This is **Exhibit "H1"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Springfield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Execution version

PLEDGE AGREEMENT

dated 8 December 2017

between

FIRESTEEL RESOURCES INC.

as Pledgor

and

PFL RAAHE HOLDINGS LP

as Pledgee

relating to the shares in Nordic Mines Marknad AB

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THIS AGREEMENT (this "**Agreement**") is dated 6 December 2017 and made between:

(1) **FIRESTEEL RESOURCES INC.**, corporate identity no. 205104383, a company incorporated under the laws of the Province of Alberta, Canada, having its registered office at 1001 - 409 Granville Street, Vancouver B.C. Canada, V6C 1T2, (the "**Pledgor**"); and

(2) **PFL RAAHE HOLDINGS LP**, a limited partnership organized under the laws of Ontario, Canada, having its registered office at 437 Madison Avenue, 28th Floor, New York, NY 10022, (the "**Pledgee**").

WHEREAS:

(A) Pursuant to a pre-paid forward gold purchase agreement dated 10 November 2017 between the Pledgor as Seller, the Pledgee as Buyer, and each other Person that may from time to time become a Guarantor (each as defined in that agreement) (the "**PPF**"), the Pledgor has agreed to sell a certain quantity of gold to the Pledgee and the Pledgee has agreed to make certain prepayments to the Pledgor, subject to the terms and conditions of the PPF.

(B) Reference is also made to the first priority share pledge agreement dated 30 November 2016 (as amended by an consent and security confirmation agreement dated 27 January 2017) between Nordic Mines AB (publ) ("**Nordic Mines**") as Pledgor and LAO TZU Investments AB, Lau SU Holding AB and Amal Parekh as representative for Jade Global Enterprises Limited as Pledgees (each as defined in that agreement) (the "**Existing Pledgees**") pursuant to which Nordic Mines AB has pledged all of its rights and interest in and to the shares of the Company (as defined below) (the "**First Priority Security**") (the "**First Priority Pledge Agreement**").

(C) Further reference is made to an assignment of debt and security agreement dated 11 September 2017, between LAO TZU Investments AB (corporate identity no. 556752-3021), Lau SU Holding AB (corporate identity no. 556860-5421) and Jade Global Enterprises Limited (the "**Original Creditors**) as assignors and the Pledgor as assignee, pursuant to which the Original Creditors have assigned (i) all outstanding principal balances, together with all interest, fees, costs, expenses and other amounts owing under or in connection with certain facility agreements and (ii) all rights of the Original Creditors under the First Priority Pledge Agreement to the Pledgor.

(D) Finally, reference is made to the second priority share pledge agreement dated 30 September 2017, between Nordic Mines AB as pledgor and the Pledgor as pledgee, pursuant to which Nordic Mines AB, subject to the First Priority Pledge Agreement, has pledged all of its rights and interest in and to the shares of the Company (as defined below)) (the "**Second Priority Security**") (the "**Second Priority Pledge Agreement**")

(E) Each of the First Priority Security and the Second Priority Security shall rank ahead of the security created under this Agreement until released in accordance with the terms and provisions of the First Priority Pledge Agreement and Second Priority Pledge Agreement.

(F) The Pledgor has, subject to each of the First Priority Security and the Second Priority Security, entered into this Agreement in order to secure the Secured Liabilities (as defined below).

(G) The Pledgor owns 100 shares in Nordic Mines Marknad AB corporate identity no. 556767-4980 (the "**Company**"), representing 10 per cent of the registered and paid-up share capital of the Company.

(H) It is contemplated that the Pledgor shall acquire additional 500 shares in the Company at the date of this Agreement. To the extent any shares in the Company are acquired by the Pledgor after the date of this Agreement the shares in the Company acquired by the Pledgor shall constitute Shares (as defined below) and be pledged in accordance with the terms of this Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"**Articles of Association**" means the articles of association (Sw. *Bolagsordning*) of the Company.

"**Permitted Downstream Merger**" means the required downstream merger between the Company and Nordic Mines Oy, in accordance with the terms of the PPF, where the Company is dissolved and where Nordic Mines Oy is the surviving entity.

"**Related Rights**" means, in relation to the Shares, all property deriving from the Shares and all other rights or benefits of all kind accruing or otherwise deriving from the Shares, including, but not limited to dividends (whether in cash or in kind), distributions or other income paid or payable on any Share, the right to participate in new issue of shares or bonus issue of shares and the right to participate in issues of convertible debt instruments, options to subscribe for new shares or other securities.

"**Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Pledgee (or any of them) under each of the Transaction Documents, together with all costs, charges and expenses incurred by the Pledgee in connection with the protection, preservation or enforcement of its respective rights under the Transaction Documents, or any other document evidencing or securing any such liabilities.

"**Security Assets**" means the Shares and the Related Rights.

"**Security Period**" means the period beginning on the date of this Agreement and ending on the date (as stated by the Pledgee) upon which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

"**Share Certificates**" means all the share certificates representing shares with numbers 901-1,000 and any share certificate in respect of Shares issued or transferred to the Pledgor on or after the date of this Agreement.

"**Shares**" means 100 shares issued by the Company and owned by the Pledgor as evidenced by the Share Certificates and all other shares from time to time issued by the Company (whether by way of new issue of shares or bonus issue of shares, conversion, redemption or otherwise) and all convertible debt instruments, option rights to subscribe for new shares or other securities issued by the Company and owned by the Pledgor, including, for the avoidance of doubt any shares in Company to the extent acquired by the Pledgor on or after the date of this Agreement.

1.2 In this Agreement, unless the contrary intention appears, a reference to:

(a) a Clause or a Schedule is a reference to a clause of, or a schedule to, this Agreement except as otherwise indicated in this Agreement;

(b) the index to and the headings in this Agreement are for convenience only and are to be ignored in construing this Agreement;

(c) a law or a provision of law is a reference to that law or provision as amended or re-enacted;

(d) a person includes such party's successors in title and permitted transferees and assigns;

(e) "proceeds" includes proceeds in cash and consideration in a form other than cash; and

(f) this Agreement or any other document, agreement or instrument is a reference to this Agreement or any other document, agreement or instrument as amended, novated, supplemented, restated or replaced from time to time and a "Transaction Document" or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated (however fundamentally and whether or not more onerously) and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Transaction Document or other agreement or instrument.

1.3 Terms defined in the PPF shall have the same meanings when used in this Agreement (unless otherwise defined herein).

1.4 Where a word or expression is given a meaning, interpretation or construction in this Agreement, its other grammatical forms will have the same meaning, interpretation or construction.

1.5 If the Pledgee considers that in respect of an amount paid by any Obligor to the Pledgee under a Transaction Document there is a risk, in the reasonable opinion of the Pledgee, that such payment will be recovered or otherwise set aside in the liquidation, bankruptcy or administration of that Obligor or otherwise be rendered void, then that amount shall not, for the purposes of this Agreement, be considered to have been unconditionally and irrevocably paid and discharged in full.

2. PLEDGE OF SECURITY ASSETS

For the purpose of constituting security for the due and punctual fulfilment by the Obligors of the Secured Liabilities, the Pledgor hereby pledges, as a third priority pledge and subject only to the First Priority Security and the Second Priority Security, the Security Assets to the Pledgee.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Pledgor represents and warrants to the Pledgee that:

(a) it is a limited liability company, duly incorporated and validly existing under the laws of Ontario, Canada;

(b) it has the power to enter into and perform and has taken all necessary action to authorise the entry into and performance of this Agreement and the transactions contemplated by this Agreement;

(c) this Agreement constitutes legally binding and valid obligations of the Pledgor and, subject to the due fulfilment of the undertaking in Clause 4.2(a)(ii), validly creates a third priority security interest which is subject only to the First Priority Security and the Second Priority Security, enforceable in accordance with its terms against the Pledgor, a liquidator, a receiver or a similar officer of the Pledgor and any third party of the Pledgor (except as such enforcement may be limited by any relevant bankruptcy, insolvency, receivership or similar laws affecting creditors' rights generally);

(d) this Agreement does not and will not breach the constitutional documents of the Pledgor or any agreement, document, law, regulation or judicial or official order by which the Pledgor is bound;

(e) no consent, approval or authorisation of and/or registration with any public authority is required in connection with the execution, performance, validity and enforceability of this Agreement;

(f) subject to the Permitted Downstream Merger, it is and will remain the sole owner of the Security Assets;

(g) no more than 1,000 shares have been issued by the Company;

(h) the Shares are duly authorised, validly issued, fully paid and freely transferable and the Share Certificates are validly issued; and

(i) other than as created under or pursuant to this Agreement, the First Priority Security and the Second Priority Security, the Security Assets are free from any security and any options, pre-emption rights, consent clauses, rights of first refusal, post sale purchase rights, requirements for the Company's consent with regard to disposals of Security Assets or any other provisions limiting the possibility of the Security Assets to constitute security or which are likely to be detrimental to the value of or the possibility to enforce such security.

3.2 The representations and warranties set out in Clause 3.1 are made on the date of this Agreement and, save for Clause 3.1(g) and 3.1(i), are deemed to be repeated by the Pledgor on each other date during the Security Period on which any of the representations or warranties set out in Section 11 (*Representations and Warranties*) of the PPF are repeated with reference to the facts and circumstances then existing.

4. UNDERTAKINGS

4.1 Subject to the Permitted Downstream Merger, the Pledgor undertakes and agrees with the Pledgee that it shall not:

(a) create or permit to subsist any security or grant any other right over any Security Asset other than the First Priority Security, the Second Priority Security and the security interest created by this Agreement;

(b) sell, assign, lease, transfer or otherwise dispose of any Security Asset or permit the same to occur;

(c) the Pledgor shall not, without the Pledgee's prior written consent, exercise its voting rights attached to the Shares in favour of any resolution to change the Articles of Association and undertakes to refrain from making use of or incorporating, and to procure that the Company refrains from making use of, any pre-emption rights, consent clauses, rights of first refusal, post sale purchase rights, requirements for the Company's consent with regard to disposals of Security Assets or any other provisions limiting the possibility of the Security Assets to constitute security or which are likely to be detrimental to the value of or the possibility to enforce such security and the Pledgor further undertakes to refrain from making use of any other such right pursuant to any agreement, in relation to or following the sale of the Security Assets or any of them pursuant to this Agreement;

(d) take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended or further Shares or Related Rights in the Company are issued, save that it may take or permit the taking of any action whereby further Shares in the Company are issued provided that such Shares are issued in favour of the Pledgor and (if not already effected by this Agreement) the Pledgor

simultaneously pledges such Shares to the Pledgee on the terms contained in this Agreement;

(e) the Pledgor shall not, without the Pledgee's prior written consent, exercise its voting rights attached to the Shares in favour of any resolution to take or permit the taking of any action whereby any Share is converted from certificated to uncertificated form; or

(f) do or cause or permit to be done anything which will, or could reasonably be expected to, materially adversely affect the Security Assets or the rights of the Pledgee hereunder or which in any way is inconsistent with or materially depreciates, jeopardises or otherwise prejudices the Security Assets.

4.2 The Pledgor further undertakes and agrees with the Pledgee that it shall:

(a) immediately deposit with the Pledgee (i) a certified copy of the share register of the Company (where the security created under this Agreement has been registered in accordance with Clause 4.2(b)), (ii) all Share Certificates (duly endorsed in blank) and (iii) any other documents of ownership in relation to the Shares and the Related Rights;

(b) immediately notify the Company of the security created by this Agreement by procuring that the Company acknowledges the notice as set out on the execution page of this Agreement and procure that the Company registers the security interest in its share register and executes any other documentation in connection with the security created by this Agreement as the Pledgee may require;

(c) upon the request by the Pledgee, promptly and duly take all actions and execute and deliver any and all further documents, powers of attorney, notifications and confirmations necessary for the purpose of obtaining the full benefit of this Agreement and of the rights and powers granted under it, including any that the Pledgee may require in order to perfect and/or preserve the security over the Security Assets as created under this Agreement and/or the Pledgee's rights under this Agreement;

(d) subject to the First Priority Security and the Second Priority Security, immediately on receipt of any Security Assets, certificate or other document evidencing any entitlement to any further or other Security Assets deposit such Security Assets, certificate or document with the Pledgee duly endorsed in blank (if applicable) together with such other documents as the Pledgee may require;

(e) at all times exercise the voting rights in respect of the Shares only in a manner which does not prejudice the interests of the Pledgee under this Agreement; and

(f) upon the occurrence of an Event of Default issue to the Pledgee a proxy substantially in the form set out in **Schedule 1** (*Form of Proxy*). The Pledgor also undertakes, when

requested by the Pledgee, to issue a new such proxy in order to replace any expired or annulled proxy.

4.3 The Pledgor will make all payments which may become due in respect of any of the Security Assets and will discharge all other obligations in respect thereof and if it fails to do so the Pledgee may elect to make such payments or discharge such obligations on behalf of the Pledgor. Any sums so paid by the Pledgee shall be repayable by the Pledgor to the Pledgee promptly together with interest at the interest rate set out in Section 6 of the Swedish Interest Act (Sw. *räntelag (1975:635)*), from the date of such payment by the Pledgee and pending such payment any sums shall form part of the Secured Liabilities.

5. CONTINUING SECURITY

5.1 The security constituted by this Agreement shall be a continuing security, shall extend to the ultimate balance of the Secured Liabilities and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Liabilities until the end of the Security Period.

5.2 This Agreement and the Pledgee's rights hereunder are in addition to and not exclusive of those provided by law and are not in any way prejudiced by any present or future security held by the Pledgee.

5.3 The Pledgee may at any time during the Security Period refrain from applying or enforcing any other security or rights held or received by it in respect of the Secured Liabilities and the Pledgor waives any right it may have of first requiring the Pledgee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security created by this Agreement.

6. ENFORCEMENT

6.1 If an Event of Default has occurred and is continuing the Pledgee shall, subject to the First Priority Security and the Second Priority Security, be entitled to immediately enforce the pledge created by this Agreement and to exercise as and when it sees fit every other power possessed by the Pledgee by virtue of this Agreement, any other Transaction Document or available to a secured creditor under applicable law and in particular (without limitation):

(a) to realise the Security Assets, or any part thereof, by private sale or public auction or in any other manner permitted by applicable law;

(b) to collect, recover or compromise and give good discharge for any proceeds payable to the Pledgor in respect of the Security Assets or in connection therewith; and

(c) to act generally in relation to the Security Assets in such manner as the Pledgee acting reasonably shall determine.

6.2 The provisions in Chapter 10, Section 2 of the Swedish Code of Commerce (Sw. *Handelsbalken 10 kap 2 §*) shall not apply to this Agreement or any enforcement of the security constituted by this Agreement.

6.3 The Pledgor unconditionally and irrevocably authorises the Pledgee to disclose any information about the Pledgor, the Company and any of its Subsidiaries or the Transaction Documents to any person that the Pledgee shall consider appropriate in connection with any enforcement under this Clause 6.

7. APPLICATION OF PROCEEDS

Any proceeds collected or received by the Pledgee after an enforcement of the pledge created hereby (or any receiver) shall be applied by the Pledgee firstly, towards the Secured Liabilities until discharged in full, and secondly, in payment of the surplus (if any) to the Pledgor.

8. WAIVER OF DEFENCES

The obligations of the Pledgor under this Agreement shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Pledgor from its obligations under this Agreement or prejudice or diminish those obligations in whole or in part unless such release or exoneration is a result of an action by the Pledgee and expressly intended.

9. DELEGATION

9.1 The Pledgee may at any time or times delegate to any person(s) all or any of its rights, powers and discretions under this Agreement on such terms (including power to sub-delegate) as the Pledgee sees fit and employ agents, managers, employees, advisers and others on such terms as it sees fit for any of the purposes set out in this Agreement.

9.2 The Pledgee will not be liable or responsible to the Pledgor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate unless such loss is caused directly by the gross negligence or wilful misconduct of the Pledgee.

10. WAIVERS

The rights of the Pledgee under this Agreement may be waived only in writing and specifically and, subject to the provisions of the Transaction Documents, on such terms as the Pledgee sees fit.

11. INDEMNITY

11.1 The Pledgee and each agent or attorney appointed by the Pledgee under this Agreement shall be entitled to be indemnified out of the Security Assets in respect of all liabilities, costs and expenses properly incurred by them in connection with:

(a) the execution or purported execution of any rights, powers or discretion vested in them under this Agreement;

(b) the preservation or enforcement of its rights under this Agreement; and

(c) the release of any part of the Security Assets from the security created by this Agreement,

and the Pledgee and any such agent or attorney may retain and pay all sums in respect of the same out of moneys received under the powers hereby conferred.

11.2 The Pledgee shall not be liable for any losses or costs incurred by the Pledgor in connection with the exercise or purported exercise of the Pledgee's rights, powers and discretions in good faith under this Agreement.

12. DEFERRAL OF THE PLEDGOR'S RIGHTS

The Pledgor will not exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other pledgor of any Obligor's obligations under the Transaction Documents; and/or

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Pledgee under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Pledgee.

13. POWER OF ATTORNEY

13.1 Upon the occurrence of an Event of Default and as long as it is continuing, the Pledgor (to the fullest extent permitted by applicable law) hereby irrevocably appoints the Pledgee as its attorney, with full power of substitution, subject to the First Priority Security and the Second Priority Security, to do any and all acts which the Pledgor is obliged by this Agreement to do, but in the opinion of the Pledgee has failed to do, and for the purpose of carrying out the purposes of this Agreement and to take any action and executing any instruments which the Pledgee may deem reasonably necessary or advisable to accomplish the purposes hereof. The power of attorney granted pursuant hereto and all authority conferred are granted and conferred solely to protect the interest of the Pledgee in the Security Assets and shall not

impose any duty upon the Pledgee to exercise any power. This appointment may not be revoked by the Pledgor until after the end of the Security Period.

13.2 The Pledgor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 13.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers and authorities referred to in Clause 13.1.

14. ASSIGNMENT

14.1 The Pledgee may at any time assign or transfer any of its rights and/or obligations under this Agreement.

14.2 The Pledgor may not assign or transfer any of its rights and/or obligations under this Agreement.

15. AMENDMENTS

This Agreement may not be amended unless by an instrument in writing and signed by or on behalf of the Pledgor and the Pledgee having obtained the requisite approval in accordance with the provisions of the Transaction Documents.

16. NOTICES

The terms of Section 18 (*Notices*) of the PPF shall apply as if incorporated into this Agreement and the parties hereto agree to be bound by terms mutatis mutandis identical to those applying (pursuant to Section 18 (*Notices*) of the PPF) to the parties of that document.

17. SEVERABILITY

If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:

(a) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

(b) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

18. RELEASE OF SECURITY ASSETS

Upon the expiry of the Security Period, the Pledgee shall, at the request of the Pledgor and at the cost of the Pledgor, release to the Pledgor all rights and interest of the Pledgee in or to the Security Assets, or part thereof, as the case may be, and give such instructions and directions as the Pledgor reasonably may require in order to perfect such release.

19. COUNTERPARTS

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

20. FORCE MAJEURE; EXCLUSION OF LIABILITY

20.1 The Pledgee shall not be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Pledgee takes such measures, or is subject of such measures.

20.2 Unless the Pledgee's liabilities have been explicitly limited otherwise in the Transaction Documents, any damage that may arise in other cases shall not be indemnified by the Pledgee if they have observed normal care. The Pledgee shall not in any case be responsible for any indirect damage, consequential damage and/or loss of profit.

20.3 Should there be an obstacle as described in Clause 20.1 for the Pledgee to take any action in compliance with this Agreement, such action may be postponed until the obstacle has been removed.

21. GOVERNING LAW AND JURISDICTION

21.1 This Agreement shall be governed by and construed in accordance with Swedish law.

21.2 The courts of Sweden shall have exclusive jurisdiction over matters arising out of or in connection with this Agreement. The Stockholm District Court (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The submission to the jurisdiction of the Swedish Courts shall not limit the right of the Pledgee to take proceedings against the Pledgor in any court which may otherwise exercise jurisdiction over the Pledgor or any of its assets.

This Agreement has been entered into on the date stated at the beginning of this Agreement by the parties listed on the execution page at the end of this Agreement.

SCHEDULE 1
FORM OF PROXY

This proxy is issued pursuant to a pledge agreement (the "**Pledge Agreement**"), dated December 2017, between Firesteel Resources Inc. (the "**Pledgor**") and PFL Raahe Holdings LP (the "**Pledgee**") pursuant to which the Pledgor has pledged all its shares in the capital of Nordic Mines Marknad AB (the "**Company**").

The Pledgor hereby makes, constitutes and appoints the Pledgee as the true and lawful attorney for the Pledgor and gives to the Pledgee, in the name, place and stead of the Pledgor, the full power and authority to convene and attend all general meetings of the shareholders in the Company on behalf of the Pledgor, and to vote at such general meeting for all shares in the Company owned by the Pledgor.

This proxy is irrevocable and excludes the Pledgor from exercising any voting rights at any general meeting of the shareholders in the Company or any other rights conferred upon it as a shareholder in the Company.

This proxy is effective on the date of issuance by the Pledgor and shall remain in force for one (1) year from such date.

This proxy shall in all respects be governed by and construed in accordance with the laws of Sweden.

Date:

Place:

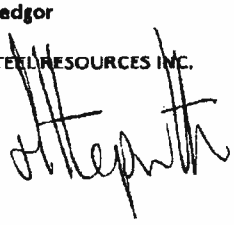
FIRESTEEL RESOURCES INC.

By:

EXECUTION PAGE

The Pledgor

FIRESTEEL RESOURCES INC.

By: 

The Pledgee

PFL RAAHE HOLDINGS LP

By:

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that on the date hereof there exists no pledge or agreement having the effect of conferring security over the Security Assets other than the security constituted under the Pledge Agreement, the First Priority Security and the Second Priority Security;

(b) confirms that it will forthwith register the security constituted under the Pledge Agreement in the Company's share register;

(c) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement;

(d) acknowledges that no payments in respect of the Shares or the Related Rights may, for as long as the pledge in favour of the Pledgee remains in force and effect (whereby it is noted that the Pledgee will notify the Company in writing when the pledge is no longer effective), be made directly to the Pledgor but shall instead be made to or through the Pledgee as in any specific case directed by the Pledgee in writing; and

(e) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

EXECUTION PAGE

The Pledgor

FIRESTEEL RESOURCES INC.

By:

The Pledgee

PFL RAAHE HOLDINGS LP

By: _____

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that on the date hereof there exists no pledge or agreement having the effect of conferring security over the Security Assets other than the security constituted under the Pledge Agreement, the First Priority Security and the Second Priority Security;

(b) confirms that it will forthwith register the security constituted under the Pledge Agreement in the Company's share register;

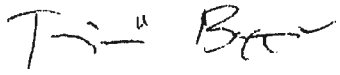
(c) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement;

(d) acknowledges that no payments in respect of the Shares or the Related Rights may, for as long as the pledge in favour of the Pledgee remains in force and effect (whereby it is noted that the Pledgee will notify the Company in writing when the pledge is no longer effective), be made directly to the Pledgor but shall instead be made to or through the Pledgee as in any specific case directed by the Pledgee in writing; and

(e) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

The Company

NORDIC MINES MARKNAD AB

By: 

Execution version

PLEDGE AGREEMENT

dated 8 December 2017

between

FIRESTEEL RESOURCES INC.

as Pledgor

and

PFL RAAHE HOLDINGS LP

as Pledgee

relating to a certain loan

CEDERQUIST

TABLE OF CONTENTS

THIS AGREEMENT (this "**Agreement**") is dated 8 December 2017 and made between:

(1) **FIRESTEEL RESOURCES INC.**, corporate identity no. 205104383, a company incorporated under the laws of the Province of Alberta, Canada, having its registered office at 1001 - 409 Granville Street, Vancouver B.C. Canada, V6C 1T2, (the "**Pledgor**"); and

(2) **PFL RAAHE HOLDINGS LP**, a limited partnership organized under the laws of Ontario, Canada, having its registered office at 437 Madison Avenue, 28th Floor, New York, NY 10022, (the "**Pledgee**").

WHEREAS:

(A) Pursuant to a pre-paid forward gold purchase agreement dated 10 November 2017 between the Pledgor as Seller, the Pledgee as Buyer, and each other Person that may from time to time become a Guarantor (each as defined in that agreement) (the "**PPF**"), the Pledgor has agreed to sell a certain quantity of gold to the Pledgee and the Pledgee has agreed to make certain prepayments to the Pledgor, subject to the terms and conditions of the PPF.

(B) The Pledgor has made available to the Debtor (as defined below) a Loan (as defined below) in the amount of CAD$ 500,000, subject to the terms and conditions of the Promissory Note (as defined below).

(C) The Promissory Note is secured by a second priority share pledge agreement dated 30 September 2017 and made between the Debtor as pledgor and the Pledgor as pledgee in respect of all outstanding shares in Nordic Mines Marknad AB (corporate identity no. 556767-4980) (the "**Company**") (the "**Share Pledge Agreement**").

(D) The Pledgor has entered into this Agreement in order to secure the Secured Liabilities (as defined below).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"**Debtor**" means Nordic Mines AB (publ) (corporate identity no. 556679-1215).

"**Loan**" means the loan in the original principal amount of CAD$ 500,000, together with all interest, fees, costs, expenses and other amounts owing under or in connection with the Promissory Note.

"**Permitted Downstream Merger**" means the required downstream merger between the Company and Nordic Mines Oy, in accordance with the terms of the PPF, where the Company is dissolved and where Nordic Mines Oy is the surviving entity.

"**Promissory Note**" means the secured bridge promissory note evidencing the Loan issued by the Debtor on 30 September 2017.

"**Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Pledgee (or any of them) under each of the Transaction Documents, together with all costs, charges and expenses incurred by the Pledgee in connection with the protection, preservation or enforcement of its respective rights under the Transaction Documents, or any other document evidencing or securing any such liabilities.

"**Security Assets**" means the Pledgor's rights, title and interest from time to time in and to:

(a) the Promissory Note and the Loan and all sums of money payable by the Debtor under the Promissory Note and the Loan; and

(b) the Share Pledge Agreement (including the security interest created thereunder) as granted as security by the Debtor for its obligations under the Promissory Note and the Loan.

"**Security Period**" means the period beginning on the date of this Agreement and ending on the date (as stated by the Pledgee) upon which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 In this Agreement, unless the contrary intention appears, a reference to:

(a) a Clause or a Schedule is a reference to a clause of, or a schedule to, this Agreement except as otherwise indicated in this Agreement;

(b) the Index to and the headings in this Agreement are for convenience only and are to be ignored in construing this Agreement;

(c) a law or a provision of law is a reference to that law or provision as amended or re-enacted;

(d) a person includes such party's successors in title and permitted transferees and assigns;

(e) "proceeds" includes proceeds in cash and consideration in a form other than cash; and

(f) this Agreement or any other document, agreement or instrument is a reference to this Agreement or any other document, agreement or instrument as amended, novated, supplemented, restated or replaced from time to time and a "Transaction Document" or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated (however fundamentally and whether or not more onerously) and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Transaction Document or other agreement or instrument.

1.3 Terms defined in the PPF shall have the same meanings when used in this Agreement (unless otherwise defined herein).

1.4 Where a word or expression is given a meaning, interpretation or construction in this Agreement, its other grammatical forms will have the same meaning, interpretation or construction.

1.5 If the Pledgee considers that in respect of an amount paid by any Obligor to the Pledgee under a Transaction Document there is a risk, in the reasonable opinion of the Pledgee, that such payment will be recovered or otherwise set aside in the liquidation, bankruptcy or administration of that Obligor or otherwise be rendered void, then that amount shall not, for the purposes of this Agreement, be considered to have been unconditionally and irrevocably paid and discharged in full.

2. PLEDGE OF SECURITY ASSETS

For the purpose of constituting security for the due and punctual fulfilment by the Obligors of the Secured Liabilities, the Pledgor hereby pledges, as a first priority pledge, the Security Assets to the Pledgee.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Pledgor represents and warrants to the Pledgee that:

(a) it is a limited liability company, duly incorporated and validly existing under the laws of the Province of Alberta, Canada;

(b) it has the power to enter into and perform and has taken all necessary action to authorise the entry into and performance of this Agreement and the transactions contemplated by this Agreement;

(c) this Agreement constitutes legally binding and valid obligations of the Pledgor and, subject to the due fulfilment of the undertaking in Clause 4.2(a) and 4.2(b), validly creates a first priority security interest enforceable in accordance with its terms against the Pledgor, a liquidator, a receiver or a similar officer of the Pledgor and any third party of the Pledgor (except as such enforcement may be limited by any relevant bankruptcy, insolvency, receivership or similar laws affecting creditors' rights generally);

(d) this Agreement does not and will not breach the constitutional documents of the Pledgor or any agreement, document, law, regulation or judicial or official order by which the Pledgor is bound;

(e) no consent, approval or authorisation of and/or registration with any public authority is required in connection with the execution, performance, validity and enforceability of this Agreement;

(f) subject to the Permitted Downstream Merger, it is and will remain the sole owner of the Security Assets; and

(g) other than as created under or pursuant to this Agreement, the Security Assets are free from any security and any provisions limiting the possibility of the Security Assets to constitute security or which are likely to be detrimental to the value of or the possibility to enforce such security.

3.2 The representations and warranties set out in Clause 3.1 are made on the date of this Agreement and, save for Clause 3.1(g), are deemed to be repeated by the Pledgor on each other date during the Security Period on which any of the representations or warranties set out in Section 11 (*Representations and Warranties*) of the PPF are repeated with reference to the facts and circumstances then existing.

4. UNDERTAKINGS

4.1 Subject to the Permitted Downstream Merger, the Pledgor undertakes and agrees with the Pledgee that it shall not:

(a) create or permit to subsist any security or grant any other right over any Security Asset other than the security interest created by this Agreement;

(b) sell, assign, lease, transfer or otherwise dispose of any Security Asset or permit the same to occur;

(c) agree to any change or amendment to the terms and conditions of the Promissory Note or the Loan in a way which could prejudice the rights of the Pledgee under this Agreement;

(d) take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended; or

(e) do or cause or permit to be done anything which will, or could reasonably be expected to, materially adversely affect the Security Assets or the rights of the Pledgee hereunder or which in any way is inconsistent with or materially depreciates, jeopardises or otherwise prejudices the Security Assets.

4.2 The Pledgor further undertakes and agrees with the Pledgee that it shall:

(a) notify the Debtor of the security created by this Agreement by sending a notice substantially in the form set out in **Schedule 2** (*Form of notice*) duly signed by the Pledgor and procure that the Debtor acknowledges its receipt of such notice to the Pledgor and executes any other documentation in connection with the security created by this Agreement as the Pledgee may require;

(b) notify the Company of the security created by this Agreement by procuring that the Company acknowledges the notice as set out on the execution page of this Agreement; and

(c) upon the request by the Pledgee, promptly and duly take all actions and execute and deliver any and all further documents, powers of attorney, notifications and confirmations necessary for the purpose of obtaining the full benefit of this Agreement and of the rights and powers granted under it, including any that the Pledgee may require in order to perfect and/or preserve the security over the Security Assets as created under this Agreement and/or the Pledgee's rights under this Agreement.

4.3 The Pledgor will make all payments which may become due in respect of any of the Security Assets and will discharge all other obligations in respect thereof and if it fails to do so the Pledgee may elect to make such payments or discharge such obligations on behalf of the Pledgor. Any sums so paid by the Pledgee shall be repayable by the Pledgor to the Pledgee promptly together with interest at the interest rate set out in Section 6 of the Swedish Interest Act (Sw. *räntelag (1975:635)*), from the date of such payment by the Pledgee and pending such payment any sums shall form part of the Secured Liabilities.

5. CONTINUING SECURITY

5.1 The security constituted by this Agreement shall be a continuing security, shall extend to the ultimate balance of the Secured Liabilities and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Liabilities until the end of the Security Period.

5.2 This Agreement and the Pledgee's rights hereunder are in addition to and not exclusive of those provided by law and are not in any way prejudiced by any present or future security held by the Pledgee.

5.3 The Pledgee may at any time during the Security Period refrain from applying or enforcing any other security or rights held or received by it in respect of the Secured Liabilities and the Pledgor waives any right it may have of first requiring the Pledgee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security created by this Agreement.

6. ENFORCEMENT

6.1 If an Event of Default has occurred and is continuing the Pledgee shall be entitled to immediately enforce the pledge created by this Agreement and to exercise as and when it sees fit every other power possessed by the Pledgee by virtue of this Agreement, any other Transaction Document or available to a secured creditor under applicable law and in particular (without limitation):

(a) to realise the Security Assets, or any part thereof, by private sale or public auction or in any other manner permitted by applicable law;

(b) to collect, recover or compromise and give good discharge for any proceeds payable to the Pledgor in respect of the Security Assets or in connection therewith; and

(c) to act generally in relation to the Security Assets in such manner as the Pledgee acting reasonably shall determine.

6.2 The provisions in Chapter 10, Section 2 of the Swedish Code of Commerce (Sw. *Handelsbalken 10 kap 2 §*) shall not apply to this Agreement or any enforcement of the security constituted by this Agreement.

6.3 The Pledgor unconditionally and irrevocably authorises the Pledgee to disclose any information about the Pledgor or the Transaction Documents to any person that the Pledgee shall consider appropriate in connection with any enforcement under this Clause 6.

7. APPLICATION OF PROCEEDS

Any proceeds collected or received by the Pledgee after an enforcement of the pledge created hereby (or any receiver) shall be applied by the Pledgee firstly, towards the Secured Liabilities until discharged in full, and secondly, in payment of the surplus (if any) to the Pledgor.

8. WAIVER OF DEFENCES

The obligations of the Pledgor under this Agreement shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Pledgor from its obligations under this Agreement or prejudice or diminish those obligations in whole or in part unless such release or exoneration is a result of an action by the Pledgee and expressly intended.

9. DELEGATION

9.1 The Pledgee may at any time or times delegate to any person(s) all or any of its rights, powers and discretions under this Agreement on such terms (including power to sub-delegate) as the Pledgee sees fit and employ agents, managers, employees, advisers and others on such terms as it sees fit for any of the purposes set out in this Agreement.

9.2 The Pledgee will not be liable or responsible to the Pledgor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate unless such loss is caused directly by the gross negligence or wilful misconduct of the Pledgee.

10. WAIVERS

The rights of the Pledgee under this Agreement may be waived only in writing and specifically and, subject to the provisions of the Transaction Documents, on such terms as the Pledgee sees fit.

11. INDEMNITY

11.1 The Pledgee and each agent or attorney appointed by the Pledgee under this Agreement shall be entitled to be indemnified out of the Security Assets in respect of all liabilities, costs and expenses properly incurred by them in connection with:

(a) the execution or purported execution of any rights, powers or discretion vested in them under this Agreement;

(b) the preservation or enforcement of its rights under this Agreement;

(c) the release of any part of the Security Assets from the security created by this Agreement; and

(d) and the Pledgee and any such agent or attorney may retain and pay all sums in respect of the same out of moneys received under the powers hereby conferred.

11.2 The Pledgee shall not be liable for any losses or costs incurred by the Pledgor in connection with the exercise or purported exercise of the Pledgee's rights, powers and discretions in good faith under this Agreement.

12. DEFERRAL OF THE PLEDGOR'S RIGHTS

The Pledgor will not exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other pledgor of any Obligor's obligations under the Transaction Documents; and/or

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Pledgee under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Pledgee.

13. POWER OF ATTORNEY

13.1 Upon the occurrence of an Event of Default and as long as it is continuing, the Pledgor (to the fullest extent permitted by applicable law) hereby irrevocably appoints the Pledgee as its attorney, with full power of substitution, to do any and all acts which the Pledgor is obliged

by this Agreement to do, but in the opinion of the Pledgee has failed to do, and for the purpose of carrying out the purposes of this Agreement and to take any action and executing any instruments which the Pledgee may deem reasonably necessary or advisable to accomplish the purposes hereof. The power of attorney granted pursuant hereto and all authority conferred are granted and conferred solely to protect the interest of the Pledgee in the Security Assets and shall not impose any duty upon the Pledgee to exercise any power. This appointment may not be revoked by the Pledgor until after the end of the Security Period.

13.2 The Pledgor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 13.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers and authorities referred to in Clause 13.1.

14. ASSIGNMENT

14.1 The Pledgee may at any time assign or transfer any of its rights and/or obligations under this Agreement.

14.2 The Pledgor may not assign or transfer any of its rights and/or obligations under this Agreement.

15. AMENDMENTS

This Agreement may not be amended unless by an instrument in writing and signed by or on behalf of the Pledgor and the Pledgee having obtained the requisite approval in accordance with the provisions of the Transaction Documents.

16. NOTICES

The terms of Section 18 *(Notices)* of the PPF shall apply as if incorporated into this Agreement and the parties hereto agree to be bound by terms mutatis mutandis identical to those applying (pursuant to Section 18 *(Notices)* of the PPF) to the parties of that document.

17. SEVERABILITY

If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:

(a) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

(b) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

18. RELEASE OF SECURITY ASSETS

Upon the expiry of the Security Period, the Pledgee shall, at the request of the Pledgor and at the cost of the Pledgor, release to the Pledgor, all rights and interest of the Pledgee in or to the Security Assets, or part thereof, as the case may be, and give such instructions and directions as the Pledgor reasonably may require in order to perfect such release.

19. COUNTERPARTS

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

20. FORCE MAJEURE; EXCLUSION OF LIABILITY

20.1 The Pledgee shall not be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Pledgee takes such measures, or is subject of such measures.

20.2 Unless the Pledgee's liabilities have been explicitly limited otherwise in the Transaction Documents, any damage that may arise in other cases shall not be indemnified by the Pledgee if they have observed normal care. The Pledgee shall not in any case be responsible for any indirect damage, consequential damage and/or loss of profit.

20.3 Should there be an obstacle as described in Clause 20.1 for the Pledgee to take any action in compliance with this Agreement, such action may be postponed until the obstacle has been removed.

21. GOVERNING LAW AND JURISDICTION

21.1 This Agreement shall be governed by and construed in accordance with Swedish law.

21.2 The courts of Sweden shall have exclusive jurisdiction over matters arising out of or in connection with this Agreement. The Stockholm District Court (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The submission to the jurisdiction of the Swedish Courts shall not limit the right of the Pledgee to take proceedings against the Pledgor in any court which may otherwise exercise jurisdiction over the Pledgor or any of its assets.

This Agreement has been entered into on the date stated at the beginning of this Agreement by the parties listed on the execution page at the end of this Agreement.

SCHEDULE 1
FORM OF NOTICE

To: Nordic Mines AB (publ) ("**Nordic Mines**")

You are hereby notified that we, Firesteel Resources Inc. (the "**Pledgor**"), pursuant to a pledge agreement between ourselves and PFL Raahe Holdings LP (the "**Pledgee**") dated ___ December 2017 (the "**Pledge Agreement**") have pledged, to the Pledgee, all our rights, title and interest in, to and under all claims against yourselves under the secured bridge promissory note dated 30 September 2017 in the aggregate amount of CAD$ 500,000 (the "**Claim**") between the Pledgor as holder and Nordic Mines as debtor.

You are further notified that, until the Pledgee has notified you otherwise, all payments in relation to the Claim henceforth shall be made directly to the Pledgee at bank account _____ or as otherwise instructed by the Pledgee.

We kindly request that you confirm your receipt and acknowledgement of the above by signing this notification.

This notice may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument.

FIRESTEEL RESOURCES INC.

By:

PFL RAAHE HOLDINGS LP

By:

We hereby acknowledge our receipt hereof and confirm the pledge mentioned above. We further confirm that we will make all payments in relation to the Claim directly to the Pledgee at the bank account set forth above or as otherwise instructed by the Pledgee.

NORDIC MINES AB (publ)

Date:

By:

EXECUTION PAGE

The Pledgor
FIRESTEEL RESOURCES INC.

By:

The Pledgee
PFL RAAHE HOLDINGS LP

By:

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement; and

(b) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

The Company

NORDIC MINES MARKNAD AB

By:

EXECUTION PAGE

The Pledgor
FIRESTEEL RESOURCES INC.

By:

The Pledgee
PFL RAAHE HOLDINGS LP

By: Joseph P. Hachey
Authorized Signatory

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement; and

(b) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

The Company

NORDIC MINES MARKNAD AB

By:

EXECUTION PAGE

The Pledgor
FIRESTEEL RESOURCES INC.

By:

The Pledgee
PFL RAAHE HOLDINGS LP

By:

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement; and

(b) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

The Company

NORDIC MINES MARKNAD AB

By:

Execution version

PLEDGE AGREEMENT

dated 8 December 2017

between

FIRESTEEL RESOURCES INC.

as Pledgor

and

PFL RAAHE HOLDINGS LP

as Pledgee

relating to a certain loan

CEDERQUIST

TABLE OF CONTENTS

THIS AGREEMENT (this "**Agreement**") is dated 5 December 2017 and made between:

(1) **FIRESTEEL RESOURCES INC.**, corporate identity no. 205104383, a company incorporated under the laws of the Province of Alberta, Canada, having its registered office at 1001 - 409 Granville Street, Vancouver B.C. Canada, V6C 1T2, (the "**Pledgor**"); and

(2) **PFL RAAHE HOLDINGS LP**, a limited partnership organized under the laws of Ontario, Canada, having its registered office at 437 Madison Avenue, 28th Floor, New York, NY 10022, (the "**Pledgee**").

WHEREAS:

(A) Pursuant to a pre-paid forward gold purchase agreement dated 10 November 2017 between the Pledgor as Seller, the Pledgee as Buyer, and each other Person that may from time to time become a Guarantor (each as defined in that agreement) (the "**PPF**"), the Pledgor has agreed to sell a certain quantity of gold to the Pledgee and the Pledgee has agreed to make certain prepayments to the Pledgor, subject to the terms and conditions of the PPF.

(B) The Pledgor has made available to the Debtor (as defined below) a Loan (as defined below) in the amount of CAD$ 500,000, subject to the terms and conditions of the Promissory Note (as defined below).

(C) The Promissory Note is secured by a second priority share pledge agreement dated 30 September 2017 and made between the Debtor as pledgor and the Pledgor as pledgee in respect of all outstanding shares in Nordic Mines Marknad AB (corporate identity no. 556767-4980) (the "**Company**") (the "**Share Pledge Agreement**").

(D) The Pledgor has entered into this Agreement in order to secure the Secured Liabilities (as defined below).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"**Debtor**" means Nordic Mines AB (publ) (corporate identity no. 556679-1215).

"**Loan**" means the loan in the original principal amount of CAD$ 500,000, together with all interest, fees, costs, expenses and other amounts owing under or in connection with the Promissory Note.

"**Permitted Downstream Merger**" means the required downstream merger between the Company and Nordic Mines Oy, in accordance with the terms of the PPF, where the Company is dissolved and where Nordic Mines Oy is the surviving entity.

"**Promissory Note**" means the secured bridge promissory note evidencing the Loan issued by the Debtor on 30 September 2017.

"**Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Pledgee (or any of them) under each of the Transaction Documents, together with all costs, charges and expenses incurred by the Pledgee in connection with the protection, preservation or enforcement of its respective rights under the Transaction Documents, or any other document evidencing or securing any such liabilities.

"**Security Assets**" means the Pledgor's rights, title and interest from time to time in and to:

(a) the Promissory Note and the Loan and all sums of money payable by the Debtor under the Promissory Note and the Loan; and

(b) the Share Pledge Agreement (including the security interest created thereunder) as granted as security by the Debtor for its obligations under the Promissory Note and the Loan.

"**Security Period**" means the period beginning on the date of this Agreement and ending on the date (as stated by the Pledgee) upon which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 In this Agreement, unless the contrary intention appears, a reference to:

(a) a Clause or a Schedule is a reference to a clause of, or a schedule to, this Agreement except as otherwise indicated in this Agreement;

(b) the Index to and the headings in this Agreement are for convenience only and are to be ignored in construing this Agreement;

(c) a law or a provision of law is a reference to that law or provision as amended or re-enacted;

(d) a person includes such party's successors in title and permitted transferees and assigns;

(e) "proceeds" includes proceeds in cash and consideration in a form other than cash; and

(f) this Agreement or any other document, agreement or instrument is a reference to this Agreement or any other document, agreement or instrument as amended, novated, supplemented, restated or replaced from time to time and a "Transaction Document" or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated (however fundamentally and whether or not more onerously) and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Transaction Document or other agreement or instrument.

1.3 Terms defined in the PPF shall have the same meanings when used in this Agreement (unless otherwise defined herein).

1.4 Where a word or expression is given a meaning, interpretation or construction in this Agreement, its other grammatical forms will have the same meaning, interpretation or construction.

1.5 If the Pledgee considers that in respect of an amount paid by any Obligor to the Pledgee under a Transaction Document there is a risk, in the reasonable opinion of the Pledgee, that such payment will be recovered or otherwise set aside in the liquidation, bankruptcy or administration of that Obligor or otherwise be rendered void, then that amount shall not, for the purposes of this Agreement, be considered to have been unconditionally and irrevocably paid and discharged in full.

2. PLEDGE OF SECURITY ASSETS

For the purpose of constituting security for the due and punctual fulfilment by the Obligors of the Secured Liabilities, the Pledgor hereby pledges, as a first priority pledge, the Security Assets to the Pledgee.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Pledgor represents and warrants to the Pledgee that:

(a) it is a limited liability company, duly incorporated and validly existing under the laws of the Province of Alberta, Canada;

(b) it has the power to enter into and perform and has taken all necessary action to authorise the entry into and performance of this Agreement and the transactions contemplated by this Agreement;

(c) this Agreement constitutes legally binding and valid obligations of the Pledgor and, subject to the due fulfilment of the undertaking in Clause 4.2(a) and 4.2(b), validly creates a first priority security interest enforceable in accordance with its terms against the Pledgor, a liquidator, a receiver or a similar officer of the Pledgor and any third party of the Pledgor (except as such enforcement may be limited by any relevant bankruptcy, insolvency, receivership or similar laws affecting creditors' rights generally);

(d) this Agreement does not and will not breach the constitutional documents of the Pledgor or any agreement, document, law, regulation or judicial or official order by which the Pledgor is bound;

(e) no consent, approval or authorisation of and/or registration with any public authority is required in connection with the execution, performance, validity and enforceability of this Agreement;

(f) subject to the Permitted Downstream Merger, it is and will remain the sole owner of the Security Assets; and

(g) other than as created under or pursuant to this Agreement, the Security Assets are free from any security and any provisions limiting the possibility of the Security Assets to constitute security or which are likely to be detrimental to the value of or the possibility to enforce such security.

3.2 The representations and warranties set out in Clause 3.1 are made on the date of this Agreement and, save for Clause 3.1(g), are deemed to be repeated by the Pledgor on each other date during the Security Period on which any of the representations or warranties set out in Section 11 (*Representations and Warranties*) of the PPF are repeated with reference to the facts and circumstances then existing.

4. UNDERTAKINGS

4.1 Subject to the Permitted Downstream Merger, the Pledgor undertakes and agrees with the Pledgee that it shall not:

(a) create or permit to subsist any security or grant any other right over any Security Asset other than the security interest created by this Agreement;

(b) sell, assign, lease, transfer or otherwise dispose of any Security Asset or permit the same to occur;

(c) agree to any change or amendment to the terms and conditions of the Promissory Note or the Loan in a way which could prejudice the rights of the Pledgee under this Agreement;

(d) take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended; or

(e) do or cause or permit to be done anything which will, or could reasonably be expected to, materially adversely affect the Security Assets or the rights of the Pledgee hereunder or which in any way is inconsistent with or materially depreciates, jeopardises or otherwise prejudices the Security Assets.

4.2 The Pledgor further undertakes and agrees with the Pledgee that it shall:

(a) notify the Debtor of the security created by this Agreement by sending a notice substantially in the form set out in **Schedule 2** (*Form of notice*) duly signed by the Pledgor and procure that the Debtor acknowledges its receipt of such notice to the Pledgor and executes any other documentation in connection with the security created by this Agreement as the Pledgee may require;

(b) notify the Company of the security created by this Agreement by procuring that the Company acknowledges the notice as set out on the execution page of this Agreement; and

(c) upon the request by the Pledgee, promptly and duly take all actions and execute and deliver any and all further documents, powers of attorney, notifications and confirmations necessary for the purpose of obtaining the full benefit of this Agreement and of the rights and powers granted under it, including any that the Pledgee may require in order to perfect and/or preserve the security over the Security Assets as created under this Agreement and/or the Pledgee's rights under this Agreement.

4.3 The Pledgor will make all payments which may become due in respect of any of the Security Assets and will discharge all other obligations in respect thereof and if it fails to do so the Pledgee may elect to make such payments or discharge such obligations on behalf of the Pledgor. Any sums so paid by the Pledgee shall be repayable by the Pledgor to the Pledgee promptly together with interest at the interest rate set out in Section 6 of the Swedish Interest Act (Sw. *räntelag (1975:635)*), from the date of such payment by the Pledgee and pending such payment any sums shall form part of the Secured Liabilities.

5. CONTINUING SECURITY

5.1 The security constituted by this Agreement shall be a continuing security, shall extend to the ultimate balance of the Secured Liabilities and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Liabilities until the end of the Security Period.

5.2 This Agreement and the Pledgee's rights hereunder are in addition to and not exclusive of those provided by law and are not in any way prejudiced by any present or future security held by the Pledgee.

5.3 The Pledgee may at any time during the Security Period refrain from applying or enforcing any other security or rights held or received by it in respect of the Secured Liabilities and the Pledgor waives any right it may have of first requiring the Pledgee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security created by this Agreement.

6. ENFORCEMENT

6.1 If an Event of Default has occurred and is continuing the Pledgee shall be entitled to immediately enforce the pledge created by this Agreement and to exercise as and when it sees fit every other power possessed by the Pledgee by virtue of this Agreement, any other Transaction Document or available to a secured creditor under applicable law and in particular (without limitation):

(a) to realise the Security Assets, or any part thereof, by private sale or public auction or in any other manner permitted by applicable law;

(b) to collect, recover or compromise and give good discharge for any proceeds payable to the Pledgor in respect of the Security Assets or in connection therewith; and

(c) to act generally in relation to the Security Assets in such manner as the Pledgee acting reasonably shall determine.

6.2 The provisions in Chapter 10, Section 2 of the Swedish Code of Commerce (Sw. *Handelsbalken 10 kap 2 §*) shall not apply to this Agreement or any enforcement of the security constituted by this Agreement.

6.3 The Pledgor unconditionally and irrevocably authorises the Pledgee to disclose any information about the Pledgor or the Transaction Documents to any person that the Pledgee shall consider appropriate in connection with any enforcement under this Clause 6.

7. APPLICATION OF PROCEEDS

Any proceeds collected or received by the Pledgee after an enforcement of the pledge created hereby (or any receiver) shall be applied by the Pledgee firstly, towards the Secured Liabilities until discharged in full, and secondly, in payment of the surplus (if any) to the Pledgor.

8. WAIVER OF DEFENCES

The obligations of the Pledgor under this Agreement shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Pledgor from its obligations under this Agreement or prejudice or diminish those obligations in whole or in part unless such release or exoneration is a result of an action by the Pledgee and expressly intended.

9. DELEGATION

9.1 The Pledgee may at any time or times delegate to any person(s) all or any of its rights, powers and discretions under this Agreement on such terms (including power to sub-delegate) as the Pledgee sees fit and employ agents, managers, employees, advisers and others on such terms as it sees fit for any of the purposes set out in this Agreement.

9.2 The Pledgee will not be liable or responsible to the Pledgor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate unless such loss is caused directly by the gross negligence or wilful misconduct of the Pledgee.

10. WAIVERS

The rights of the Pledgee under this Agreement may be waived only in writing and specifically and, subject to the provisions of the Transaction Documents, on such terms as the Pledgee sees fit.

11. INDEMNITY

11.1 The Pledgee and each agent or attorney appointed by the Pledgee under this Agreement shall be entitled to be indemnified out of the Security Assets in respect of all liabilities, costs and expenses properly incurred by them in connection with:

(a) the execution or purported execution of any rights, powers or discretion vested in them under this Agreement;

(b) the preservation or enforcement of its rights under this Agreement;

(c) the release of any part of the Security Assets from the security created by this Agreement; and

(d) and the Pledgee and any such agent or attorney may retain and pay all sums in respect of the same out of moneys received under the powers hereby conferred.

11.2 The Pledgee shall not be liable for any losses or costs incurred by the Pledgor in connection with the exercise or purported exercise of the Pledgee's rights, powers and discretions in good faith under this Agreement.

12. DEFERRAL OF THE PLEDGOR'S RIGHTS

The Pledgor will not exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other pledgor of any Obligor's obligations under the Transaction Documents; and/or

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Pledgee under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Pledgee.

13. POWER OF ATTORNEY

13.1 Upon the occurrence of an Event of Default and as long as it is continuing, the Pledgor (to the fullest extent permitted by applicable law) hereby irrevocably appoints the Pledgee as its attorney, with full power of substitution, to do any and all acts which the Pledgor is obliged

by this Agreement to do, but in the opinion of the Pledgee has failed to do, and for the purpose of carrying out the purposes of this Agreement and to take any action and executing any instruments which the Pledgee may deem reasonably necessary or advisable to accomplish the purposes hereof. The power of attorney granted pursuant hereto and all authority conferred are granted and conferred solely to protect the interest of the Pledgee in the Security Assets and shall not impose any duty upon the Pledgee to exercise any power. This appointment may not be revoked by the Pledgor until after the end of the Security Period.

13.2 The Pledgor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 13.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers and authorities referred to in Clause 13.1.

14. ASSIGNMENT

14.1 The Pledgee may at any time assign or transfer any of its rights and/or obligations under this Agreement.

14.2 The Pledgor may not assign or transfer any of its rights and/or obligations under this Agreement.

15. AMENDMENTS

This Agreement may not be amended unless by an instrument in writing and signed by or on behalf of the Pledgor and the Pledgee having obtained the requisite approval in accordance with the provisions of the Transaction Documents.

