we followed the process described in the British Columbia Supreme Court COVID-19 Notice No. 2, dated March 27, 2020.

SWORN BEFORE ME at the City of
Vancouver, in the Province of British
Columbia, this 12th day of December
2021.

A Commissioner for taking Affidavits for
British Columbia

MALCOLM KEITH BUCK

JARED ENNS
Barrister & Solicitor
Cassels Brock and Blackwell LLP
#2200 - 885 West Georgia Street
Vancouver, B.C. V6C 3E8
Phone: (778) 372-6787
BC Law Society No. 513968

JE

This is the 1st Affidavit of
Malcolm Keith Buck in this case and was
made on December 12, 2021

No. S-2110503
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF OTSO GOLD CORP., OTSO GOLD OY, OTS GOLD AB, and
2273265 ALBERTA LTD.

PETITIONERS

A F F I D A V I T

I, **Malcolm Keith Buck**, care of 2200-885 West Georgia Street, Vancouver BC, SWEAR
THAT:

1. I am a Partner and Principal – Mine Evaluations at A-Z Mining Professionals Ltd. ("**A-Z Mining**"), hold a Bachelor of Engineering from Technical University of Nova Scotia and a Master of Engineering (Mineral Economics) from McGill University, and have worked in the mining and minerals sector for over thirty-five years, including extensive experience in mine operations and engineering and mine viability evaluations. A-Z Mining provides consulting services (including, for example, technical advice on project viability) to various companies and organizations in connection with their investments in, and financing of, various mining operations around the world. A-Z Mining has provided such services to Pandion Mine Finance ("**Pandion**") and Rivermet Resource Capital in connection with their investments in the Otso Gold Mine, and as such I have personal knowledge of the facts and matters hereinafter deposed to, save and except where they are stated to be on information and belief in which I verily believe them to be true.
2. I am authorized to make this affidavit on behalf of Pandion in response to various statements made in the Third Affidavit of Victor Koshkin, sworn December 8, 2021 (the "**Third Koshkin Affidavit**").

mk3

3. In making this affidavit, I have reviewed the First Affidavit of Victor Koshkin, sworn December 3, 2021, the Third Koshkin Affidavit and, as detailed further below, attended/participated in a conference call on December 11, 2021, with representatives of Pandion, A&M, and the Petitioners to discuss, among other things, the Petitioners' stated plan to suspend operations at the Otso Gold Mine.

4. Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Third Koshkin Affidavit.

I. Concerns Regarding Suspension of Operations

5. Mine designs include specific pit physical design components and safety considerations, which are then incorporated into mine plans and, in turn, the operations at the mine site. In respect of the Otso Gold Mine, the feasibility study (the "**Feasibility Study**") containing the life of mine Mine Plan (the "**LOM Plan**"), prepared by John T. Boyd Company and dated November 1, 2021, contains specific safety and design components that govern the operations at the open pits.

6. Safety and design elements of the Otso Gold Mine are inherently included in all mine plans, and are already incorporated in the LOM Plan. Accordingly, and in response to paragraphs 11 and 12 of the Third Koshkin Affidavit, I do not agree that the Otso Gold Mine cannot continue to operate due to safety concerns and therefore must suspend operations. Monthly mine plans and schedules are done on a continuing, rolling basis. Although the current monthly mine plan for the Otso Gold Mine is set to expire on December 17, 2021, the Petitioners could have created the next monthly plan, and still could create the next one to two-week and monthly plans prior to December 17, 2021, using grade control information that would have been collected during the prior month of operations.

7. On December 11, 2021 (local time), representatives of Pandion (which included myself, Ryan Byrne, Joe Archibald, Dave Young, Richard Kehmeier, and Pandion's counsel), A&M (including Thomas Dillensen and Dan Andersson), and the Petitioners (including Andrey Maruta, Pavel Ustenko (geologist), Ricardo Aque, and Jacques (last name unknown), as well as the Petitioners' counsel) had a conference call to discuss the Petitioners' stated intention to suspend operations at the Otso Gold Mine and to understand the safety issues referenced in the Third Koshkin Affidavit.

8. Although I was about twenty-minutes late joining, while I was on the call representatives of A&M and the Petitioners repeatedly indicated that the suspension of operations was not

MC3

necessary because of any safety or operational issues, or because of any defects in the Feasibility Study or the LOM Plan. Rather, the representatives of A&M and the Petitioners said the suspension of operations was necessary because they did not have sufficient funding to continue producing/preparing short and medium-term (i.e., weekly and monthly) mine plans.

9. During this call, I asked whether the Petitioners could create a two to three-month work plan to allow mining operations to continue at the Otso Gold Mine. In response to this question, representatives of the Petitioners advised that: (i) the preparation of a two to three-month plan could be done if there was funding to do the grade control and planning work; and (ii) the next set of weekly and monthly plans could have been prepared because they have the necessary grade control information; and (iii) the inability to prepare these weekly and monthly plans was a cash-flow issue.

10. Weekly and monthly mine plans can and should be developed based on ongoing grade control drilling, and during the call on December 11, 2021, representatives of A&M and the Petitioners repeatedly indicated that the reason the Petitioners have stopped preparing these plans for the Otso Gold Mine is because of a shortage of available working capital.

11. The representatives of A&M and the Petitioners mentioned during the call that a long term mine plan was necessary in order to obtain additional financing.

12. As I am located near Winchester, Hampshire, England, and counsel is located in Vancouver, British Columbia, I was not physically present before the commissioner while swearing this affidavit, but was linked with the commissioner utilizing video conferencing technology, and we followed the process described in the British Columbia Supreme Court COVID-19 Notice No. 2, dated March 27, 2020.

SWORN BEFORE ME at the City of
Vancouver, in the Province of British
Columbia, this 12th day of December
2021.

A Commissioner for taking Affidavits for
British Columbia

)
)
)
)
)
)
)
)
)
)


MALCOLM KEITH BUCK

mc3