16. NOTICES

The terms of Section 18 *(Notices)* of the PPF shall apply as if incorporated into this Agreement and the parties hereto agree to be bound by terms mutatis mutandis identical to those applying (pursuant to Section 18 *(Notices)* of the PPF) to the parties of that document.

17. SEVERABILITY

If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:

(a) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

(b) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

18. RELEASE OF SECURITY ASSETS

Upon the expiry of the Security Period, the Pledgee shall, at the request of the Pledgor and at the cost of the Pledgor, release to the Pledgor, all rights and interest of the Pledgee in or to the Security Assets, or part thereof, as the case may be, and give such instructions and directions as the Pledgor reasonably may require in order to perfect such release.

19. COUNTERPARTS

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

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20.1 The Pledgee shall not be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Pledgee takes such measures, or is subject of such measures.

20.2 Unless the Pledgee's liabilities have been explicitly limited otherwise in the Transaction Documents, any damage that may arise in other cases shall not be indemnified by the Pledgee if they have observed normal care. The Pledgee shall not in any case be responsible for any indirect damage, consequential damage and/or loss of profit.

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21.1 This Agreement shall be governed by and construed in accordance with Swedish law.

21.2 The courts of Sweden shall have exclusive jurisdiction over matters arising out of or in connection with this Agreement. The Stockholm District Court (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The submission to the jurisdiction of the Swedish Courts shall not limit the right of the Pledgee to take proceedings against the Pledgor in any court which may otherwise exercise jurisdiction over the Pledgor or any of its assets.

This Agreement has been entered into on the date stated at the beginning of this Agreement by the parties listed on the execution page at the end of this Agreement.

SCHEDULE 1
FORM OF NOTICE

To: Nordic Mines AB (publ) ("**Nordic Mines**")

You are hereby notified that we, Firesteel Resources Inc. (the "**Pledgor**"), pursuant to a pledge agreement between ourselves and PFL Raahe Holdings LP (the "**Pledgee**") dated ___ December 2017 (the "**Pledge Agreement**") have pledged, to the Pledgee, all our rights, title and interest in, to and under all claims against yourselves under the secured bridge promissory note dated 30 September 2017 in the aggregate amount of CAD$ 500,000 (the "**Claim**") between the Pledgor as holder and Nordic Mines as debtor.

You are further notified that, until the Pledgee has notified you otherwise, all payments in relation to the Claim henceforth shall be made directly to the Pledgee at bank account _____ or as otherwise instructed by the Pledgee.

We kindly request that you confirm your receipt and acknowledgement of the above by signing this notification.

This notice may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument.

FIRESTEEL RESOURCES INC.

By:

PFL RAAHE HOLDINGS LP

By:

We hereby acknowledge our receipt hereof and confirm the pledge mentioned above. We further confirm that we will make all payments in relation to the Claim directly to the Pledgee at the bank account set forth above or as otherwise instructed by the Pledgee.

NORDIC MINES AB (publ)

Date:

By:

EXECUTION PAGE

The Pledgor
FIRESTEEL RESOURCES INC

By:

The Pledgee
PFL RAAHE HOLDINGS LP

By:

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement; and

(b) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

The Company

NORDIC MINES MARKNAD AB

By:

EXECUTION PAGE

The Pledgor
FIRESTEEL RESOURCES INC.

By:

The Pledgee
PFL RAAHE HOLDINGS LP

By: Joseph P. Hubbard
Authorized Signatory

The company set out below (the "**Company**"), hereby acknowledges the pledge constituted by the above pledge agreement (the "**Pledge Agreement**") over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, the Company:

(a) confirms that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement; and

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The Company

NORDIC MINES MARKNAD AB

By:

EXECUTION PAGE

The Pledgor
FIRESTEEL RESOURCES INC.

By:

The Pledgee
PFL RAAHE HOLDINGS LP

By:

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(b) acknowledges that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

The Company

NORDIC MINES MARKNAD AB

By:

Execution version

PLEDGE AGREEMENT

dated 6 December 2017

between

FIRESTEEL RESOURCES INC.

as Pledgor

and

PFL RAAHE HOLDINGS LP

as Pledgee

relating to a certain option

CEDERQUIST

TABLE OF CONTENTS

THIS AGREEMENT (this "**Agreement**") is dated 8 December 2017 and made between:

(1) **FIRESTEEL RESOURCES INC.**, corporate identity no. 205104383, a company incorporated under the laws of the Province of Alberta, Canada, having its registered office at 1001 - 409 Granville Street, Vancouver B.C. Canada, V6C 1T2, (the "**Pledgor**"); and

(2) **PFL RAAHE HOLDINGS LP**, a limited partnership organized under the laws of Ontario, Canada, having its registered office at 437 Madison Avenue, 28th Floor, New York, NY 10022, (the "**Pledgee**").

WHEREAS:

(A) Pursuant to a pre-paid forward gold purchase agreement dated 10 November 2017 between the Pledgor as Seller, the Pledgee as Buyer, and each other Person that may from time to time become a Guarantor (each as defined in that agreement) (the "**PPF**"), the Pledgor has agreed to sell a certain quantity of gold to the Pledgee and the Pledgee has agreed to make certain prepayments to the Pledgor, subject to the terms and conditions of the PPF.

(B) Reference is also made to the joint venture agreement dated 11 September 2017 (as amended), between the Pledgor and Nordic Mines AB (publ) ("**Nordic Mines**)", pursuant to which the Pledgor and Nordic Mines have agreed to associate and participate in a joint venture and that the Company (as defined below) shall function as a joint venture company, for the purpose of bringing the Laiva Mine into Commercial Production (each as defined in that agreement) (the "**Project Company JV Agreement**").

(C) The Pledgor has entered into this Agreement in order to secure the Secured Liabilities (as defined below).

(D) Nordic Mines originally owned 1,000 shares in Nordic Mines Marknad AB corporate identity no. 556767-4980 (the "**Company**"). The Pledgor has (or will) on the date of this Agreement acquired 100 shares and additional 500 shares in the Company after which Nordic Mines owns on the date hereof 400 shares in the Company, representing 40 per cent of the registered and paid-up share capital of the Company.

(E) It is contemplated that the Pledgor shall exercise the Option (as defined below), subject to the provisions of the Project Company JV Agreement, in full immediately following the Effective Date (as defined in the PPF).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"**Option**" means the Pledgor's right to acquire the remaining 400 shares in the Company owned by Nordic Mines from Nordic Mines in accordance with the terms and conditions of Section 3.5 of the Project Company JV Agreement.

"**Permitted Downstream Merger**" means the required downstream merger between the Company and Nordic Mines Oy, in accordance with the terms of the PPF, where the Company is dissolved and where Nordic Mines Oy is the surviving entity.

"**Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Pledgee (or any of them) under each of the Transaction Documents, together with all costs, charges and expenses incurred by the Pledgee in connection with the protection, preservation or enforcement of its respective rights under the Transaction Documents, or any other document evidencing or securing any such liabilities.

"**Security Assets**" means the Option.

"**Security Period**" means the period beginning on the date of this Agreement and ending on the date (as stated by the Pledgee) upon which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 In this Agreement, unless the contrary intention appears, a reference to:

(a) a Clause or a Schedule is a reference to a clause of, or a schedule to, this Agreement except as otherwise indicated in this Agreement;

(b) the index to and the headings in this Agreement are for convenience only and are to be ignored in construing this Agreement;

(c) a law or a provision of law is a reference to that law or provision as amended or re-enacted;

(d) a person includes such party's successors in title and permitted transferees and assigns;

(e) "proceeds" includes proceeds in cash and consideration in a form other than cash; and

(f) this Agreement or any other document, agreement or instrument is a reference to this Agreement or any other document, agreement or instrument as amended, novated, supplemented, restated or replaced from time to time and a "Transaction Document" or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated (however fundamentally and whether or not more onerously) and includes any change in the purpose of, any extension of or any increase in any

facility or the addition of any new facility under that Transaction Document or other agreement or instrument.

1.3 Terms defined in the PPF shall have the same meanings when used in this Agreement (unless otherwise defined herein).

1.4 Where a word or expression is given a meaning, interpretation or construction in this Agreement, its other grammatical forms will have the same meaning, interpretation or construction.

1.5 If the Pledgee considers that in respect of an amount paid by any Obligor to the Pledgee under a Transaction Document there is a risk, in the reasonable opinion of the Pledgee, that such payment will be recovered or otherwise set aside in the liquidation, bankruptcy or administration of that Obligor or otherwise be rendered void, then that amount shall not, for the purposes of this Agreement, be considered to have been unconditionally and irrevocably paid and discharged in full.

2. PLEDGE OF SECURITY ASSETS

For the purpose of constituting security for the due and punctual fulfilment by the Obligors of the Secured Liabilities, the Pledgor hereby pledges, as a first priority pledge, the Security Assets to the Pledgee.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Pledgor represents and warrants to the Pledgee that:

(a) it is a limited liability company, duly incorporated and validly existing under the laws of the Province of Alberta, Canada;

(b) it has the power to enter into and perform and has taken all necessary action to authorise the entry into and performance of this Agreement and the transactions contemplated by this Agreement;

(c) this Agreement constitutes legally binding and valid obligations of the Pledgor and, subject to the due fulfilment of the undertaking in Clause 4.2(a), validly creates a first priority security interest enforceable in accordance with its terms against the Pledgor, a liquidator, a receiver or a similar officer of the Pledgor and any third party of the Pledgor (except as such enforcement may be limited by any relevant bankruptcy, insolvency, receivership or similar laws affecting creditors' rights generally);

(d) this Agreement does not and will not breach the constitutional documents of the Pledgor or any agreement, document, law, regulation or judicial or official order by which the Pledgor is bound;

(e) no consent, approval or authorisation of and/or registration with any public authority is required in connection with the execution, performance, validity and enforceability of this Agreement;

(f) subject to the Permitted Downstream Merger, it is and will remain the sole owner of the Security Assets; and

(g) other than as created under or pursuant to this Agreement, the Security Assets are free from any security and any provisions limiting the possibility of the Security Assets to constitute security or which are likely to be detrimental to the value of or the possibility to enforce such security.

3.2 The representations and warranties set out in Clause 3.1 are made on the date of this Agreement and, save for Clause 3.1(g), are deemed to be repeated by the Pledgor on each other date during the Security Period on which any of the representations or warranties set out in Section 11 (*Representations and Warranties*) of the PPF are repeated with reference to the facts and circumstances then existing.

4. UNDERTAKINGS

4.1 Subject to the Permitted Downstream Merger, the Pledgor undertakes and agrees with the Pledgee that it shall not:

(a) create or permit to subsist any security or grant any other right over any Security Asset other than the security interest created by this Agreement;

(b) sell, assign, lease, transfer or otherwise dispose of any Security Asset or permit the same to occur;

(c) agree to any change or amendment to the terms and conditions of the Project Company JV Agreement in a way which could prejudice the rights of the Pledgee under this Agreement;

(d) take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended;

(e) do or cause or permit to be done anything which will, or could reasonably be expected to, materially adversely affect the Security Assets or the rights of the Pledgee hereunder or which in any way is inconsistent with or materially depreciates, jeopardises or otherwise prejudices the Security Assets.

4.2 The Pledgor further undertakes and agrees with the Pledgee that it shall:

(a) notify Nordic Mines of the security created by this Agreement by sending a notice substantially in the form set out in **Schedule 2** (*Form of notice*) duly signed by the Pledgor and procure that Nordic Mines acknowledges its receipt of such notice to the

Pledgor and executes any other documentation in connection with the security created by this Agreement as the Pledgee may require; and

(b) upon the request by the Pledgee, promptly and duly take all actions and execute and deliver any and all further documents, powers of attorney, notifications and confirmations necessary for the purpose of obtaining the full benefit of this Agreement and of the rights and powers granted under it, including any that the Pledgee may require in order to perfect and/or preserve the security over the Security Assets as created under this Agreement and/or the Pledgee's rights under this Agreement.

4.3 The Pledgor will make all payments which may become due in respect of any of the Security Assets and will discharge all other obligations in respect thereof and if it fails to do so the Pledgee may elect to make such payments or discharge such obligations on behalf of the Pledgor. Any sums so paid by the Pledgee shall be repayable by the Pledgor to the Pledgee promptly together with interest at the interest rate set out in Section 6 of the Swedish Interest Act (Sw. *räntelag (1975:635)*), from the date of such payment by the Pledgee and pending such payment any sums shall form part of the Secured Liabilities.

5. CONTINUING SECURITY

5.1 The security constituted by this Agreement shall be a continuing security, shall extend to the ultimate balance of the Secured Liabilities and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Liabilities until the end of the Security Period.

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5.3 The Pledgee may at any time during the Security Period refrain from applying or enforcing any other security or rights held or received by it in respect of the Secured Liabilities and the Pledgor waives any right it may have of first requiring the Pledgee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security created by this Agreement.

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6.1 If an Event of Default has occurred and is continuing the Pledgee shall be entitled to immediately enforce the pledge created by this Agreement and to exercise as and when it sees fit every other power possessed by the Pledgee by virtue of this Agreement, any other Transaction Document or available to a secured creditor under applicable law and in particular (without limitation):

(a) to realise the Security Assets, or any part thereof, by private sale or public auction or in any other manner permitted by applicable law;

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(c) to act generally in relation to the Security Assets in such manner as the Pledgee acting reasonably shall determine.

6.2 The provisions in Chapter 10, Section 2 of the Swedish Code of Commerce (Sw. *Handelsbalken 10 kap 2 §*) shall not apply to this Agreement or any enforcement of the security constituted by this Agreement.

6.3 The Pledgor unconditionally and irrevocably authorises the Pledgee to disclose any information about the Pledgor, the Company and any of its Subsidiaries or the Transaction Documents to any person that the Pledgee shall consider appropriate in connection with any enforcement under this Clause 6.

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Any proceeds collected or received by the Pledgee after an enforcement of the pledge created hereby (or any receiver) shall be applied by the Pledgee firstly, towards the Secured Liabilities until discharged in full, and secondly, in payment of the surplus (if any) to the Pledgor.

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The obligations of the Pledgor under this Agreement shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Pledgor from its obligations under this Agreement or prejudice or diminish those obligations in whole or in part unless such release or exoneration is a result of an action by the Pledgee and expressly intended.

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(a) to be indemnified by an Obligor;

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21.2 The courts of Sweden shall have exclusive jurisdiction over matters arising out of or in connection with this Agreement. The Stockholm District Court (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The submission to the jurisdiction of the Swedish Courts shall not limit the right of the Pledgee to take proceedings against the Pledgor in any court which may otherwise exercise jurisdiction over the Pledgor or any of its assets.

This Agreement has been entered into on the date stated at the beginning of this Agreement by the parties listed on the execution page at the end of this Agreement.

SCHEDULE 1
FORM OF NOTICE

To: Nordic Mines AB (publ)

This is to notify that we, Firesteel Resources Inc. (the "**Pledgor**"), pursuant to a pledge agreement between ourselves and PFL Raahe Holdings LP (the "**Pledgee**") dated _____ December 2017 (the "**Pledge Agreement**") has pledged, to the Pledgee, all its rights, title and interest in, to and under a certain Option.

We kindly ask you to hereby acknowledge the pledge constituted by the Pledge Agreement over the Security Assets (as defined in the Pledge Agreement) and the terms and conditions of the Pledge Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Pledge Agreement. Further, we ask you to:

(b) confirm that on the date hereof there exists no pledge or agreement having the effect of conferring security over the Security Assets other than the security constituted under the Pledge Agreement;

(c) confirm that the Pledgee is authorised to provide interested parties with information concerning inter alia the Company and the Transaction Documents in accordance with Clause 6.3 of the Pledge Agreement; and

(d) acknowledge that it will do all necessary things required to be done to accomplish the purpose of the transactions contemplated under the Pledge Agreement.

We kindly request that you confirm your receipt and acknowledgement of the above by signing this notification.

This notice may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument.

The Pledgor

FIRESTEEL RESOURCES INC.

By:

The Pledgee

PFL RAAHE HOLDINGS LP

By:

NORDIC MINES AB (publ)

Date:

By:

EXECUTION PAGE

The Pledgor

FIRESTEEL RESOURCES INC.

By: 

The Pledgee

PFL RAAHE HOLDINGS LP

By: _____

EXECUTION PAGE

The Pledgor

FIRESTEEL RESOURCES INC.

By:

The Pledgee

PFL RAAHE HOLDINGS LP

By: _____
Joseph P. Archibald
Authorized Signatory

This is **Exhibit "~~II~~ I"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Plainfield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z14527265

Transmitting Party

Cassels Brock & Blackwell LLP

888-3rd Street SW, Suite 3810
Calgary, AB T2P 5C5

Party Code: 60006325
Phone #: 403 351 2920
Reference #: 49612-00008

Search ID #: Z14527265 **Date of Search:** 2021-Dec-16 **Time of Search:** 16:11:58

Business Debtor Search For:

OTSO GOLD CORP.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.

REGISTRAR OF PERSONAL PROPERTY

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z14527265

Business Debtor Search For:
OTSO GOLD CORP.
Search ID #: Z14527265 **Date of Search:** 2021-Dec-16 **Time of Search:** 16:11:58

Registration Number: 17112810682
Registration Date: 2017-Nov-28
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2027-Nov-28 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

18121108368	Amendment	2018-Dec-11
21121627845	Amendment	2021-Dec-16

Debtor(s)

Block		Status
1	FIRESTEEL RESOURCES INC. 1001 - 409 GRANVILLE STREET VANCOUVER, BC V6C 1T2	Current
2	NORDIC GOLD INC. 1001 - 409 GRANVILLE STREET VANCOUVER, BC V6C 1T2	Current by 18121108368
3	OTSO GOLD CORP. 1001 - 409 GRANVILLE STREET VANCOUVER, BC V6C 1T2	Current by 21121627845

Secured Party / Parties

Block		Status
1	PFL RAAHE HOLDINGS LP 437 MADISON AVENUE, 28TH FLOOR NEW YORK, NY 10022	Deleted by 21121627845

Government of Alberta

Personal Property Registry
Search Results Report

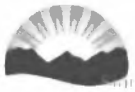
Search ID #: Z14527265

Block		Status
2	PFL RAAHE HOLDINGS LP 437 MADISON AVENUE, 28TH FLOOR NEW YORK, NY 10022 Email: Ops@pandionmetals.com	Current by 21121627845

Collateral: General

Block	Description	Status
1	ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.	Current

Result Complete



Personal Property Registry

Selection List

For: [PM49040] [CASSELS BROCK & BLACKWELL LLP]

Dec 16, 2021
03:09:31 PM

Return | Send to Mailbox | Help ?

Folio: 49612-00008

BC OnLine Mailbox

Business Name: OTSO GOLD CORP.

➡ **Exact Matches: 1**

Local Print Limit: 200

BSR101 - NO MORE INFORMATION TO DISPLAY

Debtor Name

➡ OTSO GOLD CORP

Display Selection

BC OnLine: PPRS SEARCH RESULT 2021/12/16
Lterm: XPSP0050 For: PM49040 CASSELS BROCK & BLACKWELL LLP 15:09:31

Index: BUSINESS DEBTOR
Search Criteria: OTSO GOLD CORP.

********** P P S A S E C U R I T Y A G R E E M E N T **********

Reg. Date: NOV 28, 2017 Reg. Length: 10 YEARS
Reg. Time: 07:49:43 Expiry Date: NOV 28, 2027
Base Reg. #: 425756K Control #: D4934951
Block#

S0001 Secured Party: PFL RAAHE HOLDINGS LP
437 MADISON AVENUE, 28TH FLOOR
NEW YORK NY 10022

D0001 Base Debtor: FIRESTEEL RESOURCES INC
(Business) 1001 - 409 GRANVILLE STREET
VANCOUVER BC V6C 1T2

General Collateral:
ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.

Registering
Party: CASSELS BROCK & BLACKWELL LLP
885 W GEORGIA ST, STE 2200
VANCOUVER BC V6C 3E8

---------- A M E N D M E N T / O T H E R C H A N G E ----------

Reg. #: 203928L Reg. Date: DEC 11, 2018
Reg. Time: 07:54:27
Control #: D5731211
Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 425756K Base Reg. Date: NOV 28, 2017

Details Description:
TO ADD ADDITIONAL DEBTOR UNDER ITS NEW NAME.
Block#

*** ADDED ***
D0002 Bus. Debtor: NORDIC GOLD INC
1001 - 409 GRANVILLE STREET
VANCOUVER BC V6C 1T2

Registering
Party: CASSELS BROCK & BLACKWELL LLP
885 W GEORGIA ST, STE 2200
VANCOUVER BC V6C 3E8

---------- A M E N D M E N T / O T H E R C H A N G E ----------

Reg. #: 433263N Reg. Date: DEC 16, 2021
Reg. Time: 15:08:02
Control #: D8004317
Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 425756K Base Reg. Date: NOV 28, 2017

Continued on Page 2

Search Criteria: OTSO GOLD CORP. Page: 2

Details Description:
TO ADD ADDITIONAL DEBTOR UNDER ITS NEW NAME.
Block#

*** ADDED ***
=D0003 Bus. Debtor: OTSO GOLD CORP
1001 - 409 GRANVILLE STREET
VANCOUVER BC V6C 1T2

Registering
Party: CASSELS BROCK & BLACKWELL LLP
885 W GEORGIA ST, STE 2200
VANCOUVER BC V6C 3E8

****

Some, but not all, tax liens and other Crown claims are registered at the Personal Property Registry (PPR) and if registered, will be displayed on this search result. HOWEVER, it is possible that a particular chattel is subject to a Crown claim that is not registered at the PPR. Please consult the Miscellaneous Registrations Act, 1992 for more details. If you are concerned that a particular chattel may be subject to a Crown claim not registered at the PPR, please consult the agency administering the type of Crown claim.

>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>> END OF SEARCH <<<<<<<<<<<<<<<<<<<<<<<<<<<<<<<

This is **Exhibit "J"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Plainville, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Amendment and Forbearance No. 1 to the
Pre-Paid Forward Gold Purchase Agreement

This Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement, dated as of October 15, 2018 (this "Amendment"), is made by and between NORDIC GOLD CORP., formally known as Firesteel Resources Inc., (the "Seller"), a company incorporated under the laws of Alberta, and PFL RAAHE HOLDINGS LP (the "Buyer"), a limited partnership organized under the laws of Ontario, NORDIC MINES MARKNAD AB, a limited company organized under the laws of Sweden ("Marknad"), NORDIC GOLD OY, formerly known as Nordic Mines Oy, a limited company organized under the laws of Finland ("Finnish OpCo"), and each other Person that may from time to time become a Guarantor of the Obligations (and, together with Finnish OpCo and Marknad, the "Guarantors," and each, a "Guarantor" and, together with the Seller, the "Obligors").

Preliminary Statements

1. The Buyer and the Seller are parties to that certain Pre-Paid Forward Gold Purchase Agreement, dated as of November 10, 2017, (as amended, the "Pre-Paid Forward Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in, or by reference in, the Pre-Paid Forward Agreement.

2. Finnish OpCo became a Guarantor of the Obligations under the Pre-Paid Forward Agreement pursuant to the Guarantor Joinder Agreement, dated on or about December 8, 2017 (the "Finnish OpCo Guaranty").

3. Marknad became a Guarantor of the Obligations under the Pre-Paid Forward Agreement pursuant to the Guarantor Joinder Agreement, dated on or about February 5, 2018 (the "Marknad Guaranty").

4. The following Defaults or Events of Default have occurred and are continuing as of the date hereof (the "Specified Defaults"):

a. The failure of the Obligors to complete the Required Restructuring in accordance with Section 12(1)(ee) of the Pre-Paid Forward Agreement;

b. The failure by the Seller to cause Finnish OpCo to establish bank accounts in accordance with Section 12(1)(ff) of the Pre-Paid Forward Agreement;

c. The failure by the Seller to raise equity in accordance with Section 12(1)(gg) of the Pre-Paid Forward Agreement;

d. The failure by the Seller to notify the Buyer of the name changes for the Seller and Finnish OpCo in accordance with Section 12(3)(a)(ii)(B);

e. The removal of Gregory Sparks as technical advisor of the Seller;

f. The deviation by the Seller from the Initial Expense Budget; and

g. The general inability of the Seller to pay its debts as they come due.

5. The parties hereto have agreed to amend the Pre-Paid Forward Agreement on the terms and subject to the conditions hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions. As used in this Amendment, the following terms have the following meanings:

"Buyer Royalty Agreement" has the meaning specified in the amendments to the Pre-Paid Forward Agreement in Section 2(a)(i).

"Prepayment Period End Date" has the meaning specified in the amendments to the Pre-Paid Forward Agreement in Section 2(a)(i).

"Seller Share Issuance" has the meaning specified in the amendments to the Pre-Paid Forward Agreement in Section 2(a)(i).

SECTION 2. Amendments to the Pre-Paid Forward Agreement. On the Amendment No. 1 Effective Date, the Pre-Paid Forward Agreement shall hereby be amended as set forth in this Section 2.

(a) Amendments to Section 1.

(i) The following definitions shall be inserted in Section 1 of the Pre-Paid Forward Agreement in alphabetical order:

> "**Amendment No. 1**" means Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement, dated as of October 15, 2018, by and between the Seller, the Buyer, and the Guarantors.
>
> "**Amendment No. 1 Effective Date**" means the "Amendment No. 1 Effective Date," as such term is defined in Amendment No. 1.
>
> "**Amendment No. 1 Contingent Date**" means the "Contingent Effective Date," as such term is defined in Amendment No. 1.
>
> "**Buyer Royalty Agreement**" means the Net Smelter Returns Royalty Agreement, dated on or prior to the Amendment No. 1 Contingent Date, by and between the Buyer, the Seller, and Finnish OpCo.
>
> "**Pre-Supplemental Tranche 2 Equity**" means the aggregate amount of equity raised by the Seller prior to the Supplemental Tranche 2 Date.
>
> "**Prepayment Date**" has the meaning specified in Section 7(5)(b).
>
> "**Prepayment Notice**" means a notice, in such form as the Buyer may approve, by the Seller to make a prepayment in order to reduce the Seller's obligations to deliver the Supplemental Tranche Quantities.
>
> "**Prepayment Periods**" means each of the Supplemental Tranche 1 Prepayment Period and the Supplemental Tranche 2 Prepayment Period.

"**Prepayment Period End Date**" means June 30, 2019.

"**Seller Share Issuance**" means the issuance to the Buyer of 36,500,000 common shares of the Seller to be made on or prior to the Amendment No. 1 Contingent Date.

"**Supplemental Tranche 1 Date**" means the date on which (a) the conditions precedent set forth in Section 3(2) have been satisfied in accordance with the terms thereof and (b) the Buyer makes an installment payment of the Gold Prepayment Amount to the Sellers in an amount equal to the Supplemental Tranche 1 Gold Prepayment Amount.

"**Supplemental Tranche 1 Gold Prepayment Amount**" means US$3,000,000.

"**Supplemental Tranche 1 Prepayment Period**" means the period beginning on the Supplemental Tranche 1 Date and ending on the Prepayment Period End Date (including the days on which such period begins and ends).

"**Supplemental Tranche 1 Quantity**" means (a) 0 Ounces of Gold for each of the 14 calendar months following the calendar month in which the Gold Prepayment Amount is paid on the Supplemental Tranche 1 Date, (b) 220 Ounces of Gold for the 1 calendar month thereafter, (c) 200 Ounces of Gold for each of the 12 calendar months thereafter, (d) 180 Ounces of Gold for each of the 12 calendar months thereafter, (e) 245 Ounces of Gold for each of the 12 calendar months thereafter; and (f) 230 Ounces of Gold for each of the 8 calendar months thereafter; provided that the Supplemental Tranche 1 Quantity may be reduced pursuant to Section 7(5).

"**Supplemental Tranche 2 Date**" means the date on which (a) the conditions precedent set forth in Section 3(3) have been satisfied in accordance with the terms thereof and (b) the Buyer makes an installment payment of the Gold Prepayment Amount to the Sellers in an amount equal to the Supplemental Tranche 2 Gold Prepayment Amount.

"**Supplemental Tranche 2 Gold Prepayment Amount**" means US$4,000,000, *less* the Pre-Supplemental Tranche 2 Equity; provided that in no event shall the Supplemental Tranche 2 Gold Prepayment amount be less than zero.

"**Supplemental Tranche 2 Prepayment Period**" means the period beginning on the Supplemental Tranche 2 Date and ending on the Prepayment Period End Date (including the days on which such period begins and ends).

"**Supplemental Tranche 2 Quantity**" means (a) 0 Ounces of Gold for each of the 13 calendar months following the calendar month in which the Gold Prepayment Amount is paid on the Effective Date, (b) 275 Ounces of Gold for the 1 calendar month thereafter, (c) 255 Ounces of Gold for each of the 12 calendar months thereafter, (d) 220 Ounces of Gold for each of the 12 calendar months thereafter, (e) 345 Ounces of Gold for each of the 12 calendar months thereafter, and (f) 330 Ounces of Gold for each of the 8 calendar months thereafter; provided that the Supplemental Tranche 2 Quantity may be reduced pursuant to Section 7(5).

"**Supplemental Tranche Quantities**" means each of the Supplemental Tranche 1 Quantity and the Supplemental Tranche 2 Quantity.

"**Supplemental Tranches Dollar Equivalent**" means:

$$B_1 + B_2 + 16.6\% * (B_1 * (D_1 / 360) + B_2 * (D_2 / 360))$$

where B_1 is the Supplemental Tranche 1 Gold Prepayment Amount, B_2 is the Supplemental Tranche 2 Gold Prepayment Amount, D_1 is the total number of days occurring during the Supplemental Tranche 1 Prepayment Period, and D_2 is the total number of days occurring during the Supplemental Tranche 2 Prepayment Period.

(ii) The following definition in Section 1 of the Pre-Paid Forward Agreement shall be amended and restated in its entirety:

"**Base Spot Price**" means US$1,200.

"**Contract Quantity**" means a quantity of Gold to be Delivered as follows:

(a) (i) 0 Ounces of Gold for each of the 24 calendar months following the calendar month in which the Gold Prepayment Amount is paid on the Effective Date, (ii) 2,200 Ounces of Gold for the 1 calendar month thereafter, (iii) 2,070 Ounces of Gold for each of the 12 calendar months thereafter, (iv) 1,940 Ounces of Gold for each of the 12 calendar months thereafter, (v) 980 Ounces of Gold for each of the 12 calendar months thereafter; and 1,090 Ounces of Gold for each of the 8 calendar months thereafter; *plus*

(b) each of the Supplemental Tranche Quantities; *plus*

(c) any Ounces of Gold to be delivered pursuant to Section 7(3) under this Agreement.

For the avoidance of doubt, the quantities of Gold listed in subclauses (a) through (c) hereof shall be in addition to the quantities of Gold listed in each other subclause hereof, as applicable."

"**Scheduled Delivery Month**" means the 69 calendar months following the month in which the Effective Date occurs, in accordance with this Agreement and including any months pursuant to Section 7(3) under this Agreement.

"**Scheduled Monthly Quantity**" means:

(a) (i) 0 Ounces of Gold for each of the 24 calendar months following the calendar month in which the Gold Prepayment Amount is paid on the Effective Date, (ii) 2,200 Ounces of Gold for the 1 calendar month thereafter, (iii) 2,070 Ounces of Gold for each of the 12 calendar months thereafter, (iv) 1,940 Ounces of Gold for each of the 12 calendar months thereafter, (v) 980

Ounces of Gold for each of the 12 calendar months thereafter; and 1,090 Ounces of Gold for each of the 8 calendar months thereafter; *plus*

(b) each of the Supplemental Tranche Quantities; *plus*

(c) any Ounces of Gold to be delivered pursuant to Section 7(3) under this Agreement.

For the avoidance of doubt, the quantities of Gold listed in subclauses (a) through (c) hereof shall be in addition to the quantities of Gold listed in each other subclause hereof, as applicable.

"**Transaction Documents**" means this Agreement, the Buyer Royalty Agreement, the Security Documents, the Equity Documentation, the PPF Agreement II and each other document entered into by the Seller, the Project Company, Finnish OpCo or any Obligor with the Buyer with respect to the transactions contemplated hereby.

(b) Amendments to Section 3.

(i) The following shall be inserted immediately following Section 3(1) of the Pre-Paid Forward Agreement:

"(2) The following conditions precedent shall apply to the Supplemental Tranche 1 Date:

"(a) all representations and warranties of each Obligor set out in this Agreement shall be true and correct on and as of the Supplemental Tranche 1 Date (except for (i) representations and warranties which are stated as of a specific date, in which case such representations and warranties shall be correct as of such date, and (ii) representations and warranties qualified by Material Adverse Effect, in which case such representations shall be true and correct) and after giving effect to the transactions to be effected on the Supplemental Tranche 1 Date;

"(b) all covenants of the Obligors set out in this Agreement required to be complied with or waived in writing by the Buyer prior to the Supplemental Tranche 1 Date shall have been complied with (other than those which by their nature are required to be complied with and will be complied with as of the Supplemental Tranche 1 Date);

"(c) no Seller Default or Seller Event of Default shall have occurred and be continuing on or as of the Supplemental Tranche 1 Date or after giving effect to the transactions to be effected on the Supplemental Tranche 1 Date;

"(d) the Amendment No. 1 Effective Date shall have occurred; and

"(e) the Supplemental Tranche 1 Date shall not occur prior to October 12, 2018.

"(3) The following conditions precedent shall apply to the Supplemental Tranche 2 Date:

"(a) all representations and warranties of each Obligor set out in this Agreement shall be true and correct on and as of the Supplemental Tranche 2 Date (except for (i) representations and warranties which are stated as of a specific date, in which case such representations and warranties shall be correct as of such date, and (ii) representations and warranties qualified by Material Adverse Effect, in which case such representations shall be true and correct) and after giving effect to the transactions to be effected on the Supplemental Tranche 2 Date;

"(b) all covenants of the Obligors set out in this Agreement required to be complied with or waived in writing by the Buyer prior to the Supplemental Tranche 2 Date shall have been complied with (other than those which by their nature are required to be complied with and will be complied with as of the Supplemental Tranche 2 Date);

"(c) no Seller Default or Seller Event of Default shall have occurred and be continuing on or as of the Supplemental Tranche 2 Date or after giving effect to the transactions to be effected on the Supplemental Tranche 2 Date;

"(d) the Amendment No. 1 Contingent Date shall have occurred;

"(e) the Supplemental Tranche 1 Date shall have occurred; and

"(f) the Supplemental Tranche 2 Date shall not occur prior to November 12, 2018."

(ii) The unamended Section 3(2) of the Pre-Paid Forward Agreement shall be renumbered as Section 3(4) thereof.

(c) Amendments to Section 5.

(i) Section 5(1) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(1) Subject to any reduction pursuant to Section 24(3), on each Monthly Delivery Date, the Seller shall Deliver or shall cause to be Delivered to the Buyer the Scheduled Monthly Quantity of Gold for such Monthly Delivery Date. All Gold required to be Delivered pursuant to this Agreement shall be "Gold" as defined herein and shall be Delivered to Buyer free and clear of any Liens and any adverse claims of any description."

(ii) Section 5(8) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(8) Subject to Section 24(4), at any time, the Seller may request a calculation of the amount then required to prepay its Gold Delivery obligations (the "**Early Termination Amount**"). Upon thirty (30) days' prior written notice, the Seller may cause the early termination of this Agreement by delivering to the Buyer a payment equal to the Early Termination Amount. The Early Termination Amount means an amount equal to:

"(i) the product of the amount of Contract Quantity of Gold that has not been Delivered on any Monthly Delivery Date and for which the Buyer has not elected to exercise its Contract Quantity Exchange Option, excluding the amounts of Gold satisfied by conversion into an obligation of the Seller to pay the Buyer in US Dollars pursuant to Section 5(5), and the Gold Price Discount;

"(ii) *less* the value of any minimum price protection adjustment as described in Section 7(3) (as determined by the Buyer in a commercially reasonable manner);

"(iii) *plus* any other unpaid amounts due and owing to the Buyer;

"(iv) *less* any unpaid amounts due and owing to the Seller;

"(v) *plus* the full value of the Contract Quantity Exchange Option that the Buyer elects to exercise in accordance with Section 23(5);

"(vi) *plus* the greater of zero and the product of:

"(A) 50% of the Monthly Payable Production of gold for the later of:

"(x) 69 months following the Effective Date, and

"(y) the final Scheduled Delivery Month, as applicable; and

"(B) an amount equal to the then current Settlement Price minus the applicable Base Spot Price; provided that any amounts that have been satisfied or paid to the Buyer prior to the date of any early termination pursuant to this Section 5(8) shall only be considered once for purposes of any calculation under this Section 5(8)."

(d) Amendments to Section 7.

(i) Section 7(1)(a) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(a) Gold Prepayment Amount. The Buyer shall pay to the Seller, as set forth herein, subject to the prior satisfaction or waiver (in the Buyer's sole and absolute discretion) of each of the applicable conditions precedent set forth in Section 3, an amount equal to:

"(i) US$20,600,000 on the date referred to in subclause (a) of the definition of "Effective Date," *less* the amount set forth in Section 7(1)(b) below;

"(ii) the Supplemental Tranche 1 Gold Prepayment Amount, on the date referred to in subclause (a) of the definition of "Supplemental Tranche 1 Date"; and

"(iii) the Supplemental Tranche 2 Gold Prepayment Amount, on the date referred to in subclause (a) of the definition of "Supplemental Tranche 2 Date";

"(such payments, collectively, the "**Gold Prepayment Amount**"). The proceeds of the Gold Prepayment Amount shall be used in accordance with Section 12(1)(e)."

(ii) The following shall be inserted immediately following Section 7(1)(c) of the Pre-Paid Forward Agreement:

"(d) Further Technical Costs. The Seller shall pay to the Buyer an amount in US Dollars, which amount shall be in addition to the US$600,000 referred to in Section 7(1)(b), for all reasonable costs incurred relating to: (i) one consulting/technical due diligence visit per six (6) months, pursuant to Section 12(1)(l) *plus* (ii) one consulting/technical due diligence call per month; in each case, incurred by the Buyer after the Amendment No. 1 Effective Date with respect to this Agreement, any other Transaction Document or any transaction contemplated hereunder. Such amount shall become due and payable on June 30, 2019, and every three months thereafter."

(iii) Section 7(4) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(4) Upside Participation Amount. The Seller shall pay an amount equal to the greater of zero and the sum of the amount determined for gold (for the avoidance of doubt, which may be a positive or negative number) as follows:

"(a) If the Seller fails to raise the equity and prepay all of the Supplemental Tranches Dollar Equivalent required under Section 12(1)(gg), then: the product of (i) 50% of the quantity of gold produced from the Mine during each calendar month and (ii) an amount equal to the price as determined pursuant to the Mineral Sales Contract/Refining Agreement (or any similar agreement) for gold for the corresponding Monthly Payable Production

minus the Base Spot Price for gold, payable by the owner of the Mine to the Buyer within two (2) Business Days following the end of such calendar month, continuing in perpetuity, it being the intent of the parties hereto that such payments shall constitute a covenant running with and binding upon the title to the Mine, the Minerals, the Mine Properties, and the Mining Concessions and all accessions thereto and all successions or renewals or replacements thereof, whether created privately or through action of any Authority, and binding upon the successors and assigns of the Seller and the successors in title to the Mine Properties; or

"(b) otherwise: the product of (i) 50% of the Monthly Payable Production of gold for the later of (x) 69 months following the Effective Date and (y) the final Scheduled Delivery Month, as applicable, and (ii) an amount equal to the price as determined pursuant to the Mineral Sales Contract/Refining Agreement for gold for the corresponding Monthly Payable Production minus the Base Spot Price for gold, payable by the Seller to the Buyer within two (2) Business Days following the relevant Monthly Delivery Date or relevant month, as applicable.

"(5) Supplemental Tranche Prepayments.

"(a) Prepayments. The Seller may, upon notice to the Buyer, at any time during the Prepayment Periods, make prepayments in cash, up to a maximum aggregate amount equal to the Supplemental Tranches Dollar Equivalent, in order to reduce its obligations to deliver the Supplemental Tranche Quantities, subject to the requirements of this Section 7(5).

"(b) Notices. Each such notice pursuant to this Section 7(5) shall be in the form of a written Prepayment Notice, appropriately completed and signed by an officer of the Seller, or may be given by telephone to the Buyer (if promptly confirmed by such a written Prepayment Notice consistent with such telephonic notice) and must be received by the Buyer not later than 11:00 a.m. (New York City time) three Business Days before the date of prepayment (such date of prepayment, the "**Prepayment Date**"). Each Prepayment Notice shall specify (i) the Prepayment Date and (ii) the amount to be prepaid. Each Prepayment Notice shall be irrevocable.

"(c) Application of Equity. On the Supplemental Tranche 2 Date, the Pre-Supplemental Tranche 2 Equity shall be applied ratably to reduce the quantity of Gold to be delivered in each Scheduled Delivery Month as part of the Supplemental Tranche Quantities according to the following formula:

$C_E = (US\$7,000,000 - E) / US\$7,000,000,$

where C_E is the coefficient (which in no event shall be less than zero) to be multiplied by the Supplemental Tranche Quantities to be Delivered by the Seller in each Scheduled Delivery Month, and E is the Pre-Supplemental Tranche 2 Equity.

"(d) Application of Prepayments. The prepayments made by the Seller from time to time during the Prepayment Periods shall be applied ratably to reduce the quantity of Gold to be delivered in each Scheduled Delivery Month as part of each of the Supplemental Tranche Quantities according to the following formula:

$C_P = (B - P) / B,$

where C_P is the coefficient (which in no event shall be less than zero) to be multiplied by the Supplemental Tranche Quantities to be Delivered by the Seller in each Scheduled Delivery Month, B is the Supplemental Tranches Dollar Equivalent, and P is the total amount in US Dollars of the prepayments made by the Seller on or prior to the Prepayment Period End Date.

"(e) Cumulative Application. For the avoidance of doubt, any reduction in the Supplemental Tranche Quantities resulting from the application of clause (c) or clause (d) of this Section 7(5) shall be cumulative with any reduction resulting from the application of the other clause thereof."

(e) Amendments to Section 12.

(i) The word "and" immediately preceding subclause (x) of Section 12(1)(a) of the Pre-Paid Forward Gold Purchase Agreement shall be deleted.

(ii) The following shall be inserted immediately prior to the period at the end of subclause (x) of Section 12(1)(a) of the Pre-Paid Forward Agreement: "; and (xi) on a monthly basis, within ten (10) Business Days after the end of each month, a report on the status of the equity to be raised pursuant to Section 12(1)(gg)".

(iii) Section 12(1)(e)(i) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(i) Use of the proceeds of the Gold Prepayment Amount received on the Effective Date shall be limited to: (A) equity investment in the Project Company by the Seller and further equity investment in the Finnish OpCo by the Project Company, (B) capital expenditures with respect to the acquisition, development, and operation of the Laiva Project and (C) the extinguishing of existing debt and/or liabilities of the Seller, the Parent Company, the Project Company, and Finnish OpCo, each in accordance with the Initial Expense Budget, subject to

the terms and conditions of this Agreement, including the negative covenants set forth in Section 12(2).

"(ii) Use of the proceeds of the Gold Prepayment Amount received on the Supplemental Tranche 1 Date and the Supplemental Tranche 2 Date shall be limited to development costs and working capital requirements to restart the operation of the Mine, subject to the terms and conditions of this Agreement, including the negative covenants set forth in Section 12(2)."

(iv) The unamended subclauses (ii) through (v) of Section 12(1)(e) of the Pre-Paid Forward Agreement shall be renumbered as subclauses (iii) through (vi) thereof, respectively.

(v) Section 12(1)(gg) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(gg) Seller Equity Raise. On or prior to the Prepayment Period End Date: (x) raise at least US$7,000,000 in equity (net proceeds, of which Michael Hepworth and Basil Botha shall contribute at least CA$200,000 in the aggregate prior to November 30, 2018), and (y) apply the proceeds of such equity raise as follows:

"(i) *first*, to make prepayments in accordance with Section 7(5) in an aggregate amount equal to the Supplemental Tranches Dollar Equivalent;

"(ii) *second*, to any costs or expenses (including all consulting costs, technical due diligence costs, and legal fees) incurred by the Buyer in connection with the transactions contemplated by Amendment No. 1; and

"(iii) *third*, to development costs and working capital requirements to restart the operation of the Mine."

(vi) The following shall be inserted immediately following Section 12(1)(mm) of the Pre-Paid Forward Agreement:

"(nn) Buyer Fee. Within six (6) months following the Amendment No. 1 Effective Date, pay to the Buyer US$1,500,000 in cash.

"(oo) Non-Dilution. Simultaneously with any equity raise by the Seller until the Seller has raised CA$10,000,000 in equity during the period following the Amendment No. 1 Effective Date, issue sufficient common shares to the Buyer to maintain the Buyer's ownership stake in the Seller at 19.9%.

"(pp) Amendment No. 1 Deliverables. Prior to November 12, 2018, the Seller shall deliver to the Buyer, in form and substance satisfactory to the Buyer in its sole discretion:

"(i) the original share certificates representing the shares issued to the Buyer in connection with the Seller Share Issuance;

"(ii) certified copies of all resolutions by the board of directors or shareholders, as appropriate, of each Guarantor related to the execution, delivery, and performance of Amendment No. 1;

"(iii) a counterpart of the Buyer Royalty Agreement, duly executed by the Buyer, the Seller, and Finnish OpCo;

"(iv) a counterpart of each Security Document securing the Obligors' obligations under the Buyer Royalty Agreement, duly executed by each party thereto;

"(v) counterparts of any amendments to Security Documents which the Buyer considers necessary to secure the full Obligations under this Agreement, as amended by Amendment No. 1;

"(vi) evidence that each Obligor, as applicable, has duly created, perfected and, where applicable, registered as valid and enforceable first priority Liens or other interests or rights of the kind the Security Documents securing the Obligors' obligations under the Buyer Royalty Agreement purport to create over the Collateral; and

"(vii) evidence that Finnish OpCo has renewed all renewable ore prospecting permits and exploration rights, or evidence that such Mining Concessions which are not renewed are not material either to fulfilling the Obligations or to the value of the security interests granted under the Security Documents."

(f) Amendment to Section 13. The following shall be inserted immediately following Section 13(1)(t) of the Pre-Paid Forward Agreement:

"(u) The Mine or any other material property or mining assets of any Obligor is put on care and maintenance.

"(v) The Seller fails to deliver any of the items required under Section 12(1)(pp) prior to November 12, 2018."

(g) Amendment to Section 14. The following shall be inserted immediately following Section 14(5) of the Pre-Paid Forward Agreement:

"(6) In the event that the Buyer seeks to exercise any of its rights or remedies under any Transaction Document following the occurrence of a Seller Event of Default, no Obligor shall impede or delay the Buyer's exercise

of such rights or remedies, including without limitation any applicable rights of the Buyer to appoint managers or directors of the Project Company or Finnish OpCo."

(h) Amendment to Add New Section. The following shall be inserted immediately following Section 23 of the Pre-Paid Forward Agreement:

"Section 24 Supplemental and Equity Financing Remedies

"Without limiting the rights of the Buyer under any other provision of this Agreement, if the Seller fails to raise the equity and make the prepayments required under Section 12(1)(gg) on or prior to the Prepayment Period End Date:

"(1) The Seller shall provide to the Buyer a security package over the upside participation amount described in Section 7(4), to be governed by definitive security documentation acceptable to the Buyer in its sole discretion.

"(2) The Base Minimum Price and Price Point shall be updated on the Prepayment Period End Date, as determined by the Buyer in its sole discretion, as specified in a definitive amendment to this Agreement to be executed by the parties hereto.

"(3) Following the Prepayment Period End Date, on the Monthly Delivery Date of the Scheduled Delivery Month following the end of each Financial Quarter, the Seller shall pay to the Buyer an amount in US Dollars equal to the amount of consolidated cash balance held by the Obligors in excess of US$2,000,000 on the last day of such Financial Quarter. Such payment shall reduce the Seller's obligations to Deliver Gold pursuant to Section 5 by the quotient of: (x) the amount of such cash payment received by the Buyer on such Monthly Delivery Date, *divided by* (y) the Gold Price Discount. Such reduction shall be applied to the Buyer's Delivery obligations as follows:

"(a) *first*, in reverse order of maturity according to the Scheduled Delivery Month for each Delivery, and

"(b) *second*, where multiple quantities of Gold are due to be Delivered on the same Monthly Delivery Date:

"(i) *first*, to any Supplemental Tranche 2 Quantity to be Delivered on such Monthly Delivery Date;

"(ii) *second*, to any Supplemental Tranche 1 Quantity to be Delivered on such Monthly Delivery Date; and

"(iii) *third*, to any other portion of the Scheduled Monthly Quantity for such Monthly Delivery Date;

in each case, which has not already been extinguished pursuant to this Section 24(3) or Delivered.

"(4) The upside participation obligations under Section 7(4) shall survive the termination of this Agreement, including any termination of this Agreement by means of the payment by the Seller of an Early Termination Amount, and any applicable upside participation obligations owing to the Buyer shall not be included in the calculation of any Early Termination Amount."

(i) General Amendments. The unamended Sections 24 through 26 of the Pre-Paid Forward Agreement shall be renumbered as Sections 25 through 27 thereof, respectively.

(j) Amendment to Schedule. Schedule P to the Pre-Paid Forward Agreement shall be deleted in its entirety replaced with Schedule P hereto.

SECTION 3. Contingent Amendments to the Pre-Paid Forward Agreement. On the Contingent Effective Date, the Pre-Paid Forward Agreement shall hereby be amended as set forth in this Section 3 (such amendments, the "Contingent Amendments").

(a) Amendment to Section 1. The following definitions in Section 1 of the Pre-Paid Forward Agreement shall be deleted in their entirety:

"Contract Quantity Exchange Option"

"Exchange Deadline"

(b) Amendments to Section 3.

(i) Subclause (xiv) of Section 3(1)(i) of the Pre-Paid Forward Agreement shall be deleted in its entirety.

(ii) The unamended subclauses (xv) through (xx) of Section 3(1)(i) of the Pre-Paid Forward Agreement shall be renumbered as subclauses (xiv) through (xix), thereof, respectively.

(c) Amendment to Section 5. Section 5(8) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:

"(8) Subject to Section 24(4), at any time, the Seller may request a calculation of the amount then required to prepay its Gold Delivery obligations (the "**Early Termination Amount**"). Upon thirty (30) days' prior written notice, the Seller may cause the early termination of this Agreement by delivering to the Buyer a payment equal to the Early Termination Amount. The Early Termination Amount means an amount equal to:

"(i) the product of the amount of Contract Quantity of Gold that has not been Delivered on any Monthly Delivery Date, excluding the amounts of Gold satisfied by conversion into an obligation of the Seller to pay the Buyer in US Dollars pursuant to Section 5(5), and the Gold Price Discount;

"(ii) *less* the value of any minimum price protection adjustment as described in Section 7(3) (as determined by the Buyer in a commercially reasonable manner);

"(iii) *plus* any other unpaid amounts due and owing to the Buyer;

"(iv) *less* any unpaid amounts due and owing to the Seller;

"(v) *plus* the greater of zero and the product of:

"(A) 50% of the Monthly Payable Production of gold for the later of:

"(x) 69 months following the Effective Date, and

"(y) the final Scheduled Delivery Month, as applicable; and

"(B) an amount equal to the then current Settlement Price minus the applicable Base Spot Price; provided that any amounts that have been satisfied or paid to the Buyer prior to the date of any early termination pursuant to this Section 5(8) shall only be considered once for purposes of any calculation under this Section 5(8)."

(d) Amendment to Section 23. Section 23 of the Pre-Paid Forward Agreement shall be deleted in its entirety (and, for the avoidance of doubt, all the rights and obligations provided for therein shall be terminated) and replaced with the following:

"Section 23 [Reserved]"

SECTION 4. Limited Forbearance.

(a) Effective as of the Amendment No. 1 Effective Date and subject to the terms and conditions set forth herein, the Buyer agrees, until the Prepayment Period End Date:

(i) to forbear from exercising any right or remedy under the Transaction Documents with respect to the Specified Defaults, including, without limitation, (A) bringing any claim under the Transaction Documents, or (B) pursuing any contractual, legal or other remedies, directly or indirectly, available to the Buyer under the Transaction Documents or otherwise; and

(ii) that the Specified Defaults are deemed temporarily waived (the "Forbearance"); it being understood that the Forbearance shall not preclude the Buyer from taking any act, whether through court action, arbitration or otherwise, to preserve and protect its rights and interests in the Collateral.

(b) Except as specifically modified by this Amendment, the Pre-Paid Forward Agreement and the other Transaction Documents shall remain in full force and effect and are hereby ratified and confirmed.

(c) The waiver set forth herein shall be limited precisely as provided for herein to the provisions expressly waived herein and this Amendment shall not be deemed to be a waiver of any right, power or remedy of the Buyer under, or a waiver of, consent to or modification of, any other term or provision of the Pre-Paid Forward Agreement, any other Transaction Document referred to therein or

herein or of any transaction or further or future action on the part of the Obligors which would require the consent of the Buyer.

SECTION 5. Initial Effectiveness. This Amendment shall become effective upon the satisfaction of the following conditions precedent (such date, the "Amendment No. 1 Effective Date"; provided that, for the avoidance of doubt, the amendments in Section 3 shall only become effective on the Contingent Effective Date):

(a) Delivery of Executed Amendment. The Seller shall have delivered to the Buyer, a counterpart of this Amendment duly executed by each of the parties hereto.

(b) No Default or Event of Default. Immediately after giving effect to this Amendment and the transactions contemplated hereby, no Default or Event of Default shall exist under the Pre-Paid Forward Agreement.

(c) Representations and Warranties True. The representations and warranties made by the Seller in the Pre-Paid Forward Agreement and in this Amendment, as applicable, shall be true and correct in all material respects on and as of the date hereof as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date.

SECTION 6. Contingent Effectiveness. The Contingent Amendments shall become effective upon the satisfaction of the following conditions precedent (such date, the "Contingent Effective Date"):

(a) Delivery of Executed Documents. The Seller shall have delivered to the Buyer, in form and substance satisfactory to the Buyer:

(i) the original share certificates representing the shares issued to the Buyer in connection with the Seller Share Issuance;

(ii) certified copies of all resolutions by the board of directors or shareholders, as appropriate, of each Guarantor related to the execution, delivery, and performance of Amendment No. 1;

(iii) a counterpart of the Buyer Royalty Agreement, duly executed by the Buyer, the Seller, and Finnish OpCo;

(iv) a counterpart of each Security Document securing the Obligors' obligations under the Buyer Royalty Agreement, duly executed by each party thereto;

(v) counterparts of any amendments to Security Documents which the Buyer considers necessary to secure the full Obligations under the Pre-Paid Forward Agreement, as amended by this Amendment;

(vi) evidence that each Obligor, as applicable, has duly created, perfected and, where applicable, registered as valid and enforceable first priority Liens or other interests or rights of the kind the Security Documents securing the Obligors' obligations under the Buyer Royalty Agreement purport to create over the Collateral; and

(vii) evidence that Finnish OpCo has renewed all renewable ore prospecting permits and exploration rights, or evidence that such Mining Concessions which are not renewed are not material

either to fulfilling the Obligations or to the value of the security interests granted under the Security Documents.

(b) No Default or Event of Default. Immediately after giving effect to this Amendment and the transactions contemplated hereby, no Default or Event of Default shall exist under the Pre-Paid Forward Agreement.

(c) Representations and Warranties True. The representations and warranties made by the Seller in the Pre-Paid Forward Agreement and in this Amendment, as applicable, shall be true and correct in all material respects on and as of the date hereof as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date.

(d) Payment of Fees and Expenses. The Seller shall deliver to the Buyer evidence of the payment of all outstanding fees and expenses of counsel to the Buyer in connection with this Amendment.

SECTION 7. Representations and Warranties. The Seller hereby represents and warrants (as to itself and as to the Obligors, as applicable) to the Buyer as follows:

(a) Representations and Warranties. The representations and warranties made by such Person in the Pre-Paid Forward Agreement are true and correct in all material respects on and as of the date hereof as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date.

(b) Enforceability. Such Person has duly authorized by all necessary limited liability company action the execution, delivery and performance of this Amendment and the Pre-Paid Forward Agreement, as amended hereby. This Amendment and the Pre-Paid Forward Agreement, as amended hereby, are such Person's legal, valid and binding obligation, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, or other similar Applicable Laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(c) No Default or Event of Default. Immediately after giving effect to this Amendment and the transactions contemplated hereby, no Default or Event of Default shall exist under the Pre-Paid Forward Agreement.

SECTION 8. Further Assurances. The Seller hereby agrees to do, at the Seller's expense, all such things and execute all such documents and instruments as the Buyer may reasonably consider necessary or desirable to give full effect to the transactions contemplated by this Amendment and the documents, instruments and agreements executed in connection herewith.

SECTION 9. Ratification.

(a) Seller. The Seller hereby acknowledges, ratifies, reaffirms and agrees that each of the Transaction Documents to which it is a party, including, without limitation, the Security Documents, are and shall remain in full force and effect and binding on the Seller, and are enforceable in accordance with their respective terms and Applicable Laws. The Seller hereby acknowledges, ratifies, and reaffirms all of the terms and provisions of the Pre-Paid Forward Agreement, except as explicitly modified herein, which are incorporated by reference as of the date hereof as if set forth herein including, without limitation, all promises, agreements, warranties, representations, covenants, releases, and indemnifications contained therein. The Seller hereby further covenants and agrees that each Transaction

Document (including any amendments thereto) to which it is or is purported to be a party was duly authorized and executed by and on behalf of the Seller and is hereby confirmed and ratified in all respects and the obligations of the Seller thereunder remain unimpaired and are in full force and effect.

(b) Guarantors. Without limiting anything set forth in the respective Transaction Documents to which it is a party, each of Finnish OpCo and Marknad, as Guarantors of the Obligations under the Pre-Paid Forward Agreement hereby covenants and agrees that the Guarantee, made pursuant to Section 9 of the Pre-Paid Forward Agreement and the respective Joinder Agreement to which it is a party, is, and shall continue to be, in full force and effect and is hereby confirmed and ratified in all respects. Each Guarantor hereby further covenants and agrees that each Security Document (including any amendments thereto) to which it is or is purported to be a party was duly authorized and executed by and on behalf of such Guarantor and is hereby confirmed and ratified in all respects and the security granted thereunder remains unimpaired and is in full force and effect.

SECTION 10. Remedies. Notwithstanding anything to the contrary set forth in the Pre-Paid Forward Agreement or any other Transaction Document (but without limiting any rights of the Buyer under any of the Transaction Documents), if (a) any representation or warranty made or deemed made by the Seller in this Amendment is found to have been incorrect or misleading when confirmed or made, (b) the Seller fails to perform, observe or comply with any covenant, agreement, or term contained in any Transaction Document, or (c) any Event of Default is continuing, the Buyer shall be entitled immediately to exercise any and all of the Buyer's rights and remedies under this Amendment and each other Transaction Document, at law, in equity, or otherwise, without further notice, opportunity to cure, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to foreclose, notice of sale, notice of protest or other formalities of any kind, all of which are hereby expressly waived by the Seller.

SECTION 11. Acknowledgement of Defaults. The Seller specifically acknowledges: (a) each of the Specified Defaults and (b) that, but for the waivers set forth in Section 4, such Specified Defaults would prevent the Seller from satisfying the conditions precedent in Section 5 and Section 6.

SECTION 12. Reservation of Rights; Remedies and Waivers.

(a) The rights and remedies of the Buyer in relation to any misrepresentation or breach of warranty on the part of the Seller shall not be prejudiced by any investigation by or on behalf of the Buyer into the affairs of the Seller, by the execution or the performance of this Amendment or by any other act or thing that may be done by or on behalf of the Buyer in connection with this Amendment and that might, apart from this Section, prejudice such rights or remedies.

(b) No course of dealing or waiver by the Buyer in connection with any condition precedent under the Pre-Paid Forward Agreement or any other Transaction Document shall impair any right, power or remedy of the Buyer with respect to any other condition precedent, or be construed to be a waiver thereof; nor shall the action of the Buyer with respect to any portion of the Gold Prepayment Amount affect or impair any right, power or remedy of the Buyer with respect to any other portion of the Gold Prepayment Amount.

(c) Unless the Buyer otherwise notifies the Seller and without prejudice to the generality of this Section, the right of the Buyer to require compliance with any condition under this Amendment or any other Transaction Document that may be waived by the Buyer with respect to any portion of the Gold Prepayment Amount is expressly preserved for the purposes of any subsequent portion of the Gold Prepayment Amount.

(d) No course of dealing and no failure or delay by the Buyer in exercising, in whole or in part, any power, remedy, discretion, authority or other right under this Amendment or any other Transaction Document shall waive or impair, or be construed to be a waiver of or an acquiescence in, such or any other power, remedy, discretion, authority or right under this Amendment or any other Transaction Document, or in any manner preclude its additional or future exercise; nor shall the action of the Buyer with respect to any Default, or any acquiescence by it therein, affect or impair any right, power or remedy of the Buyer with respect to any other Default.

SECTION 13. Reference to and Effect on the Pre-Paid Forward Agreement and the Transaction Documents.

(a) Each reference in the Pre-Paid Forward Agreement to "this Agreement" or "the Agreement" shall mean the Pre-Paid Forward Agreement as amended by this Amendment, and as hereafter amended or restated. Except as herein expressly amended, the Pre-Paid Forward Agreement is ratified and confirmed in all respects and shall remain in full force and effect in accordance with its terms.

(b) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of, or amendment to, any right, power or remedy of the Buyer under, or constitute a waiver of or amendment to any other provision of, the Pre-Paid Forward Agreement or any other Transaction Document.

(c) To the extent that the consent of any party hereto, in any capacity, is required under any Transaction Document or any other agreement entered into in connection with any Transaction Document with respect to any of the amendments set forth herein, such party hereby grants such consent.

SECTION 14. Transaction Document. This Amendment shall be a Transaction Document under the Pre-Paid Forward Agreement.

SECTION 15. Costs and Expenses. The Seller agrees to pay on demand all out-of-pocket costs and expenses in connection with the preparation, negotiation, execution, delivery and administration of this Amendment and any other documents to be delivered or filed hereunder or in connection herewith, including all consulting costs, technical due diligence costs, legal fees and disbursements, and other documented fees and expenses.

SECTION 16. **GOVERNING LAW. THIS AMENDMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF).**

SECTION 17. Execution in Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

SECTION 18. Severability. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

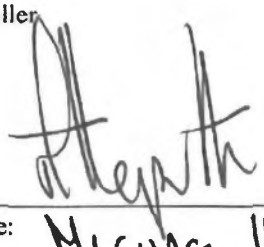
SECTION 19. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment or be given any substantive effect.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

NORDIC GOLD CORP.,

as Seller



By:_____
Name: MICHAEL HEYWORTH
Title: CEO

PFL RAAHE HOLDINGS LP,
By Pandion Mine Finance GP, LLC,
the General Partner of PFL Raahe Holdings LP
as Buyer

By: _____
Name: Joseph Archibald
Title: Authorized Signatory

NORDIC MINES MARKNAD AB,

as Guarantor

By: _____

Name: M. HEPWORTH

Title: DIRECTOR

NORDIC GOLD OY,

as Guarantor

By: _____

Name: M. Hemmonen

Title: Director

Schedule P — Delivery Schedule

	Month	Prepay Amount (US$)	Effective Date Tranche Quantity (Au oz / mo)	Supplemental Tranche 1 Quantity (Au oz / mo)	Supplemental Tranche 2 Quantity (Au oz / mo)	Total Quantity (Au oz / mo)
	Dec-17	20,000,000				
1	Jan-18		-			-
2	Feb-18		-			-
3	Mar-18		-			-
4	Apr-18		-			-
5	May-18		-			-
6	Jun-18		-			-
7	Jul-18		-			-
8	Aug-18		-			-
9	Sep-18		-			-
10	Oct-18	3,000,000	-			-
11	Nov-18	4,000,000	-	-		-
12	Dec-18		-	-	-	-
13	Jan-19		-	-	-	-
14	Feb-19		-	-	-	-
15	Mar-19		-	-	-	-
16	Apr-19		-	-	-	-
17	May-19		-	-	-	-
18	Jun-19		-	-	-	-
19	Jul-19		-	-	-	-
20	Aug-19		-	-	-	-
21	Sep-19		-	-	-	-
22	Oct-19		-	-	-	-
23	Nov-19		-	-	-	-
24	Dec-19		-	-	-	-
25	Jan-20		(2,200)	(220)	(275)	(2,695)
26	Feb-20		(2,070)	(200)	(255)	(2,525)
27	Mar-20		(2,070)	(200)	(256)	(2,525)
28	Apr-20		(2,070)	(200)	(255)	(2,525)
29	May-20		(2,070)	(200)	(255)	(2,525)
30	Jun-20		(2,070)	(200)	(255)	(2,525)
31	Jul-20		(2,070)	(200)	(255)	(2,525)
32	Aug-20		(2,070)	(200)	(255)	(2,525)
33	Sep-20		(2,070)	(200)	(255)	(2,525)
34	Oct-20		(2,070)	(200)	(255)	(2,525)
35	Nov-20		(2,070)	(200)	(255)	(2,525)
36	Dec-20		(2,070)	(200)	(255)	(2,525)
37	Jan-21		(2,070)	(200)	(255)	(2,525)
38	Feb-21		(1,940)	(180)	(220)	(2,340)
39	Mar-21		(1,940)	(180)	(220)	(2,340)
40	Apr-21		(1,940)	(180)	(220)	(2,340)
41	May-21		(1,940)	(180)	(220)	(2,340)
42	Jun-21		(1,940)	(180)	(220)	(2,340)
43	Jul-21		(1,940)	(180)	(220)	(2,340)
44	Aug-21		(1,940)	(180)	(220)	(2,340)
45	Sep-21		(1,940)	(180)	(220)	(2,340)
46	Oct-21		(1,940)	(180)	(220)	(2,340)
47	Nov-21		(1,940)	(180)	(220)	(2,340)
48	Dec-21		(1,940)	(180)	(220)	(2,340)
49	Jan-22		(1,940)	(180)	(220)	(2,340)
50	Feb-22		(980)	(245)	(345)	(1,570)
51	Mar-22		(980)	(245)	(345)	(1,570)
52	Apr-22		(980)	(245)	(345)	(1,570)
53	May-22		(980)	(245)	(345)	(1,570)
54	Jun-22		(980)	(245)	(345)	(1,570)
55	Jul-22		(980)	(245)	(345)	(1,570)
56	Aug-22		(980)	(245)	(345)	(1,570)
57	Sep-22		(980)	(245)	(345)	(1,570)
58	Oct-22		(980)	(245)	(345)	(1,570)
59	Nov-22		(980)	(245)	(345)	(1,570)
60	Dec-22		(980)	(245)	(345)	(1,570)
61	Jan-23		(980)	(245)	(345)	(1,570)
62	Feb-23		(1,090)	(230)	(330)	(1,650)
63	Mar-23		(1,090)	(230)	(330)	(1,650)
64	Apr-23		(1,090)	(230)	(330)	(1,650)
65	May-23		(1,090)	(230)	(330)	(1,650)
66	Jun-23		(1,090)	(230)	(330)	(1,650)
67	Jul-23		(1,090)	(230)	(330)	(1,650)
68	Aug-23		(1,090)	(230)	(330)	(1,650)
69	Sep-23		(1,090)	(230)	(330)	(1,650)
70	Oct-23					-
71	Nov-23					-
72	Dec-23					-
73	Jan-24					-
74	Feb-24					-
	TOTAL	27,000,000	(79,800)	(9,580)	(12,755)	(93,115)

This is **Exhibit "K"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Bridgeport, Connecticut, United States of America, on January 7, 2022.

Anne Ferris Cassidy

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Vancouver, BC, October 17, 2018 **Trading Symbol: TSX-V: NOR**

NEWS RELEASE

Nordic Gold Secures Funding to Complete the Path to Production

NORDIC GOLD CORP. (TSX-V: NOR) ("Nordic" or the "Company") is pleased to announce that it has reached an agreement with PFL Raahe Holdings LP ("**PFL**") to provide US$7,000,000 in additional funding (the "**Supplemental Tranches**") to enable the Company to reach production at the Laiva Gold Mine. PFL is an investment vehicle controlled by Pandion Mine Finance Fund, LP ("**Pandion**").

The mine is a past producer, is fully built and fully permitted. On October 11th, Laiva received written approval for startup. Mining started on August 5th. 1st gold pour is scheduled for November 27th, 2018.

The terms of the Supplemental Tranches are as follows:

- PFL will provide US$3,000,000 immediately and another US$4,000,000 in November 2018, subject to conditions precedent, as partial consideration for the purchase of gold under the Pre-Paid Forward Gold Purchase Agreement (as amended, the "**PPF Agreement**") dated November 10, 2017. The Supplemental Tranches will be in addition to the US$20,600,000 provided in December 2017.
- Nordic will be obligated to deliver to Pandion an additional scheduled monthly quantity of gold at a price equal to the then-current spot price, less a specified discount.
- Required gold deliveries related to the Supplemental Tranches may be reduced or cancelled entirely by Nordic prior to June 30, 2019 through the payment of the full amount of the Supplemental Tranches.
- Nordic will use its best efforts to raise US$7,000,000 in a private placement to

reduce or cancel the gold deliveries related to the Supplemental Tranches. Executive Chairman, Basil Botha and Chief Executive Officer, Michael Hepworth, will invest an additional $200,000 through a participation in the private placement.

- A cash sweep will be added to the PPF Agreement, requiring any cash above a balance of US$2,000,000 from the Company's operations be used, in part, to reduce the delivery obligations. This will be cancelled upon payment by Nordic of the full amount of the Supplemental Tranches by June 30, 2019.
- The start date of gold deliveries under the PPF Agreement has been extended to January 2020 from May 2019.

Nordic announced on September 6, 2018 that it had reached an agreement with PFL to amend additional terms and provisions of the PPF Agreement.

The parties have agreed to remove the entirety of Section 23 of the PPF Agreement, which allowed PFL to elect, in lieu of delivery of 24,000 ounces of gold (from the restart of the *Laiva Gold Mine*), to exchange such 'gold delivery' for up to 270 million common shares of Nordic ("**Nordic Shares**") in increments of 100 ounces of gold equal to 1,125,000 Nordic Shares, subject to PFL restricting such exercise at any time such that it would not, following exercise, own more than 20% of the Nordic Shares.

In return for the removal of Section 23, the parties have agreed to the following:

(i) PFL will be granted a 2.5% net smelter return ("**NSR**") on gold production from the *Laiva Gold Mine*.

(ii) PFL will be issued 36.5 million Nordic Shares – representing 19.99% of the outstanding Nordic Shares following such issue.

(iii) Simultaneous with any subsequent equity raise by the Company, until the Company has raised CA$10,000,000 in equity, PFL will be issued sufficient common shares to maintain PFL's ownership stake in the Company at 19.99%.

(iv) Nordic will make a payment of US$1,500,000 to PFL within six months of entering into the amendment to the PPF Agreement.

The foregoing amendments have been given provisional approval of the TSX Venture Exchange.

The PPF Agreement includes provisions for early buy back. Nordic has advised Pandion that it intends to exercise such provisions.

Michael Hepworth, President and Chief Executive Officer said, "The gold forward sale initially enabled our small company with a market cap of around $3,000,000 to acquire a high-value, fully-built and permitted mine for around $25,000,000. The previous owners,

Nordic Mines AB, invested €220,000,000 to build the Laiva Gold Mine. In addition, there is a US$155,000,000 tax loss carry-forward provision in place that the Finnish government has already approved for Nordic's use should the company accrue taxable income."

"Our financing options have significantly increased, now that the project is largely de-risked, and first gold is scheduled to be poured on November 27th, 2018. The PEA gives us an after tax NPV of US$69 million and a 1.7-year payback. As production is expected to be 67,000 ounces of gold in the first 12 months, this means that some debt is now an option and consequently we intend to refinance at more favorable terms. "

Nordic is already in discussion with several banks and several potential strategic investors, with regard to a refinancing. The goal is to have such financing in place by May 2019.

The Company also amended the terms of its non-brokered private placement, announced on September 6, 2018. Specifically, Nordic announced that it intends to reprice the previously announced private placement to raise up to $10,000,000 in gross proceeds. Nordic now plans to issue units ("**Units**") consisting of one Nordic common share and a full warrant (each a "**Warrant**") at $0.10 per Unit. Each Warrant forming part of the Units will be exercisable for 24 months at $0.13 per share and will contain an early acceleration clause if the common shares trade above $0.25 for 30 consecutive days.

All announcements in this press release remain subject to the receipt of all necessary regulatory approvals, including acceptance by the TSX Venture Exchange. The securities issued under the private placement will be subject to a four month hold period under applicable Canadian securities laws.

For further information, please contact:

Michael Hepworth
President and Chief Executive Officer
(416) 419 5192
mhepworth@nordic.gold
www.nordic.gold

For up to the minute news, industry analysis and feedback follow us on Facebook, LinkedIn and Twitter.

About the Company

Nordic Gold Corp. is a junior mining company with a near production gold mine in Finland. The Laiva Gold Mine is fully built, fully permitted and financed to production via a gold forward sale agreement. Production is scheduled to start in the 4th quarter of 2018.

The Company's name was changed from Firesteel Resources Ltd. to Nordic Gold Corp. on August 9, 2018.

A recently released PEA was conducted by John T. Boyd Company of Denver, Colorado ("**Boyd**").

Summary of the PEA results include:

Model	IRR	NPV 5	Payback (Yrs)
Pre-Tax	44.6%	$91,540,000	1.7
After Tax wo/tax losses	36.5%	$68,965,000	2.1
After Tax w/tax losses	44.4%	$90,728,000	1.7

Other Highlights include:

- **Pre-production capex $7,115,103.**
- **75,981 ounces of average annual gold production at a cash cost of $863 per ounce and AISC of $974 per ounce.**
- **Measured mineral resources of 355,000 tonnes at 1.132 g/t Au and Indicated mineral resources of 3,442,000 tonnes at 1.248 g/t Au.**
- **Inferred mineral resources of 9,030,000 tonnes at 1.531 g/t Au.**
- **Mill grade of 1.45 grams per tonne with a recovery of 90.4%.**
- **Life of Mine production of 456,600 ounces gold over a 6-year mine life.**

The PEA is preliminary in nature and includes Inferred Mineral Resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that PEA results will be realized. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

As previously announced, when Nordic acquired the Laiva Gold Mine, the Company was granted, €131,716,248 in tax loss provisions which may be used to offset future taxes should taxable income be earned in Finland prior to expiration of the tax loss carry forwards. The tax loss provisions expire between 2020 and 2028 (see the Company's audited financial statements for the year ended January 31, 2018 for detailed disclosure of the expiration schedule). The recognition of the tax loss carry-forwards has a material impact on the economic assessment of the Laiva Gold Mine project and are contingent upon the Company achieving taxable net income per Finnish tax laws.

Nordic Gold's management has identified several opportunities outside of the scope of the mine plan studied in the PEA, which could further improve the mine plan and the economics of the project. Most important of these being the three additional 100% owned exploration properties close to the mine. Nordic is currently conducting magnetic surveys on all of the company's properties. All three properties are fully permitted for exploration.

The report also identifies near mine targets for exploration as potentially 3.2 to 5.1 million tonnes grading at 1.25 to 1.45 grams per tonne. This estimate is based on drilling beneath the south and north pits at depths up to 250 m below surface and is open at depth. Further infill and step-out drilling is required to test these targets. Grade estimate is based on assuming the same weighted average grade of the measured, indicated and inferred resources reported in the Boyd report. The report also identifies a target in the eastern extension as potentially 0.85 to 3.2 million tonnes grading 1.25 to 1.45 grams per tonne. This estimate is based on three to five mineralized zones of 200 m to 300 m length, 50 m to 75 m vertical extent and 10 m width. Drilling has identified multiple mineralized zones up to 750 m from the north pit that extend to depths of at least 100 m. Grade estimate is based on intercepts of reconnaissance drilling and the weighted average grade of the measured, indicated and inferred resources reported in the Boyd report. The exploration targets are conceptual in nature as there has been insufficient exploration work to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. The economics of the PEA do not include these exploration opportunities.

Mineral Resources:

Mineral Resources were prepared by JT Boyd (Nordic Press Release August 21, 2017).

Classification	Au g/t	Tonnes	Contained Au (troy ozs)
Measured	1.132	355,000	13,000
Indicated	1.248	3,442,000	138,000
Measured + Indicated	***1.237***	***3,797,000***	***151,000***
Inferred	1.531	9,030,000	445,000

1. The effective date of the estimate is August 9, 2017.
2. The mineral resources presented here were estimated using a block model with a block size of 9 m by 9 m by 9 m sub-blocked to a minimum of 3 m by 3 m by 3 m using ID^3 methods for grade estimation. All mineral resources are reported using an open pit gold cut-off of 0.40 g/t Au.
3. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially

affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.

4. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be expected to be upgraded to an Indicated Mineral Resource with continued exploration.
5. Other than an economic pit shell no attempt has been made to apply a mining dilution or a mining recovery factor.
6. Mineral resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM"), CIM Standards on Mineral Resources and Reserves, Definition and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
7. Numbers may not add due to rounding.

Disclosure: Companies typically rely on comprehensive feasibility reports on mineral reserve estimates to reduce the risks and uncertainties associated with a production decision. The Company has not completed a feasibility study on, nor has the Company completed a mineral reserve estimate at the *Laiva Gold Mine* and as such the financial and technical viability is higher risk than if this work had been completed. Based on historical engineering and geological reports, historical production data and current engineering work completed or in process by Nordic Gold, the Company intends to move forward with the development of this asset.

The Company further cautions that it is not basing any production decision on a feasibility study of mineral reserves demonstrating economic and technical viability, and therefore there is a much greater risk of failure associated with its production decision. In addition, readers are cautioned that inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves.

Nordic Gold currently has one highly prospective property in British Colombia. The Star Property is currently operated under a Joint Venture agreement between Nordic (49%) and Prosper Gold. (TSX-V: PGX) (51%).

Qualified Person

The scientific and technical information in this news release has been reviewed and approved by Paul Sarjeant, P.Geo., a Qualified Person under National Instrument 43-101 and a director of the Company.

About Pandion Mine Finance, LP

Pandion Mine Finance, LP is the general partner of PFL Raahe Holdings LP and is a mining-focused investment firm backed by MKS PAMP Group and Ospraie Management, LLC that provides flexible financing solutions to developing mining companies.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

Advisory Regarding Forward Looking Statements

This news release contains forward-looking statements. Users of forward-looking statements are cautioned that actual results may vary from forward-looking statements contained herein. Forward-looking statements include, but are not limited to: expectations, opinions, forecasts, projections and other similar statements concerning anticipated future events, conditions or results that are not historical facts. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". While the Company has based these forward-looking statements on its expectations about future events as at the date those statements were prepared, the statements are not a guarantee of the Company's future performance. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it cannot give any assurance that such expectations will prove to be correct.

The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement and are made as of the date of this new release. Unless otherwise required by applicable securities laws, the Company does not intend nor does it undertake any obligation to update or review any forward-looking statements to reflect subsequent information, events, results or circumstances or otherwise.

This is **Exhibit "L"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Bradford, Connecticut, United States of America, on January 7, 2022.

Anne Ferris Cassidy

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Execution Copy

THIS NET SMELTER RETURNS ROYALTY AGREEMENT dated with effect as of the 8th day of November, 2018.

B E T W E E N:

NORDIC GOLD OY, a limited company incorporated under the laws Finland

(hereinafter referred to as, the "**Owner**")

- and -

PFL RAAHE HOLDINGS LP, a limited partnership organized under the laws of the Province of Ontario, Canada

(hereinafter referred to as, the "**Holder**")

- and -

NORDIC GOLD CORP., a company incorporated under the laws of the Province of Alberta, Canada

(hereinafter referred to as, the "Guarantor")

WHEREAS the Owner is the holder of a 100% title in and to the Mine Properties (as defined herein).

AND WHEREAS pursuant to a Pre-Paid Forward Gold Purchase Agreement dated November 10, 2017 between, among others, the Guarantor as Seller, the Owner as Guarantor and the Holder as Buyer, and each other person that may from time to time become a Guarantor (each as defined therein) (the **"Pre-Paid Forward Agreement"**), as amended by the Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement dated October 15, 2018 (the **"Amendment and Forbearance No. 1"**), the Guarantor has agreed to sell a certain quantity of gold to the Holder and the Holder has made certain prepayments to the Guarantor, subject to the terms and conditions of the Pre-Paid Forward Agreement (as amended by the Amendment and Forbearance No. 1).

AND WHEREAS the entry into and execution and delivery of this Agreement by the parties hereto is a condition under the Amendment and Forbearance No. 1 to the effectiveness of certain amendments to the Pre-Paid Forward Agreement set out in Amendment and Forbearance No. 1.

AND WHEREAS in furtherance of the foregoing, the Owner has herein agreed to grant to the Holder a two and one half percent (2.5%) Net Smelter Returns Royalty payable on all Minerals mined, produced or otherwise recovered from the Mine Properties, the Mining Concessions and/or the Mine.

AND WHEREAS the Guarantor has agreed to guarantee to the Holder the due and

punctual performance by the Owner of all of the Owner's obligations, covenants, agreements and representations and warranties arising under or pursuant to the terms of this Agreement.

NOW THEREFORE in consideration of the foregoing and the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, it is agreed as follows:

1. Definitions

Whenever used in this Agreement, the following words and terms have the following meanings (whether or not also defined in the Pre-Paid Forward Agreement or in Amendment and Forbearance No. 1):

(a) **"Acquired Interest"** means any direct or indirect mineral right, title or interest (including, without limitation, any royalty or similar interest based on the value or quantity of minerals produced) in or to any real property or any right in or to any real property, which is acquired by or on behalf of the Owner or any Affiliate of the Owner in any manner or form whatsoever and which lies wholly or partly within the area that is two kilometers from the circumambient boundaries of any part of the Mine Properties as they exist on the date hereof (and which foregoing circumambient boundaries shall be extended to include the boundaries of any Acquired Interest) (such two kilometer area (as may be extended), the "**Area of Interest**"), including any interest into which any of the Mine Properties, such Acquired Interest or such real property may hereafter be converted or replaced by a new right, title or interest (including by lapse and re-acquisition).

(b) **"Affiliate"** has, with respect to the relationship between two or more companies, the meaning given to it under the corporate statutory laws of the State of New York and, with respect to the relationship between two or more Persons any of which are not bodies corporate, a Person shall be deemed to be an Affiliate of another Person if one of them is controlled by the other or if both are controlled by the same Person, and for this purpose, control means the right, directly or indirectly, to direct or cause the direction of the management of the affairs of a Person, whether by ownership of securities, by contract or otherwise.

(c) "**Authority**" means any national, regional, state, municipal or local government or governmental, administrative, fiscal, judicial, arbitral or government body, department, commission, authority, tribunal, agency, entity or central bank, having jurisdiction.

(d) **"Business Day"** for the purposes of the Calculation Price, means any day other than a Saturday or Sunday or any day that is a statutory or civic holiday in London, England and, for any other purpose, means any day other than a Saturday, Sunday or any day that is a statutory or civic holiday in London, England, New York City, New York, Toronto, Ontario, Stockholm, Sweden or Helsinki, Finland.

(e) **"Calculation Price"** means in respect of Minerals credited to the account of or sold or otherwise disposed of by the Owner for value, the Spot Price on the Business Day that

the Owner's account is credited with such Minerals or with the U.S. dollar cash equivalent monetary value thereof.

(f) **"IFRS"** means, in relation to any Person at any time, the International Financial Reporting Standards, applied on a basis consistent with the most recent audited financial statements of such Person (except for changes approved by the auditors of such Person).

(g) **"Interest"** has the meaning given to it in Section 3(f).

(h) **"LIBOR"** means: (a) for any calculation date that is a Business Day, an interest rate per annum equal to the average of the rates which leading banks in the London interbank markets shall quote and offer to the Buyer for placing overnight deposits on such day with the Buyer in US Dollars ("LIBOR") at approximately 10:00 a.m. (London time) two Business Days prior to such date; and (b) for any calculation date that is not a Business Day, LIBOR at approximately 10:00 a.m. (London Time) on the Business Day prior to such date. Notwithstanding the foregoing, if LIBOR shall be less than 0%, such rate shall be deemed to be 0% for purposes of this Agreement.

(i) **"Mine"** means that certain mine known as the *Laiva Mine*, located in Northern Ostrobothnia, western Finland, centred on 2328500 mE, 7161000 mN (Finnish Coordinate System, Zone 2), situated 20 km southeast of the nearest town, Raahe, and 70 km south of Oulu, with is the closest regional centre.

(j) **"Mine Properties"** for the purposes of this Agreement includes: (i) the properties registered under real estate register number 678-411-15-68 with an area of 287.3 hectares located in Raahe, Finland registered on August 25, 2012 and as number 678-412-88-5 with an area of 610.6 hectares located in Raahe, Finland registered on July 29, 2011, (ii) the Mining Concessions, (iii) the Mine, and (iv) any Acquired Interests.

(k) **"Minerals"** means any and all marketable minerals or materials (including Produced Gold) in whatever form or state that is mined, extracted, removed, produced or otherwise recovered or derived from the Mine Properties, including any such material derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from the Mine Properties or the Mining Concessions, and including ore and/or mineralized rock or other products resulting from the further milling, processing or other beneficiation of Minerals, including concentrates or doré bars.

(l) **"Mining Concessions"** means those Mining Concession rights granted by any Finnish Authority, as identified on Schedule "A", as amended, supplemented or replaced from time to time, including, but not limited to, "step-in" rights, and any other rights interests and privileges, and any other mining concession, transferred to or acquired by the Owner, any Affiliate of the Owner, the Guarantor or any Affiliate of the Guarantor, or any future extraction concession or right with respect to any area within any such concessions transferred to or acquired by the Owner, any Affiliate of the Owner, the Guarantor or any Affiliate of the Guarantor, including any surface, mineral or subsurface lands or other property or contractual mineral right within the area of the said concessions.

(m) **"Net Smelter Returns"** means (i) the gross proceeds received by the Owner or an Affiliate of the Owner from the production, sale or other disposition of Minerals or, (ii) in

the event of a sale of Minerals to an Affiliate of the Owner or in the event that the account of the Owner at a Processor is credited with Minerals processed by the Processor, the greater of the actual gross proceeds received or the gross value of Minerals so credited to the Owner calculated on the basis of the aggregate quantity of such Minerals so credited during the relevant time period multiplied by the Calculation Price, less costs and expenses (and no other costs and expenses) solely and directly comprising transportation costs, including related insurance costs, for transportation of Minerals from the Mine Properties to a Processor or to the point of sale, any secondary marketing or sales costs actually incurred and related to the sale of Minerals and all direct charges and/or costs charged by the Processor of the Minerals, including penalties, if any (provided such charges, costs and/or penalties have not been previously deducted by the Processor). Provided that if any secondary stage smelting, refining, minting and/or further processing is carried out at facilities owned or controlled, in whole or in part, by the Owner, then the charges and costs for such smelting, refining, minting and/or further processing of such Minerals shall be the lesser of: (A) the charges and costs the Owner would have incurred if such secondary stage smelting, refining, minting and/or further processing was carried out at facilities that are not owned or controlled by the Owner and that are offering comparable services for comparable products; and (B) the actual charges and costs incurred by the Owner with respect to such smelting, refining, minting and/or further processing.

(n) **"Person"** means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability corporations, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, business trusts or other organizations, whether or not legal entities.

(o) **"Place of Delivery"** means the place or account directed by the Holder in writing.

(p) **"Processor"** means any secondary stage smelter, refinery, mint or other further processor of the Minerals which secondary stage or further processes any Minerals before sale or other disposition by the Owner, but does not include any primary stage mill, leach facility or other primary concentration process or processor.

(q) **"Produced Gold"** means any and all gold in whatever form or state that is mined, produced, extracted or otherwise recovered from the Mine Properties, including any gold derived from any processing or reprocessing of any tailings, slag, waste rock or other waste products originally derived from the Mine Properties, and including gold contained in any ore and/or mineralized rock or other products resulting from the further milling, processing or other beneficiation of Minerals, including concentrates, doré bars and gold in the form of Refined Metal.

(r) **"Refined Metal"** means gold, silver, lead, copper, zinc, platinum group or other marketable metals produced from Minerals and refined to standards meeting or exceeding commercial standards for the sale of such as refined metals.

(s) **"Royalty"** means the payments to be made to the Holder described in Section 2 of this Agreement.

(t) **"Spot Price"** on any given date means (i) in the case of Minerals that are gold, the price of gold in U.S. dollars on the London Bullion Market, Afternoon Fix on such date; (ii) in the case of Minerals that are silver, the price of silver in U.S. dollars on the London Bullion Market on such date, (iii) in the case of all other Minerals, the price per unit in U.S. dollars for the relevant Minerals as quoted on the London Metal Exchange, and (iv) in respect of other Minerals or Mineral products not referenced on any exchange, to a standard industry publication containing prices or quotations of the prices or quotations at which such Minerals or Mineral products of equivalent types and qualities are being sold or purchased, as determined by the Holder (an **"Industry Publication"**) or, if an Industry Publication is not available, then by such other means as may establish the prices or quotations at which such Minerals or Mineral products of equivalent types are being sold and purchased, as determined by the Holder. If for any reason the London Bullion Market or the London Metal Exchange are no longer in operation, the "Spot Price" of such Minerals shall be determined by reference to the price of such Minerals on another commercial exchange, as determined by the Holder. The exchange rate used to convert a "Spot Price" for Minerals from U.S. dollars to any other currency on a particular date shall be determined on the basis of the Bank of England noon exchange rate for U.S. dollars on such day.

2. Grant of Royalty

The Owner hereby grants to and in favour of and agrees to pay to the Holder, a royalty (the **"Royalty"**) equal to two and one-half percent (2.5%) of Net Smelter Returns. The Owner and the Holder expressly acknowledge and agree that the grant of the Royalty herein is effective as of the date of this Agreement and is intended to be binding upon the successors and assigns of the Owner and all successors of the Owner in title to the Mine Properties.

3. Time and Manner of Royalty Payments

(a) The Royalty shall be calculated and paid for each fiscal quarter of each calendar year during the term of this Agreement (a **"quarter"**) (i.e., each succeeding three month period of a calendar year, the first quarter commencing on January 1st), commencing with the quarter (or the remainder thereof) in which the effective date of this Agreement falls. The Royalty for each quarter shall be paid to the Holder by the Owner by certified cheque, bank draft or wire transfer (in the sole and absolute discretion of the Holder) in U.S. Dollars, on or before the day that is thirty (30) days after the last day of each quarter. Any adjustment to the determination of any Royalty payment shall be made on the next scheduled Royalty payment. All such Royalty and adjustment payments shall be delivered to the Holder at the Place of Delivery in such manner as specified in writing by the Holder.

(b) The Holder shall have the right, in its sole and absolute discretion, to elect once every quarter to receive Royalty payments in respect of Minerals in the physical product in kind in the form of Refined Metal or concentrate, free and clear of all encumbrances, liens or rights of others. In order to receive Royalty payments in such physical product in kind, the Holder shall provide the Owner with written notice to receive payment in the physical product in kind not less than ninety (90) days prior to the last day of the calendar quarter preceding the quarter for which the Royalty payments are to be paid to the Holder in

kind. For greater certainty, if the Holder has not provided the Owner with such written notice to receive such Royalty payments in the physical product in kind, the Owner shall pay, and the Holder shall receive, such Royalty payments in accordance with Section 3(a). The foregoing right of the Holder to receive such Royalty payments in the physical product in kind shall be subject to the following:

(i) delivery of payment in kind shall be to the account of the Holder at the Processor at which Minerals are refined or otherwise processed or to an allocated or unallocated metal account of the Holder or any other Person, as the Holder may direct in writing; and

(ii) the Owner should be given not less than the minimum prior notice of the exercise of such right by the Holder as contemplated in this Section 3(b) above, before being obliged to deliver such payment in kind in the form of Refined Metals.

(c) At least sixty (60) days prior to each calendar year during the Term, the Owner shall deliver to the Holder a reasonably detailed and reasoned estimate specific to the Mine Properties and any operating mine therein, thereon or thereunder, of the proven and probable Mineral reserves and the measured, indicated or inferred Mineral resources, on, in or under such properties and the known respective grade of each Mineral reserve and/or resource, together with a summary of the Mine and Minerals production plan for the next ensuing calendar year.

(d) At the time each Royalty payment is paid or delivered in kind to the Holder, the Owner shall prepare and deliver to the Holder a statement setting out in reasonable detail the manner in which such Royalty payment was calculated, including: (i) the quantities of Minerals sold or otherwise disposed of by the Owner with respect to such quarter or the amount of Minerals produced and credited to the account of the Owner for such quarter, as the case may be; (ii) the quantities of Minerals to which such Royalty payment is applicable; (iii) the calculation of the applicable Net Smelter Returns (including both provisional and final settlement payments or credits); (iv) the Calculation Price for applicable Minerals, (v) the calculation of Interest accrued on such Royalty payment, if any; and (vi) in the event of any commingling as contemplated in Section 5, a detailed summary of the determination by the Owner of the quantity of Minerals commingled in accordance with Section 5 and subject to the Royalty.

(e) Notwithstanding the terms of any other provision in this Agreement, the Owner shall not be obligated to make any Royalty payment before the Owner has received or come into possession of, or been credited with, or received or been credited with payment for the sale or other disposition of, Minerals.

(f) The Holder may object in writing to any statement or Royalty payment amount within twenty-four (24) months of the receipt by the Holder of the relevant statement in respect of such payment. If it is determined by agreement of the parties or by arbitration that any Royalty payment has not been properly paid in full as provided herein, the Owner shall pay interest on the delinquent payment at a rate per annum of LIBOR plus 3% per annum, ("**Interest**"), commencing on the date on which such delinquent payment was properly due and continuing until the date on which the Holder receives payment in full of such delinquent payment and all accrued interest thereon. For the purposes of this

subsection, LIBOR shall be determined commencing as of the date on which such delinquent payment was properly due.

(g) If it is determined by agreement of the parties or by arbitration that any Royalty payment was overpaid, the Owner shall be entitled to offset such amount against the next Royalty payment, without interest.

(h) All Royalty payments, including Interest, if any, will be made subject to withholding or deduction in respect of the Royalty for, or on account of, any present or future taxes imposed or levied on such Royalty payment to the account of the Holder by or on behalf of any Authority having power and jurisdiction to tax and for which the Owner is obligated in law to withhold or deduct and remit to such Authority. The Owner shall set out in the statement referred to in Section 3(d) any amount so withheld.

(i) All waste rock, tailings or other waste products resulting from the mining, milling or other processing of ores derived from the Mine Properties or Mining Concession from and after the date of this Agreement shall be the sole and exclusive property and responsibility of the Owner, but shall be subject to the Royalty and the terms of this Agreement, including the provisions in respect of commingling, if such tailings or other waste products are processed in the future resulting in the production of Minerals therefrom.

(j) If the Owner or an Affiliate of the Owner acquires an Acquired Interest during the term of this Agreement which lies wholly or partly within the Area of Interest, the Owner shall within 30 days of such acquisition give notice of such acquisition of such Acquired Interest to the Holder, together with copies or summaries of all related geological and other data in its possession, and the definition of Mine Properties herein shall be expanded to include such Acquired Interest and this Agreement and the Royalty shall apply to such Acquired Interest and all Minerals therein, thereon or thereunder.

4. Term

This Agreement shall commence on the date first set out above and shall continue for a period not to exceed one hundred years (calculated from the date of this Agreement), it being the intent of the parties hereto that the Royalty shall constitute a covenant running with and binding upon the title to the Mine, the Minerals, the Mine Properties and the Mining Concessions and all accessions thereto and all successions or renewals or replacements or derivations thereof, whether created privately or through action of any Authority, and binding upon the successors and assigns of the Owner and the successors in title to the Mine Properties.

5. Commingling

(a) Subject to Subsection 5(b) below, the Owner shall be entitled to commingle Minerals from the Mine Properties and from any other properties of the Owner, during the stockpiling, milling (concentrating), smelting, refining, minting or further processing of Minerals produced from the Mine Properties, but, for greater certainty, not at any time during the mining phase of production.

(b) Before any Minerals are commingled with ores or minerals from any other properties, including stockpiling, the Minerals shall be identified as to source and measured and sampled in accordance with good mining and metallurgical practices. Representative samples of the Minerals shall be retained by the Owner and assays and appropriate analyses of these samples shall be made before commingling to determine mineral, moisture and other appropriate content of the Minerals. From this information, the Owner shall determine the quantity of the Minerals subject to the Royalty notwithstanding that the Minerals have been commingled with ores or minerals from other properties. For clarity, the Owner and the Holder acknowledge that if Minerals are commingled and processed with similar mineral products derived from other properties, the determination of Net Smelter Returns and of the permissable deduction of the expenses described in Section 1(m), shall be determined on a proportionate mineral content basis among the commingled Minerals and the other commingled mineral products derived from other properties, in accordance with good mining and metallurgical industry practices. The Owner shall retain such materials and data for at least thirty-six (36) months from their date of production.

6. Hedging Transactions

All profits, losses and expenses resulting from the Owner engaging in any commodity futures trading, option trading, metals trading, metal loans, and any other hedging transactions or any combination thereof (collectively "**hedging transactions**") are specifically excluded from calculations of Royalty payments pursuant to this Agreement. All hedging transactions shall be for the Owner's sole account and shall not affect the calculation and payment to the Holder of the Royalty which shall be calculated and paid in accordance with the terms of this Agreement without regard for any hedging transactions.

7. Stockpiling

The Owner or operator shall be entitled after the mining phase to temporarily stockpile, store or place ores or mined rock containing Minerals produced from the Mine Properties in any locations owned, leased or otherwise controlled by the Owner or its Affiliates, or the Processor, on or off the Mine Properties, provided the same are appropriately identified and secured from loss, theft, tampering and contamination.

8. Books; Records; Inspections

(a) The Owner shall keep complete and accurate books and records of all of its operations and activities with respect to the Mine Properties and the Mine (and any other mine on, in or under the Mine Properties), including the mining of Minerals therefrom and the milling and other treatment, processing, refining and transportation of Minerals derived therefrom (including any transportation to a Processor and any commingling in compliance with Section 5), prepared in accordance with IFRS, consistently applied. Subject to complying with the confidentiality provisions of this Agreement, the Holder and/or its authorized representatives shall be entitled, upon delivery of three (3) Business Days advance notice, and during the normal business hours of the Owner, to perform audits or other reviews and examinations of the Owner's books and records relevant to

the calculation and payment of the Royalty pursuant to this Agreement twice per calendar year to confirm compliance with the terms of this Agreement, including without limitation, calculations of Net Smelter Returns. The Holder shall diligently complete any audit or other examination permitted hereunder. All expenses of audits or other examinations hereunder shall be paid by the Owner unless such other audit or examination reveals any error in the calculation or payment of the Royalty of an amount less than two-percent (2%) of the amount properly payable, in which case the expenses of such audit or examination shall be to the account of and paid by the Holder.

(b) In performing such audit the Holder and/or its agents shall have reasonable access to all sampling, assay, weighing, and production records, including all mining, stockpile, commingling, milling and processing and transportation records of the Owner or any Processor relating to the Mine, the Mine Properties or the Mining Concessions and any Minerals derived therefrom (and the Holder shall be allowed to make notes or a photocopy thereof), all of which such records shall be kept and retained by the Owner or operator of the Mine Properties in accordance with good mining industry practice for the period of retention set out in Section 5(b).

9. Rights To Monitor Processing of Minerals

Subject at all times to the workplace rules and supervision of the Owner or any Processor, and provided any rights of access do not interfere with any exploration, development, mining or milling work conducted on the Mine Properties or at any mill or Processor at which Minerals from the Mine Properties may be processed, the Holder shall at all reasonable times and upon reasonable notice, and at its sole risk and expense, have (a) a right of access by its representatives to the Mine (or any other mine on the Mining Properties), the Mine Properties or the Mining Concessions and to any mill or other Processor used by the Owner to process Minerals derived therefrom (provided that in the event such mill or other Processor is not owned or controlled by the Owner, such right of access shall only be the same as any such right of access of the Owner, and (b) the right (i) to monitor the Owner's stockpiling and milling of ore or Minerals derived from the Mine Properties and to take samples from the Mine Properties or any stockpile or from any mill or Processor for purposes of assay verifications; and (ii) to weigh or to cause the Owner to weigh all trucks transporting Minerals from the Mine Properties to any mill or other Processor processing Minerals from the Mine Properties prior to leaving the Mine Properties.

10. Confidentiality

(a) Subject to the other terms of this Agreement, neither party shall, without the express written consent of the other (which consent shall not be unreasonably withheld), disclose any non-public information in respect of the terms of this Agreement or otherwise received under or in conjunction with this Agreement and, in the case of the Holder, concerning Minerals and operations on the Mine Properties or any other properties owned or leased by the Owner, other than to its employees, agents and/or consultants for purposes related to the administration, or assignment by the Holder, of this Agreement and neither party shall issue any press releases concerning the terms of this Agreement or, in the case of the Holder, in respect of the operations of the Owner, without the consent of the other party (such consent not to be unreasonably withheld) after such party

having first reviewed the terms of such press release. Each party agrees to reveal such information only to its employees, agents and/or consultants who need to know, who are informed of the confidential nature of the information and who agree to be bound by the terms of this Section 10. In addition no party shall use any such information for its own use or benefit except for the purpose of enforcing its rights under this Agreement.

(b) The parties may disclose data or information obtained under or in conjunction with this Agreement and otherwise prohibited from disclosure by this Section 10 if such disclosure is:

(i) to any third person to whom such party in good faith intends to market all or part of its rights and interest hereunder or anticipates selling or assigning all or part of its rights and interest hereunder; or

(ii) to a prospective lender to such party; or

(iii) to a prospective equity financier or investor of such party;

provided that in each case the party to whom disclosure is proposed shall first have been provided with, and signed and delivered to the disclosing party, a confidentiality agreement executed by such third party purchaser, lender, financier or investor which agreement shall include confidentiality provisions similar to the confidentiality provisions of this Section 10.

(c) The parties may disclose data or information obtained under this Agreement if required to do so for compliance with applicable laws, rules, regulations or orders of an Authority or stock exchange having jurisdiction over such parties, provided that such party shall disclose only such data or information as, in the opinion of its counsel, is required to be disclosed and provided further that it will provide the other parties with a copy of the proposed disclosure and the other parties shall be given the right to review and object to the data or information to be disclosed within 48 hours of its receipt of such copy prior to any release, and any such release will be subject to any reasonable objections or changes proposed by such other parties.

11. Conduct of Operations

(a) Subject to Section 11(b) below, all decisions concerning methods, the extent, times, procedures and techniques of any (i) exploration, development and mining related to the Mine Properties, (ii) leaching, milling, processing or extraction treatment and (iii) materials to be introduced on or to the Mine Properties or produced therefrom, shall be made by the Owner in its sole and absolute discretion, and all decisions concerning the sale or other disposition of Minerals from the Mine Properties, shall be made by the Owner acting with commercial reasonableness.

(b) The Owner shall process any Minerals that it mines from the Mine Properties as reasonably expeditiously as possible. The Owner shall not be responsible for or obliged to make any Royalty payments for Minerals or Mineral value lost in any mining or processing of the Minerals conducted in accordance with good and accepted mining and processing industry practices.

12. No Implied Covenants

The parties agree that there are no implied covenants or duties relating to or affecting any of their respective rights or obligations under this Agreement, and that the only covenants or duties which affect such rights and obligations shall be those expressly set forth and provided for in this Agreement.

13. Assignment by Holder

The Holder shall have the right, at any time and from time to time, to assign, transfer, convey, mortgage, pledge or charge any portion or all of the Royalty and its rights and interest in, to and under this Agreement. The Owner covenants and agrees that it shall be bound by and shall perform, and that it will acknowledge in writing to and in favour of the Holder and such assignee, transferee, mortgagee, pledgee or chargee that it is bound by and shall perform, the terms of this Agreement upon any such assignment, transfer, conveyance, mortgage, pledge or charge by the Holder. The Holder shall notify the Owner in writing prior to the completion of any such assignment, transfer or conveyance, confirming the identity of such transferee, the appropriate Place of Delivery and the new address for notice to such transferee.

14. Transfer by Owner

(a) The Owner shall be entitled to assign, sell, transfer, lease, mortgage, charge or otherwise encumber all of the Mine Properties or the Minerals in situ, or any parts thereof, or the proceeds thereof and its rights and obligations under this Agreement, solely provided that the following conditions are satisfied, and upon such conditions being satisfied in respect of any such assignment, sale or transfer only (but not in respect of any such lease, mortgage or charge, in which case neither the Owner nor the Guarantor shall be released from its obligations under this Agreement), and subject to the provision of Section 19(d) below, the Owner shall be released from its obligations under this Agreement to the extent of the Mine Properties or Minerals subject to such assigned sale or transfer:

(i) any purchaser, transferee, lessee or assignee of such Mine Properties or this Agreement agrees in advance in writing in favour of the Holder to be bound by the terms of this Agreement including, without limitation, this Section 14, the termination provisions in Section 16 and the indemnity provisions set out in Section 18 of this Agreement;

(ii) any purchaser, transferee or assignee of this Agreement has simultaneously acquired the Owner's right, title and interest in and to such Mine Properties or Minerals;

(iii) any mortgagee, chargee, lessee, assignee or encumbrancer of such Mine Properties or this Agreement agrees in advance in writing in favour of the Holder to be bound by and subject to the terms of this Agreement in the event it takes possession of or forecloses on all or part of such Mine Properties and acknowledges that the Holder shall be entitled to receive the Royalty payments to which it is entitled hereunder in priority to any payments to such mortgagee, chargee, lessee, assignee or encumbrancer and undertakes to obtain an agreement

in writing in favour of the Holder from any subsequent purchaser, lessee, assignee or transferee of such mortgagee, chargeholder, lessee or encumbrancer that such subsequent purchaser, lessee, assignee or transferee will be bound by the terms of this Agreement including, without limitation, this Section 14, the termination provisions set out in Section 16 and the indemnity provisions set out in Section 18 of this Agreement; and

(iv) any royalty or other similar interest in or to such Mine Properties, or in and to any Minerals, granted by the Owner after the date hereof, shall contain a term to the effect that no payment thereof, in cash or in product in kind, shall be made until the Royalty and any other amounts owing to the Holder hereunder have been paid or delivered in kind in full to the Holder (or as it may direct in writing) for the relevant time period.

15. Registration

It is the express intention of the parties to this Agreement that the Royalty shall run with the Mine Properties and the Owner's title to the Mine Properties (including as such title may be renewed or become subject to a further or renewed interest by the Owner or its successors in title during the term of this Agreement) and shall be binding upon the successors of the Owner in title to the Mine Properties (in whole or in part). For greater certainty, it is the intention of the Parties that, to the extent permitted in law, the Royalty shall constitute a vested interest in and a covenant running with the Mine Properties and the Minerals and the respective titles thereto and all accessions thereto or successions or derivations thereof. Notwithstanding Section 10 (Confidentiality), the Holder may cause, at its own expense, the due registration, recordation or filing of this Agreement or notice of this Agreement against the title to the Mine, the Mine Properties and the Mining Concessions and in any system or office of registration against chattels, equipment or any other personal property (including against the Minerals, and any proceeds or accounts related thereto or derived therefrom). The Owner covenants and agrees that it shall co-operate with such registration, recordation or filing and provide its written consent or signature to any documents or things reasonably necessary to accomplish such registration, recordation or filing in order to ensure that any successor or assignee or other acquirer or encumbrancer of the Owner's title in or to the Mine, the Mine Properties or the Mining Concessions, or any interest therein or to the Minerals or in or to the proceeds of or accounts related to such Minerals, shall have public notice of this Agreement and the terms of this Agreement.

16. Termination

Without prejudice to any other rights of the Holder under this Agreement or in law, in the event that: (a) this Agreement is terminated by the Owner in violation of its terms; or (b) the Agreement ceases to be in effect for any other reason (other than the expiry of its 100 year term set out in Section 4), the Owner agrees to pay to the Holder the aggregate of the following amounts:

(i) any amounts due and payable (including Interest) by the Owner to the Holder under this Agreement and not yet paid;

(ii) the amount of any costs, expenses, damages and losses (including Interest) incurred or suffered by the Holder as a result of this Agreement no longer being effective; and

(iii) as a termination fee, the amount of $20 Million U.S. Dollars.

The parties agree that the amount of the termination fee set out in subparagraph (iii) above is fair and reasonable considering all of the facts and circumstances existing on the date of this Agreement, including the relationship of such amount to the benefit under this Agreement lost by the Holder that could be anticipated, and that such amount corresponds to the fair market value of the rights held by the Holder hereunder

17. Dispute Resolution

Any matter in this Agreement in dispute between the parties which has not been resolved by the parties within thirty (30) days of the delivery of notice by either party of such dispute may be referred to binding arbitration. Such referral to binding arbitration shall be to a single qualified arbitrator. The U.S. Federal Arbitration Act (the "**Act**") and the applicable laws of the State of New York shall govern such arbitration proceedings in accordance with their terms except to the extent modified by the rules for arbitration set out in this Section 17 and in Schedule "B" attached hereto. The parties shall select one qualified arbitrator by mutual agreement, failing which, such qualified arbitrator shall be determined in accordance with the provisions of the Act for selecting a single arbitrator. The determination of such qualified arbitrator shall be final and binding upon the parties hereto and the costs of such arbitration shall be as determined by the arbitrator. The parties covenant that they shall conduct all aspects of such arbitration having regard at all times to expediting the final resolution of such arbitration. The term "**qualified arbitrator**" as used herein shall refer to a qualified professional person who has at least ten years of mining industry experience in the subject matter of the dispute and is independent of both parties.

18. Representations and Warranties of and Indemnity by the Owner and Guarantor

(a) The Owner and the Guarantor hereby represent and warrant that the Holder has the corporate power, capacity and authority to grant the Royalty to the Holder and such grant, and the execution and delivery of this Agreement by the Owner and the Guarantor, have been duly authorized by all required corporate action of the Owner and the Guarantor and this Agreement represents a valid and binding obligation of the Owner and the Guarantor duly enforceable against them by the Holder.

(b) It is acknowledged that the Holder has no involvement in the carrying out of work related to or conducted on, in or under the Mine Properties or in any decisions related to the Mine Properties or any work related to or conducted on, in or under the Mine Properties from and after the date of this Agreement, all such matters being in the sole control of the Owner. The Owner and the Guarantor hereby indemnify and save harmless the Holder and its Affiliates and their respective directors, officers, shareholders and employees from and against any and all costs, expenses, (including reasonable fees and expenses of legal counsel), damages, obligations, penalties, claims, orders or directives or other liability of any nature whatsoever ("**Claims**") incurred in respect of or arising out of the

Mine Properties or the title thereto or ownership thereof, or any work, operation activities, activities or event thereon, therein or thereunder or related thereto, conducted or arising from and after the date of this Agreement by virtue or by reason of the status of the Holder as a royalty holder.

19. General Provisions

(a) Guarantee By Guarantor

(i) The Guarantor hereby irrevocably and unconditionally guarantees the due and punctual payment and the performance to the Holder by the Owner of all debts, liabilities and obligations and the performance of all obligations (collectively the **"Guaranteed Obligations"**) of the Owner to the Holder pursuant to this Agreement, and agrees to pay on demand all out-of-pocket costs and expenses (including, without limitation, legal fees) incurred by or on behalf of the Holder in connection with collecting any Guaranteed Obligations or enforcing any of its rights hereunder.

(ii) The liability of the Guarantor hereunder shall be unconditional and absolute irrespective of (i) the invalidity or unenforceability of any provisions of this Agreement, or any instruments or other documents ancillary thereto (collectively "Agreements") taken or held by the Holder to represent or evidence any of the Guaranteed Obligations, (ii) any amendment, waiver or other modification of any obligations of the Owner or any rights of the Owner under any this Agreement, (iii) any defence, counter-claim or right of set-off available to the Owner, (iv) any change in the name, objects, capital, constating documents or by-laws of the Owner, (v) any amalgamation or merger of the Owner or, if a partnership, in the firm by reason of the death, retirement or admission for membership of any partners (in which case this Agreement shall apply to the corporation or partnership, as the case may be, resulting or continuing therefrom) or (vi) any other circumstances which might otherwise constitute a defence available to, or a discharge of the Owner or any other persons in respect of the Guaranteed Obligations, or the Guarantor under this Agreement.

(iii) The Holder shall not be bound to seek or exhaust its recourse against the Owner or any other persons or to realize on any security it may hold in respect of the Guaranteed Obligations before being entitled to payment from the Guarantor under this Agreement and the Guarantor hereby renounces all benefits of discussion and division.

(b) The Guarantor shall make payment of the Guaranteed Obligations and all other amounts payable by the Guarantor to the Holder hereunder immediately upon written demand and such demand shall be conclusively deemed to have been effectually made and given when an envelope, facsimile transmission or email containing such demand, addressed to the Guarantor is delivered to the address of the Owner or the Guarantor set forth herein. The liability of the Guarantor hereunder, whether as guarantor or principal debtor, shall bear interest from the date such Guaranteed Obligation arose, both and whether before or

after judgment, at the rate or rates then applicable to the Guaranteed Obligations as set out in this Agreement

(c) Relationship of the Parties

Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, or other partnership relationship between the Owner and the Holder.

(d) Assignment

Any assignment, transfer, conveyance, mortgage, pledge or charge or lease or purported assignment, transfer, conveyance, mortgage, pledge or charge or lease of any interest in the Mine Properties by the Owner, or in, to or arising under this Agreement by the Owner or the Holder, which does not comply with the terms of this Agreement shall be null and void and of no force or effect whatsoever. Notwithstanding any other provision in this Agreement, including the provisions of Section 14 of this Agreement, the Owner and the Guarantor shall remain liable for all covenants, agreements, obligations, representations and warranties of the Owner contained in this Agreement, despite any assignment, transfer, conveyance, mortgage, pledge, charge or lease of any interest in the Mine Properties by the Owner, or in, to or arising under this Agreement, to any Affiliate of the Owner.

(e) Further Assurances

Each party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement, in each case at the cost and expense of the party requesting such further instrument, document or action, unless expressly indicated otherwise.

(f) Governing Law

This Agreement shall be governed by and construed under the laws of the State of New York.

(g) Time of Essence

Time is of the essence in this Agreement.

(h) Severability

If any provision of this Agreement is wholly or partially invalid, this Agreement shall be interpreted as if the invalid provision had not been a part hereof so that the invalidity shall not affect the validity of the remainder of the Agreement which shall be construed as if the Agreement had been executed without the invalid portion. It is hereby declared to be the intention of the parties that this Agreement would have been executed without reference to any portion which may, for any reason, hereafter be declared or held invalid.

(i) Accounting Principles and Currency

All calculations hereunder shall be made in accordance with IFRS as the same may be in

effect from time to time and all payments and calculations of monetary value hereunder (whether in cash or physical product in kind) shall be made in U.S. Dollars.

(j) Notices

Any notice or other communication (in each case, a "**Notice**") required or permitted to be given hereunder shall be in writing and shall be delivered by hand or transmitted by email addressed as follows:

in the case of the Owner or the Guarantor, to:

Nordic Gold Corp.
1001-409 Granville Street
Vancouver, British Columbia
V6C 1T2

Attention: Michael Hepworth
Email: mhepworth@nordic.gold

in the case of the Holder, to:

PFL Raahe Holdings LP
437 Madison Avenue, 28th Floor
New York, NY 10022

Attention: Joseph Archibald
Email: jarchibald@pandionmetals.com
and to ops@pandionmetals.com (with transmission to both email addresses to constitute effective delivery)

or at such other address as either party may have notified the other party in accordance with this Section.

Any notice given in accordance with this section, if transmitted by email, shall be deemed to have been received on the next Business Day following transmission or, if delivered by hand, shall be deemed to have been received when delivered. Notice of change of address shall also be governed by this section.

(k) Recitals and Schedules

The recitals to this Agreement and each schedule attached to this Agreement, are incorporated into this Agreement by reference and are deemed to form part hereof.

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IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

NORDIC GOLD OY

Per: _____
Name: Michael Hepworth
Title: Authorized Signatory

PFL RAAHE HOLDINGS LP, by its general partner

Per: _____
Name: Joseph Archibald
Title: Authorized Signatory

NORDIC GOLD CORP.

Per: _____
Name: Michael Hepworth
Title: Authorized Signatory

SCHEDULE "A"
Mining Concessions
(attached)

Name register nro		Type	Holder/Applicant	Mineral	Status	Date of decision	Permit valid until	Location	Comment
Laiva Mining lease 7803/1a		Mining lease	Nordic Gold Oy	Gold	Valid	2008/10/31	2029/10/31	Raahe	
Laiva Mining lease help area 7803/1b		Mining lease	Nordic Gold Oy	Gold	Valid	2008/10/31	2029/10/31	Raahe	
Laiva 1	ML2013:0054	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2005/09/27	2013/09/27	Raahe	No Tukes decision yet, payed after granted.
Laiva 4	ML2013:0054	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2005/09/27	2013/09/27	Raahe	No Tukes decision yet, payed after granted.
Laiva 5	ML2013:0054	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2005/09/27	2013/09/27	Raahe	No Tukes decision yet, payed after granted.
Laiva 6	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 6B	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 8	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 9	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 10	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 11	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 12	9024	Exploration permit	Nordic Gold Oy	Gold	Valid	2014/04/28	2019/04/28	Raahe	
Laiva 13	ML2013:0055	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2005/10/27	2013/10/27	Raahe	No Tukes decision yet, payed after granted.
Laiva 14	ML2013:0055	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2005/10/27	2013/10/27	Raahe	No Tukes decision yet, payed after granted.
Laiva 15	ML2013:0055	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2005/10/27	2013/10/27	Raahe	No Tukes decision yet, payed after granted.
Laiva 16	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 17	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 18	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 19	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 20	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 21	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 22	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 23	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 24	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 25	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 26	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 27	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 28	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 29	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 30	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 31	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 32	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 33	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Laiva 34	8857/1	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 35	8857/2	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 36	8857/3	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 37	8857/4	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 38	8857/5	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 39	8857/6	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 40	8857/7	Exploration permit	Nordic Gold Oy	Gold	Applied extension	2012/11/23	2017/11/23	Raahe	Waiting for aproval
Laiva 41	ML2014:0035	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2006/05/31	2014/05/31	Raahe	Payed after court decision
Oltava 1	ML2012:0155	Ore prospecting permit	Nordic Gold Oy	Gold	Applied extension	2014/08/19	2017/09/19	Pyhäjoki	Waiting for aproval
Oltava 2 -5	ML2013:0102	Ore prospecting permit	Nordic Gold Oy	Gold	Valid	2008/11/17	2019/07/29	Pyhäjoki	
Oltava 6	ML2012:0069	Ore prospecting permit	Nordic Gold Oy	Gold	Valid	2016/07/28	2020/07/29	Pyhäjoki	

SCHEDULE "B"
Rules of Arbitration

The following rules and procedures shall apply with respect to any matter to be arbitrated by the parties under the terms of the Agreement.

1. Initiation of Arbitration Proceedings

(a) If either party to this Agreement wishes to have any matter under this Agreement arbitrated in accordance with the provisions of this Agreement, it shall give notice to the other party hereto specifying particulars of the matter or matters in dispute and proposing the name of one person it wishes to be appointed as a qualified arbitrator. Within 10 days after receipt of such notice, the other party to this Agreement shall give return notice to the first party proposing the name of a person it wishes to be appointed as the qualified arbitrator. If such return notice is not given by the other party within such 10 day period, it shall be deemed to have accepted the person proposed by the first party as the sole qualified arbitrator. If such return notice is given within such 10 day period proposing another person to be the qualified arbitrator and the parties are unable to agree, then the sole arbitrator shall be determined in accordance with the provisions of the Act (as defined in Section 16 of this Agreement.

(b) An arbitrator so nominated or selected (and "**Arbitrator**") shall be qualified by education and experience to decide the matter in dispute and shall be at arm's length from both parties and shall not be officers, directors or employees of either party or a member of the mining consultant, accounting, audit or legal firm or firms who advise either party, nor shall they be persons who are otherwise regularly retained by either of the parties.

(c) As part of the appointment of the Arbitrator, the Parties shall agree with the Arbitrator as to the quantum or method for calculation of the Arbitrator's costs for the arbitration.

2. Submission of Written Statements

(a) Within 5 days of the appointment of the Arbitrator, the party initiating the arbitration (the "**Claimant**") shall send the other party (the "**Respondent**") a statement of claim setting out in sufficient detail the facts and any contentions of law on which it relies, and the relief or outcome that it claims.

(b) Within 15 days of the receipt of the statement of claim, the Respondent shall send the Claimant a statement of defence stating in sufficient detail which of the facts and contentions of law in the statement of claim it admits or denies, on what grounds, and on what other facts and contentions of law it relies.

(c) Within 5 days of receipt of the statement of defence, the Claimant may send the Respondent a statement of reply.

(d) All statements of claim, defence and reply shall be accompanied by copies (or, if they are especially voluminous, lists) of all essential documents and/or reports on which the party concerned relies and which have not previously been submitted by any party, and (where practicable) by any relevant samples.

(c) After submission of all the statements, the Arbitrator will give directions for the further conduct of the arbitration.

3. Meetings and Hearings

(a) The arbitration shall take place in the City of New York, or in such other place as the Claimant and the Respondent may mutually agree in writing. The arbitration shall be conducted in English. Subject to any adjournments which the Arbitrator allows, the final hearing will be continued on successive working days until it is concluded.

(b) All meetings and hearings will be in private unless the parties otherwise agree.

(c) Any party may be represented at any meetings or hearings by legal counsel.

(d) Each party may examine, cross-examine and re-examine all witnesses at the arbitration.

4. The Decision

(a) The Arbitrator will make a decision in writing and, unless the parties otherwise agree, will set out reasons for decision in the decision.

(b) The Arbitrator will send the decision to the parties as soon as practicable after the conclusion of the final hearing, but in any event no later than 20 days thereafter, unless that time period is extended for a fixed period by the Arbitrators on written notice to each party because of illness or other cause beyond the Arbitrator's control.

(c) The decision shall determine and award costs to the successful party in the arbitration.

(d) The decision shall be final and binding on the parties and shall not be subject to any appeal or review procedure, provided that the Arbitrator has followed the rules provided herein in good faith and has proceeded in accordance with the principles of natural justice. In the event either party initiates any court proceeding in respect of the decision of the Arbitration or the matter arbitrated, such party shall, if unsuccessful in the court proceeding, pay the other party's costs on a solicitor/client basis plus all other reasonable expenses incurred by such other party from the date of delivery of the notice commencing arbitration to the date of determination of such court proceeding.

5. Jurisdiction and Powers of the Arbitrator

(a) By submitting to arbitration under these Rules, the parties shall be taken to have conferred on the Arbitrator the following jurisdiction and powers, to be exercised at the Arbitrator's discretion subject only to these Rules and the relevant law with the object of ensuring the just, expeditious, economical and final determination of the dispute referred to arbitration.

(b) Without limiting the jurisdiction of the Arbitrator at law, the parties agree that the Arbitrators shall have jurisdiction to:

(i) determine any question of law arising in the arbitration;

(ii) determine any question as to the Arbitrator's jurisdiction;

(iii) determine any question of good faith, dishonesty or fraud arising in the dispute;

(iv) order any party to furnish further details of that party's case, in fact or in law;

(v) proceed in the arbitration notwithstanding the failure or refusal of any party to comply with these Rules or with the Arbitrator's orders or directions, or to attend any meeting or hearing, but only after giving that party written notice that the Arbitrator intends to do so;

(vi) receive and take into account such written or oral evidence tendered by the parties as the Arbitrator determine is relevant, whether or not strictly admissible in law;

(vii) make one or more interim awards;

(viii) hold meetings and hearings, and make a decision (including a final decision) in the City of New York or elsewhere with the mutual written concurrence of the parties;

(ix) order the parties to produce to the Arbitrator, and to each other for inspection, and to supply copies of, any documents and/or reports or other evidence or classes of documents in their possession or power which the Arbitrator determines to be relevant; and

(x) make interim orders to secure all or part of any amount in dispute in the arbitration.

This is **Exhibit "M"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Fairfield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Vancouver, BC, July 02, 2019 Trading Symbol: TSX-V: NOR

NEWS RELEASE

Nordic Gold Announces Changes in Board and Management Annual & Special General Meeting set for August 28, 2019

NORDIC GOLD INC. (TSX-V: NOR) ("Nordic" or the "Company") today announced that it has entered into agreements to restructure the management and board of the Company, subject to the final approval of the TSX Venture Exchange ("**TSX-V**") and the Company's shareholders.

The Company has entered into a services agreement (the "**Services Agreement**") with both Lionsbridge Capital Pty Ltd. ("**Lionsbridge**") and Westech International Pty Ltd. ("**Westech**") under which Lionsbridge will provide the Company with corporate management services. Westech will, subject to independent approvals, provide the Company with technical services to return the Company's *Laiva Gold Mine* project back to production. As previously disclosed, the *Laiva Mine* has ceased production and is currently on 'care and maintenance'.

Effective immediately, the management and Board of Directors of Nordic (the "**Board**") will be restructured (herein, the "**Change of Management**") . Brian Wesson, Clyde Wesson and Yvette Harrison will be appointed to the Board. Brian Wesson will also be appointed as President and Chief Executive Officer; Clyde Wesson will be appointed Vice President; Daryl Midgley will be appointed as Chief Financial Officer; and Jeffrey Lightfoot will be appointed as Corporate Secretary. Concurrent with such appointments, all the current Board members of Nordic (namely Michael Hepworth, Basil Botha, Paul Sargeant and Peter Pollard will resign as well as the incumbent management team consisting of Michael Hepworth (President & CEO); Basil Botha (Executive Chairman); Greg Duras (Chief Financial Officer).

Nordic's President and CEO, Michael Hepworth states, "Over the last 4 months, our primary focus has been on finding suitable funding to both upgrade the resource and to restart production at the mine in Finland. Lionsbridge presents us with an opportunity to both inject the necessary funding and to bring fresh perspectives on managing the project. The

group has access to capital and the experience to successfully manage the *Laiva* project going forward."

Lionsbridge's Brian Wesson stated, "Lionsbridge thanks the previous management and Board of Directors for their contribution to the Company. We look forward to working with the Company to unlock shareholder value by returning the Company to sustainable production. Your new directors will update shareholders on the path forward immediately after the completion of the transition period."

The following is a brief description of the incoming Board members and senior officers:

Brian Wesson, President, Chief Executive Officer & Director

Mr. Brian Wesson has extensive experience spanning a career of over 30 years in the management, operation design and construction of natural resource operations globally. He qualified as an engineer in South Africa, gained an MBA in Australia, studied Economics at the University of South Africa and is a fellow of the Australasian Institute of Mining and Metallurgy and a fellow of the Australian Institute of Company Directors. Brian founded the Wesson Group of Companies, of which Lionsbridge and Westech form part, with a view to utilising the Groups' experience in the ownership, management and development of natural resource companies and the intellectual property developed to unlock shareholder value. Mr Wesson brings unique value in being highly experienced in both the corporate and technical aspects of managing a company; he understands natural resource companies from underground to the 'board room'.

Clyde Wesson, Vice-President & Director

Mr. Clyde Wesson has significant experience in all aspects of the management of corporate entities, both listed and unlisted. Clyde's expertise includes the restructuring and recapitalising of distressed assets, corporate finance, design and execution of corporate strategy, legal management and bringing assets to market. Clyde holds bachelor's degrees in both Law and Commerce (LLB, B.Com) and is currently a candidate for a Master's of Law (LLM) from Melbourne University (2019). He is a solicitor and member of the Supreme Court of NSW and a member of the Australian Institute of Company Directors, Australian Institute of Mining and Metallurgy and the Law Society of NSW.

Yvette Harrison, Director

Ms. Harrison is a Chartered Professional Accountant with over 20 years of experience in permanent positions as well as in bridge leadership consulting roles with organizations in "immediate-need" situations in mining, real estate investments, technology, forest products, manufacturing and not-for-profit. She has worked as Chief Financial Officer, VP Finance, Director Finance, Controller and Consultant with numerous public and private companies as well as not-for-profits. She also has worked in public practice. Ms. Harrison

received her CGA designation from the Certified General Accountants Association of British Columbia in 2002.

Daryl Midgley, Chief Financial Officer

Mr. Midgley is an experienced CFO with over 20 years in the mining industry. He has experience in areas such as capital raises for major projects, initial public offerings, financial reporting systems, profit and loss reporting, and both financial strategy and long term budgetary oversight. Mr. Midgley previously worked as a Manager in BDO's Mining and Energy Audit team. He has worked with a number of listed companies with operations around the globe.

Jeff Lightfoot, Corporate Secretary

Mr. Lightfoot is an active practicing member of the Law Society of British Columbia (since September 1985) and a shareholder of the law firm of Owen Bird Law Corporation, Vancouver, British Columbia. His preferred areas of practice are corporate finance and securities law, with a particular emphasis on the TSX Venture Exchange and Canadian Securities Exchange. He has practiced securities law in Vancouver for more than 30 years. Mr. Lightfoot has been both a director and/or executive officer of a number of reporting issuers over the years. He holds a Bachelor of Laws (LL.B.) degree (1984) from Osgoode Hall Law School, Toronto, Ontario; and a Bachelor of Business Administration (B.B.A.) degree (1981) from Wilfrid Laurier University, Waterloo, Ontario.

TSX-V Approval

The Company has obtained the conditional approval of the TSX-V (on June 17, 2019) to the transactions contemplated herein. Final acceptance of the Services Agreement and Change of Management is subject to the Company obtaining disinterested shareholder approval. To that end, the Company will be convening an annual and special meeting (the "**Meeting**") of its shareholders on August 28, 2019. Additional information regarding the transactions will be set out in the Company's management information circular prepared in connection with the Meeting which information materials will be filed on SEDAR under the Company's profile.

In connection with the proposed Change of Management, PFL Raahe Holdings LP (the general partner of which is Pandion Mine Finance, LP) has provided its consent as required by the terms of the Company's Prepaid Gold Forward Purchase Agreement.

For further information, please contact:

Brian Wesson
President and Chief Executive Officer
info@nordic.gold
www.nordic.gold

For up to the minute news, industry analysis and feedback follow us on Facebook, LinkedIn and Twitter.

About the Company

Nordic Gold Inc. is a junior mining company with a near production gold mine in Finland. The Laiva Gold Mine is fully built, fully permitted and was previously financed to production via a gold forward sale agreement provided by Pandion Mine Finance. The Laiva Gold Mine is currently not in production and is on 'care and maintenance'.

About Lionsbridge Capital Pty Ltd.

Lionsbridge is dedicated to the creation of shareholder and investor wealth by providing clients with a holistic suite of corporate management, consultancy and financial solutions. Lionsbridge benefits from experience in both ownership and management of natural resources companies in global markets and across the entire natural resources sector.

Westech International Pty Ltd.

Westech is a global resource engineering firm with the expertise and experience to offer our clients holistic technical solutions for natural resource projects encompassing the entire value chain from initial review to extraction and sale. Our depth of expertise allows us to offer our clients a plethora of engineering and technical solutions covering their needs over the entire life cycle from feasibility works to EPC and EPCM, project construction and improvement review and optimisation.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

Advisory Regarding Forward Looking Statements

This news release contains forward-looking statements. Users of forward-looking statements are cautioned that actual results may vary from forward-looking statements contained herein. Forward-looking statements include, but are not limited to: expectations, opinions, forecasts, projections and other similar statements concerning anticipated future events, conditions or results that are not historical facts. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends",

"anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". While the Company has based these forward-looking statements on its expectations about future events as at the date those statements were prepared, the statements are not a guarantee of the Company's future performance. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it cannot give any assurance that such expectations will prove to be correct.

The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement and are made as of the date of this new release. Unless otherwise required by applicable securities laws, the Company does not intend nor does it undertake any obligation to update or review any forward-looking statements to reflect subsequent information, events, results or circumstances or otherwise.

There is also no assurance that (i) Nordic's shareholders will approve the change of management, (ii) the TSXV will approve the restructuring, (iii) the new management group or service providers will be successful in raising sufficient funds to restore production at Nordic's Laiva Mine, or (iv) if the mine is restarted, that it will be profitable.

36413645.6

This is **Exhibit "N"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Fairfield Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

Nordic GOLD

Vancouver, BC, August 30, 2019 Trading Symbol: TSX-V: NOR

NEWS RELEASE

Nordic Gold Provides Annual and Special Meeting Results

NORDIC GOLD INC. (TSX-V: NOR) ("Nordic" or the "Company") Further to the Company's press release dated July 2, 2019, the Company is pleased to announce the results of the Annual and Special Meeting of shareholders (the "**Meeting**") held on August 28, 2019. At such Meeting, shareholders approved all resolutions, namely:

1. the election of Brian Wesson, Clyde Wesson and Yvette Harrison to serve as directors of the Company for the ensuing year;

2. appointing PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorizing the directors to fix their remuneration;

3. approving the Company's rolling stock option plan; and

4. approving the proposed services agreement (the "**Services Agreement**") dated July 2, 2019, entered into between the Company, Lionsbridge Capital Ltd. and Westech International Pty Ltd., and the corresponding change of management ("**Change of Management**"), as more fully described in the Company's press release on July 2, 2019 and management information circular for the Meeting.

The TSX Venture Exchange (the "**TSXV**") on July 17, 2019 conditionally approved the filing of the Services Agreement and Change of Management subject to obtaining disinterested shareholder approval at the Meeting. The Company will now file final documentation with the TSXV as required in its conditional approval letter.

For further information, please contact:

Brian Wesson
President and Chief Executive Officer
info@nordic.gold
www.nordic.gold

For up to the minute news, industry analysis and feedback follow us on Facebook, LinkedIn and Twitter.

About the Company

Nordic Gold Inc. is a junior mining company with a near production gold mine in Finland. The Laiva Gold Mine is fully built, fully permitted and was previously financed to production via a gold forward sale agreement provided by Pandion Mine Finance. The Laiva Gold Mine is currently not in production and is on 'care and maintenance'.

37093840.5

This is **Exhibit "O"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Ridgefield Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

EXECUTION VERSION

CONSENT AND AGREEMENT
TO
PRE-PAID FORWARD GOLD PURCHASE AGREEMENT
AND MAINTENANCE LOAN AGREEMENT

dated as of October 7, 2019

among

NORDIC GOLD INC.,
as the Seller

NORDIC MINES MARKNAD AB,
as a Guarantor,

NORDIC GOLD OY,
as a Guarantor

and

PFL RAAHE HOLDINGS LP,
as the Buyer

CONSENT AND AGREEMENT

THIS CONSENT AND AGREEMENT, dated as of October 7, 2019 (this "*Agreement*"), is entered into among Nordic Gold Inc. (formerly known as Firesteel Resources Inc. and Nordic Gold Corp.) as the seller (the "*Seller*"), Nordic Mines Marknad AB and Nordic Gold Oy (each a "*Guarantor*" and collectively, the "*Guarantors*," and together with the Seller, the "*Obligors*") and PFL Raahe Holdings LP as the Buyer (the "*Buyer*" and, together with the Seller and the Guarantors, collectively, the "*Parties*").

WITNESETH

WHEREAS, Seller, the Guarantors and the Buyer are parties to the Pre-Paid Forward Gold Purchase Agreement, dated as of November 10, 2017 (as amended, restated or otherwise modified from time to time the "*PPF Agreement*");

WHEREAS, Seller, Guarantors and the Buyer are parties to the Maintenance Loan Agreement dated April 17, 2019 among Nordic Gold Oy as the borrower, Nordic Gold Inc. and Nordic Mines Marknad AB as the guarantors and the PFL Raahe Holdings LP as the lender (as amended, restated or otherwise modified from time to time the "*Maintenance Loan Agreement*");

WHEREAS, the Buyer has covenanted and agreed to advance additional amounts not exceeding $900,000 to Nordic Gold Oy to fund maintenance expenditures relating to the Site during the three months following the Deferment Effective Date;

WHEREAS, the Seller has requested that, on and after the Deferment Effective Date, the Buyer under the PPF Agreement, both in such capacity and in its capacity as the lender under the Maintenance Loan Agreement, agree that the obligations of the Obligors under such agreements shall be limited to $23,000,000 payable to the Buyer in two, equal $11,500,000 installment payments on the eighteen-month anniversary of the Deferment Effective Date and the twenty-four month anniversary of the Deferment Effective Date;

WHEREAS, the Buyer is willing to consent to such deferment, recharacterization and consolidation of the obligations of the applicable Obligors to the Seller, both in its capacity as the Buyer under the PPF Agreement and the Lender under the Maintenance Loan Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 *Certain Defined Terms*. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the PPF Agreement or the Maintenance Loan Agreement, as applicable.

Section 1.2 *Definitions*. As used herein, the following terms shall have the following meanings:

"$" refers to United States Dollars.

"*Deferment Effective Date*" means the date hereof.

"*Deferment Period*" has the meaning provided in Section 2.1.

"*Deferment Termination Date*" means the date of the occurrence of any Deferment Termination Event.

"*Deferment Termination Event*" has the meaning provided in Section 5.1.

"*Deferred Payment Amounts*" means the two, equal installment payments of $11,500,000 due on or prior to each of the eighteen-month anniversary of the Deferment Effective Date and the twenty-four month anniversary of the Deferment Effective Date, which shall satisfy all amounts owing under the PPF Agreement and the Maintenance Loan Agreement subject to the terms and conditions of this Agreement.

ARTICLE II
RECHARACTERIZATION OF OBLIGATIONS; PAYMENT DEFERMENT

Section 2.1 *Recharacterization of Obligations; Deferment of Deferred Payment Amounts until the Deferment Termination Date*. Subject to the terms hereof, the Buyer hereby agrees that (1) the Obligations of the Obligors under the PPF Agreement and the obligations of Nordic Gold Oy under the Maintenance Loan Agreement shall be recharacterized and consolidated under this Agreement to a $23,000,000 payable of the Seller owing to the Buyer and (2) on and after the Deferment Effective Date until the Deferment Termination Date any payments due under the PPF Agreement (as modified by this Agreement) and the Maintenance Loan Agreement shall be deferred until the Deferment Termination Date. The deferment and consolidation granted pursuant to this Section 2.1 shall automatically terminate on the Deferment Termination Date and the Deferred Payment Amounts, together with all other amounts due on such date under this Agreement and the Transaction Documents, shall be immediately due and payable on such date. The period from and including the Deferment Effective Date through but excluding the Deferment Termination Date shall be referred to herein as the "*Deferment Period.*"

Section 2.2 *Payments of Deferred Payment Amounts*. The Obligors agree to repay all of their respective Obligations owing under the PPF Agreement and all of the obligations of Nordic Gold Oy under the Maintenance Loan Agreement through payment of the Deferred Payment Amounts.

Section 2.3 *Guarantee*. The Seller and each of the Guarantors expressly agree that the terms of the Guarantee provided by it in the PPF Agreement and/or the Maintenance Loan Agreement, as applicable, shall remain in full force and effect and shall apply *mutatis mutandis* to the obligations of the other Obligors under this Agreement. Each such Guarantee is a guaranty of payment and not merely of collection and shall survive the termination of this Agreement.

Section 2.4 *Notice of Deferment Termination Event*. Each Obligor shall, within two (2) Business Days after such Obligor obtains knowledge of a Deferment Termination Event, deliver to the Buyer a certificate of the senior officer of such Obligor (or more senior officer) setting forth the details thereof and the action(s) that is/are being taken or is/are proposed to be taken with respect thereto.

Section 2.5 *Existing Defaults*. The Buyer agrees that all Defaults or Events of Defaults known by the Buyer to exist on the Deferment Effective Date (the "**Existing Defaults**") shall be held in abeyance and forbearance until the Deferment Termination Date (provided that this Section 2.5 shall at no time be interpreted to bar any Existing Default from giving rise to a Deferment Termination Event after the Deferment Effective Date).

Section 2.6 *Early Payment*. The Buyer agrees that the Seller may at any time prepay the Deferred Principal Amounts in whole or in part prior to each applicable payment date without payment or penalty.

Section 2.7 *Reaffirmation of Security Interest*. Each of the Obligors hereby confirm and agree that the security created under the Security Documents will continue in full force and effect notwithstanding

the recharacterization and consolidation of the obligations under the PPF Agreement and the Maintenance Loan Agreement as set out herein and extend to and secure all the liabilities and obligations of each of the Obligors under the Transaction Documents as amended hereunder and as may be amended, novated, varied, restated, extended, supplemented and/or replaced from time to time.

Section 2.8 *Termination of Security*. The Buyer agrees that upon receipt of the Deferred Payment Amounts on or before the Deferment Termination Date, all security interests under the Security Documents shall be released and terminated in accordance with the terms of each Security Document, and, following such releases, of no further force and effect.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

Section 3.1 *Representations and Warranties*. Each of the Obligors represents and warrants to the Buyer as follows:

(a) to the best of the Obligors' knowledge, after reasonable inquiry, all representations and warranties of each Obligor set out in the PPF Agreement shall be true and correct on and as of the Deferment Effective Date;

(b) to the best of the Obligors' knowledge, after reasonable inquiry, all covenants of the Obligors set out in the PPF Agreement required to be complied with (other than those covenants tied to the Existing Defaults) prior to the Deferment Effective Date shall have been complied with; and

(c) other than the Existing Defaults, no Seller Default or Seller Event of Default shall have occurred and be continuing on or as of the Deferment Effective Date.

ARTICLE IV
EFFECTIVENESS

Section 4.1 *Conditions Precedent to Deferment*. This Agreement shall become effective as of the Deferment Effective Date when all of the following conditions have been satisfied:

(a) The Buyer shall have received the following documents, each of which shall be in form and substance satisfactory to the Buyer:

(i) Executed Agreement. This Agreement, duly executed and delivered by each of the parties hereto.

(ii) Process Agent Acceptance. Each Obligor has irrevocably appointed as its agent for service of process with respect to this Agreement the Process Agent and (B) the Process Agent has accepted such appointment and has agreed to forward promptly to such Obligor all legal process addressed to such Obligor received by such Process Agent.

ARTICLE V
DEFERMENT TERMINATION EVENTS

Section 5.1 *Deferment Termination Events*. Each of the following events is herein called a "Deferment Termination Event":

(a) any of the Obligors defaults in the observance or performance of its obligations hereunder;

(b) to the best of the Obligors' knowledge, any representation or warranty or certification made or deemed to be made by any Obligor or any of its directors or officers in any Transaction Document shall prove to have been incorrect when made or deemed to be made;

(c) any Obligor, directly or indirectly, repays, or permits any of its Subsidiaries to, directly or indirectly, repay, during the Deferment Period any Debt;

(d) any Obligor directly or indirectly refinances, restructures or otherwise modifies, or permits any of its Subsidiaries to, directly or indirectly, refinance, restructure or otherwise modify the terms of any its Debt (including through the granting of any additional collateral to any creditor), in each case except with the prior written approval of the Buyer;

(e) any default, early amortization event or similar event shall occur with respect to any other Debt of the Obligor or any Subsidiary thereof (other than any default, early amortization event or similar event existing on the date hereof) if the effect thereof is to accelerate the maturity thereof, or to permit the holder(s) of such Debt, or an agent or trustee on its or their behalf, to accelerate the maturity thereof or to require the mandatory prepayment, defeasance or redemption thereof;

(f) any holder of Debt of any Obligor accelerates the maturity thereof or requires the mandatory prepayment, defeasance or redemption thereof or takes any action in furtherance of any of the foregoing;

(g) any Obligor has any Debt other than Permitted Debt;

(h) any Obligor (i) becomes insolvent or generally not able to pay its debts as they become due; (ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of creditors; (iii) institutes or has instituted against it any proceeding seeking (x) to adjudicate it a bankrupt or insolvent, (y) liquidation, winding-up, reorganization, arrangement, adjustment protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or (z) the entry of an order for relief or the appointment of a receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets, and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of thirty (30) days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, interim receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or (iv) takes any corporate action to authorize any of the above actions;

(i) any judgment or order for the payment of money in excess of $100,000 (or the equivalent amount in any other currency) is rendered against any Obligor and either (i) enforcement proceedings have been commenced by a creditor upon the judgment or order; or (ii) there is any period of forty five (45) consecutive days during which a stay of enforcement of the judgment or order, by reason of a pending appeal or otherwise, is not in effect; and

(j) any Obligor incurs or becomes subject to any Environmental Liabilities (i) for any one occurrence in excess of $50,000 after application of insurance proceeds; or (ii) aggregating in any Financial Year on a consolidated basis, $100,000 after application of insurance proceeds.

ARTICLE VI
MISCELLANEOUS

Section 6.1 *Costs and Expenses; Taxes*. The Seller shall pay to the Buyer all reasonable costs and expenses (including all reasonable legal fees and disbursements) incurred by the Buyer in connection with this Agreement.

Section 6.2 *Governing Law*.

(a) This Agreement is governed by the laws of the State of New York.

(b) In relation to any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement), the Buyer shall elect to settle any such dispute either in accordance with Section 6.2 (c) or in accordance with Section 6.2(d) of this Agreement.

(c) Subject to Section 6.2(b) of this Agreement, any controversy, dispute or claim arising out of or relating to this Agreement shall be settled by the District Court of Helsinki ("Helsingin käräjäoikeus") as the court of first instance.

(d) Subject to Section 6.2(b) of this Agreement, each Obligor irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Federal courts sitting in the City of New York, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment and each of the Parties irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court each Party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of inconvenient forum to the maintenance of such action or proceeding. Each of the Parties agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 6.3 *Severability*. Each of the provisions of this Agreement shall be enforceable independently of each other provision and their validity shall not be affected if any of the others are invalid. If any of those provisions is void but would be valid if some part of the provision were deleted, the provision in question shall apply with such modification as may be necessary to make it valid.

Section 6.4 *Counterparts*. This Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same agreement, and any Party (including any duly authorized representative of a Party) may enter into this Agreement by executing a counterpart. Facsimile signatures shall be valid and binding to the same extent as the original signatures.

Section 6.5 *Section Headings*. The headings do not affect the interpretation of this Agreement.

Section 6.6 *Existing Royalty*. The Obligors shall have the right, at any time that the Obligations under the PPF Agreement are outstanding, to buy back the existing royalty between the Buyer and Nordic Gold Oy (the "***Royalty Agreement***") for $15,000,000. Upon the sale of the Site or the occurrence of any change of control of any Obligor not acceptable to the Buyer, the Buyer may cause the Obligors to purchase the Royalty Agreement for consideration equal to $15,000,000 and upon terms and conditions otherwise satisfactory to the Buyer. The Buyer acknowledges the commercial agreement reached in connection with this Agreement in respect of the security interests relating to the Royalty Agreement and will, upon your request and at the cost of the Obligors, execute all such documents and do all such other things as may be required to release all other existing security interests relating to the Royalty Agreement except the real estate mortgage, in each case without recourse to or any representation or warranty by or from the Buyer.

Section 6.7 *Amendment to PPF*. The Parties agree that Section 12(1)(oo) Non-Dilution of the PPF Agreement shall be deleted in its entirety and replaced with the following "[Intentionally deleted"]. Other than as amended by this Section 6.7 and in Section 2.1, the representations, warranties and covenants contained in the PPF Agreement shall remain in full force and effect on and after the Deferment Effective Date.

Section 6.8 *Contingent Consideration*. The Buyer and Seller agree that in addition to the Deferred Payment Amounts payable under this Agreement, the Buyer may be entitled to the Contingent Consideration (as herein defined) on the conditions outlined below. For purposes of this Agreement, "Contingent Consideration" means contingent consideration of up to $1,560,000 available to the Buyer for entering this Agreement as contemplated by Section 6.8 hereof (provided that, for the avoidance of doubt, such Contingent Consideration plus the Deferred Payment Amounts shall yield a total consideration to the Buyer equal to $24,560,000.

(a) To fund working capital, the Seller intends to raise new equity capital by way of one or more private placements (each a "**New Equity Raise**") in accordance with the private placement rules of the TSX Venture Exchange.

(b) For each tranche of a New Equity Raise, the Buyer agrees that it shall subscribe for a pro-rata share (not to exceed 19.9% per tranche) of such New Equity Raise, and in lieu of paying cash for such subscription, the Buyer agrees to convert a ratable portion of its Contingent Consideration as its contribution in connection with such New Equity Raise.

(c) For clarity, at no point will the Buyer be required to contribute more than $1,560,000 in respect to New Equity Raise(s) and furthermore at no point shall the Seller be obligated to pay any portion of the Contingent Consideration in cash.

Section 6.9 *Transaction Document*. The parties hereto hereby acknowledge and agree that this Agreement shall constitute a Transaction Document for all purposes of the PPF Agreement and the other Transaction Documents.

Section 6.10 *Continuing Effectiveness*. Except as expressly set forth herein, all the terms of the PPF Agreement and the other Transaction Documents shall remain in full force and effect and the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of the Buyer or any other party pursuant to the PPF Agreement or the other Transaction Documents or any other instrument, document or agreement executed and/or delivered in connection therewith nor constitute a waiver or modification of any provision contained therein.

Section 6.11 *Amendment of PPF Agreement II and Security Documents*. Within fifteen Business Days of the date hereof, the Obligors shall enter into amendment agreements and security confirmations in respect of the PPF Agreement II, each Security Document and each second priority

security document relating to the Royalty Agreement set out in Schedule A, as may from time to time be acceptable to the Buyer and duly executed and delivered by each of the parties thereto.

Section 6.12 *Changes and Modifications in Writing*. No provision of this Agreement may be changed or modified except by an instrument in writing signed by the parties hereto.

Section 6.13 *Release*. Each of the Obligors hereby irrevocably and unconditionally releases the Buyer and each of its directors, officers, employees, participants, attorneys and agents from any and all claims arising on or before date hereof (or, if later, the Deferment Effective Date) against any such Person relating to this Agreement and any other Transaction Document and any of the transactions contemplated hereby and thereby.

Section 6.14 *Survival*. For the avoidance of doubt, except as expressly set forth herein, the provisions of this Agreement shall survive and remain in full force and effect from and following the occurrence of the Deferment Termination Date.

[*Signature Pages Follow.*]

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the day and year first above written.

NORDIC GOLD INC., as Seller under the PPF Agreement

By: _____
Name: Brian Clyde Neun
Title: Director

NORDIC GOLD OY, as a Guarantor under the PPF Agreement and as the Borrower under the Maintenance Loan Agreement

By: _____
Name: Brian Wesson
Title: Director

NORDIC MINES MARKNAD AB, as a Guarantor under the PPF Agreement

By: _____
Name: Brian Stanley Iverson
Title: Director

PFL RAAHE HOLDINGS LP, as the Buyer under the PPF Agreement and the Lender under the Maintenance Loan Agreement

By: _____
Name: _____
Title: _____

Schedule A – Amendments and Security Confirmations

Transaction Document	Amendment and/or Security Confirmation
PPF Agreement II	All amendments necessary or desirable to reflect the recharacterization of the obligations under the PPF Agreement.
Each Security Document	Confirmation of the continuation of each security interest granted thereunder as of the Deferment Effective Date.
A security agreement dated 8 December 2017, as amended on 8 November 2018 and 29 November 2018 between the Buyer as pledgee and Nordic Gold Oy as pledgor concerning pledge of, among other things, Nordic Gold Oy's bank accounts	Change in the definitions of "Account Bank" and "Bank Accounts" to cover any bank account Nordic Gold Oy may have from time to time; an obligation to notify any account bank which has not been notified of the pledge; and a representation that Nordic Gold Oy does not have any other bank accounts than those set out in therein.
Each second priority security document relating to the Royalty Agreement	Confirmation of the continuation of each security interest granted thereunder as of the Deferment Effective Date.
A second priority security agreement dated 8 November 2018, as amended on 29 November 2018 between the Buyer as pledgee and Nordic Gold Oy as pledgor concerning pledge of, among other things, Nordic Gold Oy's bank accounts	Change in the definitions of "Account Bank" and "Bank Accounts" to cover any bank account Nordic Gold Oy may have from time to time; an obligation to notify any account bank which has not been notified of the pledge; and a representation that Nordic Gold Oy does not have any other bank accounts than those set out in therein.

"P"

This is **Exhibit ~~"P1"~~** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at ~~Fairfield~~, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

DEBENTURE AGREEMENT

THIS AGREEMENT made on the 26th day of March, 2020

AMONG:

OTSO GOLD CORP., a corporation incorporated under the laws of the Province of Alberta (the "**Corporation**")

- AND -

the party detailed in Schedule "D" (the "**Debentureholder**")

PREMISES

A. The Corporation desires to provide for the issuance of unsecured, subordinated, convertible debentures of the Corporation (the "**Debentures**") to the Debentureholder.

B. All necessary resolutions of the directors and shareholders of the Corporation have been duly enacted, passed and/or confirmed and other proceedings taken and conditions complied with to make the creation and issuance of the Debenture and the execution of this Agreement legal, valid and binding on the Corporation, in accordance with the laws relating to the Corporation.

AGREEMENT

IN CONSIDERATION OF the premises, the issuance of the Debenture pursuant to this Agreement, and the terms and conditions of this Agreement, the parties agree as follows:

ARTICLE 1- INTERPRETATION

1.1 Definitions

In this Agreement and in the Debenture, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the following meanings, namely:

1.1.1 "**Ancillary Agreements**" means the subscription agreement between the Debentureholder and the Corporation in respect of its subscription for Debentures and the certificate representing the Debentures;

1.1.2 "**Affiliate**" means, with respect to any Person, any other Person that is affiliated with such Person for the purposes of the Securities Act. For the purposes of this definition, "**control**" when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have similar meanings;

1.1.3 "**Applicable Law**" means all applicable federal, provincial, municipal, foreign and international statutes, acts, codes, ordinances, decrees, treaties, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards or any provisions of the foregoing, including general principles of common and civil law and equity, and all policies, practices and guidelines of any governmental authority

(including for greater certainty, the Exchange or any other stock exchange on which the Common Shares are listed or quoted) binding on or affecting the Person referred to in the context in which such word is used;

1.1.4 **"Business Day"** means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Toronto, Ontario are not open for business;

1.1.5 **"Canadian GAAP"** means generally accepted accounting principles in effect from time to time in Canada, as established and adopted by the Canadian Institute of Chartered Accountants or any successor body, including International Financial Reporting Standards;

1.1.6 **"Close of Business"** means the normal closing hour of the local office of the Trustee on the relevant Business Day;

1.1.7 **"Closing Date"** means the date on which the Debentures are issued;

1.1.8 **"Conversion Price"** means the higher of: (i) $0.10; and (ii) a 20% discount to the Market Price (based on a 5 day VWAP) at the time the Corporation receives a Conversion Notice or the Corporation makes an election under Section 2.10 and Article 3, respectively;

1.1.9 **"Common Shares"** means the common shares without par value in the capital of the Corporation and, provided that in the event of any subsequent subdivision, redivision, reduction, combination or consolidation thereof, or successive such subdivisions, redivisions, reductions, combinations or consolidations, then, subject to adjustments, if any, having been made in accordance with the provisions of section 3.4, **"Common Shares"** shall thereafter mean the shares resulting from such subdivision, redivision, reduction, combination or consolidation;

1.1.10 **"Conversion Date"** means the date the Corporation receives a duly completed Conversion Notice with surrender of the Debentures in accordance with the provisions of Article 3, but not earlier than the first anniversaery of the issue date;

1.1.11 **"Conversion Notice"** shall have the meaning attributed to it in subsection 3.3;

1.1.12 **"Corporation"** means Otso Gold Corp. and includes any successor corporation to or of the Corporation which shall have complied with the provisions of Article 9;

1.1.13 **"Coupon Date"** means the quarterly anniversary (i.e. every three months) of the issuance of the applicable tranche of Debentures;

1.1.14 **"Debentures"** means the convertible unsecured subordinated debentures of the Corporation issued hereunder and for the time being outstanding;

1.1.15 **"Debenture Certificate"** means the form of convertible promissory Debenture of the Corporation in the original principal amount issued under this Agreement in the form attached as Schedule "A";

1.1.16 **"Debenture Indebtedness"** means, from time to time, all indebtedness, liabilities and obligations, present or future, direct or indirect, of the Corporation to the Debenture holders under the Debentures, including principal, interest, fees, expenses and other amounts owing under the Debentures;

1.1.17 **"Debentureholder"** or **"holder"** means the party described in Schedule "D";

1.1.18 "**Director**" means a director of the Corporation, and "**directors**" or "**board of directors**" means the board of directors of the Corporation as constituted from time to time;

1.1.19 "**Event of Default**" has the meaning ascribed thereto in Section 7.1 hereof;

1.1.20 "**Exchange**" means the TSX Venture Exchange or such other recognized Canadian stock exchange on which the Common Shares are listed from time to time;

1.1.21 "**Interest Amount**" means the amount of interest payable in respect of the Face Value of the outstanding Debentures for the relevant Interest Period, which shall be calculated by multiplying the Interest Rate by the Face Value, dividing that product so obtained by 365 days and multiplying the quotient by the actual number of days in the applicable Interest Period;

1.1.22 "**Interest Calculation Date**" means the date which is 12 days preceding the relevant Interest Payment Date, whether or not such day is a Business Day;

1.1.23 "**Interest Payment Date**" means the date on which the Interest Amount is due and payable;

1.1.24 "**Interest Period**" has the meaning ascribed thereto in section 2.6 hereof;

1.1.25 "**Interest Rate**" means the rate of interest per annum at which the Debentures will bear interest during each Interest Period or portion thereof, equal to 10% per annum in respect of the Face Value;

1.1.26 "**Issue Price**" means the $8,000, being the subscription price payable for one Debenture;

1.1.27 "**Face Value**" means $10,000, being the principal amount of each Debenture;

1.1.28 "**Market Price**" means the closing market price of the Shares on the Exchange or such other recognized Canadian stock exchange;.

1.1.29 "**Maturity Date**" means the date which is three (3) years following the date of issuance of the Debenture;

1.1.30 "**Maturity Notice**" shall have the meaning ascribed thereto in subsection 4.2;

1.1.31 "**Notice of Default**" shall have the meaning ascribed thereto in subsection 7.1(c);

1.1.32 "**Person**" shall be broadly construed and shall include an individual, corporation, company, partnership, limited partnership, joint stock company, association, joint venture, trust, unincorporated association, government or government authority;

1.1.33 "**Securities**" means, for any corporation, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) the share capital issued by such corporation;

1.1.34 "**Securities Act**" means the *Securities Act* (British Columbia, as amended from time to time, and the rules and regulations made thereunder, also as amended from time to time, or any federal or British Columbia statute enacted in substitution therefor;

1.1.35 "**Senior Creditor**" means a holder or holders of Senior Indebtedness and includes any agent or agents, representative or representatives or trustee or trustees of any such holder or holders;

1.1.36 "**Senior Indebtedness**" means all obligations, liabilities and indebtedness of the Corporation which would, in accordance with Canadian GAAP, be classified upon a consolidated balance sheet of the Corporation as liabilities of the Corporation and, whether or not so classified, shall include (without duplication): (a) indebtedness of the Corporation for borrowed money; (b) obligations of the Corporation evidenced by bonds, debentures, notes or other similar instruments; (c) obligations of the Corporation arising pursuant or in relation to bankers' acceptances, letters of credit, letters of guarantee, performance bonds and surety bonds (including payment and reimbursement obligations in respect thereof) or indemnities issued in connection therewith; (d) obligations of the Corporation under any swap, hedging or other similar contracts or arrangements; (e) obligations of the Corporation under guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the Senior Indebtedness or other obligations of any other Person which would otherwise constitute Senior Indebtedness within the meaning of this definition; (f) all indebtedness of the Corporation representing the deferred purchase price of any property including, without limitation, purchase money mortgages; (g) accounts payable to trade creditors; (h) all renewals, extensions and refinancing of any of the foregoing; (i) all declared but unpaid dividends or distributions; and (j) all costs and expenses incurred by or on behalf of any Senior Creditor in enforcing payment or collection of any such Senior Indebtedness, including enforcing any security interest securing the same. "**Senior Indebtedness**" shall not include any indebtedness that would otherwise be Senior Indebtedness if it is expressly stated to be subordinate to or rank *pari passu* with the Debentures;

1.1.37 "**Senior Security**" means all mortgages, hypothecs, liens, pledges, charges (whether fixed or floating), security interests or other encumbrances of any kind, contingent or absolute, held by or on behalf of any Senior Creditor and in any manner securing any Senior Indebtedness;

1.1.38 "**Subsidiary**" means any corporation, partnership, limited liability company, trust or other business entity of which the Corporation at the time owns or controls, directly or indirectly, Securities, partnership units or other interests ("**Voting Securities**") having voting power under ordinary circumstances to elect a majority of the board of directors (or the equivalent thereof) of such corporation, partnership or other entity (irrespective of whether or not at the time Voting Securities of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency;

1.1.39 "**Substantial Subsidiary**" shall have the meaning attributed to it in section 7.1;

1.1.40 "Taxes" has the meaning ascribed thereto in subjection 2.14.1;

1.1.41 "**this Indenture**", "**hereto**", "**herein**", "**hereby**", "**hereunder**", "**hereof**", and similar expressions refer to this instrument and not to any particular Article, section, subsection, or other portion hereof, and include any and every instrument supplemental or ancillary hereto or required to implement this instrument and the form of Debenture;

1.1.42 "**trading day**" means, with respect to the Exchange or other market or stock exchange for securities on which the Common Shares are listed or quoted, any day on which such market or exchange is open for trading or quotation;

1.1.43 "**Voting Shares**" means, for any corporation, any Securities having voting power under ordinary circumstances to vote in the election of directors of such corporation; and

1.1.44 "**Time of Expiry**" shall have the meaning attributed to it in section 3.1.

Any words or phrases defined elsewhere in this Agreement shall have the particular meaning assigned thereto.

1.2 Interpretation

Words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations and vice versa.

1.3 Monetary References

Whenever any amounts of money are referred to herein, such amounts shall be deemed to be in Canadian currency unless otherwise expressed and any obligations to make payments in cash may be satisfied by way of money order, cheque, bank draft, wire or other electronic form of transfer unless otherwise specified.

1.4 Meaning Of "Outstanding"

The Debenture certified and delivered by the Corporation shall be deemed to be outstanding until all amounts outstanding under the Debenture have been repaid in full and/or converted into Common Shares and all of the Corporation's other obligations thereunder have been satisfied in full, in accordance with the terms of this Agreement, provided that:

(a) if the Debenture has been partially redeemed, repurchased or converted it shall be deemed to be outstanding only to the extent of the unconverted, unrepurchased or unredeemed part of the principal amount; and

(b) when a new Debenture has been issued in substitution for a Debenture which has been lost, stolen or destroyed, only one of such Debenture shall be counted for the purpose of determining the aggregate principal amount of the Debenture outstanding.

1.5 Headings, Etc.

The division of this Agreement into Articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or of the Debenture.

1.6 Applicable Law

This Agreement and the Debenture shall be governed by, and construed in accordance with, the laws of the Province of Ontario, including without limitation the *Business Corporations Act* (Ontario), as amended from time to time or any Ontario statute enacted in substitution therefor and the applicable federal laws of Canada and shall be treated in all respects as a contract made in the Province of Ontario. The parties attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.7 Calculation of Dates

Unless otherwise provided, any time period required to be calculated under this Agreement shall exclude the date of the relevant event or notice and include the last day of the period being calculated. In the event that any day on which any action required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day.

1.8 Entire Agreement

This Agreement and the Ancillary Agreements together constitute the entire agreement between the parties hereto with respect to the indebtedness created hereunder and under the Debentures and supersedes as of the date hereof all prior memoranda, agreements, negotiations, discussions and terms sheets, whether oral or written, with respect to the indebtedness created hereunder or thereunder and under the Debentures.

1.9 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

(a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and

(b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

1.10 Enurement

The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation, the Debentureholder and their respective executors, heirs, successors and permitted assigns.

1.11 Time of Essence

Time shall be of the essence of this Agreement.

1.12 All Payments Net of Taxes

Notwithstanding any provision of this Agreement, any and all payments to be made pursuant to this Agreement of or on account of principal of and premium, if any, and interest on the Debentures (including upon conversion, redemption or purchase of the Debentures) or of any other amount, whether paid or payable in money, Common Shares or other securities or property, shall be made subject to the deduction of any and all applicable taxes or withholdings. To the extent that any amount is payable on Common Shares or other securities or property, the Corporation shall be entitled to sell or otherwise dispose of a portion of such Common Shares, other securities or property on behalf of the Person entitled thereto in order to make all deductions and withholdings of applicable taxes.

1.13 Language

Each of the parties hereto hereby acknowledges that it has consented to and requested that this Agreement and all documents relating thereto, including, without limiting the generality of the foregoing, the form of Debenture attached hereto as Schedule "A", be drawn up in the English language only.

Les parties aux présentes reconnaissent avoir accepté et demandé que le présent acte de fiducie et tous les documents s'y rapportant, y compris, sans restreindre la portée générale de ce qui précède, le formulaire de débenture joint aux présentes à titre d'annexe A, soient rédigés en langue anglaise seulement.

1.14 Schedules

The following schedules are hereby incorporated in, and form a part of, this Agreement:

Schedule "A": Form of Debenture Certificate

Schedule "B": Form of Maturity Notice

Schedule "C": Form of Notice of Conversion

ARTICLE 2- THE DEBENTURE

2.1 Evidence of Indebtedness

The Corporation, for value received, and in consideration of the terms and conditions hereby, acknowledges itself indebted to the Debentureholder and promises and covenants with the Debentureholder:

(a) to pay to the Debentureholder the principal sum subscribed for by the Debentureholder as set forth in the Debenture Certificate in the manner set forth in this Agreement;

(b) to pay to the Debentureholder interest on any monies owing by the Corporation to the Debentureholder hereunder, all as specifically calculated and determined hereunder; and

(c) to pay to the Debentureholder all other monies which may be owing by the Corporation to the Debentureholder pursuant to the Debentures.

2.2 Issue of Debentures.

The aggregate Face Value of the Debentures authorized to be issued under this Agreement shall be $12,500,000. The Debentures may be issued only upon and subject to the further conditions and limitations herein set forth.

2.3 Terms of Debentures.

2.3.1 The Debentures shall be designated as "Convertible Unsecured Subordinated Debentures". The Debentures shall mature on the Maturity Date (unless converted, redeemed or repurchased in accordance with this Agreement) and shall bear interest on the Face Value (subject to the provisions of section 2.6), at the Interest Rate, from the date of issue, with all accrued but unpaid interest payable in cash, or in accordance with the provisions of section 2.10, in Common Shares, in quarterly payments in arrears, on the Interest Payment Dates.

2.3.2 Additionally:

(a) The Face Value of the Debentures shall be payable on the Maturity Date in lawful money of Canada or, at the election of the Debenture Holder, in Common Shares at the Conversion Price

(b) the Debentures are direct, subordinated unsecured obligations of the Corporation and will rank equally with all of the Corporation's existing and future subordinated unsecured indebtedness. The Debentures will be effectively subordinated to all of the Corporation's existing and future secured indebtedness (to the extent of the assets securing such indebtedness); and

(c) the Debentures shall be convertible into Common Shares as provided for in Article 3.

2.4 Form And Signature Of Debenture

2.4.1 The Debenture Certificate shall be substantially in the form set out in Schedule "A" to this Agreement and shall be signed (either manually or by facsimile signature) by any one director or officer of the Corporation.

2.4.2 For the purposes of complying with Applicable Laws in Canada and National Instrument 45-102 *Resale of Securities*, the Debenture Certificates and the certificates representing the Common Shares issued upon conversion of the Debentures in accordance with the terms herein, as well as all certificates issued in exchange for or in substitution of securities, shall bear the following legends, which legend shall remain on said certificates until compliance with the terms thereof:

> ***"Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is four months and a day after [insert the distribution date].***
>
> ***Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident before [insert distribution date]."***

In addition, for the purposes of complying with Applicable Laws in the United States, in the event that the Debenture Holder is a U.S. resident, the Debenture Certificates and the certificates representing the Common Shares issuing upon conversion of the Debentures in accordance with the terms herein, as well as all certificates issued in exchange for or in substitution of securities, shall bear the legends, which legend shall remain in said certificates until compliance with the terms thereof:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF APPLICABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN COMPLIANCE WITH CERTAIN OTHER PROCEDURES SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. IF, AT ANY TIME WHEN THE CORPORATION IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT, THESE SECURITIES ARE BEING SOLD IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, A NEW CERTIFICATE BEARING NO LEGEND MAY, SUBJECT TO COMPLIANCE WITH APPLICABLE NON-U.S. LAWS, BE OBTAINED FROM THE TRANSFER AGENT OF THE CORPORATION, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE CORPORATION, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT."

2.5 Interest Fund

The Corporation shall not be required to create a sinking fund for the payment of interest payable under the terms of the Debenture.

2.6 Interest Obligations

Each Debenture issued hereunder, where issued originally or in exchange for another Debenture, shall bear, and the Corporation shall calculate and pay interest on each Coupon Date, at the Interest Rate, from and including the more recent of the issue date or previous Coupon Date (the **"Interest Period"**). The Interest Amount shall be calculated by multiplying the Interest Rate by the Face Value, dividing that product so obtained by 365 days and multiplying the quotient by the actual number of days in the applicable Interest Period.

2.7 Prescription

The right of the Debentureholders to exercise their rights under this Agreement shall become void unless the Debentures are presented for payment at the Maturity Date, after which payment thereof shall be governed by the provisions of Article 8 hereof. The Corporation shall have satisfied its obligations under the Debentures upon remittance to the Debentureholders, upon redemption, repurchase, conversion or at the Maturity Date, of any and all consideration due hereunder in cash or by the delivery of Common Shares, subject to and in accordance with the provisions of this Agreement, and such remittance shall for all purposes be deemed a payment to the Debentureholders, and thereafter, such Debentures shall not be considered as outstanding and the Debentureholders shall have no right, except to receive payment out of the moneys so paid and deposited or Common Shares deposited upon surrender of their Debentures.

2.8 Transfer Of Debenture

2.8.1 No transfer of a Debenture shall be valid unless made by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Corporation, acting reasonably, and unless such transfer shall have been duly entered on a register of transfers and/or noted on the Debenture by the Corporation.

2.8.2 The holder of the Debentures may at any time and from time to time have the Debentures transferred at the place at which the register of transfers is kept pursuant to the provisions of this section, in accordance with such reasonable regulations as the Corporation may prescribe.

2.8.3 The Corporation shall not be charged with notice of or be bound to see to the execution of any trust, whether expressed, implied or constructive, in respect of the Debentures and may transfer the Debentures on the direction of the holder thereof, whether named as trustee or otherwise, as though that Person were the beneficial owner thereof.

2.8.4 The Corporation shall have power at any time to close any register of transfers and to transfer such records to another existing register or to a new register and thereafter the Debentures previously registered on such closed register shall be deemed to be registered on such other existing register or new register.

2.9 Persons Entitled To Payment

2.9.1 The Person in whose name the Debentures shall be registered shall be deemed and regarded as the owner thereof for all purposes of this Agreement and payment of or on account of the principal and interest on the Debentures shall be made only to or upon the order in writing of such holder thereof and such payment shall be a good and sufficient discharge to the Corporation and any paying agent for the amounts so paid. The Corporation shall not be bound to inquire into the title of any such registered holder.

2.9.2 In the event that the Coupon Date or the Maturity Date or any other date for payment of any amount of principal or interest in respect of a Debenture is not a Business Day at the place of payment, then payment will be made on the next Business Day and the holder of such Debenture will not be entitled to any further interest on such principal or to any interest on such interest or other amount so payable in respect of the period from the date for payment to such next Business Day.

2.9.3 The Corporation will maintain accounts and records evidencing any payment by it of principal and any accrued and unpaid interest in respect of the Debentures, which accounts and records will constitute, in the absence of manifest error, prima facie evidence of such payment.

2.10 Election to Pay Interest in Common Shares

2.10.1 Provided that no Event of Default has occurred and is continuing under this Agreement and that all applicable regulatory approvals have been obtained in respect of any matter relating to this section 2.10, the Corporation shall have the irrevocable right, from time to time, to make a election in respect of all or any part of any Interest Amount by delivering to the Debentureholder, on the Coupon Date, a certificate representing such number Common Shares as is equal to the quotient of the Interest Amount divided by the Market Price of the Common Shares on the last trading day of the Common Shares immediately prior to the Interest Payment Date.

2.10.2 For the purposes of complying with Applicable Laws in Canada and National Instrument 45-102 *Resale of Securities*, the certificates representing the Common Shares issuable in relation to the Corporation's right pursuant to section 2.10.1, as well as all certificates issued in exchange for or in substitution of securities, shall bear the following legend, which legend shall remain in said certificates until compliance with the terms thereof:

> ***"Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is four months and a day after [insert distribution date].***
>
> ***Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident before the date which is four months and a day after [insert distribution date]."***

In addition, for the purposes of complying with Applicable Laws in the United States, in the event that the Debenture Holder is a U.S. resident, the certificates representing the Common Shares issuable in relation to the Corporation's right pursuant to section 2.10.1, as well as all certificates issued in exchange for or in substitution of securities, shall bear the legends, which legend shall remain in said certificates until compliance with the terms thereof:

> **"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF APPLICABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN COMPLIANCE WITH CERTAIN OTHER PROCEDURES**

SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. IF, AT ANY TIME WHEN THE CORPORATION IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT, THESE SECURITIES ARE BEING SOLD IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, A NEW CERTIFICATE BEARING NO LEGEND MAY, SUBJECT TO COMPLIANCE WITH APPLICABLE NON-U.S. LAWS, BE OBTAINED FROM THE TRANSFER AGENT OF THE CORPORATION, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE CORPORATION, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT."

2.11 Mutilation, Loss, Theft Or Destruction

If a Debenture Certificate shall become mutilated or be lost, stolen or destroyed, the Corporation, in its discretion, may issue a new Debenture Certificate upon surrender and cancellation of the mutilated Debenture Certificate or, in the case of a lost, stolen or destroyed Debenture Certificate, in lieu of and in substitution for the same, and the substituted Debenture Certificate shall be in a form approved by the Corporation. In case of loss, theft or destruction, the applicant for a substituted Debenture Certificate shall furnish to the Corporation such evidence of such loss, theft or destruction as shall be satisfactory to the Corporation in its discretion and shall also furnish an indemnity satisfactory to the Corporation in its discretion. The applicant shall pay all reasonable expenses incidental to the issuance of any substituted Debenture Certificate.

2.12 Rank and Subordination

The Debentures certified and issued under this Agreement rank *pari passu* with one another, in accordance with their tenor without discrimination, preference or priority and subordinate to all Senior Indebtedness of the Corporation, and will rank *pari passu* with all future subordinated and unsecured debentures issued by the Corporation. The payment of the principal of, premium, if any, and interest on the Debentures is expressly subordinated in right of payment to the prior payment in full of Senior Indebtedness to the extent provided in Article 5.

2.13 Tax

2.13.1 Any and all payments by the Corporation hereunder, including any amounts received in cash or in kind, including the delivery of Common Shares, on a conversion or repayment or redemption of the Debentures and any amounts on account of interest or deemed interest, shall be made free and clear of and without deduction for any and all or future taxes, duties, levies, imposts, deductions, withholdings or similar charges, and all liabilities (including additions to tax, penalties and interest) with respect thereto, imposed under the *Income Tax Act* (Canada) or any other Applicable Laws (collectively referred to as "**Taxes**") unless the Corporation is required to withhold or deduct any amounts for, or on account of Taxes pursuant to any applicable law.

2.13.2 Any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or in connection with the execution, delivery, registration, enforcement or performance of, or otherwise with respect to, the Debentures will be excluded from the definition of Taxes above.

2.13.3 The Corporation shall deliver to the Debentureholder official receipts, if any, in respect of any Taxes payable hereunder promptly after payment of such Taxes, or such other evidence of payment reasonably acceptable to the Debenturcholder.

ARTICLE 3- CONVERSION OF THE DEBENTURE

3.1 Conversion Privilege And Conversion Price Prior to Maturity

Subject to the provisions of this Article and to obtaining any necessary regulatory approval, the Debentureholder shall have the right, at its option, at any time, after the first anniversary of the applicable Closing Date and up to 5:00 p.m. (Toronto time) on the day before the Maturity Date, to convert the whole or any portion of the Issue Price into Common Shares at the Conversion Price.

3.2 Conversion Privilege And Conversion Price on Maturity

Subject to the provisions of this Article and to obtaining any necessary regulatory approval, the Debentureholder shall have the right, at its option, to elect at any time up to 5:00 p.m. (Toronto time) on the Maturity Date, to convert the whole or any portion of the Face Value into Common Shares at the Conversion Price.

3.3 Conversion Procedure

3.3.1 In order to exercise the conversion privilege granted pursuant to section 3.1 or 3.2, the Debentureholder must deliver to the Corporation at the address set forth in Section 10.1, a written notice signed by the Debentureholder (a "**Conversion Notice**") substantially in the form of Schedule "C" hereto (which notice shall be irrevocable) and the appropriate transfer documents, as required, signed by such holder in form and execution satisfactory to the Corporation, stating that such Debentureholder elects to convert such Debentures into Common Shares.

3.3.2 If any of the Common Shares to be issued hereunder are to be issued to a Person or Persons other than the holder of such Debentures, such request shall be accompanied by payment to the Corporation of any tax or other amount which may be payable by reason of the transfer. The surrender of such Debenture Certificate accompanied by such Conversion Notice shall be deemed to constitute a contract between the holder of such Debentures and the Corporation whereby:

(a) the holder of such Debentures subscribes for the number of Common Shares which he or she shall be entitled to receive on such conversion;

(b) the holder of such Debentures releases the Corporation from all liability thereon or from all liability with respect to all or that portion of the principal amount thereof to be converted, as the case may be, including all liability for the principal amount and accrued and unpaid interest payable to the Conversion Date of such Debentures to be converted; and

(c) the Corporation agrees that that the surrender of such Debentures (or a portion thereof) for conversion constitutes full payment of the subscription price for the Common Shares issuable upon such conversion.

In the case of a conversion pursuant to section 3.1 or 3.2, the date of receipt by the Corporation of a Conversion Notice is referred to as the "**Conversion Date**", pursuant to section 3.2 the Conversion Date shall be the Maturity Date.

3.3.3 As promptly as practicable after the Conversion Date and in any event within five (5) Business Days of the Conversion Date, the Corporation will issue or cause to be issued and deliver or cause to be delivered to the Debentureholder, or on its written order, a certificate or certificates in the name or names of the Person or Persons specified in such Conversion Notice or otherwise for the number of Common Shares deliverable upon the conversion of such Debentures and the Corporation shall pay accrued and unpaid interest, if any, up to the Conversion Date, as provided in section 2.6.

3.3.4 Such conversion will be deemed to have been effected immediately prior to the close of business on the Conversion Date and at such time the rights of the Debentureholder, as holder of this Debenture, will cease and the Person or Persons in whose name or names any certificate or certificates for the securities comprising the Common Shares will be deliverable upon such conversion will be deemed to have become on such date the holder or holders of record of the Common Shares represented thereby. In the case of a Debenture which is converted in part only, upon such conversion the Corporation shall execute and deliver to the holder thereof, without service charge, a new Debenture of authorized denominations in an aggregate principal amount equal to the, and in exchange for, unconverted portion of the principal amount of such Debenture.

3.3.5 No such conversion on any date when the transfer registers for securities of the Corporation are closed will be effective to constitute the Person or Persons entitled to receive the Common Shares upon such conversion as the holder or holders of record of the securities comprising such Common Shares on such date, but such conversion will be effective to constitute the Person or Persons entitled to receive such Common Shares as the holder or holders of record of the securities comprising such Common for all purposes on the next succeeding Business Day on which such transfer registers are open. In the event that the principal amount is converted as to a part only, the Debentureholder shall, upon exercise of its conversion right, surrender its Debenture Certificate to the Corporation, which shall cancel same and without charge, forthwith deliver to the Debentureholder a new Debenture Certificate in the aggregate principal amount equal to the uncovered part of the principal amount of this Debenture Certificate so surrendered.

3.4 No Fractional Shares

Notwithstanding anything herein contained, the Corporation shall not be required to issue fractional Common Shares upon the conversion of the Debentures pursuant to this Article.

3.5 Rights of Debentureholder

A Debentureholder is not entitled to any rights of a holder of Common Shares until such holder has converted its Debentures into Common Shares and only to the extent such Debentures are deemed to have been converted into Common Shares, pursuant to Article 3.

ARTICLE 4- SATISFACTION AND REPAYMENT ON REDEMPTION AND MATURITY

4.1 Early Redemption

4.1.1 The Corporation will have the right upon written notice provided to the Debentureholders (the "**Redemption Notice**") at any time prior to the Maturity Date to redeem all the remaining Debentures at a price equal to the Face Value plus accrued and unpaid interest thereon (the "**Redemption Price**").

4.1.2 Where the Corporation redeems the Debentures within the first six months of their issuance, in addition to the payments in 4.1.1 above, the Corporation agrees to pay accrued interest to the holder as if the redemption occurred on the second Coupon Date.

4.1.3 The Redemption Notice shall state that:

(a) the Corporation is purchasing all outstanding Debentures at the Redemption Price and shall include a calculation of the amount payable to such holder as payment of the Redemption Price which includes unpaid and accrued interest up to the Tender Date (as defined below);

(b) each such holder must transfer his, her or its Debentures to the Corporation on the terms set forth in the Redemption Notice and must send his, her or its Debentures, duly endorsed for transfer, to the Corporation within 10 days after the sending of such notice by the Corporation for payment on the Tender Date (the last day of such 10 day period being referred to herein as the "**Tender Date**");

(c) the rights of such holder under the terms of the Debentures and this Agreement shall cease to be effective as of the Tender Date provided the Corporation has on the date before the Tender Date paid the aggregate Redemption Price in respect of all Debentures to be redeemed and thereafter such holder's Debentures shall not be considered to be Outstanding and such holder shall not have any rights hereunder except to receive such Redemption Price to which such holder is entitled upon surrender and delivery of such holder's Debentures in accordance with the Agreement.

4.1.4 All Debentures redeemed and paid under this Section 4.1 shall forthwith be delivered to the Corporation and cancelled and no Debentures shall be issued in substitution therefore.

4.2 Maturity

At least 15 days prior to the Maturity Date and in the event that a Change of Control is not expected by the Corporation to be completed on or before the Maturity Date, the Corporation shall deliver to the holders of the Debentures, in the manner provided in Article 10, a maturity notice substantially in the form of Schedule "B" (the "**Maturity Notice**") stating that, upon the Maturity Date, the Corporation shall repay in cash the full principal amount of all Debentures outstanding as at the Maturity Date, unless a Conversion Notice is received by the Corporation pursuant to 3.2. If no Conversion Notice is received, on the Maturity Date, the Corporation shall, against surrender of the Debenture Certificates, make a payment or cause to be paid in cash and deliver or cause to be delivered to the holders of the Debentures such amount of money as is equal to the Face Value amount of all Debentures outstanding at such time together with, a payment, in cash or in Common Shares in accordance with Section 2.10, representing all accrued and unpaid interest pertaining to all such Debentures up to the Maturity Date and, upon such payments being made, the rights of the holders of all such Debentures as holders thereof shall cease.

ARTICLE 5- SUBORDINATION OF DEBENTURES

5.1 Agreement to Subordinate

The Corporation covenants and agrees, and each Debentureholder, by his acceptance hereof and thereof, likewise agrees, that the payment of the principal of, the premium, if any, and of any interest on the Debentures is hereby expressly subordinated, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all Senior Indebtedness whether outstanding on the date of this Agreement or thereafter incurred, notwithstanding that no express written subordination agreement may have been entered into between the holders of Senior Indebtedness and the Debentureholders. Notwithstanding the provisions of this section 5.1, the Corporation shall continue to make payments on account of interest on the Debentures as they come due unless and until a default or an event of default (as defined in, or under, any Senior Indebtedness or any instrument evidencing the same and permitting, by the

lapse of time or giving of notice, the holders thereof to accelerate the maturity thereof) has occurred and is continuing.

5.2 Order of Payment

In the event of any dissolution, winding-up, liquidation, bankruptcy, insolvency, receivership, creditor enforcement or realization or other similar proceedings related to the Corporation or any of its property (whether voluntary or involuntary, partial or complete) or any other marshalling of the assets and liabilities of the Corporation:

(a) The holders of all Senior Indebtedness will first be entitled to receive payment in full of the principal thereof, premium (or any other amount payable under such Senior Indebtedness), if any, and interest due thereon, before the Debentureholders will be entitled to receive any payment or distribution of any kind or character, whether in cash, property or securities, which may be payable or deliverable in any such event in respect of any of the Debentures including any unpaid interest accrued thereon.

(b) Any payment by, or distribution of assets of, the Corporation of any kind or character, whether in cash, property or securities (other than securities of the Corporation or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in this Article 5 with respect to the Debentures, to the payment of all Senior Indebtedness, provided that (i) the Senior Indebtedness is assumed by the new corporation, if any, resulting from such reorganization or readjustment, and (ii) without prejudice to the rights of such holders with respect to any such plan (including without limitation as to whether or not to approve same and on what conditions to do so), the rights of the holders of Senior Indebtedness are not altered adversely by such reorganization or readjustment) to which the Debentureholders would be entitled, except for the provisions of this Article 5, will be paid or delivered by the Person making such payment or distribution, whether a trustee in bankruptcy, a receiver, a receiver-manager, a liquidator or otherwise, directly to the holders of Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, rateably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held or represented by each, to the extent necessary to make payment in full of all Senior Indebtedness remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

(c) Subject to section 5.7, if, notwithstanding the foregoing, any payment by, or distribution of assets of, the Corporation of any kind or character, whether in cash, property or securities (other than securities of the Corporation as reorganized or readjusted or securities of the Corporation or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in this Article 5 with respect to the Debentures, to the payment of all Senior Indebtedness, provided that (i) the Senior Indebtedness is assumed by the new corporation, if any, resulting from such reorganization or readjustment and (ii) without prejudice to the rights of such holders with respect to any such plan (including without limitation as to whether or not to approve same and on what conditions to do so), the rights of the holders of Senior Indebtedness are not altered adversely by such reorganization or readjustment), is received by the Debentureholders before all Senior Indebtedness is paid in full, such payment or distribution will be held in trust for the benefit of, and will be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the indenture trustee or trustees under any indenture under which any instruments evidencing any of such

Senior Indebtedness may have been issued, rateably as aforesaid, for application to the payment of all Senior Indebtedness remaining unpaid until such Senior Indebtedness has been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

The rights and priority of the Senior Indebtedness and the subordination pursuant hereto shall not be affected by: (i) the time, sequence or order of creating, granting, executing, delivering of, or registering, perfecting or failing to register or perfect any security notice, caveat, financing statement or other notice in respect of any security granted in respect of any Senior Indebtedness; (ii) the time or order of the attachment, perfection or crystallization of any security granted in respect of any Senior Indebtedness; (iii) the taking of any collection, enforcement or realization proceedings pursuant to the Senior Indebtedness, including pursuant to any security granted in respect thereof; (iv) the date of obtaining of any judgment or order of any bankruptcy court or any court administering bankruptcy, insolvency or similar proceedings as to the entitlement of the holders of any Senior Indebtedness, or any of them, or the Debentureholders or any of them, to any money or property of the Corporation; (v) the failure to exercise any power or remedy reserved to the holders of any Senior Indebtedness, including under the security granted in respect thereof, or to insist upon a strict compliance with any terms thereof; (vi) whether any security granted in respect of any Senior Indebtedness is now perfected, hereafter ceases to be perfected, is avoidable by any trustee in bankruptcy or like official or is otherwise set aside, invalidated or lapses; (vii) the date of giving or failing to give notice to or making demand upon the Company; or (viii) any other matter whatsoever.

5.3 Subrogation Rights of Debentureholders

Subject to the payment in full of all Senior Indebtedness, the Debentureholders shall be subrogated to the rights of the holders of Senior Indebtedness to receive payments and distributions of assets of the Company in respect of and on account of Senior Indebtedness, to the extent of the application thereto of moneys or other assets which would have been received by the Debentureholders, but for the provisions of this Article 5, until the principal of, premium, if any, and interest on the Debentures shall be paid in full. No payment or distribution of assets of the Corporation to the Debentureholders which would be payable or distributable to the holders of Senior Indebtedness pursuant to this Article 5 shall, as between the Corporation, its creditors (other than the holders of Senior Indebtedness) and the Debentureholders, be deemed to be a payment by the Corporation to or on account of the Debentureholders, it being understood that the provisions of this Article 5 are, and are intended, solely for the purpose of defining the relative rights of the Debentureholders, on the one hand, and the holders of the Senior Indebtedness, on the other hand. Nothing contained in this Article 5 or elsewhere in this Agreement or in the Debentures is intended to or shall impair, as between the Corporation and its creditors (other than the holders of Senior Indebtedness and the Debentureholders), the obligation of the Corporation, which is unconditional and absolute, to pay to the Debentureholders the principal of, premium, if any, and interest on the Debentures, as and when the same shall become due and payable in accordance with their terms, or to affect the relative rights of the Debentureholders and the creditors of the Corporation, other than the holders of the Senior Indebtedness, nor shall anything herein or therein prevent the Debentureholders from exercising all remedies otherwise permitted by Applicable Law upon default under this Agreement, subject to the rights, if any, under this Article 5, of the holders of Senior Indebtedness upon the exercise of any such remedy.

5.4 No Payment to Debentureholders if Event of Default under the Senior Indebtedness

(a) Upon the maturity of any Senior Indebtedness by lapse of time, acceleration or otherwise, then, except as hereinafter otherwise provided in subsection 5.4(c), all principal of, premium or penalty (or any other amounts payable under such Senior Indebtedness), if any, and interest on all such matured Senior Indebtedness shall first be paid in full, or shall first have been duly provided for, before any payment on account of principal of, premium, if

any, and interest on the Debentures is made, including any amount owed upon a Change of Control or on the Maturity Date.

(b) Except as hereinafter otherwise provided in subsection 5.4(c), the Corporation shall not make any payment, and the Debentureholders shall not be entitled to demand, accelerate, institute proceedings for the collection of, or receive any payment or benefit (including without limitation by set-off, combination of accounts or otherwise in any manner whatsoever) on account of the Debenture Indebtedness (other than pursuant to Article 3) (i) in a manner inconsistent with the terms (as they exist on the date hereof) of this Agreement or of the Debentures, or (ii) at any time when a default or an event of default, as defined in, or under, any Senior Indebtedness or any instrument evidencing the same and permitting, by the lapse of time or giving of notice, the holders thereof to accelerate the maturity thereof, has occurred under such Senior Indebtedness and is continuing, unless and until such Senior Indebtedness has been paid and satisfied in full, or unless and until such default or event of default has been cured or waived in writing or shall have ceased to exist in accordance with the provisions of such Senior Indebtedness.

(c) For greater certainty but without limiting the generality of the foregoing, this section 5.4 shall not be construed so as to prevent the Corporation from making any payments on account of Debentures which are made (i) in a manner that is consistent with the terms of this Agreement or of the Debentures, and (ii) at any time when no default or event of default (as defined in, or under, any Senior Indebtedness or any instrument evidencing the same and permitting, by the lapse of time or giving of notice, the holders thereof to accelerate the maturity thereof) has occurred and is continuing.

5.5 Payment on Debentures Permitted

Nothing contained in this Article 5 or elsewhere in this Agreement, or in any of the Debenture Certificates, shall affect the obligation of the Corporation to make, or prevent the Corporation from making, at any time except as prohibited by section 5.2 or 5.4, any payment of principal of, premium, if any, or interest on the Debentures, except that the Corporation shall not make any such payment if a default or an event of default has occurred and is continuing under any Senior Indebtedness. The fact that any such payment is prohibited by section 5.2, 5.4 or this section 5.5 shall not prevent the failure to make such payment from being an Event of Default hereunder.

5.6 Authorization of Debentureholders to Corporation to Effect Subordination

Each holder, by his acceptance of Debentures, authorizes and directs the Corporation, on its behalf, to execute and deliver any such subordination agreements with the Corporation and the holders, or representatives or trustees thereof, of Senior Indebtedness, whether outstanding or hereafter incurred, contains the subordination provisions hereof and as may be necessary in the opinion of the Corporation, acting reasonably, or appropriate to effect the subordination provided for in this Article 5 and appoints the Corporation his attorney-in-fact for any and all such purposes.

5.7 Rights of Holders of Senior Indebtedness Not Impaired

No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein will at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Corporation or by any non-compliance by the Corporation with the terms, provisions and covenants of this Agreement, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

5.8 Altering the Senior Indebtedness

The holders of the Senior Indebtedness have the right to extend, renew, modify, amend or amend and restate the terms of the Senior Indebtedness or any security therefor and to release, sell or exchange such security and otherwise to deal freely with the Corporation, all without notice to or consent of the Debentureholders and without affecting the liabilities and obligations of the parties to this Agreement or the Debentureholders.

5.9 Additional Indebtedness

This Agreement does not restrict the Corporation or its Subsidiaries from incurring additional indebtedness (including additional Senior Indebtedness or indebtedness ranking *pari passu* with any Debentures), the issuance or repurchase of securities by the Corporation or its Subsidiaries or otherwise from mortgaging, pledging, charging or otherwise granting an interest in its property to secure any indebtedness (including such additional indebtedness).

5.10 Right of Debentureholder to Convert Not Impaired

The subordination of the Debentures to the Senior Indebtedness and the provisions of this Article 5 do not impair in any way the right of a Debentureholder to convert its Debentures pursuant to Article 3.

ARTICLE 6 - COVENANTS OF THE CORPORATION

6.1 Covenants of the Corporation

The Corporation covenants and agrees with the Debentureholder that for so long as any Debentures remain outstanding:

(a) the Corporation will duly and punctually pay or cause to be paid to the Debentureholder the principal amount of, and interest accrued on, the Debenture, in accordance with the terms of this Agreement and the Debenture and will duly comply with all the other terms and conditions contained in this Agreement and the Debenture;

(b) the Corporation will, subject to Article 9, at all times maintain its corporate existence, and the corporate existence of its Subsidiaries, and keep or cause to be kept proper books of account in accordance with Canadian GAAP;

(c) subject to the express provisions hereof, the Corporation will, and will cause of each of its Subsidiaries to, carry on and conduct its business in a proper and efficient manner and, subject to the express provisions hereof, it will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and rights;

(d) the Corporation shall maintain and not revoke the reservation of the Common Shares to be issued upon any potential conversion, redemption or other repayment of the Debentures and will use its commercially reasonable efforts maintain in good standing the listing of the Common Shares on the Exchange;

(e) in order to prevent any accumulation after maturity of unpaid interest or of any principal payable in respect of any Debentures, the Corporation will not directly or indirectly extend or assent to the extension of time for payment of any interest upon any Debentures or of any principal payable in respect of any Debentures and that it will not directly or indirectly be or become a party to or approve any such arrangement by funding any interest on said

Debentures or any principal thereof or in any other manner. In case the time for the payment of any such interest or principal shall be extended, whether or not such extension be by or with the consent of the Corporation, notwithstanding anything herein or in the Debentures contained, such interest and/or principal shall not be entitled in case of default hereunder to the benefits of this Agreement except subject to the prior payment in full of the principal of all the Debentures and of all interest of such Debentures the payment of which has not been so extended;

(f) the Corporation shall deliver to the Debentureholders: (i) within 120 days after the end of the Corporation's last fiscal year, audited annual financial statements and the report of the auditors thereon which is furnished to the shareholders of the Corporation, and (ii) within 60 days after the end of each quarter of the Corporation's fiscal year, interim financial statements of the Corporation with a description of recent significant events during such quarter and the information, documents and other reports that the Corporation is required to mail to the holders of Common Shares at such time;

(g) at a time when the Corporation is in arrears of any payments of principal or interest under the Debentures, the Corporation shall not: (i) declare any dividends on any shares of the Corporation, (ii) call for redemption or purchase for cancellation (except for Securities of terminated employees redeemed or purchased in accordance with customary purchase documentation in respect of such Securities) or make any capital distribution with respect to any shares of the Corporation;

(h) so long as any principal or interest thereon remains outstanding under the Debentures, the Corporation will not, and will not permit any Subsidiary to:

(i) enter into any guarantee of, or an indemnity or suretyship arrangement relating to, or any other transaction intended to assure the repayment or satisfaction of, any indebtedness or other liabilities or obligations of any other Person or otherwise become liable in respect of the obligations of another Person except Subsidiaries; or

(ii) enter into any liquidation, winding-up, reorganization or bankruptcy proceeding;

(i) the Corporation shall use its best efforts to maintain insurance policies on terms and coverage of assets and liabilities as those maintained by the Corporation's industry peers; and

(j) the Corporation will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, all material taxes, assessments and governmental charges levied or imposed upon the Corporation or any Subsidiary or upon the income, profits or property of the Corporation or any Subsidiary, and all lawful claims for labour, material and supplies which, if unpaid, might be law become a material lien upon the property of the Corporation or any Subsidiary; provided that the Corporation shall not be required to pay or discharge any such tax, assessment, charge or claim which amount, applicability or validity is being contested in good faith by appropriate proceedings, or unless the failure to make such payment or discharge would not, individually or in the aggregate, have a material adverse effect on the Corporation and its Subsidiaries taken as a whole.

ARTICLE 7- DEFAULT

7.1 Acceleration Of Maturity

Upon the happening of any one or more of the following events (each herein sometimes referred to as an "**Event of Default**"), namely:

(a) if the Corporation defaults in payment of the principal amount on the Debentures when the same becomes due under any provisions hereof or of the Debentures and such default continues for a period of 10 Business Days;

(b) if the Corporation makes default in payment of any interest upon the Debentures when it becomes due and payable and any such default continues for a period of 30 Business Days;

(c) if the Corporation shall neglect to observe or perform any of the covenants set out in Article 6, or other material covenant or condition herein contained on its part to be observed or performed which is not specifically dealt with as a separate Event of Default in any other paragraph of this Section 7.1 and, after notice in writing has been given by the Debentureholder to the Corporation specifying such default, requiring the Corporation to put an end to the same and stating that such notice is a "**Notice of Default**" hereunder, the Corporation shall fail to make good such default within a period of 30 days following its receipt of such notice, unless the Debentureholder (having regard to the subject matter of the default) shall have agreed to a longer period, and in such event, within the period agreed to by the Debentureholder;

(d) the Corporation fails to deliver the Common Shares, when those Common Shares are required to be delivered following a conversion of the Debenture in accordance with the provisions hereof and such default continues for a period of 15 days;

(e) if a decree or order of a court of competent jurisdiction is entered adjudging the Corporation or any Subsidiary, the assets of which are material having regard to the consolidated assets of the Corporation and its Subsidiaries (a "**Substantial Subsidiary**"), a bankrupt or insolvent under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or issuing sequestration or process of execution against, or against any substantial part of the property of, the Corporation or any Substantial Subsidiary, or appointing a receiver of, or of any substantial part of, the property of, the Corporation or any Substantial Subsidiary, or ordering the winding up or liquidation of its affairs and such order remains unstayed and in effect for 60 consecutive days;

(f) if a resolution is passed for the winding up or liquidation of the Corporation or a Substantial Subsidiary except in the course of carrying out or pursuant to a transaction in respect of which the conditions of section 9.1 are duly observed and performed or if the Corporation or a Substantial Subsidiary institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or consents to the filing of any such petition or to the appointment of a receiver of, or of any substantial part of, the property of the Corporation or any Substantial Subsidiary, or makes a general assignment for the benefit of creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its indebtedness, or takes corporate action in furtherance of any of the aforesaid purposes.

(separately referred to as an "**Event of Default**") then in each and every such event, any Debentureholder may, in its discretion, by notice in writing to the Corporation, declare the principal amount of and interest on the Debentures then outstanding which would have been payable if the Debentures had been converted on the date of such conversion and all other monies outstanding under this Agreement to be due and payable and the same shall become immediately due and payable to the Debentureholder, anything in such notice of this Agreement to the contrary

notwithstanding, and the Corporation shall immediately pay to the Debentureholder such principal amount of such Debentures hereunder, together with accrued and unpaid interest on such principal at the Interest Rate and interest on amounts in default, if any from the date of the said declaration until payment is received by the Debentureholder. Such payment when made shall be deemed to have been made in discharge of the Corporation's obligations under this Agreement and any monies so received by the Debentureholder shall be applied in the manner provided in section 7.5. Notwithstanding the foregoing, upon the occurrence of an Event of Default pursuant to clauses (e) and (f) above, the principal of or any interest on the Debentures then outstanding shall forthwith become due and payable without any further action by the Debentureholder.

7.2 Remedies

Upon the occurrence of an Event of Default, any Debentureholder may proceed, subject to applicable legislation, to enforce payment of the Debentures, by any or all of the following remedies in accordance with their terms:

(a) the Debentureholder may proceed to enforce its rights by any action, suit, remedy or proceeding authorized or permitted by law or by equity and may file such proofs of debt, claim, petition and other papers or documents as may be necessary or advisable in order to have the claims of the Debentureholder lodged in any bankruptcy, winding-up or other judicial proceedings or by enforcement of any other legal or equitable remedy or means of realization; and

(b) the Debentureholder may proceed to protect and enforce its rights under this Agreement by sale under judgment order in any judicial proceeding or by foreclosure or a suit or suits in equity or at law or otherwise whether for the specific performance of any covenant or agreement contained in this Agreement or in aid of the execution of this Agreement.

7.3 Notice Of Default

7.3.1 If a default shall occur and is continuing, the Corporation shall, immediately after it becomes aware of the occurrence of such default, give notice of such default to the Debentureholder in the manner provided in section 10.1. For the purpose of this section 7.3, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the Debenture.

7.3.2 Where notice of the occurrence of default has been given and the default is thereafter cured, notice that the default is no longer continuing shall be given by the Corporation to the Debentureholder, in the manner provided in section 10.1, immediately after the Corporation becomes aware that the default has been cured.

7.4 Application of Monies

Except as herein otherwise expressly provided, any moneys received by the Debentureholder from the Corporation pursuant to the foregoing provisions of this Article 7, or as a result of legal or other proceedings or from any trustee in bankruptcy or liquidator of the Corporation, shall be applied subject to the provisions of Article 5 and as hereinafter in this section 7.5 provided, in payment of the principal of and accrued and unpaid interest and interest on amounts in default on the Debentures which shall then be outstanding in the priority of principal first and then accrued and unpaid interest and interest on amounts in default.

7.5 Remedies Cumulative

No right or remedy conferred by this Agreement upon or reserved to the Debentureholder is intended to be exclusive of any other right or remedy, but each and every such right and remedy shall be cumulative and shall be in addition to every other right and remedy given under this Agreement or now or hereafter existing at law, in equity or by statute.

7.6 Judgment against the Corporation

The Corporation covenants and agrees with the Debentureholder that, in case of any judicial or other proceedings to enforce the rights of the Debenture holders, judgment may be rendered against it in favour of the Debenture holders, for any amount which may remain due in respect of the Debentures and the interest thereon.

7.7 Immunity of Shareholders, Directors and Officers

The Debenture holders hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future incorporator, shareholder, director or officer of the Corporation or of any successor corporation for the payment of the principal of or interest on any of the Debentures or on any covenant, agreement, representation or warranty by the Corporation herein or in the Debentures contained, save and except only recourse with respect to damages resulting from fraud.

7.8 Additional Rights

7.8.1 The Debentureholder may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Corporation, debtors of the Corporation, sureties and others as the Debentureholder may see fit without prejudice to the liability of the Corporation.

7.8.2 No delay or omission by the Debentureholder in exercising any right or remedy under this Agreement shall operate as a waiver of such right or remedy or of any other right or remedy, and no single or partial exercise of such right or remedy shall preclude any other or further exercise of such right or remedy or the exercise of any other right or remedy. The Debentureholder may remedy any default by the Corporation under this Agreement in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Corporation.

ARTICLE 8 - SATISFACTION AND DISCHARGE

8.1 Cancellation And Destruction

The Debenture Certificate shall immediately after payment or conversion thereof be delivered to the Corporation and cancelled by it, including any Debentures which the Corporation has purchased as provided for in this Agreement. Upon the Debenture Certificate being cancelled under this or any other provision of this Agreement, it may be destroyed by the Corporation.

ARTICLE 9- SUCCESSOR CORPORATIONS

9.1 Certain Requirements

In addition to the Corporation's covenants made in this Agreement, the Corporation shall not, directly or indirectly, without the consent of the Debentureholder, sell, lease, transfer or otherwise dispose of all or substantially any of its respective property and assets to any other Person, and shall not amalgamate

or merge with or into any other Person (any such other Person being referred to as a "**successor corporation**") unless:

(a) the successor corporation shall execute, prior to or contemporaneously with the consummation of any such transaction, an Agreement supplemental hereto together with such other instruments as are satisfactory to the Corporation and the Debentureholder, each acting reasonably, and in the opinion of Corporation and the Debentureholder, each acting reasonably, are necessary or advisable to evidence the assumption by the successor corporation of the due and punctual payment of the Debenture and the interest thereon and all other monies payable under this Agreement and the covenant of the successor corporation to pay the same and its agreement to observe and perform all the covenants and obligations of the Corporation under this Agreement;

(b) such transaction shall be upon such terms as will substantially preserve and not impair any of the rights or powers of the Debentureholder under this Agreement; and

(c) no condition or event shall exist as to the Corporation or the successor corporation either at the time of or immediately after the consummation of any such transaction and after giving full effect thereto or immediately after the successor corporation complying with the provisions of clause (a) above which constitutes or would constitute, after notice or lapse of time or both, an Event of Default.

9.2 Vesting Of Powers In Successor

Whenever the conditions of section 9.1 have been duly observed and performed the successor corporation shall possess and from time to time may exercise each and every right and power of the Corporation under this Agreement in the name of the Corporation or otherwise and any act or proceeding by any provision of this Agreement required to be done or performed by any directors or officers of the Corporation may be done and performed with like force and effect by the directors or officers of such successor corporations.

ARTICLE 10 - NOTICES

10.1 Notices

All notices, reports or other communication required or permitted by this Agreement must be in writing and either delivered by hand or by any form of electronic communication by means of which a written or typed copy is produced by the receiver thereof and is effective on actual receipt unless sent by mail in which case it is effective five Business Days after the date of mailing and if sent by electronic means or facsimile transmission in which case it is effective on the day of transmission if sent prior to 5 p.m. local time of the receiver or otherwise on the Business Day next following the date of transmission, addressed to the relevant party, as follows:

(a) if to the Corporation:

Otso Gold Corp.
300-1055 West Hastings St.
Vancouver, BC
V6E 2E9

Attention: Clyde Wesson, Executive Director
Email: clyde.w@otsogold.com

(b) if to the Debentureholder:

As specified in Schedule "D"

or the last address, email address or facsimile number of the party concerned - notice of which was given in accordance with this paragraph.

ARTICLE 11 – EVIDENCE OF OWNERSHIP

11.1 Evidence of Ownership

The Corporation may treat the registered holder of any Debenture Certificate as the owner thereof without actual production of such Debenture for the purpose of any request, requisition, direction, consent, instrument or other document as aforesaid. Unless otherwise required by law, the Person in whose name any Debenture Certificate is registered shall for all the purposes of this Agreement be and be deemed to be the owner thereof and payment of or on account of the principal of and interest on such Debenture shall be made to such Debentureholder.

ARTICLE 12 - GENERAL PROVISIONS

12.1 Execution

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. Delivery of an executed original counterpart of a signature page of this Indenture by facsimile or other electronically scanned method of delivery shall be as effective as delivery of a manually executed original counterpart of this Agreement.

12.2 Formal Date

For the purpose of convenience this Agreement may be referred to as bearing the formal date of March 26, 2020, irrespective of the actual date of execution of this Agreement.

12.3 Copy Of Agreement

The Corporation and the Debentureholder acknowledge receipt of a copy of this Agreement.

12.4 Amendments

This Agreement may not be amended except in by way of a written amendment executed by the Corporation and the Debentureholder. Any such amendment shall be binding on the Corporation and all of the Debentureholder.

12.5 Further Assurances

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreement and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement.

OTSO GOLD CORP.

By: _____

Name: Clyde Wesson

Title: Executive Director

I have authority to bind the Corporation

PFL RAAHE HOLDINGS LP

Per: _____

IN WITNESS WHEREOF the parties have executed this Agreement.

OTSO GOLD CORP.

By: _____

Name: Clyde Wesson

Title: Executive Director

I have authority to bind the Corporation

PFL RAAHE HOLDINGS LP

Per: _____

SCHEDULE "A"
DEBENTURE CERTIFICATE

Legend for Canadian Subscribers:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER [*INSERT DISTRIBUTION DATE*].

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER [INSERT DISTRIBUTION DATE].

Legend for United States Subscribers:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF APPLICABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN COMPLIANCE WITH CERTAIN OTHER PROCEDURES SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. IF, AT ANY TIME WHEN THE CORPORATION IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT, THESE SECURITIES ARE BEING SOLD IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, A NEW CERTIFICATE BEARING NO LEGEND MAY, SUBJECT TO COMPLIANCE WITH APPLICABLE NON-U.S. LAWS, BE OBTAINED FROM THE TRANSFER AGENT OF THE CORPORATION, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE CORPORATION, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT.

Convertible Debenture Certificate
OTSO GOLD CORP.
(incorporated under the laws of the Province of Alberta)

NO. DB –2020- 001 **Face Value: $<*>**

10% UNSECURED SUBORDINATED CONVERTIBLE DEBENTURE

DUE [*INSERT DATE WHICH IS THREE (3) YEARS FROM ISSUANCE*]

Otso Gold Corp. (the "Corporation") FOR VALUE RECEIVED promises to pay to

[*Insert name of holder*]

(the **"Debenture Holder"**)

on [*insert date*] (the **"Maturity Date"**), or on such earlier date as the Face Value may become due in accordance with the provisions of the Agreement (as defined herein), on presentation and surrender of this Debenture Certificate, the sum of $<*> at the head office of the Corporation in Vancouver, British Columbia, together with any accrued and unpaid interest as determined pursuant to the Agreement (as defined herein).

This Debenture Certificate is issued pursuant to a Debenture Agreement dated as of <*>, 2020, and made between the Corporation and the Debenture Holder (the **"Agreement"**) to which the Agreement, and all instruments supplemental to or in implementation of the Agreement. Reference is made for a description of the rights of the holders of the Debentures, and of the Corporation and of the terms and conditions upon which the Debentures are issued and held, all to the same effect as if the provisions of the Agreement and such instruments supplemental to or in implementation of the Agreement were set out in this Debenture Certificate, in respect of all of which provisions the holder of this Debenture Certificate, by acceptance of this Debenture Certificate, confirms and agrees. Capitalized terms not otherwise defined in this Debenture Certificate shall have the same meaning ascribed to such terms in the Agreement. In the event of any conflict between the provisions of this Debenture Certificate and the terms of the Agreement, the terms of the Agreement shall prevail.

The Face Value of the Debenture may become or be declared due before the Maturity Date on the conditions, in the manner, with the effect and at the time set out in the Agreement.

The Debenture may be converted, in whole or in part, at the option of the Debenture Holder, into Common Shares prior to the Maturity Date as set forth in the Agreement.

No transfer of this Debenture Certificate shall be valid without the prior written consent of the Corporation and unless made in accordance with applicable laws. If the Debenture Holder intends to transfer this Debenture Certificate, it shall deliver to the Corporation the transfer form attached hereto as Appendix "A" duly executed by the Debenture Holder. Upon compliance with the foregoing conditions and the surrender by the Debenture Holder of this Debenture Certificate, the Corporation shall execute and deliver to the applicable transferee a new Debenture Certificate registered in the name of the transferee. If less than the Face Value of the Debenture is transferred, the Debenture Holder shall be entitled to receive,

in the same manner, a new Debenture Certificate registered in its name evidencing the portion of the Face Value not so transferred. Prior to registration of any transfer of this Debenture Certificate, the Debenture Holder and the applicable transferee shall be required to provide the Corporation with necessary information and documents, including certificates and statutory declarations, as may be required to be filed under applicable laws.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF the Corporation has executed this Debenture Certificate.

OTSO GOLD CORP.

By: _____

Name: Clyde Wesson

Title: Executive Director

I have authority to bind the Corporation

APPENDIX "A"

FORM OF TRANSFER

TO: OTSO GOLD CORP. (the "**Corporation**")

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (name)_____

(the "**Transferee**"), of (address) _____

$_____ principal amount of unsecured subordinated convertible debentures of the Corporation (each a "**Debenture**") issued on March , 2020, registered in the name of the undersigned on the register of Debentures and represented by the attached debenture certificate. The undersigned hereby irrevocably appoints _____ as the attorney of the undersigned to transfer to the Transferee the said principal amount of the Debentures, with full power of substitution.

_____ _____

Dated: (Signature of Holder)

SCHEDULE "B"

FORM OF MATURITY NOTICE

To: Holders of Convertible Unsecured Subordinated Debentures (the "**Debentures**") of Otso Gold Corp. (the "**Company**")

All capitalized terms used herein have the meaning ascribed thereto in the Agreement mentioned below, unless otherwise indicated and all references to $ shall be to lawful money of Canada, unless otherwise indicated.

Notice is hereby given pursuant to subsection 4.2 of the debenture agreement (as amended, restated, modified, replaced, or otherwise changed, the "Agreement") dated as of March , 2020 between the Company and the Debentureholder, that the Debentures are due and payable on March , 2023 (the "Maturity Date"). Reference is hereby expressly made to the Agreement for a description of the terms and conditions upon which the Debentures have been issued and held and the rights and remedies of the Debenture holders and of the Company in respect thereof.

The Company provides notice of the Maturity Date. The Company is required to satisfy its obligation of repayment to the Debenture holders by paying the Face Value of the Debentures on the Maturity Date.

Pursuant to Article 3 of the Agreement, the holder of Debentures may elect to convert all or a portion of the Debentures outstanding to Common Shares prior to the Maturity Date. If the holder of Debentures provides notice to the Company that such holder wishes to make such election, such holder must deliver irrevocably a Conversion Notice to the Company prior to the Maturity Date. If no such election is made or a Conversion Notice is not so delivered, the Company shall satisfy its obligation of repayment to the Debenture holder by paying to such holder the Face Value of all Debentres held thereby on the Maturity Date.

Should a Debenture holder elect to deliver irrevocably a Conversion Notice, no fractional Common Shares shall be delivered by the Company.

Pursuant to the Agreement, the Company hereby advises the Debentureholders that it will deliver to Debentureholders that number of Common Shares equal to the number obtained by dividing the Face Value by the Conversion Price of the Common Shares on the last trading day preceding the Maturity Date.

In the event that the Company elects to issue and deliver Common Shares as aforesaid and upon presentation and surrender of the Debentures for payment on the Maturity Date, the Company shall, on the Business Day prior to the Maturity Date, deliver or cause to be delivered to the Debentureholders, the certificate(s) or other evidence of ownership representing the Common Shares to which Debentureholders are entitled together with a cheque or wire transfer representing the outstanding principal amount of the Debentures being repaid in cash and such portion of the accrued and unpaid interest to be paid in cash, if any.

DATED:_____

OTSO GOLD CORP.

By: _____

Name: Clyde Wesson

Title: Executive Director

I have authority to bind the Corporation

SCHEDULE "C"

FORM OF CONVERSION NOTICE

To: OTSO GOLD CORP.

All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to subsection 3.2.1 of the debenture agreement (as amended, restated, modified, replaced, or otherwise changed, the "**Agreement**") dated as of March , 2020 between the Company and the Debentureholder. Reference is hereby expressly made to the Agreement for a description of the terms and conditions upon which the Debentures have been issued and held and the rights and remedies of the Debenture holders and of the Company, all of which terms and conditions are agreed to by the undersigned.

Please only populate either I. or II. below.

I. If Conversion is elected on Maturity

The undersigned registered holder of Convertible Unsecured Senior Debentures bearing Certificate No. __ _____ irrevocably elects to convert the Face Value of such Debentures, totalling an aggregate Face Value amount of $_____ into Common Shares at the Conversion Price pursuant to section 3.2 of this Agreement.

II. If Conversion is elected Prior to Maturity

The undersigned registered holder of Convertible Unsecured Senior Debentures bearing Certificate No. __ _____ irrevocably elects to convert the Issue Price of such Debentures, totalling an aggregate Issue Price of $_____ into Common Shares at the Conversion Price pursuant to section 3.1 of this Agreement.

In accordance with the terms of the Agreement referred to in such Debentures and directs that the Common Shares of Otso Gold Corp. (the "**Company**") issuable upon a conversion be issued and delivered to the person indicated below. If Common Shares are to be issued in the name of a person other than the holder, all requisite taxes and other amounts as are payable by reason of the transfer must be tendered by the undersigned.

The undersigned hereby represents to the Company that it currently holds _____ common shares in the capital of the Company as well as securities convertible into an additional _____ common shares of the Company.

_____ _____

Dated: (Signature of Registered Holder)

If Common Shares are to be issued in the name of a person other than the holder, the signature must be guaranteed by a Schedule I Canadian chartered bank or by a member of an acceptable Medallion Guarantee Program. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED" and provide a duly completed and executed Form of Assignment.

(Print name in which Common Shares are to be issued, delivered and registered)

Name: _____

_____
(Address)

_____
(City, Province and Postal/ Zip Code)

The undersigned hereby acknowledges that the undersigned is aware that the Common Shares received on conversion may be subject to restrictions on resale under applicable securities legislation.

The undersigned represents, warrants and certifies as follows (one (only) of the following must be checked):

☐ (A) the undersigned holder at the time of conversion of the Debentures (i) is not in the United States, (ii) is not a U.S. Person, (iii) is not converting the Debentures for the account or benefit of a U.S. Person or a person in the United States, (iv) did not execute or deliver this conversion notice in the United States and (v) delivery of the underlying Common Shares will not be to an address in the United States; OR

☐ (B) if the undersigned holder is (i) a holder in the United States, (ii) a U.S. Person, (iii) a person converting for the account or benefit of a U.S. Person, (iv) executing or delivering this conversion notice in the United States or (v) requesting delivery of the underlying Common Shares in the United States, the undersigned holder has delivered to the Corporation and the Corporation's transfer agent an opinion of counsel (which will not be sufficient unless it is in form and substance reasonably satisfactory to the Corporation) of recognized standing in form and substance satisfactory to the Company to the effect that the issuance of the Common Shares does not require registration under the United States Securities Act of 1933, as amended (the "1933 Act") or any applicable state securities laws.

It is understood that the Corporation may require evidence to verify the foregoing representations.

Notes:

1) Certificates will not be registered or delivered to an address in the United States unless Box B above is checked.

2) If Box B above is checked, holders are encouraged to consult with the Corporation and the Trustee in advance to determine that the legal opinion tendered in connection with the conversion will be satisfactory in form and substance to the Corporation.

"United States" and "U.S. Person" are as defined in Rule 902 of Regulation S under the 1933 Act.

Name of guarantor: _____

Authorized signature: _____

SCHEDULE "D"

DEBENTURE HOLDER

Name of Debenture Holder	PFL RAAHE HOLDINGS LP
Address of Debenture Holder	c/o 437 Madison Avenue 28th Floor New York, NY 10022
Contact Details of Debenture Holder for Notice	jarchibald@pandionmetals.com

PUT AGREEMENT

THIS PUT AGREEMENT is made the 26th day of March, 2020 (this "**Agreement**") by and among **PFL RAAHE HOLDINGS LP**, a limited partnership formed under the laws of the Province of Ontario, Canada ("**PFL Raahe**") and **OTSO GOLD CORP.**, a corporation incorporated under the laws of the Province of Alberta, Canada ("**Otso Gold**").

WHEREAS:

A. PFL Raahe has subscribed for 271.5375 unsecured convertible debentures in the capital of Otso Gold (the "**Otso Gold Debentures**") at an aggregate subscription price of CAD$2,172,300 (US$1,500,000 based on FX of US$1=CDN$1.4482) and having an aggregate face value pursuant to a subscription agreement dated on or about the date hereof between PFL Raahe and Otso Gold (the "**Subscription Agreement**") under the convertible unsecured subordinated debenture agreement dated on or about the date hereof by and among Otso Gold and each subscriber thereunder (including PFL Raahe in its capacity as a subscriber under the Subscription Agreement) (the "**Otso Gold Debenture Agreement**").

B. It is a condition of the subscription that Otso Gold grants PFL Raahe a put option to require Otso Gold to purchase the Otso Gold Debentures on or after September 25, 2020 (the "Required Purchase Date") or on such earlier date subject to the terms and conditions of this Agreement.

C. Otso Gold will directly receive the benefit of the subscription proceeds from the Subscription Agreement and believes that it is in its best interests to grant the put option relating to the Otso Gold Debentures.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties to this Agreement agree as follows:

1. DEFINITIONS

1.1 In this Agreement:

(a) "**Agreement**" has the meaning ascribed thereto in the preamble;

(b) "**Business Day**" means a day on which banks are open for general banking business in Toronto, Ontario, Sydney, Australia and New York, New York;

(c) "**Change of Control**" means: (i) the sale of all or substantially all of the assets of Otso Gold; or (ii) the acquisition by a person (or persons acting jointly or in concert) of control or direction of over 50% or more of the outstanding voting securities of Otso Gold; or (iii) a change within any 12-month period of a majority of the board of directors of Otso Gold; or (iv) an amalgamation, arrangement or other transaction whereby a person (or persons acting jointly or in concert) acquires control or direction over not less than fifty percent (50%) of the voting securities of Otso Gold;

(d) "**Completion**" means completion of the sale of the Debenture Documents (defined below) pursuant to the terms hereof and "**Complete**" and "Completed" has a corresponding meaning;

(e) "**Debenture Documents**" has the meaning ascribed to such term in Section 2.4(b).

(f) "**Event of Default**" has the meaning ascribed to such term in the Otso Gold Debenture Agreement.

(g) "**Otso Gold**" has the meaning ascribed thereto in the preamble;

(h) "**Otso Gold Debenture Agreement**" has the meaning ascribed thereto in the recitals;

(i) "**Otso Gold Debentures**" has the meaning ascribed thereto in the recitals;

(j) "**PFL Raahe**" has the meaning ascribed thereto in the preamble;

(k) "**Purchase Amount**" means US$1,500,000;

(l) "**Put Option**" has the meaning ascribed thereto in Section 2.1;

(m) "**Required Purchase Date**" has the meaning ascribed thereto in the recitals; and

(n) "**Subscription Agreement**" has the meaning ascribed thereto in the recitals.

1.2 The headings, the table of contents and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 Unless something in the subject matter or context is inconsistent therewith, all references to Sections, Articles and Schedules are to Sections, Articles and Schedules to this Agreement. The words "hereto", "herein", "hereof", "hereunder" and similar expressions mean and refer to this Agreement.

1.4 In this Agreement, unless otherwise specifically provided, the singular includes the plural and vice versa, "month" means calendar month, words importing one gender shall include the other genders, "person" includes any individual, firm, partnership, company, corporation, joint venture, association, trust, government, governmental body, agency or instrumentality, unincorporated body of persons or association and "in writing" or "written" includes printing, typewriting, or any electronic means of communication capable of being visibly reproduced at the point of reception, including telecopier.

2. GRANT OF PUT OPTION

2.1 Otso Gold hereby grants to PFL Raahe the right, exercisable by notice in writing to Otso Gold, to require Otso Gold to purchase all and not less than all of the Otso Gold Debentures from PFL Raahe for the Purchase Amount on or after the Required Purchase Date subject to any earlier exercise upon the occurrence of any of the events described in Section 2.2 (the "**Put Option**").

2.2 The Put Option may be exercised by PFL Raahe at any time following the occurrence of any of the following events:

(a) an Event of Default;

(b) a Change of Control;

(c) an adverse effect on the validity or enforceability of this Agreement;

(d) in the sole and absolute discretion of PFL Raahe, a material default occurs in performance of any covenant of Otso Gold in favor of PFL Raahe under this Agreement which remains unremedied for a period of ten (10) days following notice of such default by PFL Raahe to Otso Gold;

(e) in the sole and absolute discretion of PFL Raahe, any other event of default occurs in payment or performance of any obligation for a material amount of borrowed money in favor of any other person from whom Otso Gold has borrowed money which would entitle the holder to accelerate repayment, and such default is not waived in writing and remains unremedied for a period of thirty (30) days;

(f) Otso Gold commits an act of bankruptcy or becomes insolvent within the meaning of any bankruptcy or insolvency legislation applicable to it or a petition or other process for Otso Gold, as the case may be, is filed or instituted and remains undismissed or unstayed for a period of forty-five (45) days or any of the relief sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or any substantial part of its property) occurs;

(g) any act, matter or thing is done in an attempt to accomplish the termination of the corporate existence of Otso Gold, whether by winding-up, surrender of charter or otherwise;

(h) any proposal is made or any petition is filed by or against Otso Gold under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of Otso Gold or other reorganization or arrangement respecting its liabilities or if Otso Gold gives notice of its intention to make or file any such proposal or petition including an application to any court to stay or suspend any proceedings of creditors pending the making or filing of any such proposal or petition; or

(i) any receiver, administrator or manager of the property, assets or undertaking of Otso Gold or a substantial part thereof is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court.

2.3 The Put Option shall be deemed to have been exercised at the time when the notice exercising the Put Option is delivered as provided in Section 5.

2.4 Upon the exercise of the Put Option, Otso Gold shall be bound to purchase for the Purchase Amount and PFL Raahe shall be bound to sell, or procure the sale of, for the Purchase Amount:

(a) the Otso Gold Debentures free from all mortgages, liens, charges, encumbrances, pledges, options and adverse equities or interests of any kind; and

(b) all rights and benefits of PFL Raahe under this Agreement and any other agreement between the parties relating to the Otso Gold Debentures (collectively, with the Otso Gold Debentures, the "**Debenture Documents**").

2.5 The sale and purchase of the Debenture Documents will be Completed at the offices of Aird & Berlis LLP in Toronto, Ontario on the third Business Day following the date on which the Put Option is exercised, unless otherwise agreed to by the parties, including Completion remotely by

way of electronic transmission and/or courier of the to the applicable parties of the deliverables comprising the Completion.

2.6 On Completion the following events shall occur:

(a) PFL Raahe shall deliver to Otso Gold, or as Otso Gold may direct, all certificates representing the Otso Gold Debentures together with a duly completed form of transfer appended to the Otso Gold Debenture Agreement in favor of Otso Gold or its nominee (as transferee);

(b) PFL Raahe shall deliver to Otso Gold any waiver, consent or other document which may be required to enable Otso Gold to obtain good title to the Debenture Documents, and to enable Otso Gold to procure the registration of the Otso Gold Debentures in the name of itself or its nominee and irrevocably transfer, assign all of the rights and benefits of PFL Raahe under the Debenture Documents ; and

(c) the Purchase Amount for the Otso Gold Debentures shall be paid by Otso Gold to PFL Raahe in immediately available United States dollar funds.

3. COVENANTS

3.1 PFL Raahe covenants and agrees that it shall not assign, hypothecate, donate, encumber, pledge or otherwise dispose of any interest in the Otso Gold Debentures unless it also assigns to the assignee, creditor, done, pledgee or other transferee of the Otso Gold Debentures, as the case may be, and that party has agreed to assume, by written agreement, all of its rights and obligations under this Agreement.

3.2 Otso Gold covenants and agrees to do all such acts and things and to take such steps and to execute and deliver for and on behalf of Otso Gold such documents, instruments, agreements and certificates as may be deemed necessary or desirable to give effect to this Agreement.

3.3 Otso Gold covenants and agrees to provide PFL Raahe with notice of the occurrence of any of the events described in Section 2.2 hereof within two Business Days of the occurrence thereof.

4. REPRESENTATIONS AND WARRANTIES

4.1 PFL Raahe represents and warrants to Otso Gold as follows:

(a) subject to Section 3.1, PFL Raahe shall be the legal owner of the Otso Gold Debentures and the other rights and benefits of PFL Raahe under this Agreement;

(b) PFL Raahe has the power, capacity and authority to enter into this Agreement; and

(c) the entry into and performance of this Agreement by PFL Raahe do not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation) or default under any agreement or undertaking by which PFL Raahe is bound.

4.2 Otso Gold represents and warrants to PFL Raahe as follows:

(a) Otso Gold has the power, capacity and authority to enter into this Agreement; and

(b) the entry into and performance of this Agreement by Otso Gold do not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation) or default under any agreement or undertaking by which Otso Gold is bound.

4.3 Otso Gold and PFL Raahe each represent and warrant to the other that any treatment, classification, or representation regarding the Debenture Documents which either party may make on any tax return, filing, or other statement that is filed with a taxing authority located in the Canada, will be for such purposes consistent with the characterization of such agreements for Canadian tax purposes. Each of the parties may disclose to any and all persons the Canadian income tax treatment and Canadian federal income tax structure of the transaction and all materials of any kind (including tax opinions and other tax analyses) that are provided to them relating to such tax treatment and tax structure.

5. NOTICES

5.1 All notices, reports or other communication required or permitted by this Agreement must be in writing and either delivered by hand or by any form of electronic communication by means of which a written or typed copy is produced by the receiver thereof and is effective on actual receipt unless sent by mail in which case it is effective five Business Days after the date of mailing and if sent by electronic means or facsimile transmission in which case it is effective on the day of transmission if sent prior to 5 p.m. local time of the receiver or otherwise on the Business Day next following the date of transmission, addressed to the relevant party, as follows:

(a) If to PFL Raahe, to

PFL Raahe Holdings LP
c/o Pandion Mine Finance, LP
437 Madison Avenue, 28th Floor
New York, NY 10022
Attention: Joseph Archibald
Email: jarchibald@pandionmetals.com

(b) If to Otso Gold, to

Otso Gold Corp.
c/o Brookfield Place
181 Bay Street, Suite 1800
Toronto ON M5J 2T9
Fax 416 863-1515
Attention: Clyde Wesson - Otso Gold
Email: clyde.w@lionsbridge.com.au

6. MISCELLANEOUS

6.1 **Effectiveness.** This Agreement shall be binding upon the parties upon execution by each party hereto of its counterpart signature page, as applicable, to each of: (a) the Subscription Agreement, (b) the Otso Gold Debenture Agreement, (c) the debenture certificate evidencing the Otso Gold Debentures, (d) this Agreement and (e) the delivery of such counterparts to PFL Raahe together

with such certificates and legal opinions and may from time to time be requested by PFL Raahe in its sole discretion, including after the date of this Agreement.

6.2 **Transfer and Assignment.** Except in connection with any transfer of the Otso Gold Debentures pursuant to Section 3.1, none of the parties to this Agreement may assign, transfer or otherwise dispose of their rights under this Agreement without the prior written consent of the others, which consent may not be arbitrarily withheld.

6.3 **Exercise of rights.** A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy.

6.4 **Waiver and variation.** A provision of or right created under this Agreement may not be:

(a) waived except in writing signed by the party granting the waiver; or

(b) varied except in writing signed by the parties.

6.5 **Remedies cumulative.** The rights, powers and remedies provided in this Agreement are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this Agreement.

6.6 **Further assurances.** Each party agrees, at its own expense unless otherwise provided herein, on the request of the others, to do everything reasonably necessary to give effect to this Agreement and the transactions contemplated by it (including the execution of documents) and to use all commercially reasonable effort to cause relevant third parties to do likewise.

6.7 **Binding affect.** This Agreement shall be binding upon Otso Gold and PFL Raahe and also upon their respective successors and permitted assigns, heirs, executors and administrators as applicable, and shall not be affected by any name change, change in capital structure or any merger, amalgamation or other combination of a party or its business.

6.8 **Time of the essence.** Time is of the essence in all respects in relation to anything to be done under the provisions of this Agreement and in respect of any day or period determined under this Agreement.

6.9 **Costs and Expenses.** Otso Gold agrees to pay all costs and expenses incurred by PFL Raahe incidental to or in any way relating to PFL Raahe's enforcement of the obligations of Otso Gold hereunder or of PFL Raahe's rights under the rights, privileges, restrictions and conditions attaching to the Otso Gold Debentures, including but not limited to, legal fees and other out of pocket costs and expenses and incurred by PFL Raahe, whether or not litigation is commenced.

6.10 **Governing law and jurisdiction.** This Agreement is governed by the laws of the Province of Ontario. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the Province of Ontario and courts of appeal from them for determining any dispute concerning this Agreement or the transactions contemplated by this Agreement. Each party waives any right it has to object to an action being brought in an inconvenient forum or to claim that those courts do not have jurisdiction.

6.11 **Counterparts**. This Agreement may consist of a number of counterparts which taken together constitute one and the same instrument.

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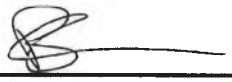
IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day, month and year first above written.

PFL RAAHE HOLDINGS LP

By: _____
Name: Joseph Archibald
Title: Authorized Signatory

OTSO GOLD CORP.

By: 

Name: Brian Wesson
Title: President and Director

Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is four months and a day after July 27, 2020.

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident before the date which is four months and a day after July 27, 2020.

Convertible Debenture Certificate
OTSO GOLD CORP.
(incorporated under the laws of the Province of Alberta)

NO. DB –2020- 002 **Face Value: CDN $2,715,375**

10% UNSECURED SUBORDINATED CONVERTIBLE DEBENTURE

DUE MARCH 26, 2023

Otso Gold Corp. (the "Corporation") **FOR VALUE RECEIVED** promises to pay to

PFL RAAHE HOLDINGS LP

(the **"Debenture Holder"**)

on March 26, 2023 (the **"Maturity Date"**), or on such earlier date as the Face Value may become due in accordance with the provisions of the Agreement (as defined herein), on presentation and surrender of this Debenture Certificate, the sum of CDN $2,715,375 at the head office of the Corporation in Vancouver, British Columbia, together with any accrued and unpaid interest as determined pursuant to the Agreement (as defined herein).

This Debenture Certificate is issued pursuant to a Debenture Agreement dated as of March 26, 2020 and made between the Corporation and the Debenture Holder (the **"Agreement"**) to which the Agreement, and all instruments supplemental to or in implementation of the Agreement. Reference is made for a description of the rights of the holders of the Debentures, and of the Corporation and of the terms and conditions upon which the Debentures are issued and held, all to the same effect as if the provisions of the Agreement and such instruments supplemental to or in implementation of the Agreement were set out in this Debenture Certificate, in respect of all of which provisions the holder of this Debenture Certificate, by acceptance of this Debenture Certificate, confirms and agrees. Capitalized terms not otherwise defined in this Debenture Certificate shall have the same meaning ascribed to such terms in the Agreement. In the event of any conflict between the provisions of this Debenture Certificate and the terms of the Agreement, the terms of the Agreement shall prevail.

The Face Value of the Debenture may become or be declared due before the Maturity Date on the conditions, in the manner, with the effect and at the time set out in the Agreement.

The Debenture may be converted, in whole or in part, at the option of the Debenture Holder, into Common Shares prior to the Maturity Date as set forth in the Agreement.

No transfer of this Debenture Certificate shall be valid without the prior written consent of the Corporation and unless made in accordance with applicable laws. If the Debenture Holder intends to transfer this Debenture Certificate, it shall deliver to the Corporation the transfer form attached hereto as Appendix "A" duly executed by the Debenture Holder. Upon compliance with the foregoing conditions and the surrender by the Debenture Holder of this Debenture Certificate, the Corporation shall execute and deliver to the applicable transferee a new Debenture Certificate registered in the name of the transferee. If less than the Face Value of the Debenture is transferred, the Debenture Holder shall be entitled to receive, in the same manner, a new Debenture Certificate registered in its name evidencing the portion of the Face Value not so transferred. Prior to registration of any transfer of this Debenture Certificate, the Debenture Holder and the applicable transferee shall be required to provide the Corporation with necessary information and documents, including certificates and statutory declarations, as may be required to be filed under applicable laws.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF the Corporation has executed this Debenture Certificate.

OTSO GOLD CORP.

By: 

Name: Clyde Wesson
Title: Executive Director
I have authority to bind the Corporation

39347626.3

This is **Exhibit "Q"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Fairfield, Connecticut, United States of America, on January 7, 2022.

Anne Ferris Cassidy

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

GUARANTEE AND CALL AGREEMENT

THIS GUARANTEE AND CALL AGREEMENT is made the 26th day of March, 2020 (this "**Agreement**") by and among **LIONSBRIDGE CAPITAL PTY LTD.**, a corporation incorporated under the laws of the Commonwealth of Australia ("**Lionsbridge**"), **PFL RAAHE HOLDINGS LP**, a limited partnership formed under the laws of the Province of Ontario, Canada ("**PFL Raahe**"), **OTSO GOLD CORP.**, a corporation incorporated under the laws of the Province of Alberta, Canada ("**Otso Gold**") and **BRIAN WESSON**, an individual domiciled in Australia at the address identified in Section 7 hereof.

WHEREAS:

A. PFL Raahe has subscribed for 271.5375 unsecured convertible debentures in the capital of Otso Gold (the "**Otso Gold Debentures**") at an aggregate subscription price of CAD$2,172,300 (US$1,500,000 based on FX of US$1=CDN$1.4482) and having an aggregate face value pursuant to a subscription agreement dated on or about the date hereof between PFL Raahe and Otso Gold (the "**Subscription Agreement**") under the convertible unsecured subordinated debenture agreement dated on or about the date hereof by and among Otso Gold and each subscriber thereunder (including PFL Raahe in its capacity as a subscriber under the Subscription Agreement) (the "**Otso Gold Debenture Agreement**").

B. It is a condition of the subscription that (i) Lionsbridge and Brian Wesson guarantee the Guaranteed Obligations (as hereinafter defined) subject to the terms and conditions of this Agreement; (ii) Otso Gold grants PFL Raahe a put option to require Otso Gold to purchase the Otso Gold Debentures on or after September 25, 2020 (the "**Required Purchase Date**") subject to the terms and conditions of the Put Agreement (as hereinafter defined); (iii) PFL Raahe grants Lionsbridge a Call Right (as hereinafter defined), exercisable at any time, to require PFL Raahe to sell to Lionsbridge the Debentures Documents (hereinafter defined); and (iv) as security for Lionbridge's guarantee set forth herein, the Wesson Group pledge (the "**Pier Power Share Pledge**") to PFL Raahe its 98.3% interest in Pier Power Pty Ltd., a limited company organized under the laws of Australia ("**Pier Power**").

C. Each of Lionsbridge and Brian Wesson will indirectly receive a benefit from the subscription proceeds from the Subscription Agreement and each of Lionsbridge and Brian Wesson believe it is in their respective best interests to provide the guarantee hereunder and for Lionsbridge to agree to the Call Right as herein described.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties to this Agreement agree as follows:

1. DEFINITIONS

1.1 In this Agreement:

(i) "**Agreement**" has the meaning ascribed thereto in the preamble;

(ii) "**Business Day**" means a day on which banks are open for general banking business in Toronto, Ontario, Sydney, Australia and New York, New York;

(iii) "**Call Notice**" has the meaning ascribed thereto in Section 4.1;

(iv) "**Call Right**" has the meaning ascribed thereto in Section 4.1;

(v) "**Change of Control**" means: (i) the sale of all or substantially all of the assets of Lionsbridge; or (ii) the acquisition by a person (or persons acting jointly or in concert) of control or direction of over 50% or more of the outstanding voting securities of Lionsbridge; or (iii) a change within any 12-month period of a majority of the board of directors of Lionsbridge; or (iv) an amalgamation, arrangement or other transaction whereby a person (or persons acting jointly or in concert) acquires control or direction over not less than fifty percent (50%) of the voting securities of Lionsbridge;

(vi) "**Completion**" means completion of the purchase of the Debentures Documents (defined below) pursuant to the terms hereof and "**Complete**" and "**Completed**" has a corresponding meaning;

(vii) "**Debenture Documents**" has the meaning ascribed to such term in Section 4.4(ii);

(viii) "**Event of Default**" has the meaning ascribed to such term in Otso Gold Debenture Agreement;

(ix) "**Guarantee**" has the meaning ascribed thereto in Section 2.1;

(x) "**Guaranteed Obligations**" has the meaning ascribed thereto in Section 2.1;

(xi) "**Guarantor**" has the meaning ascribed thereto in Section 2.1;

(xii) "**Lionsbridge**" has the meaning ascribed thereto in the preamble;

(xiii) "**Otso Gold**" has the meaning ascribed thereto in the preamble;

(xiv) "**Otso Gold Debenture Agreement**" has the meaning ascribed thereto in the recitals;

(xv) "**Otso Gold Debentures**" has the meaning ascribed thereto in the recitals;

(xvi) "**PFL Raahe**" has the meaning ascribed thereto in the preamble;

(xvii) "**Pier Power**" has the meaning ascribed thereto in the recitals;

(xviii) "**Pier Power Share Pledge**" has the meaning ascribed thereto in the recitals;

(xix) "**Purchase Amount**" means US$1,500,000;

(xx) "**Put Agreement**" means the put agreement dated on or about the date hereof between PFL Raahe and Otso Gold;

(xxi) "**Put Option**" has the meaning ascribed thereto in Section 3.1;

(xxii) "**Required Purchase Date**" has the meaning ascribed thereto in the recitals;

(xxiii) "**Subscription Agreement**" has the meaning ascribed thereto in the recitals; and

(xiv) "**Wesson Group**" means, jointly, Brian Wesson and Amelia Wesson, as owners of common shares of Pier Power and residents of Australia .

1.2 The headings, the table of contents and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 Unless something in the subject matter or context is inconsistent therewith, all references to Sections, Articles and Schedules are to Sections, Articles and Schedules to this Agreement. The words "hereto", "herein", "hereof", "hereunder" and similar expressions mean and refer to this Agreement.

1.4 In this Agreement, unless otherwise specifically provided, the singular includes the plural and vice versa, "month" means calendar month, words importing one gender shall include the other genders, "person" includes any individual, firm, partnership, company, corporation, joint venture, association, trust, government, governmental body, agency or instrumentality, unincorporated body of persons or association and "in writing" or "written" includes printing, typewriting, or any electronic means of communication capable of being visibly reproduced at the point of reception, including telecopier.

2. GUARANTEE

2.1 In consideration of PFL Raahe subscribing for the Otso Gold Debentures, each of Lionsbridge and Brian Wesson (each a "**Guarantor**" and collectively the "**Guarantors**") hereby absolutely, unconditionally and irrevocably guarantees, on a joint and several basis (the "**Guarantee**") to PFL Raahe the full and timely payment of all debts and liabilities, present and future, matured and unmatured, owing by Otso Gold to PFL Raahe under the Otso Gold Debentures including the Put Option and the Call Right arising therefrom together with all costs and disbursements incurred by PFL Raahe in order to recover such amounts (the "**Guaranteed Obligations**").

2.2 The Guarantee shall continue and be enforceable notwithstanding any amalgamation of Lionsbridge with any other corporation(s) and any further such amalgamations and any death or incapacity of Brian Wesson.

2.3 The Guarantee will not be diminished or modified on account of any act on the part of either Guarantor which would prevent subrogation operating in favor of PFL Raahe. It is agreed that PFL Raahe, without exonerating in whole or in part either Guarantor of their obligations hereunder, may grant time, renewals, extensions, indulgences, releases and discharges to Otso Gold.

2.4 PFL Raahe shall not be obliged to exhaust its recourse against Otso Gold under the Pier Power Share Pledge, or otherwise or against other persons or the securities it may hold before being entitled to demand payment from the Guarantors of the amounts comprising the Guaranteed Obligations and it shall not be obligated to offer or deliver its securities before such obligations have been paid in full.

2.5 The Guarantee is in addition to and not in substitution for the Pier Power Share Pledge or any other guarantee given by any other person or persons at any time in favor of PFL Raahe, and without prejudice to any other securities given by any other person or persons held at any time by PFL Raahe and PFL Raahe shall be under no obligation to marshal in favor of any Guarantor any such securities or any of the funds or assets PFL Raahe may be entitled to receive or have a claim upon.

2.6 The Guarantors jointly and severally agree to pay PFL Raahe the amounts comprising the Guaranteed Obligations upon a written demand by PFL Raahe pursuant to Section 7 of this Agreement.

2.7 The Guarantee shall be binding upon the Guarantors and Otso Gold and also upon their successors and assigns and heirs, executors and administrators, as applicable, and will extend to and enure to the benefit of the successors and assigns of PFL Raahe.

2.8 The obligations of the Guarantors hereunder shall rank senior in priority of payment and in all other respects with all other outstanding unsecured indebtedness of each such Guarantor and will remain as such throughout the term of this Agreement.

2.9 All rights, powers and remedies of PFL Raahe under the Guarantee shall be in addition to all rights, powers and remedies given to PFL Raahe at law, in equity, under statute, by agreement or otherwise. All such rights, powers and remedies are cumulative and not alternative and shall not be exhausted by any exercise thereof against the Guarantors or by any number of successive actions until and unless all of the Guaranteed Obligations have been irrevocably paid in full.

3. GRANT OF PUT OPTION

3.1 Otso Gold hereby acknowledges its grant of the Put Option to PFL Raahe pursuant to the Put Agreement.

4. CALL RIGHT

4.1 PFL Raahe hereby grants to Lionsbridge the right, exercisable by notice in writing (the "**Call Notice**") to PFL Raahe, to require PFL Raahe to sell all and not less than all of the Otso Gold Debentures to Lionsbridge for the Purchase Amount at any time prior to the Required Purchase Date subject to the terms and conditions contained in Section 4.2 (the "**Call Right**").

4.2 Notwithstanding the foregoing, Lionsbridge shall be deemed to have delivered (without further action necessary by Lionsbridge) to PFL Raahe a Call Notice, pursuant to which the Otso Gold Debentures shall be sold to Lionsbridge at least one day prior to the date for delivery of the common shares in the capital of Otso Gold issuable upon such conversion upon seven (7) Business Days written notice to Otso Gold, Lionsbridge and Brian Wesson following the occurrence of any of the following events:

(i) an Event of Default or the occurrence of any event under Section 2.2 of the Put Agreement;

(ii) a Change of Control of Lionsbridge;

(iii) an adverse effect on the validity or enforceability of this Agreement;

(iv) in the sole and absolute discretion of PFL Raahe a material default occurs in performance of any covenant of Lionsbridge or Brian Wesson in favor of PFL Raahe under this Agreement which remains unremedied for a period of ten (10) days following notice of such default by PFL Raahe to Lionsbridge or Brian Wesson, as applicable;

(v) in the sole and absolute discretion of PFL Raahe any other event of default occurs in payment or performance of any obligation for a material amount of borrowed money in

favor of any person from whom Lionsbridge, Otso Gold or Brian Wesson has borrowed money which would entitle the holder to accelerate repayment, and such default is not waived in writing and remains unremedied for a period of thirty (30) days;

(vi) any of Lionsbridge or Brian Wesson commits an act of bankruptcy or becomes insolvent within the meaning of any bankruptcy or insolvency legislation applicable to it or a petition or other process for Lionsbridge or Brian Wesson, as the case may be, is filed or instituted and remains undismissed or unstayed for a period of forty-five (45) days or any of the relief sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or any substantial part of its property) occurs;

(vii) any act, matter or thing is done in an attempt to accomplish the termination of the corporate existence of Lionsbridge, whether by winding-up, surrender of charter or otherwise;

(viii) any proposal is made or any petition is filed by or against Lionsbridge or Brian Wesson under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of Lionsbridge or Brian Wesson or other reorganization or arrangement respecting their respective liabilities or if either Lionsbridge or Brian Wesson gives notice of an intention to make or file any such proposal or petition including an application to any court to stay or suspend any proceedings of creditors pending the making or filing of any such proposal or petition; or

(ix) any receiver, administrator or manager of the property, assets or undertaking of Lionsbridge or Brian Wesson or a substantial part thereof is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court.

4.3 The Call Right shall be deemed to have been exercised at the time when the Call Notice is delivered as provided in Section 5 is either delivered as provided in Section 4.1 or is deemed to have been delivered as provided in Section 4.2.

4.4 Upon the exercise of the Call Right, Lionsbridge shall be bound to purchase for the Purchase Amount and PFL Raahe shall be bound to sell, or procure the sale of, for the Purchase Amount:

(i) the Otso Gold Debentures free from all mortgages, liens, charges, encumbrances, pledges, options and adverse equities or interests of any kind; and

(ii) all rights and benefits of PFL Raahe under this Agreement and the Put Agreement (collectively, with the Otso Gold Debentures, the "**Debenture Documents**").

4.5 The sale and purchase of the Debenture Documents will be Completed at the offices of Aird & Berlis LLP in Toronto, Ontario on the third Business Day following the date on which the Call Right is exercised or deemed to be exercised, unless otherwise agreed to by the parties, including Completion remotely by way of electronic transmission and/or courier of the to the applicable parties of the deliverables comprising the Completion.

4.6 On Completion the following events shall occur:

(i) PFL Raahe shall deliver to Lionsbridge, or as Lionsbridge may direct, all certificates representing the Otso Gold Debentures together with a duly completed form of transfer appended to the Otso Gold Debenture Agreement in favor of Lionsbridge or its nominee (as transferee); and

(ii) PFL Raahe shall deliver to Lionsbridge any waiver, consent or other document which may be required to enable Lionsbridge to obtain good title to the Debenture, Documents and to enable Lionsbridge to procure the registration of the Debenture Documents in the name of itself or its nominee and irrevocably transfer, assign all of the rights and benefits of PFL Raahe under this Agreement; and

(iii) the Purchase Amount for the Otso Gold Debentures shall be paid by Lionsbridge to PFL Raahe in immediately available United States dollar funds.

5. COVENANTS

5.1 PFL Raahe covenants that it shall not assign, hypothecate, donate, encumber, pledge or otherwise dispose of any interest in the Debentures Documents unless it also assigns to the assignee, creditor, done, pledgee or other transferee of the Debenture Documents, as the case may be, and that party has agreed to assume, by written agreement, all of its rights and obligations of PFL Raahe under this Agreement; *provided* that neither the rights and benefits of PFL Raahe arising from the obligations of Brian Wesson under Section 2 of this Agreement shall be assigned, hypothecated, donated, encumbered, pledged or otherwise disposed of without the consent of Lionsbridge and Brain Wesson.

5.2 Lionsbridge, Brian Wesson and Otso Gold shall cause the Wesson Group to execute and deliver the Pier Power Share Pledge together with all other deliverables deemed necessary or desirable by counsel to PFL Raahe on or prior to April 8, 2020.

5.3 Each of Lionsbridge, Brian Wesson and Otso Gold covenant and agree to do all such acts and things and to take such steps and to execute and deliver such documents, instruments, agreements and certificates as may be deemed necessary or desirable to give effect to this Agreement.

5.4 Each of Lionsbridge, Brian Wesson and Otso Gold covenant and agree to provide PFL Raahe with notice of the occurrence of any of the events described in Section 3.2 hereof within two Business Days of the occurrence thereof.

6. REPRESENTATIONS AND WARRANTIES

6.1 PFL Raahe represents and warrants to each other party hereto as follows:

(i) subject to Section 5.1, PFL Raahe shall be the legal owner of the Otso Gold Debentures and the other rights and benefits of PFL Raahe under this Agreement;

(ii) PFL Raahe has the power, capacity and authority to enter into this Agreement; and

(iii) the entry into and performance of this Agreement by PFL Raahe do not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation) or default under any agreement or undertaking by which PFL Raahe is bound.

6.2 Lionsbridge represents and warrants to each other party hereto as follows:

(i) Lionsbridge has the power, capacity and authority to enter into this Agreement; and

(ii) the entry into and performance of this Agreement by Lionsbridge do not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation) or default under any agreement or undertaking by which Lionsbridge is bound.

6.3 Brian Wesson represents and warrants to each other party hereto as follows:

(i) Brian Wesson has the capacity to enter into this Agreement; and

(ii) the entry into and performance of this Agreement by Brian Wesson do not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation) or default under any agreement or undertaking by which Brian Wesson is bound.

6.4 Otso Gold represents and warrants to each other party hereto as follows:

(i) Otso Gold has the power, capacity and authority to enter into this Agreement; and

(ii) the entry into and performance of this Agreement by Otso Gold do not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation) or default under any agreement or undertaking by which Otso Gold is bound.

6.5 Lionsbridge, Otso Gold, Brian Wesson and PFL Raahe each represent and warrant to the other that any treatment, classification, or representation regarding the Debenture Documents which either party may make on any tax return, filing, or other statement that is filed with a taxing authority located in the Canada, will be for such purposes consistent with the characterization of such agreements as debt of Lionsbridge and Brian Wesson for Canadian tax purposes. Each of the parties may disclose to any and all persons the Canadian income tax treatment and Canadian federal income tax structure of the transaction and all materials of any kind (including tax opinions and other tax analyses) that are provided to them relating to such tax treatment and tax structure.

7. NOTICES

7.1 All notices, reports or other communication required or permitted by this Agreement must be in writing and either delivered by hand or by any form of electronic communication by means of which a written or typed copy is produced by the receiver thereof and is effective on actual receipt unless sent by mail in which case it is effective five Business Days after the date of mailing and if sent by electronic means or facsimile transmission in which case it is effective on the day of transmission if sent prior to 5 p.m. local time of the receiver or otherwise on the Business Day next following the date of transmission, addressed to the relevant party, as follows:

(i) If to Lionsbridge, to

Level 29,
Chifley Tower
2 Chifley Square
Sydney NSW
2000
Attention: Clyde Wesson

Facsimile: NA
Email: clyde.w@lionsbridge.com.au

(ii) If to PFL Raahe, to

PFL Raahe Holdings LP
c/o Pandion Mine Finance, LP
437 Madison Avenue, 28th Floor
New York, NY 10022
Attention: Joseph Archibald
Email: jarchibald@pandionmetals.com

(iii) If to Otso Gold, to

c/o Brookfield Place
181 Bay Street, Suite 1800
Toronto ON M5J 2T9
Facsimile: 416 863-1515
Attention : Clyde Wesson
Email: clyde.w@lionsbridge.com.au

(iv) If to Brian Wesson, to

c/o Lionsbridge
Level 29,
Chifley Tower
2 Chifley Square
Sydney NSW
2000
Attention: Clyde Wesson
Facsimile: NA
Email: clyde.w@lionsbridge.com.au

8. MISCELLANEOUS

8.1 **Effectiveness**. This Agreement shall be binding upon the parties upon execution by each party hereto of its counterpart signature page, as applicable, and upon the effectiveness of the Put Agreement, as determined by PFL Raahe in its sole and absolute discretion.

8.2 **Transfer and Assignment**. Except in connection with any transfer of the Debenture Documents pursuant to Section 5.1, none of the parties to this Agreement may assign, transfer or otherwise dispose of their rights under this Agreement without the prior written consent of the others, which consent may not be arbitrarily withheld.

8.3 **Exercise of rights**. A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy.

8.4 **Waiver and variation**. A provision of or right created under this Agreement may not be:

(i) waived except in writing signed by the party granting the waiver; or

(ii) varied except in writing signed by the parties.

8.5 **Remedies cumulative.** The rights, powers and remedies provided in this Agreement are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this Agreement.

8.6 **Further assurances.** Each party agrees, at its own expense unless otherwise provided herein, on the request of the others, to do everything reasonably necessary to give effect to this Agreement and the transactions contemplated by it (including the execution of documents) and to use all commercially reasonable effort to cause relevant third parties to do likewise.

8.7 **Binding affect.** This Agreement shall be binding upon Lionsbridge, Otso Gold, Brian Wesson and PFL Raahe and also upon their respective successors and permitted assigns, heirs, executors and administrators as applicable, and shall not be affected by any name change, change in capital structure or any merger, amalgamation or other combination of a party or its business.

8.8 **Time of the essence.** Time is of the essence in all respects in relation to anything to be done under the provisions of this Agreement and in respect of any day or period determined under this Agreement.

8.9 **Costs and Expenses.** Lionsbridge, Brian Wesson and Otso Gold jointly and severally agrees to pay all costs and expenses incurred by PFL Raahe incidental to or in any way relating to PFL Raahe's enforcement of the obligations of Lionsbridge, Brian Wesson or Otso Gold hereunder or of PFL Raahe's rights under the rights, privileges, restrictions and conditions attaching to the Otso Gold Debentures, including but not limited to, legal fees and other out of pocket costs and expenses and incurred by PFL Raahe, whether or not litigation is commenced.

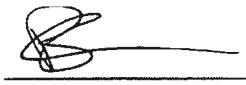
8.10 **Governing law and jurisdiction.** This Agreement is governed by the laws of the Province of Ontario. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the Province of Ontario and courts of appeal from them for determining any dispute concerning this Agreement or the transactions contemplated by this Agreement. Each party waives any right it has to object to an action being brought in an inconvenient forum or to claim that those courts do not have jurisdiction.

8.11 **Counterparts.** This Agreement may consist of a number of counterparts which taken together constitute one and the same instrument.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day, month and year first above written.

LIONSBRIDGE CAPITAL PTY LTD.

By: 

Name: Brian Wesson
Title: Chairman

PFL RAAHE HOLDINGS LP

By: _____
Name: Joseph Archibald
Title: Authorized Signatory

OTSO GOLD CORP.

By: 

Name:Brian Wesson
Title: President and Director

BRIAN WESSON

This is **Exhibit "R"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at [illegible], Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

EXECUTION VERSION

PFL RAAHE HOLDINGS LP
437 Madison Avenue, 28th Floor
New York, NY 10022

Via E-Mail Transmission

December 13, 2020

Attn: Brian Wesson, Chief Executive Officer
Clyde Wesson, Director

Re: Undertaking Letter re: (i) Loan Agreement dated October 20, 2020 between Amalgam Rail Management Ltd. ("Amalgam") and Otso Gold Corp. (f/k/a Nordic Gold OY) ("Otso Gold") (as such loan document may from to time be amended by an assignment agreement dated on or prior to the Completion Date under and as defined in the Subscription Agreement between Amalgam as the assignor and Brunswick Gold Ltd ("BGL") as the assignee in the form attached as the Schedule hereto (such assignment agreement, the "Assignment Agreement"), the "Loan Agreement"), and (ii) a $11,000,000 equity investment under the Subscription Agreement dated December 13, 2020 between Otso Gold and (as such document is in effect on the date hereof and without giving effect to any amendments thereto, the "Subscription Agreement", and collectively with the transactions contemplated under the Loan Agreement, the "Financing").

Ladies and Gentlemen:

This letter agreement, dated as of December 13, 2020 (this "Amendment"), is made by and among Otso Gold as the seller (the "Seller"), Nordic Mines Marknad AB and Otso Gold Oy (f/k/a Nordic Gold OY) as guarantors (each a "Guarantor" and collectively, the "Guarantors," and together with the Seller, the "Obligors") and PFL Raahe Holdings LP as the Buyer (the "Buyer" and, together with the Seller and the Guarantors, collectively, the "Parties") and is made with reference to the Consent and Agreement to Pre-Paid Forward Gold Purchase Agreement and Maintenance Loan Agreement, dated as of October 7, 2019 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Agreement") entered into among the Parties. Capitalized terms used but not defined herein shall have the respective meanings assigned to such terms in the Agreement. "$" denotes the lawful currency of the United States of America. We acknowledge that we have received the executed copy of the Loan Agreement and the execution version of the Subscription Agreement and, by your signature below, you covenant and agree that you will not make further modifications to such agreements prior to the execution thereof except for such incremental modifications as have been approved by us in writing.

Section I. Amendments to Agreement

(a) In connection with the effectiveness of the Financing and on and after the date of the Effectiveness Notification (as defined below), the Parties agree to reschedule the Deferred Payment Amounts owing from the Seller to the Buyer under the Agreement and to certain other undertakings relating to the Agreement as follows:

(i) the Seller shall pay, on or prior to December 7, 2021, the outstanding Deferred Payment Amounts to the Buyer in an amount equal to $23,000,000, plus all accrued and unpaid interest then owing under Section 2.2(b) pursuant to the Agreement (as amended by this Amendment);

(ii) the Deferred Payment Amounts shall bear interest for the period commencing from the date of the Effectiveness Notification through December 7, 2021 (or such other such later date that the Deferred Payment Amounts are paid under the Agreement) at a rate of 15% per annum;

(iii) the Seller shall have the ability to give effect to a voluntary prepayment of the Deferred Payment Amounts in whole or in part subject to the terms and conditions of the Agreement (as amended by this Amendment); and

(iv) the Buyer agrees that upon receipt of the Deferred Payment Amounts, all security interests granted in favor of the Buyer under the Security Documents securing payment of the Deferred Payment Amounts shall be released and terminated in accordance with the terms of each such Security Document, and, following such releases, be of no further force and effect.

(b) To give effect to the amendments described in Section 1(a) hereof, the Parties agree to amend the Agreement, on and after the date of the Effectiveness Notification, as follows:

(i) The following new defined terms shall be added to Section 1 of the Agreement in the appropriate alphabetical order:

(A) "*Interest Rate*" has the meaning provided in Section 2.2(b) of this Agreement; and

(B) "*Effectiveness Notification*" has the meaning provided to it in the Undertaking Letter re this Agreement by and among the Obligors, Buyer and the Seller dated December 13, 2020.

(ii) The definition of "Deferred Payment Amounts" contained in Section 1.2 (*Definitions*) of the Agreement shall be amended and restated in its entirety as follows:

"*Deferred Payment Amounts*" means, collectively (a) the payment of $23,000,000 due on or prior to December 7, 2021 plus (b) accrued and unpaid interest then owing under Section 2.2(b) of this Agreement, which shall satisfy all amounts owing under the PPF Agreement and the Maintenance Loan Agreement subject to the terms and conditions of this Agreement.

(iii) Section 2.2 (*Payments of Deferred Payment Amounts*) is hereby amended and restated in its entirety as follows:

Section 2.2 Payments of Deferred Payment Amounts; Voluntary Prepayments of Deferred Payment Amounts; Interest on Deferred Payment Amounts; Voluntary Prepayment.

(a) The Obligors and the Buyer agree that the Obligations owing under the PPF Agreement and all of the obligations of Nordic Gold Oy under the Maintenance Loan Agreement shall be satisfied through the payment of the Deferred Payment Amounts. The Obligors agree to repay the Deferred Payment Amounts on or prior to December 7, 2021 or such earlier Deferment Termination Date under this Agreement. The Obligors may voluntarily elect to prepay the Deferred Payment Amounts in accordance with Section 2.2(c) of this Agreement.

(b) The Deferred Payment Amounts shall accrue interest daily at the 15% *per annum* interest rate (the "Interest Rate"). Interest calculated by reference to the Interest Rate for the period commencing on the date of the Effectiveness Notification until the date that the

Deferred Payment Amounts have been paid in full shall be payable with the payment of the Deferred Payment Amounts, including upon any voluntary prepayment of the Deferred Payment Amounts in accordance with Section 2.2(c) of this Agreement; or in connection with any exercise of remedies by the Buyer in connection with a Deferment Termination Event under this Agreement. Interest calculated by reference to the Interest Rate shall be computed on the basis of a 360-day year.

(c) The Seller may, at any time and upon five (5) Business Days' written notice to the Buyer, make a voluntary prepayment of the Deferred Payment Amounts in whole or in part.

Section II. Conditions to the Effectiveness

Notwithstanding the date of this Amendment, Section I of this Amendment shall become effective contemporaneously with the satisfaction of the following conditions precedent (including the delivery of the corresponding evidence reasonably required pursuant to Sections II.(a) and II.(b) below, respectively), which satisfaction shall be notified to the Seller by the Buyer by delivery of an electronic communication confirming the same subject to the terms and conditions of the Agreement (the "Effectiveness Notification"):

(a) evidence of Completion, including payment of the Subscription Price (in each case as such capitalized terms are defined in the Subscription Agreement) to the Seller; and

(b) evidence that Otso Gold has received proceeds under the Loan Agreement in an amount at least equal to $1,000,000.

Section III. Miscellaneous

(a) Notwithstanding provisions of Section II of this Amendment, the Buyer hereby consents to the transactions contemplated by the Subscription Agreement and acknowledges and agrees that such transactions shall at no time be deemed to give rise to a change of control under and as referenced in clause 6.6 of the Agreement.

(b) Amalgam and BGL may from time to time enter into an Assignment Agreement at any time prior to the Completion Date under the Subscription Agreement, so long the following conditions have been satisfied with respect to such agreement: (a) the Loan Agreement, after giving effect to such Assignment, is not amended or otherwise modified, except for the substitution of Amalgam as the lender of record for BGL, (b) Amalgam as the assignor shall transfer the totality of its rights under the Loan Agreement to BGL as the assignee pursuant to such agreement; and (c) the Buyer shall have received an execution version of such agreement for its review followed by an executed copy on consistent terms.

(c) The Parties hereto agree that this Amendment shall constitute a Transaction Document under the Agreement.

(d) Except as amended by this Amendment, the Agreement, Transaction Documents and all related ancillary and collateral documentation shall remain in full force and effect and are hereby ratified, reaffirmed, and confirmed.

(e) The amendments to the Agreement contained in Section I of this Amendment shall be limited as written. Except as expressly set forth herein, this Amendment shall not operate as a waiver of any right, power or remedy of the Buyer under any of the Transaction Documents or constitute a waiver of any provision of the Transaction Documents.

(f) By their signatures below, the Seller and each of the Guarantors expressly agree that the terms of the Guarantee provided by it in the PPF Agreement and/or the Maintenance Loan Agreement, as applicable, and reaffirmed pursuant to Section 2.3 (*Guarantee*) of the Agreement shall remain in full force and effect and shall apply *mutatis mutandis* to the obligations of the other Obligors

under this Amendment. Each such Guarantee is a guaranty of payment and not merely of collection and shall survive the termination of this Amendment.

(g) THIS AMENDMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AMENDMENT (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(h) This Amendment may be signed by electronically imaged "PDF" and delivered by e-mail transmission in counterparts, which, when taken together, shall constitute one and the same agreement.

[*signature pages follow*]

SCHEDULE

FORM OF THE ASSIGNMENT AGREEMENT

Dated: _____, 2020 (the "**Transfer Date**")

ASSIGNMENT AGREEMENT

To: **Otso Gold Corp.**, a company incorporated and existing under the laws of the Province of Alberta (Canada) (registered number 205104383) with its registered office at 14505 Bannister Road SE, Calgary, Alberta T2X 3J3, Canada (the "**Borrower**")

From: **Amalgam Rail Management Ltd.**, a limited liability company incorporated under the laws of the Republic of Cyprus, with registered number HE 365949 and registered office address at: 2-4 Arch. Makarios III Avenue, Capital Center, 9th floor, 1065 Nicosia, Cyprus (the "**Existing Lender**"); and

Brunswick Gold Ltd., a limited liability company incorporated under the laws of the Republic of Cyprus, with registered number HE 406347 and whose registered office is at 2-4 Arch. Makarios III Avenue, Capital Center, 9th floor, 1065 Nicosia, Cyprus (the "**New Lender**")

(the Existing Lender and the New Lender together referred as "**Parties**")

1. We refer to the Loan Agreement dated 20 October 2020 between the Borrower and the Existing Lender. (the "Loan Agreement"). This assignment (the "Assignment") shall take effect as an assignment agreement for the purpose of the Loan Agreement. Terms defined in the Loan Agreement have the same meaning in this Assignment unless given a different meaning in this Assignment.

2. We refer to Clause 5 (Assignment or transfer by the Lender/Borrower) of the Loan Agreement:

   (a) In consideration of [●] the Existing Lender irrevocably assigns and transfers to the New Lender all the rights and obligations of the Existing Lender under the Loan Agreement (the "**Assigned Rights**");

   (b) Upon the Transfer Date, the Existing Lender shall be released from all the obligations under the Loan Agreement and the New Lender shall assume all of the Assigned Rights and shall be a "Lender" under the Loan Agreement and be bound by all obligations of the "Lender" thereunder.

3. The contact details of the New Lender in connection with this Assignment and the Loan Agreement are:

Address:	2-4 Arch. Makarios III Avenue, Capital Center, 9th floor, 1065 Nicosia, Cyprus.
Email:	aorphanides@brunswickrail.com
Attention:	Andreas A. Orphanides, Director

4. The New Lender confirms that the person beneficially entitled to interest payable to that lender in respect of an advance under the Loan Agreement is a company resident Cyprus for Cyprus tax purposes.

5. This Assignment acts as notice to the Borrower of the assignment.

6. This Assignment may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Assignment.

7. This Assignment and any non-contractual obligations arising out of or in connection with it are governed by English law.

8. The Existing Lender irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Ontario, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the Parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. Each of the Parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Assignment shall affect any right that the New Lender may otherwise have to bring any action or proceeding relating to this Assignment against the Existing Lender or its properties in the courts of any jurisdiction.

9. This Agreement has been entered into on the date stated at the beginning of this Agreement.

Signatures

Existing Lender	**New Lender**
Amalgam Rail Management Ltd.	**Brunswick Gold Ltd.**
Name:	Name:
Title:	Title:

Receipt acknowledged by the Borrower

Otso Gold Corp.

Name:

Title:

OTSO GOLD CORP. (f/k/a Nordic Gold Inc.),
as a Seller

By: _____
Name: Clyde Wesson
Title: Director

OTSO GOLD OY
(f/k/a Nordic Gold OY),
as an Obligor

By: _____
Name: Brian Wesson
Title: Director

NORDIC MINES MARKNAD AB,
as an Obligor

By: _____
Name: Brian Wesson
Title: Director

PFL RAAHE HOLDINGS LP, as the Buyer

By: Joseph Archibald
Name: Joseph Archibald
Title: Authorized Signatory

This is **Exhibit "S"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Ridgefield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

From: Joe Archibald <jarchibald@pandionmetals.com>
Sent: Sunday, October 18, 2020 6:58 AM
To: Lelekov Vladimir; Clyde Wesson; Pascault Nicolas; Brian Wesson; Koshkin Victor; Martin Smith; Ryan Byrne
Subject: Re: Introduction

Hi Vladimir,

I would have responded sooner but unfortunately your email was picked up by our spam filter and I didn't realize it until Brian called me late last night.

The Voting Support Agreement and amended LOI that we provided were done in accordance with what you and I agreed to on our zoom meeting three days ago and was approved by our Investment Committee.

After negotiating in good faith and reaching an agreement, the $1m should be put into Otso upon signing as was agreed.

I am happy to move forward with signing the docs that we sent over and that reflect what we agreed.

Best regards,
Joe

Joseph Archibald
Partner
Pandion Mine Finance, LP
437 Madison Avenue, 28th Floor
New York, NY 10022

From: Lelekov Vladimir <vlelekov@brunswickrail.com>
Sent: Friday, October 16, 2020 10:55 AM
To: Joe Archibald <jarchibald@pandionmetals.com>; Clyde Wesson <clyde.w@otsogold.com>; Pascault Nicolas <npascault@brunswickrail.com>; Brian Wesson <Brian.w@otsogold.com>; Koshkin Victor <vkoshkin@brunswickrail.com>; Martin Smith <msmith100@hotmail.co.uk>; Ryan Byrne <rbyrne@pandionmetals.com>
Subject: Re: Introduction

Dear Joe,

Thank you for the good news.

We look forward to working with you on OTSO Gold. Our discussion yesterday was encouraging, as we are of the view that we have arrived at a good common understanding of the project, which has led to a workable solution.

We totally support the approach that you suggested of the expedited path, which saves time, removes uncertainty, and provides the company with much needed liquidity. In connection with this, we would propose to structure the loan disbursement as follows: $500k upon signing of the Initial Package as defined below, and the balancing $500k to be disbursed upon signing of definitive transaction documentation and calling of the EGM, which we estimate would take up to two weeks.

We have instructed our counsel to amend the documents accordingly including (i) LoI, (ii) voting support agreements with (a) Lionsbridge and (b) Pandion, and (iii) Loan agreement ("Initial Package"). We intend to execute the Initial Package on Monday 19-Oct-2020,

Regards,

Vladimir Lelekov
Chairman of the Board
Brunswick Rail Limited
Paveletskaya Ploschad 2/2
Moscow, 115054, Russia
tel. +7 (495) 783-6700
fax +7 (495) 783-6701
vlelekov@brunswickrail.com

From: Joe Archibald <jarchibald@pandionmetals.com>
Date: Thursday, 15 October 2020 at 23:42
To: Clyde Wesson <clyde.w@otsogold.com>, Nicolas Pascault <npascault@brunswickrail.com>, Brian Wesson <Brian.w@otsogold.com>, Lelekov Vladimir <vlelekov@brunswickrail.com>, Виктор Кошкин <vkoshkin@brunswickrail.com>, Martin Smith <msmith100@hotmail.co.uk>, Ryan Byrne <rbyrne@pandionmetals.com>
Subject: Re: Introduction

Hi Vladimir,

Good news. We are all set to move forward as we discussed.

Brunswick increases the $500k loan to $1m.

Upon the full $10m being invested, the $11.5m payment due on Apr 7, 2021 & the $11.5m payment due on Oct 7, 2021 will be rescheduled to be paid on Dec 7, 2021 at an interest cost of 15%.

Best regards,
Joe

Joseph Archibald
Partner
Pandion Mine Finance, LP
437 Madison Avenue, 28th Floor
New York, NY 10022

From: Clyde Wesson <clyde.w@otsogold.com>
Sent: Thursday, October 15, 2020 10:50 AM
To: Pascault Nicolas <npascault@brunswickrail.com>; Brian Wesson <Brian.w@otsogold.com>; Lelekov Vladimir <vlelekov@brunswickrail.com>; Koshkin Victor <vkoshkin@brunswickrail.com>; Martin Smith <msmith100@hotmail.co.uk>; Joe Archibald <jarchibald@pandionmetals.com>; Ryan Byrne <rbyrne@pandionmetals.com>
Subject: Introduction.

All,

Thank you for the call just then.

As discussed, I have copied the parties on the call here.

Regards,

Clyde Wesson

This is **Exhibit "T"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Winchester, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

From: Buttery, Mary I.A.
Sent: Wednesday, December 08, 2021 9:21 AM
To: Rebecca Morse; Tim Louman-Gardiner
Cc: Enns, Jared; Lisa Hiebert (lhiebert@blg.com); McKie, Melinda
Subject: Otso Early Termination Amount Calculation and Definition from Amendment No. 1 to the PPF
Attachments: 2021.12.07 - Deferred Payment Amounts Calculation.pdf; 2021.12.07 - Early Termination Amount Calculation.pdf

Rebecca/Tim, here are the amounts owing, as calculated by our clients, with the pinpoint reference to the applicable agreements.
We have reviewed your material filed in the CCAA proceedings and note that you do have all of the agreements that provide for the debt owing.
A formal notice of the Early Termination Amount should be delivered today, but we know you wanted this information as early as we could get it to you, so here it is. In essence, and as you client knows, the full amount of the "original deal" has now become due and owing as payments were not made as required yesterday.
We note that we have yet to have any information regarding what relief (if any) beyond an extension that you are seeking on Monday, nor have we been advised as to the length of the extension you are seeking.
Finally as discussed yesterday we remain concerned about the intimation that the Wessons somehow absconded with the MKS payment as that is not our understanding and in fact, the true state of affairs is set out in the board minutes appended to your initial filing materials. We trust this will be corrected at the proceedings on Monday. Please confirm.

Regards,
Mary

Cassels | **MARY I.A. BUTTERY, QC** *(she/her/hers)*
t: +1 604 691 6118
e: mbuttery@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 2200, HSBC Building, 885 West Georgia St.
Vancouver, BC V6C 3E8 Canada

Parameter	Reference	Unit	Total	Source
Deferred Payment Amounts: Due December 7, 2021				2020.12.12 Pandion Otso Gold Undertaking Letter with AA
Defered Payments Amount			23,000,000	2020.12.12 Pandion Otso Gold Undertaking Letter with AA Section I (a)(i)
Deferred Payments Amount Interest			2,903,750	2020.12.12 Pandion Otso Gold Undertaking Letter with AA Section I (a)(ii)
Total Deferred Payment Amounts + Interest			**25,903,750**	

Parameter	Reference	Unit	Total	Source
PPF Early Termination Amount: Due December 8, 2021 if Deferred Payment Amounts are not Paid on December 7, 2021				2019.10.07 - **Nordic** - Consent and Agreement Version 5 EXECUTED Section 2.1 and 2018.10.15 Nordic Amendment No. 1 Section 3(c)
(i)				
Contract Quantity of Gold			46,557,500	**2018.10.15 Nordic** Amendment No. 1 Schedule P Delivery Schedule
Contract Quantity of Gold: Default Interest			685,054	**2017.11.10 -** Firesteel- Pre-Paid Forward Gold Purchase Agreement Section 5(5)
(ii)				
(iii) Plus any other unpaid amounts due and owing to Buyer:				
Maintenance Loan Agreement			5,849,030	2019.04.17 - Pandion Maintenance Loan Agreement Section 2.2
Maintenance Loan Agreement: Default Interest			1,590,365	2019.04.17 - Pandion Maintenance Loan Agreement Section 3.1
Buyer Fee Cash Payment			1,500,000	2018.10.15 Nordic Amendment No. 1 Section 2(e)(vi)
(vi)				
Upside Participation Amount			39,168,456	2018.10.15 Nordic Amendment No. 1 Section 2(d)(iii)
PPF Early Termination Amount			**95,350,406**	

This is **Exhibit "U"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Fairfield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

From: Enns, Jared
Sent: Thursday, December 23, 2021 8:58 PM
To: Rebecca Morse; Tim Louman-Gardiner; McKie, Melinda; Lisa Hiebert (lhiebert@blg.com)
Cc: Buttery, Mary I.A.
Subject: RE: Otso Early Termination Amount Calculation and Definition from Amendment No. 1 to the PPF [IWOV-LEGAL.049612-00008]
Attachments: 2021.12.23 - Otso - Payment Amount_vF.xlsx

Sorry for the second email. There was an issue with the spreadsheet, and so I have reattached an unconverted copy.

Thanks,
Jared

Cassels | **JARED ENNS** *(He/him/his)*
T +1 778 372 6787
E jenns@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 2200, HSBC Building, 885 West Georgia St.
Vancouver, BC V6C 3E8 Canada

From: Enns, Jared
Sent: Thursday, December 23, 2021 8:55 PM
To: Rebecca Morse <rmorse@farris.com>; Tim Louman-Gardiner <tlouman-gardiner@farris.com>; McKie, Melinda <mmckie@deloitte.ca>; Lisa Hiebert (lhiebert@blg.com) <lhiebert@blg.com>
Cc: Buttery, Mary I.A. <mbuttery@cassels.com>
Subject: RE: Otso Early Termination Amount Calculation and Definition from Amendment No. 1 to the PPF [IWOV-LEGAL.049612-00008]
Importance: High

All –

Further to the above-noted matter, the correspondence below, and our recent discussions regarding same, please find attached copies of the following documents:

1. an Excel spreadsheet detailing the Early Termination Amount Calculation;
2. a chart summarizing the payment amount, with pinpoint references to the relevant agreements; and
3. a detailed analysis/summary of the agreements.

Should you have any questions or wish to discuss further, please do not hesitate to contact us.

Kind regards,
Jared

Cassels | **JARED ENNS** *(He/him/his)*
T +1 778 372 6787
E jenns@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 2200, HSBC Building, 885 West Georgia St.
Vancouver, BC V6C 3E8 Canada

From: Buttery, Mary I.A. <mbuttery@cassels.com>
Sent: Wednesday, December 08, 2021 9:21 AM
To: Rebecca Morse <rmorse@farris.com>; Tim Louman-Gardiner <tlouman-gardiner@farris.com>
Cc: Enns, Jared <jenns@cassels.com>; Lisa Hiebert (lhiebert@blg.com) <lhiebert@blg.com>; McKie, Melinda <mmckie@deloitte.ca>
Subject: Otso Early Termination Amount Calculation and Definition from Amendment No. 1 to the PPF

Rebecca/Tim, here are the amounts owing, as calculated by our clients, with the pinpoint reference to the applicable agreements.
We have reviewed your material filed in the CCAA proceedings and note that you do have all of the agreements that provide for the debt owing.
A formal notice of the Early Termination Amount should be delivered today, but we know you wanted this information as early as we could get it to you, so here it is. In essence, and as you client knows, the full amount of the "original deal" has now become due and owing as payments were not made as required yesterday.
We note that we have yet to have any information regarding what relief (if any) beyond an extension that you are seeking on Monday, nor have we been advised as to the length of the extension you are seeking.
Finally as discussed yesterday we remain concerned about the intimation that the Wessons somehow absconded with the MKS payment as that is not our understanding and in fact, the true state of affairs is set out in the board minutes appended to your initial filing materials. We trust this will be corrected at the proceedings on Monday. Please confirm.

Regards,
Mary

Cassels | **MARY I.A. BUTTERY, QC** *(she/her/hers)*
t: +1 604 691 6118
e: mbuttery@cassels.com

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Suite 2200, HSBC Building, 885 West Georgia St.
Vancouver, BC V6C 3E8 Canada

Payment Amount Chart (USD): as of December 8, 2021

Line Item	Amount	Legal Authority	Detailed Calculation
Early Termination Amount	**$95,350,406**	**Consent and Agreement, § 2.1 ("The deferment and consolidation granted pursuant to this Section 2.1 shall automatically terminate on the Deferment Termination Date and the Deferred Payment Amounts, together with all other amounts due on such date under this Agreement and the Transaction Documents, shall be immediately due and payable on such date."); PPF, § 14(4)(i); Amendment No. 1 (definition of "Early Termination Amount")**	**See below.**
Clause (i)	$47,242,554	Amendment No. 1 (clause (i) of definition of "Early Termination Amount")	Contract Quantity of Gold: $46,557,500 *plus* Default Interest for Contract Quantity of Gold that remains unpaid on each Monthly Delivery Date: $685,054
Clause (ii)	$0	Amendment No. 1 (clause (ii) of definition of "Early Termination Amount")	None.
Clause (iii)	$8,939,395	Amendment No. 1 (clause (iii) of definition of "Early Termination Amount")	Aggregate disbursements under Maintenance Loan Agreement: $5,849,030 *plus* Accrued interest on disbursements under Maintenance Loan Agreement: $1,590,365 *plus* Buyer Fee Cash Payment: $1,500,000
Clause (iv)	$0	Amendment No. 1 (clause (iv) of definition of "Early Termination Amount")	None.
Clause (v)*	$39,168,456	Amendment No. 1 (clause (v) of definition of "Early Termination Amount")	The greater of zero and the product of: (A) 50% of the Monthly Payable Production of gold for the later of: (x) 69 months following the Effective Date, and (y) the final Scheduled Delivery Month, as applicable; and Calculation Under Clause (A): 67,375oz (50% *multiplied by* 134,750oz Monthly Payable Production of Gold from Jan-2022 through Sep-2023) (B) an amount equal to the then current Settlement Price minus the applicable Base Spot Price; provided that any amounts that have been satisfied or paid to the Buyer prior to the date of any early termination pursuant to this Section 5(8) shall only be considered once for purposes of any calculation under this Section 5(8). Calculation Under Clause (B): $581.35/oz ($1,781.35/oz *minus* $1,200.00/oz) Product of Clauses (A) and (B): $39,168,456

*For clarity, the same amounts referenced within Section 24(1)/(4) pursuant to the October 15, 2018 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement.

PFL Raahe Holdings LP

Re: Payment Amount Detail

Deferment, Consolidation and Deferment Termination Date

References to Legal Documents:

Pursuant to the October 15, 2018 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement:

- "SECTION 2. Amendments to the Pre-Paid Forward Agreement. On the Amendment No. 1 Effective Date, the Pre-Paid Forward Agreement shall hereby be amended as set forth in this Section 2.
  - (a) Amendments to Section 1.
  - ...
    - (ii) The following definition in Section 1 of the Pre-Paid Forward Agreement shall be amended and restated in its entirety:
    - ...
      - **'Transaction Documents'** means this Agreement, the Buyer Royalty Agreement, the Security Documents, the Equity Documentation, the PPF Agreement II and each other document entered into by the Seller, the Project Company, Finnish OpCo or any Obligor with the Buyer with respect to the transactions contemplated hereby."

Pursuant to the October 7, 2019 Consent and Agreement to Pre-Paid Forward Gold Purchase Agreement and Maintenance Loan Agreement:

- "Section 1.2: *Definitions.* As used herein, the following terms shall have the following meanings:
  - *"$"* refers to United States Dollars.
  - *"Deferment Effective Date"* means the date hereof.
  - *'Deferment Termination Date'* means the date of the occurrence of any Deferment Termination Event.
  - *'Deferment Termination Event'* has the meaning provided in Section 5.1.
  - *"Deferred Payment Amounts"* means the two, equal installment payments of $11,500,000 due on or prior to each of the eighteen-month anniversary of the Deferment Effective Date and the twenty-four month anniversary of the Deferment Effective Date, which shall satisfy all amounts owing under the PPF Agreement and the Maintenance Loan Agreement subject to the terms and conditions of this Agreement."
- "Section 2.1: *Recharacterization of Obligations; Deferment of Deferred Payment Amounts until the Deferment Termination Date*. Subject to the terms hereof, the Buyer hereby agrees that (1) the Obligations of the Obligors under the PPF Agreement and the obligations of Nordic Gold Oy under the Maintenance Loan Agreement shall be recharacterized and consolidated under this Agreement to a $23,000,000 payable of the Seller owing to the Buyer and (2) on and after the Deferment Effective Date until the Deferment Termination Date any payments due under the PPF Agreement (as modified by this Agreement) and the Maintenance Loan Agreement shall be deferred until the Deferment Termination Date. **The deferment and consolidation granted pursuant to this Section 2.1 shall automatically terminate on the Deferment Termination Date and the Deferred Payment Amounts, together with all other amounts due and on such date under this Agreement and the Transaction Documents, shall be immediately due and payable on such date**." (emphasis supplied).
- "Section 5.1: Deferment Termination Events. Each of the following events is herein called a 'Deferment Termination Event':
  - (a) any of the Obligors defaults in the observance or performance of its obligations hereunder;
  - (b) to the best of the Obligors' knowledge, any representation or warranty or certification made or deemed to be made by any Obligor or any of its directors or officers in any Transaction Document shall prove to have been incorrect when made or deemed to be made;
  - (c) any Obligor, directly or indirectly, repays, or permits any of its Subsidiaries to, directly or indirectly, repay, during the Deferment Period any Debt;

- (d) any Obligor directly or indirectly refinances, restructures or otherwise modifies, or permits any of its Subsidiaries to, directly or indirectly, refinance, restructure or otherwise modify the terms of any its Debt (including through the granting of any additional collateral to any creditor), in each case except with the prior written approval of the Buyer;
- (e) any default, early amortization event or similar event shall occur with respect to any other Debt of the Obligor or any Subsidiary thereof (other than any default, early amortization event or similar event existing on the date hereof) if the effect thereof is to accelerate the maturity thereof, or to permit the holder(s) of such Debt, or an agent or trustee on its or their behalf, to accelerate the maturity thereof or to require the mandatory prepayment, defeasance or redemption thereof;
- (f) any holder of Debt of any Obligor accelerates the maturity thereof or requires the mandatory prepayment, defeasance or redemption thereof or takes any action in furtherance of any of the foregoing;
- (g) any Obligor has any Debt other than Permitted Debt;
- (h) any Obligor (i) becomes insolvent or generally not able to pay its debts as they become due; (ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of creditors; (iii) institutes or has instituted against it any proceeding seeking (x) to adjudicate it a bankrupt or insolvent, (y) liquidation, winding-up, reorganization, arrangement, adjustment protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or (z) the entry of an order for relief or the appointment of a receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets, and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of thirty (30) days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, interim receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or (iv) takes any corporate action to authorize any of the above actions;
- (i) any judgment or order for the payment of money in excess of $100,000 (or the equivalent amount in any other currency) is rendered against any Obligor and either (i) enforcement proceedings have been commenced by a creditor upon the judgment or order; or (ii) there is any period of forty five (45) consecutive days during which a stay of enforcement of the judgment or order, by reason of a pending appeal or otherwise, is not in effect; and
- any Obligor incurs or becomes subject to any Environmental Liabilities (i) for any one occurrence in excess of $50,000 after application of insurance proceeds; or (ii) aggregating in any Financial Year on a consolidated basis, $100,000 after application of insurance proceeds.

- "Section 6.9: The parties hereto hereby acknowledge and agree that this Agreement shall constitute a Transaction Document for all purposes of the PPF Agreement and the other Transaction Documents."

"Deferred Payment Amounts"

References to Legal Documents:

Pursuant to the December 13, 2020 Undertaking Letter:

- "**Section I Amendments to Agreement**
  - (a) In connection with the effectiveness of the Financing and on and after the date of the Effective Notification (as defined below), the Parties agree to reschedule the Deferred Payment Amounts owing from the Seller to the Buyer under the Agreement and to certain other undertakings relating to the Agreement as follows:
    - (i) the Seller shall pay, on or prior to December 7, 2021, the outstanding Deferred Payment Amounts to the Buyer in an amount equal to $23,000,000 plus all accrued and unpaid interest then owing under Section 2.2(b) pursuant to the Agreement (as amended by this Amendment);

        - (ii) the Deferred Payment Amounts shall bear interest for the period commencing from the date of the Effectiveness Notification through December 7, 2021 (or such other such later date that the Deferred Payment Amounts are paid under the Agreement) at a rate of 15% per annum; [There was a February 7, 2021 press release that is deemed to satisfy the Effectiveness Notification]
        - ...
    - (b) To give effect to the amendments described in Section 1(a) hereof, the Parties agree to amend the Agreement, on and after the date of the Effectiveness Notification, as follows:
        - (i) The following new defined terms shall be added to Section 1 of the Agreement in the appropriate alphabetical order:
            - (A) "*Interest Rate*" has the meaning provided in Section 2.2(b) of this Agreement; and
            - (B) "*Effectiveness Notification*" has the meaning provided to it in the Undertaking Letter re this Agreement by and among the Obligors, Buyer and the Seller dated December 13, 2020.
        - ...
        - (iii) Section 2.2 (*Payments of Deferred Payment Amounts*) is hereby amended and restated in its entirety as follows:
            - ...
            - (b) The Deferred Payment Amounts shall accrue interest daily at the 15% per annum interest rate (the "Interest Rate"). Interest calculated by reference to the Interest Rate for the period commencing on the date of the Effectiveness Notification until the date that the Deferred Payment Amounts have been paid in full shall be payable with the payment of the Deferred Payment Amounts, including upon any voluntary prepayment of the Deferred Payment Amounts, including upon any voluntary prepayment of the Deferred Payment Amounts in accordance with Section 2.2(c) of this Agreement; or in connection with any exercise of remedies by the Buyer in connection with a Deferment Termination Event under this Agreement. Interest calculated by reference to the Interest Rate shall be computed on the basis of a 360-day year.
- Section II (Conditions to the Effectiveness):
    - Notwithstanding the date of this Amendment, Section I of this Amendment shall become effective contemporaneously with the satisfaction of the following conditions precedent (including the delivery of the corresponding evidence reasonably required pursuant to Sections II.(a) and II.(b) below, respectively), which satisfaction shall be notified to the Seller by the Buyer by delivery of an electronic communication confirming the same subject to the terms and conditions of the Agreement (the 'Effectiveness Notification'):
        - (a) evidence of Completion, including payment of the Subscription Price (in each case as such capitalized terms are defined in the Subscription Agreement) to the Seller; and
        - (b) evidence that Otso Gold has received proceeds under the Loan Agreement in an amount at least equal to $1,000,000."

Deferred Payment Amount Calculation:

- USD 25,903,750 Total Deferred Payment Amounts:
    - (+) USD 23,000,000 Deferred Payment Amounts;
    - (+) USD 2,903,750 Interest Rate;
        - Interest applied to the Deferred Payment Amounts based on a 15% annual rate computed to a daily rate using a 360-day year for the time period from 2/7/2021 through 12/7/2021.

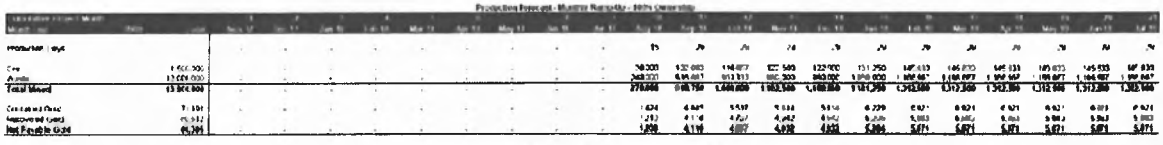
"all other amounts due on such date under this Agreement and the Transaction Documents"

References to Legal Documents:

Pursuant to the November 10, 2017 Pre-Paid Forward Gold Purchase Agreement:

- "Section 1:
  - 'Default Interest Rate' means, as of any date of calculation, a rate equal to LIBOR for such date plus 2% *per annum*.
  - 'Monthly Delivery Date' means the fourth Business Day prior to the last calendar day of the Scheduled Delivery Month.
- Schedule B:"

Schedule B — Production Forecast



Production Forecast - Annual - 100% Ownership

Cumulative Project Year			1	2	3	4	5	6	7	8
Year End	Units	Total	Jul-19	Jul-20	Jul-21	Jul-22	Jul-23	Jul-24	Jul-25	Jul-26
Production Days			336	350	350	350	350	350	350	350
Ore		13,000,000	1,500,000	1,750,000	2,000,000	2,000,000	2,000,000	2,000,000	1,750,000	-
Waste		75,250,000	12,000,000	9,625,000	11,000,000	11,000,000	11,000,000	11,000,000	9,625,000	-
Total Mined		**88,250,000**	**13,500,000**	**11,375,000**	**13,000,000**	**13,000,000**	**13,000,000**	**13,000,000**	**11,375,000**	**-**
Contained Gold		501,009	71,191	85,735	91,909	85,735	85,735	85,735	75,018	-
Recovered Gold		517,206	69,512	74,018	82,673	77,162	77,162	77,162	67,517	-
Net Payable Gold		**516,124**	**69,388**	**74,882**	**82,500**	**77,000**	**77,000**	**77,000**	**67,376**	**-**

Pursuant to the October 15, 2018 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement:

- "SECTION 2. Amendments to the Pre-Paid Forward Agreement. On the Amendment No. 1 Effective Date, the Pre-Paid Forward Agreement shall hereby be amended as set forth in this Section 2.
  - ...
  - (ii) The following definition in Section 1 of the Pre-Paid Forward Agreement shall be amended and restated in its entirety:
    - "Base Spot Price" means US$1,200.
  - ...
  - (vi) The following shall be inserted immediately following Section 12(1)(mm) of the Pre-Paid Forward Agreement:
    - (nn) Buyer Fee. Within six (6) months following the Amendment No. 1 Effective Date, pay to the Buyer US$1,500,000 in cash.
- ...
- SECTION 3. Contingent Amendments to the Pre-Paid Forward Agreement. On the Contingent Effective Date, the Pre-Paid Forward Agreement shall hereby be amended as set forth in this Section 3;
  - ...
  - (c) Amendment to Section 5.
    - ...
    - (ii)Section 5(8) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following:
      - '(8) Subject to Section 24(4), at any time, the Seller may request a calculation of the amount then required to prepay its Gold Delivery obligations (the "**Early Termination Amount**"). Upon thirty (30) days' prior written notice, the Seller may cause the early termination of this Agreement by delivering to the Buyer a payment equal to the Early Termination Amount. The Early Termination Amount means an amount equal to:
        - (i) the product of the amount of Contract Quantity of Gold that has not been Delivered on any Monthly Delivery Date, excluding the amounts of Gold satisfied by conversion into an obligation of the Seller to pay the Buyer in US Dollars pursuant to Section 5(5), and the Gold Price Discount;
        - (ii) *less* the value of any minimum price protection adjustment as described in Section 7(3) (as determined by the Buyer in a commercially reasonable manner);

- (iii) *plus* any other unpaid amounts due and owing to the Buyer;
- (iv) *less* any unpaid amounts due and owing to the Seller;
- (v) *plus* the greater of zero and the product of:
  - (A) 50% of the Monthly Payable Production of gold for the later of:
    - (x) 69 months following the Effective Date, and
    - (y) the final Scheduled Delivery Month, as applicable, and
  - (B) an amount equal to the then current Settlement Price minus the applicable Base Spot Price; provided that any amounts that have been satisfied or paid to the Buyer prior to the date of any early termination pursuant to this Section 5(8) shall only be considered once for purposes of any calculation under this Section 5(8).

- ...
- (h) Amendment to Add New Section. The following shall be inserted immediately following Section 23 of the Pre-Paid Forward Agreement:
  - **Section 24 Supplemental and Equity Financing Remedies**
  - Without limiting the rights of the Buyer under any other provision of this Agreement, if the Seller fails to raise the equity and make the prepayments required under Section 12(1)(gg) on or prior to the Prepayment Period End Date:
    - (1) The Seller shall provide to the Buyer a security package over the upside participation amount described in Section 7(4), to be governed by definitive security documentation acceptable to the Buyer in its sole discretion.
    - ...
    - (4) The upside participation obligations under Section 7(4) shall survive the termination of this Agreement, including any termination of this Agreement by means of the payment by the Seller of an Early Termination Amount, and any applicable upside participation obligations owing to the Buyer shall not be included in the calculation of any Early Termination Amount."

- Schedule P:

Schedule P — Delivery Schedule

	Month	Prepay Amount (US$)	Effective Date Tranche Quantity (Au oz / mo)	Supplemental Tranche 1 Quantity (Au oz / mo)	Supplemental Tranche 2 Quantity (Au oz / mo)	Total Quantity (Au oz / mo)
	Dec-17	20,000,000				
1	Jan-18		-			-
2	Feb-18		-			-
3	Mar-18		-			-
4	Apr-18		-			-
5	May-18		-			-
6	Jun-18		-			-
7	Jul-18		-			-
8	Aug-18		-			-
9	Sep-18		-			-
10	Oct-18	3,000,000	-			-
11	Nov-18	6,000,000	-			-
12	Dec-18		-			-
13	Jan-19		-			-
14	Feb-19		-			-
15	Mar-19		-			-
16	Apr-19		-			-
17	May-19		-			-
18	Jun-19		-			-
19	Jul-19		-			-
20	Aug-19		-			-
21	Sep-19		-			-
22	Oct-19		-			-
23	Nov-19		-			-
24	Dec-19		-			-
25	Jan-20		(2,200)	(220)	(275)	(2,695)
26	Feb-20		(2,070)	(200)	(255)	(2,525)
27	Mar-20		(2,070)	(200)	(255)	(2,525)
28	Apr-20		(2,070)	(200)	(255)	(2,525)
29	May-20		(2,070)	(200)	(255)	(2,525)
30	Jun-20		(2,070)	(200)	(255)	(2,525)
31	Jul-20		(2,070)	(200)	(255)	(2,525)
32	Aug-20		(2,070)	(200)	(255)	(2,525)
33	Sep-20		(2,070)	(200)	(255)	(2,525)
34	Oct-20		(2,070)	(200)	(255)	(2,525)
35	Nov-20		(2,070)	(200)	(255)	(2,525)
36	Dec-20		(2,070)	(200)	(255)	(2,525)
37	Jan-21		(2,070)	(200)	(255)	(2,525)
38	Feb-21		(1,940)	(180)	(220)	(2,340)
39	Mar-21		(1,940)	(180)	(220)	(2,340)
40	Apr-21		(1,940)	(180)	(220)	(2,340)
41	May-21		(1,940)	(180)	(220)	(2,340)
42	Jun-21		(1,940)	(180)	(220)	(2,340)
43	Jul-21		(1,940)	(180)	(220)	(2,340)
44	Aug-21		(1,940)	(180)	(220)	(2,340)
45	Sep-21		(1,940)	(180)	(220)	(2,340)
46	Oct-21		(1,940)	(180)	(220)	(2,340)
47	Nov-21		(1,940)	(180)	(220)	(2,340)
48	Dec-21		(1,940)	(180)	(220)	(2,340)
49	Jan-22		(1,940)	(180)	(220)	(2,340)
50	Feb-22		(980)	(245)	(345)	(1,570)
51	Mar-22		(980)	(245)	(345)	(1,570)
52	Apr-22		(980)	(245)	(345)	(1,570)
53	May-22		(980)	(245)	(345)	(1,570)
54	Jun-22		(980)	(245)	(345)	(1,570)
55	Jul-22		(980)	(245)	(345)	(1,570)
56	Aug-22		(980)	(245)	(345)	(1,570)
57	Sep-22		(980)	(245)	(345)	(1,570)
58	Oct-22		(980)	(245)	(345)	(1,570)
59	Nov-22		(980)	(245)	(345)	(1,570)
60	Dec-22		(980)	(245)	(345)	(1,570)
61	Jan-23		(980)	(245)	(345)	(1,570)
62	Feb-23		(1,000)	(230)	(330)	(1,660)
63	Mar-23		(1,000)	(230)	(330)	(1,660)
64	Apr-23		(1,000)	(230)	(330)	(1,660)
65	May-23		(1,000)	(230)	(330)	(1,660)
66	Jun-23		(1,000)	(230)	(330)	(1,660)
67	Jul-23		(1,000)	(230)	(330)	(1,660)
68	Aug-23		(1,000)	(230)	(330)	(1,660)
69	Sep-23		(1,000)	(230)	(330)	(1,660)
70	Oct-23					-
71	Nov-23					-
72	Dec-23					-
73	Jan-24					-
74	Feb-24					-
	TOTAL	27,000,000	(79,000)	(9,000)	(12,750)	(99,110)

Pursuant to the April 17, 2019 Maintenance Loan Agreement:

- "3.1: The Loans shall bear interest at the rate of twelve (12) per cent per annum as from its Disbursement Date, with accrued interest capitalized on 31 December annually."

Pursuant to the October 7, 2019 Consent and Agreement to Pre-Paid Forward Gold Purchase Agreement and Maintenance Loan Agreement:

- "Section 6.9: The parties hereto hereby acknowledge and agree that this Agreement shall constitute a Transaction Document for all purposes of the PPF Agreement and the other Transaction Documents."

Early Termination Amount Calculation:

- General:
  - Based on a December 8, 2021 Calculation Date;
  - Amounts rounded to nearest dollar;
- USD 95,350,406:
  - (i): USD 47,242,554:
    - (+) USD 46,557,500 Contract Quantity of Gold:
      - 93,115oz from Schedule P of October 15, 2018 Amendment and Forbearance No.1 to the Pre-Paid Forward Gold Purchase Agreement;
      - (*);
      - USD 500/oz Gold Price Discount;
    - (+) USD 685,054 Default Interest for Contract Quantity of Gold that remains unpaid on each Monthly Delivery Date:
      - General:
        - Based on a December 6, 2021 1-Year LIBOR of 0.4655%;
        - Pursuant to the November 10, 2017 Pre-Paid Forward Gold Purchase Agreement:
          - Monthly Delivery Date means the fourth Business Day prior to the last calendar day of the Scheduled Delivery Month;
          - Default Interest Rate is LIBOR + 2% per annum;
      - Jan-2020: USD 62,754
      - Feb-2020: USD 56,288
      - Mar-2020: USD 53,780
      - Apr-2020: USD 51,187
      - May-2020: USD 48,420
      - Jun-2020: USD 45,912
      - Jul-2020: USD 43,059
      - Aug-2020: USD 40,551
      - Sep-2020: USD 37,958
      - Oct-2020: USD 35,104
      - Nov-2020: USD 32,683
      - Dec-2020: USD 30,089
      - Jan-2021: USD 27,236
      - Feb-2021: USD 22,997
      - Mar-2021: USD 20,593
      - Apr-2021: USD 18,029
      - May-2021: USD 15,705
      - Jun-2021: USD 13,301
      - Jul-2021: USD 10,657
      - Aug-2021: USD 8,414
      - Sep-2021: USD 5,930
      - Oct-2021: USD 3,365
      - Nov-2021: USD 1,042
  - (ii): None;

- (iii): USD 8,939,395:
  - (+) USD 5,849,030 Maintenance Loan Agreement Disbursements:
    - June 20, 2019: USD 114,864
    - July 8, 2019: USD 34,524
    - August 14, 2019: USD 141,705
    - August 19, 2019: USD 342,234
    - August 28, 2019: USD 1,300,266
    - September 3, 2019: USD 1,653,750
    - September 4, 2019: USD 75,000
    - September 19, 2019: USD 44,336
    - September 23, 2019: USD 561
    - September 24, 2019: USD 1,023,309
    - September 26, 2019: USD 73,547
    - September 27, 2019: USD 144,935
    - October 15, 2019: USD 300,000
    - November 6, 2019: USD 300,000
    - December 3, 2019: USD 300,000
  - (+) USD 1,590,365 Interest on Maintenance Loan Agreement Disbursements:
    - General:
      - Interest based on a 12.0% annual interest rate computed based on (a) a daily rate using a 360-day year and (b) from each disbursement date listed below through December 7, 2021;
    - Interest:
      - June 20, 2019: USD 34,497
      - July 8, 2019: USD 10,161
      - August 14, 2019: USD 39,961
      - August 19, 2019: USD 95,940
      - August 28, 2019: USD 360,607
      - September 3, 2019: USD 455,333
      - September 4, 2019: USD 20,625
      - September 19, 2019: USD 11,971
      - September 23, 2019: USD 151
      - September 24, 2019: USD 274,588
      - September 26, 2019: USD 19,686
      - September 27, 2019: USD 38,746
      - October 15, 2019: USD 78,400
      - November 6, 2019: USD 76,200
      - December 3, 2019: USD 73,500
  - (+) USD 1,500,000 Buyer Fee Cash Payment;
    - Pursuant to page 11 of 2018.10.15 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement;
- (iv): None;
- (v): USD 39,168,456:
  - General:
    - For clarity, value shown as included within Early Termination Amount, not excluded from Early Termination pursuant to Section 24 (Supplemental and Equity Financing Remedies) of the October 15, 2018 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement;
  - (A) 67,375oz:
    - 50%;
    - (*);
    - 134,750oz Monthly Payable Production of Gold from Jan-2022 through Sep-2023;
      - Pursuant to Schedule B of the November 10, 2017 Pre-Paid Forward Gold Purchase Agreement;

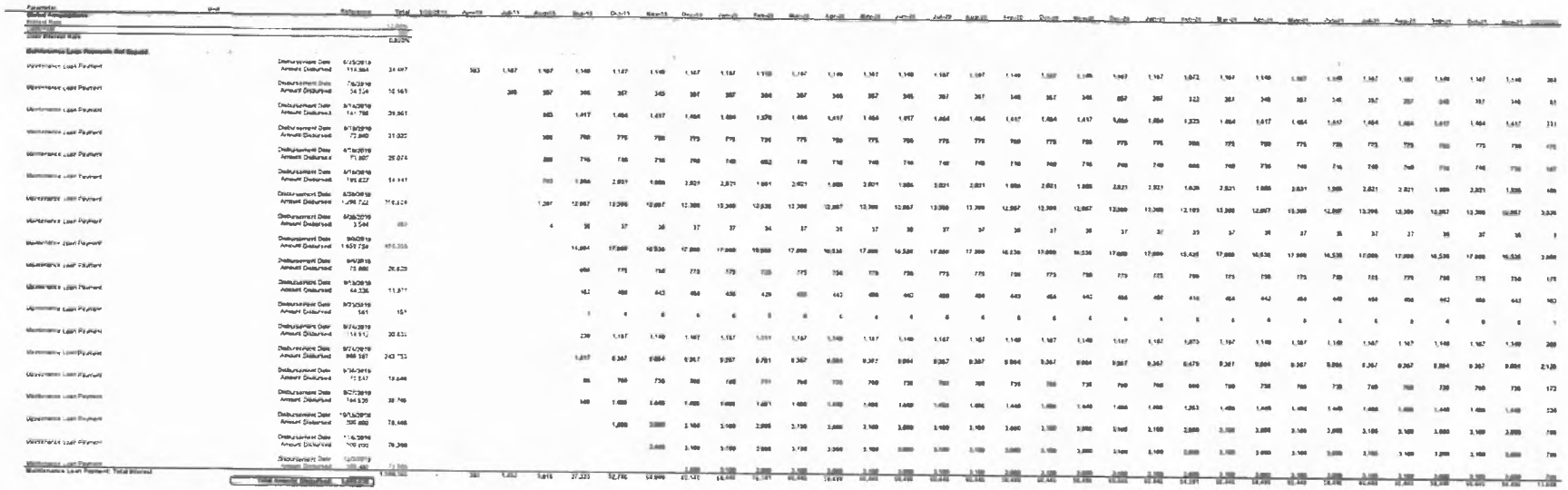
- (*);
- (B) USD 581.35/oz:
    - USD 1,781.35/oz Current Settlement Price;
        - Gold price as at December 7, 2021;
    - (-);
    - USD 1,200.00/oz Base Spot Price;
        - Pursuant to page 4 of October, 15, 2018 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement.

Parameter	Reference	Unit	Total
Deferred Payment Amounts: Due December 7, 2021			
Defered Payments Amount		USD	23,000,000
Deferred Payments Amount: Interest		USD	2,903,750
Total Deferred Payment Amounts + Interest		**USD**	**25,903,750**
PPF Early Termination Amount: Due December 8, 2021 if Deferred Payment Amounts are not Paid on December 7, 2021			
(i)			
Contract Quantity of Gold		USD	46,557,500
Contract Quantity of Gold: Default Interest		USD	685,054
(ii)			
[ ]		USD	-
(iii)			
Maintenance Loan Agreement		USD	5,849,030
Maintenance Loan Agreement: Default Interest		USD	1,590,365
Buyer Fee Cash Payment		USD	1,500,000
(iv)			
[ ]		USD	-
(v)			
Participation Amount*		USD	39,168,456
PPF Early Termination Amount		**USD**	**95,350,406**

*For clarity, the same amounts referenced within Section 24(1)/(4) pursuant to the October 15, 2018 Amendment and Forbearance No. 1 to the Pre-Paid Forward Gold Purchase Agreement.

	Month	Prepay Amount (US$)	Effective Date Tranche Quantity (Au oz / mo)	Supplemental Tranche 1 Quantity (Au oz / mo)	Supplemental Tranche 2 Quantity (Au oz / mo)	Total Quantity (Au oz / mo)	Price Disc US$/oz	Settlement Value (US$)
	Dec-17	20,600,000						
1	Jan-18		-			-	500	-
2	Feb-18		-			-	500	-
3	Mar-18		-			-	500	-
4	Apr-18		-			-	500	-
5	May-18		-			-	500	-
6	Jun-18		-			-	500	-
7	Jul-18		-			-	500	-
8	Aug-18		-			-	500	-
9	Sep-18		-			-	500	-
10	Oct-18	3,000,000	-			-	500	-
11	Nov-18	4,000,000	-	-		-	500	-
12	Dec-18		-	-	-	-	500	-
13	Jan-19		-	-	-	-	500	-
14	Feb-19		-	-	-	-	500	-
15	Mar-19		-	-	-	-	500	-
16	Apr-19		-	-	-	-	500	-
17	May-19		-	-	-	-	500	-
18	Jun-19		-	-	-	-	500	-
19	Jul-19		-	-	-	-	500	-
20	Aug-19		-	-	-	-	500	-
21	Sep-19		-	-	-	-	500	-
22	Oct-19		-	-	-	-	500	-
23	Nov-19		-	-	-	-	500	-
24	Dec-19		-	-	-	-	500	-
25	Jan-20		(2,200)	(220)	(275)	(2,695)	500	(1,347,500)
26	Feb-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
27	Mar-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
28	Apr-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
29	May-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
30	Jun-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
31	Jul-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
32	Aug-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
33	Sep-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
34	Oct-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
35	Nov-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
36	Dec-20		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
37	Jan-21		(2,070)	(200)	(255)	(2,525)	500	(1,262,500)
38	Feb-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
39	Mar-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
40	Apr-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
41	May-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
42	Jun-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
43	Jul-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
44	Aug-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
45	Sep-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
46	Oct-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
47	Nov-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
48	Dec-21		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
49	Jan-22		(1,940)	(180)	(220)	(2,340)	500	(1,170,000)
50	Feb-22		(980)	(245)	(345)	(1,570)	500	(785,000)
51	Mar-22		(980)	(245)	(345)	(1,570)	500	(785,000)
52	Apr-22		(980)	(245)	(345)	(1,570)	500	(785,000)
53	May-22		(980)	(245)	(345)	(1,570)	500	(785,000)
54	Jun-22		(980)	(245)	(345)	(1,570)	500	(785,000)
55	Jul-22		(980)	(245)	(345)	(1,570)	500	(785,000)
56	Aug-22		(980)	(245)	(345)	(1,570)	500	(785,000)
57	Sep-22		(980)	(245)	(345)	(1,570)	500	(785,000)
58	Oct-22		(980)	(245)	(345)	(1,570)	500	(785,000)
59	Nov-22		(980)	(245)	(345)	(1,570)	500	(785,000)
60	Dec-22		(980)	(245)	(345)	(1,570)	500	(785,000)
61	Jan-23		(980)	(245)	(345)	(1,570)	500	(785,000)
62	Feb-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
63	Mar-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
64	Apr-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
65	May-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
66	Jun-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
67	Jul-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
68	Aug-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
69	Sep-23		(1,090)	(230)	(330)	(1,650)	500	(825,000)
70	Oct-23					-	500	-
71	Nov-23					-	500	-
72	Dec-23					-	500	-
73	Jan-24					-	500	-
74	Feb-24					-	500	-
	TOTAL	27,600,000	(75,850)	(9,560)	(12,755)	(93,115)		(46,557,500)

Parameter	Unit	Reference	Total	Current Production Forecast: Fiscal Year End 7/31/2018	Jul-19	Jul-20	Jul-21	Jul-22	Jul-23	Jul-24	Jul-25	Jul-26	Jul-27	Source
Production														
Current Annual Production Forecast: Net Payable Gold			616,123	-	60,380	74,862	80,000	77,000	77,000	77,000	67,375		-	2017.11.10 - Firestreet - Pre-Paid Forward Gold Purchase Agreement - Schedule B - Annual Production Forecast
Calculation														
Mine Life			96	12	12	12	12	12	12	12	12	-	-	Since Seller failed to raise equity and prepay Supplemental Tranches. Pro-rata calculation for 7 months production (January 2022-July 2022) for year ending July 2022, then 12 months every year following. Amendment No. 1 Forbearnace Page 6: If the Seller fails to raise the equity and prepay all of the Supplemental Tranches Dollar Equivalent required under Section 12(1)(gg), then the product of (i) 50% of the quantity of gold produced from the Mine during each calendar month and (ii) an amount equal to the price as determined pursuant to the Mineral Sales Contract/Refining Agreement (or any similar agreement)for gold for the corresponding Monthly Payable Production minus the Base Spot Price for gold, payable by the owner of the Mine to the Buyer within two (2) Business Days following the end of such calendar month, continuing in perpetuity, it being the intent of the parties hereto that such payments shall constitute a covenant running with and binding upon the title to the Mine, the Minerals, the Mine Properties, and the Mining Concessions and all accessions thereto and all successions or renewals or replacements thereof, whether created privately or through action of any Authority, and binding upon the successors and assigns of the Seller and the successors in title to the Mine Properties."
Participation Period			21	-	-	-	-	7	12	2	-	-	-	For purposes of Early Termination Amount calculation, the final month is 180 months after Effective Date or final Scheduled Delivery Month, which is September 2033. Page 7 of Amendment No. 1 to the PPF: "The Early Termination Amount means an amount equal to: "(i) the product of the amount of Contract Quantity of Gold that has not been Delivered on any Monthly Delivery Date and for which the Buyer has not elected to exercise its Contract Quantity Exchange Option, excluding the amounts of Gold satisfied by conversion into an obligation of the Seller to pay the Buyer in US Dollars pursuant to Section 5(5), and the Gold Price Discount; "(ii) less the value of any minimum price protection adjustment as described in Section 7(3) (as determined by the Buyer in a commercially reasonable manner); "(iii) plus any other unpaid amounts due and owing to the Buyer; "(iv)less any unpaid amounts due and owing to the Seller; "(v)plus the full value of the Contract Quantity Exchange Option that the Buyer elects to exercise in accordance with Section 23(5); "(vi) plus the greater of zero and the product of: "(A)50% of the Monthly Payable Production of gold for the later of: "(x) 99 months following the Effective Date; and "(y) the final Scheduled Delivery Month, as applicable; and "(B)an amount equal to the then current Settlement Price minus the applicable Base Spot Price provided that any amounts that have been satisfied or paid to the Buyer prior to the date of any early termination pursuant to the Section 5(8) shall only be considered once for purposes of any calculation under this Section 5(8)." Amendment No. 1 Forbearnace Page 8: If the Seller fails to raise the equity and prepay all of the Supplemental Tranches Dollar Equivalent required under Section 12(1)(gg), then the product of (i) 50% of the quantity of gold produced from the Mine during each calendar month and (ii) an amount equal to the price as determined pursuant to the Mineral Sales Contract/Refining Agreement (or any similar agreement) for gold for the corresponding Monthly Payable Production
Payable Gold During Participation Period			134,750	-	-	-	-	44,917	77,000	12,833	-	-	-	Calculation 2018.10.15 Amendment No. 1 Section 7(4): Section 7(4) of the Pre-Paid Forward Agreement shall be deleted in its entirety and replaced with the following: Upside Participation Amount. The Seller shall pay an amount equal to the greater of zero and the sum of the amount determined for gold (for the avoidance of doubt, which may be a positive or negative number) as follows: "(a) If the Seller fails to raise the equity and prepay all of the Supplemental Tranches Dollar Equivalent required under Section 12(1)(gg), then the product of (i) 50% of the quantity of gold produced from the Mine during each calendar month and (ii) an amount equal to the price as determined pursuant to the Mineral Sales Contract/Refining Agreement (or any similar agreement) for gold for the corresponding Monthly Payable Production minus the Base Spot Price for gold, payable by the owner of the Mine to the Buyer within two (2) Business Days following the end of such calendar month, continuing in perpetuity, it being the intent of the parties hereto that such payments shall constitute a covenant running with and binding upon the title to the Mine, the Minerals, the Mine Properties, and the Mining Concessions and all accessions thereto and all successions or renewals or replacements thereof, whether created privately or through action of any Authority, and binding upon the successors and assigns of the Seller and the successors in title to the Mine Properties.
Payable Gold Subject to Participation	Participation (%)	50%	67,375	-	-	-	-	22,458	38,500	6,417	-	-	-	
	Current Settlement Price (USD/oz)	1,781.35												LBMA Gold Price PM per LBMA.org as at 2021.12.07
	Base Spot Price (USD/oz)	1,200.00												PPF Amendment No. 1: "The following definition in Section 1 of the Pre-Paid Forward Agreement shall be amended and restated in its entirety: Base Spot Price" means US$1,200
	Participation Unit Value (USD/oz)	581.35												Calculation
Participation Amount: Payable Gold Subject to Participation * Unit Value			39,168,456	-	-	-	-	13,056,152	22,381,975	3,730,329	-	-	-	**Calculation**



Parameter	Unit		Reference	Total	2/28/2021	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	12/7/2021
Global Assumptions															
Effectiveness Notification				2/7/2021											
Deferred Payment Amounts				23,000,000											
Interest Rate				15.00%											
Days/Year				360											
Daily Interest Rate				**0.042%**											
Fixed Monthly Delivery Payment Not Made															
Default Interest Rate	USD	Deferred Payment Amount	23,000,000	2,903,750	201,250	297,083	287,500	297,083	287,500	297,083	297,083	287,500	297,083	287,500	67,083
Default Interest Rate: Total	USD			**2,903,750**	**201,250**	**297,083**	**287,500**	**297,083**	**287,500**	**297,083**	**297,083**	**287,500**	**297,083**	**287,500**	**67,083**

This is **Exhibit "V"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Fairfield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

SUMMONS - CIVIL
JD-CV-1 Rev. 2-20
C.G.S. §§ 51-346, 51-347, 51-349, 51-350, 52-45a, 52-48, 52-259;
P.B. §§ 3-1 through 3-21, 8-1, 10-13

For information on ADA accommodations, contact a court clerk or go to: www.jud.ct.gov/ADA.

STATE OF CONNECTICUT
SUPERIOR COURT
www.jud.ct.gov

Instructions are on page 2.

☐ Select if amount, legal interest, or property in demand, not including interest and costs, is LESS than $2,500

☒ Select if amount, legal interest, or property in demand, not including interest and costs, is $2,500 or MORE.

☐ Select if claiming other relief in addition to, or in place of, money or damages.

TO: Any proper officer

By authority of the State of Connecticut, you are hereby commanded to make due and legal service of this summons and attached complaint.

Address of court clerk (Number, street, town and zip code)	Telephone number of clerk	Return Date (Must be a Tuesday)
123 Hoyt Street, Stamford, Connecticut 06901	(203) 965 – 5307	01/04/2022

☒ Judicial District ☐ Housing Session	G.A. Number:	At (City/Town)	Case type code (See list on page 2)
		Stamford	Major: T Minor: 90

For the plaintiff(s) enter the appearance of:

Name and address of attorney, law firm or plaintiff if self-represented (Number, street, town and zip code)	Juris number (if attorney or law firm)
Finn Dixon & Herling LLP, Six Landmark Square, Stamford, CT 06901	106177

Telephone number	Signature of plaintiff (if self-represented)
(203) 325 – 5000	

The attorney or law firm appearing for the plaintiff, or the plaintiff if self-represented, agrees to accept papers (service) electronically in this case under Section 10-13 of the Connecticut Practice Book. ☒ Yes ☐ No

E-mail address for delivery of papers under Section 10-13 of the Connecticut Practice Book (if agreed): tmlodonka@fdh.com

Parties	Name (Last, First, Middle Initial) and address of each party (Number; street; P.O. Box; town; state; zip; country, if not USA)	
First plaintiff	Name: Brunswick Gold Limited Address: 2-4 Arch. Makarios III Avenue, Capital Center, 9th Floor, Nicosia 1065, Cyprus	P-01
Additional plaintiff	Name: Address:	P-02
First defendant	Name: Pandion Mine Finance LP Address: 411 West Putnam Avenue, Suite 320, Greenwich, Connecticut 06830	D-01
Additional defendant	Name: PFL Raahe Holdings LP Address: 411 West Putnam Avenue, Suite 320, Greenwich, Connecticut 06830	D-02
Additional defendant	Name: RiverMet Resource Capital LP Address: 411 West Putnam Avenue, Suite 320, Greenwich, Connecticut 06830	D-03
Additional defendant	Name: Joseph Archibald Address: 115 Sleepy Hollow Road, Ridgefield, Connecticut 06877-2326	D-04

Total number of plaintiffs: 1	Total number of defendants: 5	☒ Form JD-CV-2 attached for additional parties

Notice to each defendant

1. **You are being sued.** This is a summons in a lawsuit. The complaint attached states the claims the plaintiff is making against you.
2. To receive further notices, you or your attorney must file an *Appearance* (form JD-CL-12) with the clerk at the address above. Generally, it must be filed on or before the second day after the Return Date. The Return Date is not a hearing date. You do not have to come to court on the Return Date unless you receive a separate notice telling you to appear.
3. If you or your attorney do not file an *Appearance* on time, a default judgment may be entered against you. You can get an *Appearance* form at the court address above, or on-line at https://jud.ct.gov/webforms/.
4. If you believe that you have insurance that may cover the claim being made against you in this lawsuit, you should immediately contact your insurance representative. Other actions you may take are described in the Connecticut Practice Book, which may be found in a superior court law library or on-line at https://www.jud.ct.gov/pb.htm.
5. If you have questions about the summons and complaint, you should talk to an attorney.

The court staff is not allowed to give advice on legal matters.

Date	Signed (Sign and select proper box)		Name of person signing
12/17/2021		☒ Commissioner of Superior Court ☐ _____ Clerk	Tony Miodonka

If this summons is signed by a Clerk:

a. The signing has been done so that the plaintiff(s) will not be denied access to the courts.
b. It is the responsibility of the plaintiff(s) to ensure that service is made in the manner provided by law.
c. The court staff is not permitted to give any legal advice in connection with any lawsuit.
d. The Clerk signing this summons at the request of the plaintiff(s) is not responsible in any way for any errors or omissions in the summons, any allegations contained in the complaint, or the service of the summons or complaint.

For Court Use Only
File Date

ATTEST A TRUE COPY
ROBERT M. WOLFE
STATE MARSHAL
FAIRFIELD COUNTY

I certify I have read and understand the above:	Signed (Self-represented plaintiff)	Date	Docket Number

CIVIL SUMMONS
CONTINUATION OF PARTIES
JD-CV-2 Rev. 9-12

STATE OF CONNECTICUT
SUPERIOR COURT

First named Plaintiff *(Last, First, Middle Initial)*
Brunswick Gold Limited

First named Defendant *(Last, First, Middle Initial)*
Pandion Mine Finance LP

Additional Plaintiffs

Name *(Last, First, Middle Initial, if individual)*	Address *(Number, Street, Town and Zip Code)*	CODE
		03
		04
		05
		06
		07
		08
		09
		10
		11
		12
		13

Additional Defendants

Name *(Last, First, Middle Initial, if individual)*	Address *(Number, Street, Town and Zip Code)*	CODE
Ryan Byrne, 6 Hook Road, Rye, New York 10580-3716		05
		06
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FOR COURT USE ONLY - File Date

Docket number

CIVIL SUMMONS-Continuation

Print Form

Reset Form

RETURN DATE: JANUARY 4, 2022	:	
	:	SUPERIOR COURT
BRUNSWICK GOLD LIMITED,	:	
	:	JUDICIAL DISTRICT OF
Plaintiff,	:	STAMFORD/NORWALK
v.	:	
	:	AT STAMFORD
PANDION MINE FINANCE LP, PFL RAAHE HOLDINGS LP, RIVERMET RESOURCE CAPITAL LP, JOSEPH ARCHIBALD, AND RYAN BYRNE,	:	
	:	December 17, 2021
Defendants.	:	

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COMPLAINT

Plaintiff, by and through its undersigned counsel, alleges the following based upon personal knowledge as to its own acts and as otherwise specified, and on information and belief as to all other matters.

INTRODUCTION

1. This action concerns a brazen scheme in which Defendant PFL Raahe Holdings LP ("PFL"), the largest creditor and major shareholder of a struggling mining company, together with Pandion Mine Finance LP ("PMF"), RiverMet Resource Capital LP ("RiverMet"), Joseph Archibald and Ryan Byrne (collectively "Pandion" or the "Pandion Defendants") sought to secure a favorable return, and potential exit, on their investment by hand-picking new management for the company that would be beholden to them and then colluding with management to fraudulently lure and exploit a new investor, Plaintiff Brunswick Gold Limited ("BGL"). To induce BGL to invest in Otso Gold Corp. ("Otso Gold" or the "Company"), the Pandion Defendants and Lionsbridge Capital Pty Ltd ("Lionsbridge"), the management services company selected by the Pandion Defendants, concealed both PFL's security interest in the Company's primary asset, a gold mine in Finland, and the extent of the Company's potential indebtedness to PFL. The Pandion

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Defendants' goal was to extract tens of millions of dollars in investments from BGL, and through the undisclosed security instrument later retake control of Otso Gold after the Company (being run by their hand-picked management) defaulted on the security instrument's onerous obligations that the Pandion Defendants knew could not and would not be met.

2. After successfully luring BGL to invest, the Pandion Defendants and management then used the threat of massive escalating debt to PFL to extract additional investments from BGL. In less than one year, the Pandion Defendants and their management improperly extracted ***$27 million*** in investments from BGL, without disclosing to BGL that the Company's contingent liabilities to the Pandion Defendants were more than three times that amount. The Company, controlled by the Pandion Defendants through their hand-picked management, deliberately hid the existence of those security arrangements in order to further the Pandion Defendants' scheme. Then, rather than apply these newly received funds to jump start operations as promised, the Pandion Defendants' selected management mismanaged the Company's finances and delayed a feasibility study at the gold mine in Finland that was needed to attract bank financing to fund commercial production. The Pandion Defendants' selected management also withheld the mine plan from the Board of Directors of Otso Gold , and, on information and belief, shared it with the Pandion Defendants instead.

3. The Pandion Defendants' scheme began to unravel when the Board of Directors of Otso Gold took steps to address the mismanagement by appointing a team of experts from Alvarez & Marsal ("A&M"), a restructuring and turnaround consulting firm, to review the Company's operations and records, and to assist in the management of the business. With the A&M restructuring team commencing their involvement, and having been informed that members of the Board of Directors were traveling to Finland that day to meet with them, the Pandion Defendants'

management team suddenly and without prior notice resigned from the Company, purporting to terminate their services, and disappeared. The unexpected resignation occurred just before they were to meet with the A&M team and the Board of Directors in a scheduled meeting in Finland regarding discrepancies that had been identified in the Company's financial and operational records. Instead, management attempted to flee with evidence of their complicity, as the facts began to come out.

4. Fortunately, the Pandion Defendants' hand-picked CEO to run Otso Gold, Brian Wesson, was arrested in Finland just hours after he and his management services company abruptly resigned and as he was at the international airport in Helsinki attempting to leave the country while in possession of Otso Gold's confidential information and property. Finnish law enforcement authorities are now investigating Mr. Wesson for possible crimes, including aggravated embezzlement from the Company. When Mr. Wesson resigned, he did so without any prior notice, clearing out and emptying his office and the office of his wife Amelia Wesson, the Company's head of human resources, of Company property and documents without permission, and without making any arrangements to transfer control of the Company's bank accounts, email systems, data rooms, or website account. The whereabouts of Clyde Wesson, Brian Wesson's son and the Company's Vice President until his sudden resignation alongside his father, were unknown for nearly two weeks, until he surfaced by filing an affidavit in a Canadian court proceeding (the "Canada Affidavit") stating that he was now "located" in Australia.

5. In the aftermath of the unraveling of these issues, the role of the Pandion Defendants in colluding with Brian Wesson and his management team has become clearer. For example, it has recently been discovered in the course of the Company's investigation that representatives of the Pandion Defendants, including Defendant Ryan Byrne, David Young, and

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Julien Bosche of Trident Royalties plc, and at least three consultants from SRK Consulting, the Pandion Defendants' mining consultants, met secretly with Brian Wesson at the Company's mining facilities in Finland in mid-November 2021. These meetings were for the purpose of furthering the scheme by which management would continue to run the business in a manner so that the Company would have no choice but to default on its debt, and the Pandion Defendants could retake control of the Company through their previously undisclosed security arrangement. These meetings were not authorized by or known to Otso Gold's board. While these negotiations were happening, in reality, the Pandion Defendants were already planning to take over the Company through their secret arrangement and collusion with Brian Wesson and his team, and therefore had no reason to negotiate in good faith with the Company. This was, at a minimum, a manifest breach of management's fiduciary duties of loyalty and good faith to the Company, which the Pandion Defendants actively planned, encouraged and were involved with. In a recently discovered message that he sent in advance of the secret meetings, Mr. Wesson warned that you "can't tell anyone names" regarding the November meetings that were being held with Mr. Archibald and others. This is indisputable evidence of the steps that were taken to hide the existence of these meetings, and the collusion between the Pandion Defendants and management, from the Company and its Board of Directors. Plaintiff believes that additional evidence of Pandion's misconduct will come to light through discovery proceedings in this action and through ongoing investigation efforts by the Company, the Finnish authorities' criminal investigation and other proceedings.

6. Furthermore, as a result of the Pandion Defendants' wrongful actions and the mismanagement of the Company through their chosen management, the Company and its affiliated entities have now been forced to file for insolvency protection under applicable laws in Canada,

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Finland and Sweden. The Pandion Defendants claim in the Canadian insolvency proceeding that they are now entitled to a payment of $95,350,406 from Otso Gold due to the mismanagement of the Company by Pandion's selected management team, under the terms of the security instruments that were not disclosed when BGL was solicited to make its investments in the Company. Even during the Canadian insolvency proceedings, the Pandion Defendants' counsel are taking steps to attempt to downplay the mismanagement of the Company by their chosen management team, in an apparent attempt to discourage the ongoing investigation: When the two top executives of a company abruptly resign and the former CEO is arrested while the other former executive makes his whereabouts unknown for weeks before surfacing on another continent, one would think that creditors and shareholders alike would want the Company to investigate and get to the bottom of what happened. But the Pandion Defendants want just the opposite. In a December 7, 2021 email, the Pandion Defendants' counsel questioned Otso Gold's counsel why the Company was investigating whether "the Wessons had something to do with the funds missing" from Otso Gold's bank accounts, and that it should instead be "correcting" any implication of wrongdoing by the Wessons. The only conceivable reason that the Pandion Defendants, who are a major creditor and shareholder, would want to preemptively vindicate the Wessons before an investigation has been completed, is that they fear the Company's investigation will further expose the fraud and deceptive practices that the Pandion Defendants have orchestrated with Lionsbridge.

7. Plaintiff brings this action to hold the Pandion Defendants and their affiliates and principals accountable for their role in this despicable fraud and for their deceptive business practices.

THE PARTIES

8. Plaintiff Brunswick Gold Limited is a limited liability company incorporated under the laws of the Republic of Cyprus. Plaintiff's registered address is 2-4 Arch. Makarios III Avenue, Capital Center, 9th floor, Nicosia 1065, Cyprus.

9. Defendants Pandion Mine Finance LP and PFL Raahe Holdings LP are limited partnerships organized under the laws of Ontario, Canada, with the same principal place of business: 411 West Putnam Avenue, Suite 320, Greenwich, Connecticut 06830. PMF is the parent of PFL. Defendants Joseph Archibald and Ryan Byrne co-founded PMF.

10. Defendant RiverMet Resource Capital LP is a limited partnership organized under the laws of Ontario, Canada. RiverMet manages PFL and shares the same principal place of business as PMF and PFL: 411 West Putnam Avenue, Suite 320, Greenwich, Connecticut 06830. The general partner of RiverMet is RiverMet Resource Capital GP, LLC, which is managed by Messrs. Archibald and Byrne.

11. Defendants Joseph Archibald and Ryan Byrne are the co-founders and principals of the corporate defendants, all of which share the same principal place of business: 411 West Putnam Avenue, Suite 320, Greenwich, Connecticut 06830. On information and belief, both Mr. Archibald and Mr. Byrne maintain offices in Connecticut, and Mr. Archibald is also a resident of Connecticut.

JURISDICTION AND VENUE

12. This Court has jurisdiction over the Pandion Defendants because they regularly transact or solicit business in Connecticut and have their principal place of business in Connecticut.

13. Venue is proper because the Pandion Defendants' principal place of business is in Greenwich, Connecticut.

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FACTUAL BACKGROUND

I. Otso Gold

14. Otso Gold is a publicly traded corporation. Its common shares trade on the TSX Venture Exchange in Canada under the symbol "OTSO," on the OTCQX in the United States under the symbol "FIEIF," and on the Frankfurt Stock Exchange under the symbol "FRA: 2FN."

15. Otso Gold's primary business pertains to the development of the Laiva gold mine project in Northern Ostrobothnia, Finland (the "Laiva Gold Mine" or "Otso Gold Mine"). Otso Gold also owns an interest in a Copper Creek porphyry copper gold exploration project situated in the golden triangle in British Columbia.

II. The Pandion Defendants Finance Firesteel's Acquisition of the Laiva Gold Mine

16. The Laiva Gold Mine is comprised of two mining license areas: Laiva and Oltava.

17. The Laiva mining license area is an approximately 20-minute drive from the port town of Raahe in central west Finland and one-hour south of Oulu, Finland's third-largest city. It includes the advanced stage Laiva Gold Mine and satellite exploration projects at Mussuneva and Kaukainen. The Oltava mining license area is located 12 kilometers south of Laiva and is an early-stage exploration property.

18. The Laiva mining license area was discovered through boulder sampling by an amateur prospector in 1980, and the Oltava area was first recognized in the 1950s through regional exploration and drilling conducted by the Geological Survey of Finland.

19. The Laiva Gold Mine was first developed in 2009. Production from the Laiva Gold Mine began in 2011, but was suspended within 23 months for a variety of reasons, including poor geological information and substantial debt.

20. In 2017 and 2018, Firesteel Resources Inc. ("Firesteel") acquired rights to the Laiva Gold Mine by purchasing all the shares of Nordic Mines Marknad AB, then the ultimate parent

company of the Laiva Gold Mine. Firesteel's purchase of Nordic Mines Marknad AB was financed by PMF, through its subsidiary PFL, in a Pre-Paid Forward Gold Purchase Agreement, dated November 10, 2017 (the "PPF Agreement").

III. Firesteel Changes its Name to Nordic Gold And Fails in its Efforts to Restart Production at the Laiva Gold Mine

21. In August 2018, Firesteel changed its name to Nordic Gold.

22. In or about November 2018, Nordic Gold attempted to restart production at the Laiva Gold Mine, but encountered difficulties due to mounting debt and the severity of the Finnish winter.

23. In early March 2019, Nordic Gold announced that, effective April 1, 2019, the Laiva Gold Mine would be placed in "care and maintenance," a term of art describing a mine for which production has been halted, but which may later recommence operations, due to operational issues and a lack of sufficient funds to continue production. At the time, the Pandion Defendants had provided Nordic Gold and its predecessor various secured loans with a total principal amount of $32,600,000. PFL was also a major shareholder of Nordic Gold.

IV. The Pandion Defendants Handpick Lionsbridge to Take Over Management and Restructure Nordic Gold's Debt, And the Company is Renamed Otso Gold

24. With the Lavia Gold Mine in "care and maintenance," the Pandion Defendants faced dim prospects for a favorable exit on their investment. The Pandion Defendants took matters into their own hands and handpicked new management for the Company—Lionsbridge—who would do their bidding in furtherance of the Pandion Defendants' interests, rather than act in the best interests of the Company. Indeed, in his Canada Affidavit, Clyde Wesson explained that

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Pandion asked his father, Brian Wesson, to "take a look" at the Company in early 2019, and then "invited" Lionsbridge to help "work out" the Company's problems.

25. In July 2019, with the Pandion Defendants' backing, Lionsbridge and its subsidiary, Westech International Pty Ltd ("Westech"), obtained an agreement (the "Services Agreement"), under which Lionsbridge would provide management services to the Company and Westech would provide expat contractors in Finland to lead operations at the Laiva Gold Mine. The principals of Lionsbridge and Westech are Brian Wesson and his son, Clyde Wesson. After execution of the Services Agreement, Brian Wesson became Nordic Gold's CEO and Chairman of its Board of Directors, Clyde Wesson became Nordic Gold's Vice President and a director, and Amelia Wesson, the wife of Brian Wesson, became Nordic Gold's head of human resources.

26. Among other lucrative terms, the Services Agreement incentivized Lionsbridge to (a) restructure the Pandion Defendants' debt with an arrangement fee; and (b) lure new investors with a finder's fee of 12.5% for any equity or debt brought into the Company.

27. In October 2019, the Pandion Defendants and Lionsbridge restructured Nordic Gold's debt to PFL (the "Pandion Loans"). As reflected in a Consent and Agreement to Pre-Paid Forward Gold Purchase Agreement and Maintenance Loan Agreement, dated October 7, 2019 (the "Restructuring Agreement"), the key commercial terms of the restructured debt included: (a) payments to PFL of (i) $1.56 million in common shares of Nordic Gold upon the completion of an up to $7 million equity raise; (ii) $11.5 million due in March 2021; and (iii) $11.5 million due in September 2021; (b) cancellation of gold deliveries to the Pandion Defendants, their upside participation, and free carry right; and (c) after the payments outlined in (a) above, PFL's release of its security package.

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28. As an arrangement fee for the restructuring of Nordic Gold's debt to the Pandion Defendants, 26,612,000 common shares of Nordic Gold, valued at $1,330,600, were issued to entities controlled by Brian Wesson and Clyde Wesson.

29. In December 2019, Nordic Gold changed its name to Otso Gold.

V. Working With the Pandion Defendants, The Wessons Solicit A New Investor in Otso Gold

30. Because one of the contemplated payments to the Pandion Defendants under the restructuring negotiated by Lionsbridge was contingent upon the completion of an equity raise, the restructured debt created an incentive for both Pandion and Lionsbridge to find a new investor in Otso Gold.

31. In the fall of 2020, Lionsbridge began soliciting the principals of Brunswick Rail Management ("BRM"), a railcar operating leasing company, to invest in Otso Gold.

32. At the time, the Pandion Defendants and Lionsbridge were the Company's two largest shareholders and had effective control of the Company, and the Otso Gold Mine was still in "care and maintenance." On October 20, 2020, following a request by Lionsbridge for urgent working capital, the principals of BRM provided Otso Gold with an unsecured loan of $1,000,000 via a BRM affiliate.

33. Negotiations culminated in a subscription agreement between BGL and Otso Gold entered on December 13, 2020 (the "2020 Subscription Agreement), and a suite of related documents, including a disclosure letter dated December 13, 2020 that Clyde Wesson sent on behalf of Otso Gold (the "2020 Disclosure Letter").

34. Under the 2020 Subscription Agreement, which Clyde Wesson signed on behalf of Otso Gold, BGL invested $11 million in exchange for 284,944,440 units of Otso Gold at a purchase

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price of CAD $0.05 per unit. Each unit consisted of one common share of Otso Gold and one warrant to purchase a common share at a price of CAD $0.05 per share within five years.

35. In the 2020 Disclosure Letter, Clyde Wesson represented that Otso Gold "has provided real property security to Pandion under the PPF Agreement." The Restructuring Agreement with the Pandion Defendants provided that, at Otso Gold's request, the Pandion Defendants must relinquish all existing security interests relating to a 2.5% net smelter return royalty on gold production from the Laiva Gold Mine, except for a "real estate mortgage." Other than the "real property security to Pandion under the PPF Agreement," the 2020 Disclosure Letter did not disclose the existence of any security interest or encumbrance relating to the royalty.

36. Contemporaneous with the execution of the 2020 Subscription Agreement and 2020 Disclosure Letter, the Pandion Defendants and each of the entities through which Brian Wesson and Clyde Wesson own Otso Gold's common shares executed voting support agreements in favor of BGL's investment. On information and belief, prior to BGL's execution of the 2020 Subscription Agreement and receipt of the 2020 Disclosure Letter, the Pandion Defendants were aware of, and collaborated with Lionsbridge on, the negotiations with, and disclosures made to, BGL, and was provided with drafts of the suite of documents related to BGL's investment.

VI. In Connection With the Closing of BGL's $11 Million Investment, The Pandion Defendants and The Wessons Are Awarded Nearly 65 Million Common Shares of Otso Gold

37. When BGL's investment closed on February 8, 2021, the Pandion Defendants were issued 31,909,280 common shares of Otso Gold, pursuant to "top up rights" that Lionsbridge had granted to the Pandion Defendants with the 2019 restructuring of Nordic Gold's debt to the

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Pandion Defendants, and various entities controlled by Brian Wesson and Clyde Wesson were issued 32,380,050 "top up" common shares as a finders' fee.

38. Following these transactions, on an undiluted basis, BGL owned 46.03% of the common shares of Otso Gold, the Pandion Defendants owned 12.79% of the common shares, and entities controlled by Brian Wesson and Clyde Wesson collectively owned 13.38% of the common shares.

39. Otso Gold's Board of Directors was reconstituted with four BGL designees and three Lionsbridge designees, two of whom were Brian Wesson and Clyde Wesson.

VII. The Pandion Defendants and Lionsbridge Extract An Additional $11 Million from BGL

40. The initial purpose of BGL's $11 million investment was to provide Otso Gold with funding to organize drilling at the Otso Gold Mine and to commission a feasibility study at the mine that would be used to attract bank financing needed to fund commercial production.

41. On May 17, 2021, Lionsbridge issued a Otso Gold press release indicating that a feasibility study was expected in June 2021, and that restart of production at the Otso Gold Mine was expected to take place in the third quarter of 2021.

42. On June 14, 2021, however, Brian Wesson revealed to Otso Gold's board that the feasibility study and restart of production would not occur on the timetable indicated in the press release, and could not be completed at all without an immediate further investment from BGL of $11 million, on top of the $11 million that BGL had already invested. Brian Wesson also indicated that "Pandion will be difficult" if additional funds for Otso Gold were not obtained through BGL's exercise of its warrants.

43. On June 22, 2021, BGL sent the Pandion Defendants a letter setting out alternative proposals that would address Otso Gold's alleged financing needs. The first option was for Otso

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Gold to issue unsecured convertible notes (with warrants) with a coupon interest rate of 15% up to $13 million to be utilized only if Otso Gold required additional funding. BGL, the Pandion Defendants, and Lionsbridge would have the right to subscribe for the convertible notes *pro rata* to their equity holdings in Otso Gold. The second option was for Otso Gold to launch a rights issue (with warrants) at a 25% discount to the market price to all existing shareholders for up to $13 million in new equity.

44. BGL requested a call with Pandion to discuss these proposals further, but Pandion never responded directly. Instead, Brian Wesson and Clyde Wesson informed BGL that the Pandion Defendants were opposed to such financing and that the Pandion Defendants wanted BGL to immediately convert the warrants it had just acquired as part of its $11 million investment under the 2020 Subscription Agreement, even though each warrant entitles BGL to purchase a common share of Otso Gold at a price of CAD $0.05 per share *within five years' time.*

45. The communication from the Pandion Defendants through Brian Wesson and Clyde Wesson was concerning. Otso Gold's board had previously told the Wessons that there needed to be a sole point of formal communication with the Pandion Defendants with regard to any negotiations between Otso Gold and the Pandion Defendants, and warned the Wessons that they should not have discussions with the Pandion Defendants without approval from the Otso Gold board. Indeed, in his Canada Affidavit, Clyde Wesson admits that the Wessons were "instructed … not to open negotiations with Pandion."

46. On June 23, 2021, a conference call was held among Lionsbridge, BGL's director designees, and their respective counsel to discuss the Pandion Defendants' response. During the call, BGL's representatives asked Brian Wesson and Clyde Wesson whether they had been coordinating with the Pandion Defendants in the background. Brian Wesson and Clyde Wesson

expressed offense at the suggestion but admitted that the Pandion Defendants had called Lionsbridge to convey its position.

47. During this call, Clyde Wesson informed BGL's representatives that Otso Gold was already in technical default on the Pandion Loans, as it had not paid interest that was due to the Pandion Defendants, and that, as a result, there was a risk that the Pandion Defendants could reinstate the debt to its higher original amount prior to the October 2019 restructuring negotiated by Lionsbridge (the "Reinstatement Debt"). Mr. Wesson did not disclose the amount of the Reinstatement Debt, which had not previously been disclosed to BGL in the 2020 Disclosure Letter, or in the financial statements of the Company audited by PricewaterhouseCoopers ("PwC") during the negotiations leading up to BGL's investment in the Company.

48. Clyde Wesson further informed BGL's representatives that Pandion did not want a deal involving additional financing and instead wanted BGL to exercise its warrants to invest an additional $11 million in Otso Gold, just months after its initial investment of $11 million in Otso Gold had closed in February 2021.

49. The prospect of a default on the Pandion Loans, combined with Otso Gold's inability to borrow funds to pay off the Pandion Loans, would make it extremely difficult for Otso Gold to obtain the necessary financing to fund commercial operations. Furthermore, if there were any further delays in the commencement of production, there was a serious risk that Otso Gold would be unable to repay the Pandion Loans when due and that Pandion would take steps to foreclose on the Otso Gold Mine and potentially seek payment of the Reinstatement Debt.

50. Under pressure from the Pandion Defendants' insistence that there was no alternative financing option and the Wessons' insistence that Otso Gold required immediate

working capital, BGL agreed to provide a second $11 million by converting its warrants subject to additional terms and assurances.

51. Lionsbridge urged BGL to move quickly. In a July 2, 2021 email to a BGL representative, Clyde Wesson stated: "As you know, we need to get the warrants exercised immediately. The decision to delay this will potentially lead to the following issues which needs to be resolved including the drillers stopping work, expatriate staff leaving, CRS stopping work and delays to the program that will risk the delay to a 2022 production date. If you would like to discuss please see the zoom link below. Pandion are in South America and so we need to resolve this in the next hour."

52. In the interest of time, BGL agreed to sign a letter agreement on July 8, 2021. Among other things, the letter agreement provided that (a) on or before July 31, 2021, BGL would pay $11 million to convert its warrants and fund Otso Gold's commercial operations; (b) by December 7, 2021, Otso Gold would pay Pandion $23 million plus interest to settle the Pandion debt; and (c) the parties would work in good faith to amend material agreements with Pandion to give effect to the letter agreement.

VIII. After Extracting an Additional $11 Million from BGL, the Pandion Defendants Condition Any Formal Amendments to Agreements Relating to the Pandion Loans On the Acceleration of the Maturity Date for Pandion's Convertible Debentures

53. On July 21, 2021, BGL exercised its warrants. Following the conversion of BGL's warrants, on an undiluted basis, BGL owned 63.05% of the common shares of Otso Gold, while Pandion owned 8.76% of the common shares, and entities controlled by Brian Wesson and Clyde Wesson collectively owned 9.16% of the common shares.

54. On July 22, 2021, BGL circulated a draft of an agreement formalizing amendments to the material agreements with the Pandion Defendants, as contemplated by the July 8, 2021 letter agreement. Despite the urgency of formalizing the matters contemplated in the July 8, 2021 letter

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agreement, BGL did not receive any comments from Pandion on the draft agreement for nearly four weeks. On August 16, 2021, Clyde Wessor. emailed BGL what he represented were the Pandion Defendants' comments to the draft. BGL promptly prepared further comments on the draft to provide to Pandion and repeatedly followed up with Clyde Wesson.

55. BGL did not receive any further comments from the Pandion Defendants to the draft agreement. When BGL asked Clyde Wesson for copies of all written correspondence with the Pandion Defendants regarding the Pandion debt and related issues, Mr. Wesson advised BGL that all his discussions with the Pandion Defendants were oral. This caused BGL concern that Lionsbridge and the Pandion Defendants were restricting their exchanges to verbal communications to limit the disclosure that BGL representatives would receive about the true status of the Pandion debt.

56. In mid-September 2021, almost two months after BGL circulated the draft agreement formalizing amendments to the material agreements with Pandion, Clyde Wesson informed BGL that he had spoken to Mr. Archibald. According to Mr. Wesson, Mr. Archibald advised that the Pandion Defendants would only sign an agreement to formalize the amendments contemplated under the July 8, 2021 letter agreement if the maturity date for convertible debentures that had been issued to the Pandion Defendants in March 2020 were accelerated from 2023 to December 7, 2021, to align with the payout of the Pandion Loans.

57. This condition from the Pandion Defendants had never previously been raised and made it clear that the Pandion Defendants were unwilling to engage in good faith to formalize the amendments to the Pandion debt agreements provided in the July 8, 2021 letter agreement.

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IX. The Pandion Defendants and Lionsbridge Extract An Additional $5 Million Investment from BGL

58. On or about August 27, 2021, Brian Wesson circulated a draft letter to the BGL designees on the Otso Gold board proposing amendments to the Services Agreement with Lionsbridge and Westech. The proposal included, among other things, a 24-month extension of the Services Agreement, an upward adjustment of the monthly management fee, and a full and general release by BGL of any current or future claims against Lionsbridge or Westech. The request for a general release from BGL was particularly puzzling because BGL is not a party to the Services Agreement.

59. The timing and tone of this correspondence was concerning. The existing Services Agreement was not set to expire until July 2022, and Lionsbridge had not yet delivered on resuming commercial production at the Otso Gold Mine, a milestone that was essential to determining whether an extension would be appropriate. Nor had Lionsbridge delivered on the feasibility study it had commissioned for the Otso Gold Mine. Furthermore, the Services Agreement contained a non-solicitation clause that would have prevented the Company from directly employing the expat contractors whom Westech had brought to the Otso Gold Mine. Lionsbridge appeared to be using the urgency of Otso Gold's financial and operational situation to leverage a contract extension and full release before the BGL director designees had the ability to properly understand the Company's true position. This heightened BGL's concerns about Otso Gold's relationship with Lionsbridge going forward. And, as discussed above, BGL's concerns about Lionsbridge's dealings with the Pandion Defendants were heightened at the same time because the Pandion Defendants had failed to provide a substantive response to the draft agreement formalizing amendments to the material agreements with the Pandion Defendants contemplated by the July 8, 2021 letter agreement.

60. The BGL director designees on the Otso Gold board informed Lionsbridge that they would be prepared to discuss an extension in good faith after the restart of gold production at the Otso Gold Mine.

61. In response, Clyde Wesson sent an email on September 6, 2021 threatening to not extend the contracts of onsite staff until the Services Agreement was extended and BGL released Lionsbridge and Westech from any and all claims BGL might have against them. Indeed, as Clyde Wesson admitted in his Canada Affidavit, Lionsbridge and Westech "began to plan for redeployment of our people."

62. At a meeting of the Otso Gold board on September 8, 2021, the BGL director designees reiterated that they would be prepared to discuss an extension of the Services Agreement once the Otso Gold Mine was back in production. After Brian Wesson stated that Otso Gold was approximately $5 million short of the $22 million needed to restart production, BGL stated that it would provide $5 million in unsecured working capital to bridge the gap, if the Pandion Defendants agreed to extend the maturity of the Pandion Loans from December 7, 2021 to March 31, 2022. Lionsbridge subsequently informed BGL that the Pandion Defendants did not approve of BGL providing $5 million in unsecured working capital under the requested terms.

63. On October 19, 2021, BGL and Otso Gold entered into a subscription agreement (the "2021 Subscription Agreement") in connection with a private placement of $5 million in exchange for 105,650,000 units of Otso Gold at a purchase price of CAD $0.06 per unit. Each unit consisted of one common share of Otso Gold and one warrant to purchase a common share at a price of CAD $0.08 per share within five years. In connection with the 2021 Subscription Agreement, Clyde Wesson sent on behalf of Otso Gold a supplemental disclosure letter to BGL dated October 19, 2021 (the "2021 Disclosure Letter").

64. This additional $5 million investment by BGL increased its ownership interest in Otso Gold on an undiluted basis to approximately 67%.

X. Lionsbridge Subverts Otso Gold's Efforts to Obtain Bank Financing To Settle The Pandion Debt By December 7, 2021

65. As noted above, after BGL's initial investment closed in February 2021, Lionsbridge issued an Otso Gold press release on May 17, 2021 indicating that a completed feasibility study of the Otso Gold Mine was expected in June 2021.

66. On September 28, 2021, Boyd Company, the consultant hired to conduct the feasibility study, delivered to Lionsbridge a draft of the feasibility report. Lionsbridge initially refused to share this draft with the BGL director designees to the Osto Gold board, but after some back-and-forth, ultimately provided a copy of the draft. The draft report contained several material errors, which Lionsbridge did not have corrected in a timely fashion. As a result of this and other issues, BGL became concerned that Lionsbridge was not properly managing the feasibility study process to ensure the prompt resumption of gold production.

67. Because there was still no feasibility study completed by October 2021, Otso Gold had not been able to raise new debt financing from banks. The draft feasibility study received from Boyd on November 4, 2021 indicated proved and probable reserves of only 365,000 ounces. Based on the information Lionsbridge had previously provided, this was significantly lower than what was expected and caused some banks with which Otso Gold had been dealing to withdraw from further discussions.

68. Moreover, the Wessons affirmatively subverted discussions with other banks. For example, Clyde Wesson failed to attend at least 10 calls with Sberbank's mining consultant, CSA Global, while Brian Wesson was routinely late or only joined if chased, while bank representatives waited, and both Wessons failed to provide information requested by CSA Global in a timely

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fashion. Because of these delays and Lionsbridge's failure to procure the completion of the feasibility study, Sberbank and CSA Global concluded that their lending due diligence would not be completed in time to provide financing prior to the December 7, 2021 due date for Otso Gold to pay the Pandion Defendants $23 million plus interest to settle the Pandion debt. Clyde Wesson made a difficult situation even worse by leaving Finland, where the Otso Gold Mine is located, for Australia in May 2021 and only returning at the end of October 2021. During that period, Clyde Wesson did not participate in most of the phone calls with banks in Europe and Russia, did not return calls from the Otso Gold board's representatives, failed to update the data room for the banks' due diligence, and failed to answer the banks' requests on a timely basis.

69. As a result, Otso Gold was left with virtually no options for financing the settlement of the Pandion debt other than through BGL or the Pandion Defendants. BGL engaged in discussions with Otso Gold regarding the prospect of providing short-term bridge financing to pay the Pandion Defendants $23 million plus interest to settle the Pandion debt and provide Otso Gold with a period of two or three additional months to obtain long-term bank financing. On October 29, 2021, a proposed term sheet for secured short-term bridge financing from BGL was circulated to the Otso Gold board.

XI. After BGL Discovers Unapproved Payments and Offers a Bridge Loan to Refinance The Pandion Loans, Lionsbridge Threatens to Terminate The Services Agreement And Withdraw Westech Staff from the Otso Gold Mine

70. The 2020 Subscription Agreement provides for the appointment of a BGL representative as a co-signatory for the bank accounts of Otso Gold and its subsidiaries. In October 2021, BGL discovered that Lionsbridge had failed to set up the necessary approval process with Otso Gold's bank and had made unapproved payments on behalf of Otso Gold totaling €88,038. Indeed, in his Canada Affidavit, Clyde Wesson admits that Lionsbridge "sent the money – without

waiting for BGL's signature" out of concern that BGL "would not authorize the making of the actual payments." On October 13, 2021, BGL notified Lionsbridge of the unapproved payments.

71. On October 30, 2021, BGL offered to refinance the Pandion Loans with a bridge loan. In response, Lionsbridge sent Otso Gold's board a letter on November 2, 2021—one day before a scheduled gold pouring ceremony at the Otso Gold Mine—in an attempt to hold the Company ransom. Lionsbridge's letter stated that if the Services Agreement were not extended, it would move Westech staff at the Otso Gold Mine elsewhere and that Westech's employees would be in breach of restrictive covenants if Otso Gold were to hire them. Lionsbridge also proposed an arrangement in which the parties would terminate the Services Agreement, Lionsbridge would receive a contractual termination payment totaling $1,746,000, and Lionsbridge would sell its shares to BGL at CAD $0.20 per share (for a total of approximately CAD $16.5 million). The Company was required to agree to these terms in one day.

72. It became apparent to BGL's director designees that the Otso Gold board would not be able to come to terms on a suitable arrangemer t for Lionsbridge's long-term management of the Company. However, the board was in a difficult position, as it would not be able to quickly replace the Westech technical and managerial experts at the Otso Gold Mine if Lionsbridge acted on its threat to withdraw them. It was important that any transition away from Westech staff be done in an orderly fashion that would not disrupt the progress of production at the mine.

73. Additionally, Lionbridge's continued unwillingness to provide Otso Gold's board and BGL with all requested detailed financial and operational information, budgets and forecasts made it impossible for BGL to properly evaluate the Company's business and capital requirements. This information was crucial after the restart of production and at the time BGL was considering a $26.8 million bridge loan to the Company.

XII. Just Weeks Before the December 7, 2021 Due Date to Settle the Pandion Loans, the Pandion Defendants Reveal to BGL a $25 Million Lien Against the Otso Gold Mine And Secretly Meets with Lionsbridge to Plot a Take Over of the Company

74. BGL's director designees on the Otso Gold board turned their attention to engaging the Pandion Defendants in discussions to provide a bridge to bank loan from BGL and refinance the Pandion Loans. For months, BGL's director designees had tried to open a direct line of communication with the Pandion Defendants. But the Pandion Defendants never responded to BGL's written correspondence; instead, it was always the Wessons who purported to provide the Pandion Defendants' position. Just weeks before the December 7, 2021 due date to settle the Pandion Loans, the Pandion Defendants finally agreed to meet with BGL representatives.

75. On or about November 9, 2021, BGL representatives met Messrs. Archibald and Byrne at the Pandion Defendants' offices in Greenwich, Connecticut, to discuss potential terms upon which the Pandion Loans could be paid out or re-financed. At the meeting, Mr. Archibald stated that the higher original amount of the Pandion debt amount (still undisclosed) would be reinstated if Otso Gold defaulted on the December 7, 2021 due date. Mr. Archibald also stated that, regardless of whether the Pandion Loans were paid out when due, a $25 million lien ("Royalty Lien") would remain registered against the Otso Gold Mine in order to secure ongoing royalty payments under a Net Smelter Returns Royalty Agreement dated November 8, 2018 (the "NSR Royalty Agreement"), and that the Royalty Lien would have priority over all other debts in the event of bankruptcy.

76. The Royalty Lien was not disclosed in the 2020 Disclosure Letter, and no security documents regarding the NSR Royalty Agreement were included in the virtual data rooms established for due diligence conducted by BGL's representatives, including White & Case LLP and KPMG LLP, in connection with BGL's investment under the 2020 Subscription Agreement. The Pandion Defendants knew that revealing this additional security, which severely limited the

Company's ability to raise additional debt finance, would significantly increase their bargaining power over BGL.

77. With less than a month left before the December 7, 2021 due date for the Pandion Loans, the Pandion Defendants' disclosure of the Royalty Lien was clearly intended to shut down any thought of raising additional debt finance for the Company and put BGL in an impossible situation: either continue equity funding to service the Company's debt to the Pandion Defendants and keep the Company afloat or default on the Pandion Loans and risk losing most or all of its investment in the Company. To make matters worse, BGL could not properly evaluate and assess the Company's business and capital requirements because Lionsbridge repeatedly failed or refused to provide Otso Gold's board and BGL with requested financial and operational information, budgets, and forecasts.

78. In light of the above, on November 11, 2021, BGL sent the Pandion Defendants a letter regarding the withdrawal of its proposal to provide Otso Gold bridge financing and proposed an alternative resolution to attempt to address Otso Gold's financing issues.

79. The Pandion Defendants expressed no interest in negotiating a resolution along the lines proposed in BGL's November 11, 2021 letter. Instead, on information and belief, the Pandion Defendants and Lionsbridge engaged in a series of meetings and machinations to plot their next moves. During the week of November 8, 2021, Brian Wesson traveled to the U.S. to meet with the Pandion Defendants, and, upon his return to Finland, told staff at the Otso Gold Mine that the Pandion Defendants would be visiting. During the week of November 15, 2021, representatives of the Pandion Defendants, including Mr. Byrne, David Young, and Julien Bosche of Trident Royalties plc, traveled to Finland to survey the Otso Gold Mine with Pandion's mining consultants from SRK Consulting. Before the visit, Brian Wesson asked that hotel arrangements for the

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Pandion and SRK Consulting representatives be made on a no-names basis: "Are you back as we need to arrange accommodation but can't tell anyone names till Tuesday when they arrive joe Archibald, Ryan Byrne and one tech guy dave young the[y] arrive 15th at 5 pm and leave on Thursday morning site all day Wednesday." The reason for the secrecy was because the Company and its Board of Directors had not authorized or approved such a visit, and Brian Wesson and the Pandion Defendants knew that the Board of Directors would never have sanctioned such a visit, which was directly counter to negotiations that were then-ongoing between the Chairman of Osto Gold and Mr. Archibald regarding the Pandion debt. The Pandion Defendants knew that Mr. Wesson and his management team members were breaching their fiduciary duties to the Company by actively working to undermine the Company's negotiations on the Pandion Loans by holding their own side meetings with the Pandion Defendants. Lionsbridge even used Company funds to cover the hotel expenses of the Pandion Defendants and SRK Consulting representatives in Finland, but failed to disclose to the Osto Gold Board of Directors that Pandion and SRK Consulting would be visiting the Otso Gold Mine, much less seek the board's approval.

XIII. Lionsbridge and Pandion Unveil a Coordinated Bid to Buy Out BGL at an Amount Less Than BGL's Total Investments and Take Over Otso Gold

80. On November 23, 2021, with the December 7, 2021 due date for the Pandion Loans just two weeks away, the Pandion Defendants provided BGL with copies of security documents relating to the NSR Royalty Agreement. This was the first time that BGL had ever been provided these documents for the Pandion Defendants' claimed Royalty Lien.

81. That same day, Brian Wesson emailed the Otso Gold Board of Directors a high-level proposal for Lionsbridge to buy out BGL's equity interests in Otso Gold (for less than BGL's total investments) and take over the Company. This proposal was the result of the Pandion

Defendants' collusion with Mr. Wesson and others, as evidenced by their secret meetings in the U.S. and in Finland.

82. On November 24, 2021, an Otso Gold Board of Directors' meeting was held to consider, among other things, the appointment of A&M to provide restructuring services to Otso Gold. At the meeting, the Wessons stated that, in coordination with the Pandion Defendants, they had been working on a bid for Lionsbridge to buy out BGL and take over Otso Gold. When BGL director designees asked the Wessons what information Lionsbridge had been providing to the Pandion Defendants, Brian Wesson indicated that Lionsbridge had "technical" calls with Pandion every four weeks or so and provided Pandion with monthly financial statements. (By contrast, Lionsbridge had failed to provide BGL with financial information on a regular basis, despite a contractual obligation that BGL be provided financial information within 10 business days of the end of each calendar month.) Mr. Wesson failed to disclose the Pandion Defendants' unsanctioned and secret visit to the Otso Gold Mine with their mining consultants from SRK Consulting. At the end of the November 24, 2021 board meeting, the Board appointed A&M to provide restructuring services to Otso Gold.

83. In a call with a BGL representative later that day, Mr. Archibald confirmed that the Pandion Defendants supported Lionsbridge's bid to buy out BGL and take over the Company, describing it as "music to [his] ears." Alternatively, Mr. Archibald said that the Pandion Defendants would consider extending the due date for the Pandion Loans from December 7, 2021 to March 2022, in return for converting the Company's alleged increase in debt from the

Reinstatement Debt (approximately $70 million) into equity for the Pandion Defendants, which would dilute other existing shareholders by 50% or more.

84. Otso Gold's board did not agree to either the Lionsbridge takeover bid backed by the Pandion Defendants or to Mr. Archibald's alternative proposal, which would have essentially provided the Pandion Defendants with direct control over the Company.

XIV. After the Wessons Abruptly Resign, Financial Irregularities are Discovered and Brian Wesson is Apprehended in Finland While Attempting to Leave the Country

85. After a November 29, 2021 Board of Directors' meeting commenced as scheduled, Brian Wesson and Clyde Wesson requested that the meeting be adjourned on the purported grounds that they needed further time to consider certain resolutions that were being proposed. That request was granted in good faith by the Board of Directors, and the balance of the meeting was rescheduled to be held at noon Helsinki time on November 30, 2021.

86. Just prior to the commencement of the November 30, 2021 Board of Directors meeting, however, the Board received a letter from Lionsbridge stating, among other things, that Brian Wesson and Clyde Wesson were resigning immediately as officers and directors of Otso Gold, and that Lionsbridge was immediately terminating the Services Agreement with Otso Gold (even though the Services Agreement requires three-months' notice for any termination).

87. Upon receiving this notice from Lionsbridge, the Otso Gold Board promptly contacted A&M personnel to ascertain the state of affairs at the Otso Gold Mine. A&M discovered that the Lionsbridge office at the Otso Gold Mine had been completely cleared out and emptied by the Wessons without permission from the Company, and that Otso Gold's property such as its computer laptops and files had been removed. Indeed, in his Canada Affidavit, Clyde Wesson admits that "confidential information related to Otso's affairs is stored on [Brian Wesson's] laptop and other Lionsbiredge devices." Moreover, a preliminary review of Otso Gold's credit card

accounts to which the Wessons had access revealed approximately CAD $683,704 in accrued, but unexplained and unaccounted for, expenses. In addition, a preliminary review of an Otso Gold subsidiary's accounts revealed that trade creditor accounts payable had increased from approximately €2 million in July 2021 to approximately €9 million at the end of November 2021. Furthermore, a $741,000 wire transfer from a global trader in precious metals markets was missing from Otso Gold's bank accounts. No steps were taken by the Wessons to relinquish or transfer control or access to the Company's bank accounts, email accounts, or website account.

88. An Otso Gold representative in Finland promptly contacted Finnish law enforcement authorities to report these activities by the Wessons. Shortly thereafter, Finnish border control authorities apprehended Brian Wesson at the Helsinki-Vantaa International Airport and placed him in custody. Brian Wesson was apparently attempting to leave the country while in possession of Otso Gold's confidential information and property, including his Otso Gold work computer and the signing keys for Otso Gold's bank accounts. Finnish law enforcement authorities are now investigating Mr. Wesson for possible crimes, including aggravated embezzlement from the Company. The whereabouts of Clyde Wesson were unknown for nearly two weeks, until he surfaced on December 12, 2021 by filing the Canada Affidavit stating that he was now "located" in Australia.

XV. Otso Gold Files for Restructuring

89. Because Otso Gold lacked the funds to pay out the Pandion Loans by the December 7, 2021 deadline, and because the Pandion Defendants were unwilling to restructure the Pandion Loans and any claimed Reinstatement Debt, Otso Gold and its subsidiaries commenced restructuring proceedings in Canada, Finland, and Sweden on December 3, 2021.

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90. Courts in all three of these countries have since issued a stay of creditor claims. Only after the court in Canada issued a stay of creditor claims did the Pandion Defendants provide to Otso Gold the purported amount of the Reinstatement Debt that they claim they are now owed.

91. On December 8, 2021, the Pandion Defendants' counsel claimed that, in light of the Company's failure to pay the Pandion Defendants $25.9 million on December 7, 2021, the Company now owed the Reinstatement Debt, the amount of which the Pandion Defendants' counsel revealed to be $95,350,406.

XVI. Underscoring the Collusion Between Pandion and Lionsbridge, Pandion Defends the Wessons Against the Company's Investigation of its Accounts

92. When Brian and Clyde Wesson, the two top executives of Otso Gold, abruptly resigned, and Brian Wesson, the former CEO, is arrested under suspicion of possible criminal activities, including embezzlement from the Company, while Clyde Wesson made his whereabouts unknown for weeks before surfacing on another continent, one would think that creditors and shareholders alike would want the Company to investigate and get to the bottom of what happened.

93. Stunningly, however, the Pandion Defendants have instead opted to take the mantle for defending the Wessons. Indeed, a December 7, 2021 email from the Pandion Defendants' counsel reflects the continuing ties and scheme between the Pandion Defendants and the Wessons. In the email, the Pandion Defendants' counsel in Canada expressed supposed concern to Otso Gold's counsel in the Canadian restructuring proceeding that the Company was investigating whether "the Wessons had something to do with the funds missing" from Otso Gold's bank accounts, when "in actuality, there appears to have been an issue with the wire transfers" at the banks. Although the Company's investigation is ongoing, and although the Pandion Defendants presumably have no first-hand knowledge of the situation, the Pandion Defendants, through their

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counsel, stated that they assumed that Otso Gold would be "correcting" any implication of wrongdoing by the Wessons.

94. That the Pandion Defendants, who are a major creditor and shareholder of Otso Gold, would go out of their way to try to vindicate the Wessons before the Company or law enforcement authorities have completed their investigation, speaks volumes and underscores the intertwined relationship of the Pandion Defendants and the Wessons.

FIRST CAUSE OF ACTION
(Violation of the Connecticut Unfair Trade Practices Act,
CONN. GEN. STAT. ANN. § 42-110a, *et seq.*)

95. Plaintiff realleges and incorporates herein by reference paragraphs 1 through 94 above as if fully set forth herein.

96. As discussed above, the Pandion Defendants hand-picked Lionsbridge to serve as management for the Company and then colluded with Lionsbridge to lure and exploit a new investor in the Company. When Plaintiff was solicited to invest in Otso Gold in the fall of 2020 and to provide an additional investment in 2021, it was provided with various materials in due diligence. The Pandion Defendants and Lionsbridge knew that Plaintiff would rely on these materials, but knowingly misled Plaintiff by failing to disclose either the Royalty Lien or the amount of the Reinstatement Debt in any of the materials provided in due diligence, including the financial statements of the Company audited by PwC, or in the 2020 Disclosure Letter or 2021 Disclosure Letter. Indeed, the security documents underlying the Royalty Lien were not revealed to Plaintiff until November 23, 2021, after Plaintiff had made its substantial investments in Otso Gold, and the actual amount of the Reinstatement Debt was not revealed until after Otso Gold had filed for restructuring and creditor claims had been stayed.

97. On information and belief, prior to the Pandion Defendants' execution of a voting agreement in favor of BGL's initial investment in Otso Gold, Defendants were provided with the

suite of documents related to BGL's investment, including the 2020 Disclosure Letter, which failed to disclose either the Royalty Lien or the potential liability for the Reinstatement Debt.

98. On information and belief, Defendants and Lionsbridge coordinated on Lionsbridge's negotiations with, and disclosures to, BGL, and, in order to induce BGL to invest, agreed that neither the Royalty Lien nor the potential liability for the Reinstatement Debt should be disclosed to BGL. After BGL's initial investment in Otso Gold, Defendants and Lionsbridge continued to coordinate in furtherance of a scheme to pressure BGL to make additional investments that would inure to the benefit of Defendants and Lionsbridge.

99. Had the Royalty Lien or the potential liability for the Reinstatement Debt been disclosed, BGL would not have invested in Otso Gold on the same terms or at all.

100. The Royalty Lien and the Reinstatement Debt impact Otso Gold's ability to obtain financing and the amount of its potential liabilities, both of which materially impair the value of BGL's substantial investments in Otso Gold.

101. As a result of Defendants' oppressive, unethical, and unscrupulous business practices, BGL invested in Otso Gold at inflated prices and was damaged thereby.

SECOND CAUSE OF ACTION
(Fraud and Conspiracy to Defraud Plaintiff)

102. Plaintiff realleges and incorporates herein by reference paragraphs 1 through 101 above as if fully set forth herein.

103. As discussed above, the Pandion Defendants hand-picked Lionsbridge to serve as management for the Company and then colluded with Lionsbridge to lure and exploit a new investor in the Company. When Plaintiff was solicited to invest in Otso Gold in the fall of 2020 and to provide an additional investment in 2021, it was provided with various materials in due diligence. The Pandion Defendants and Lionsbridge knew that Plaintiff would rely on these

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ONE LANDMARK SQUARE · STAMFORD, CT 06901-2704 · 203.325.5000 · JURIS NO. 106177

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materials, but knowingly misled Plaintiff by failing to disclose either the Royalty Lien or the amount of the Reinstatement Debt in any of the materials provided in due diligence, including the financial statements of the Company audited by PwC, or in the 2020 Disclosure Letter or 2021 Disclosure Letter. Indeed, the security documents underlying the Royalty Lien were not revealed to Plaintiff until November 23, 2021, after Plaintiff had made its substantial investments in Otso Gold, and the actual amount of the Reinstatement Debt was not revealed until after Otso Gold had filed for restructuring and creditor claims had been stayed.

104. On information and belief, prior to the Pandion Defendants' execution of a voting agreement in favor of BGL's initial investment in Otso Gold, Defendants were provided with the suite of documents related to BGL's investment, including the 2020 Disclosure Letter, which failed to disclose either the Royalty Lien or the amount of for the Reinstatement Debt.

105. On information and belief, Defendants and Lionsbridge coordinated on Lionsbridge's negotiations with, and disclosures to, BGL, and, in order to induce BGL to invest, agreed that neither the Royalty Lien nor the potential liability for the Reinstatement Debt should be disclosed to BGL. After BGL's initial investment in Otso Gold, Defendants and Lionsbridge continued to coordinate in furtherance of a scheme to pressure BGL to make additional investments that would inure to the benefit of Defendants and Lionsbridge.

106. Had the Royalty Lien or the potential liability for the Reinstatement Debt been disclosed, BGL would not have invested in Otso Gold on the same terms or at all.

107. The Royalty Lien and the Reinstatement Debt impact Otso Gold's ability to obtain financing and the amount of its potential liabilities, both of which materially impair the value of BGL's substantial investments in Otso Gold.

108. As a result of Defendants' plan, scheme, and conspiracy with Lionsbridge, BGL invested in Otso Gold at inflated prices and was damaged thereby.

THIRD CAUSE OF ACTION
(Aiding and Abetting Fraud)

109. Plaintiff realleges and incorporates herein by reference paragraphs 1 through 108 above as if fully set forth herein.

110. As discussed above, the Pandion Defendants hand-picked Lionsbridge to serve as management for the Company and then colluded with Lionsbridge to lure and exploit a new investor in the Company. When Plaintiff was solicited to invest in Otso Gold in the fall of 2020 and to provide an additional investment in 2021, it was provided with various materials in due diligence. The Pandion Defendants and Lionsbridge knew that Plaintiff would rely on these materials, but knowingly misled Plaintiff by failing to disclose either the Royalty Lien or the amount of the Reinstatement Debt in any of the materials provided in due diligence, including the financial statements of the Company audited by PwC, or in the 2020 Disclosure Letter or 2021 Disclosure Letter. Indeed, the security documents underlying the Royalty Lien were not revealed to Plaintiff until November 23, 2021, after Plaintiff had made its substantial investments in Otso Gold, and the actual amount of the Reinstatement Debt was not revealed until after Otso Gold had filed for restructuring and creditor claims had been stayed.

111. On information and belief, Defendants participated in, and provided substantial assistance to, Lionsbridge's fraud, by coordinating with Lionsbridge to conceal from BGL the Royalty Lien and potential liability for the Reinstatement Debt and to pressure BGL to make investments in Otso Gold that would inure to the benefit of Defendants and Lionsbridge.

112. As a result of Defendants' participation in, and substantial assistance to, Lionsbridge's fraud, BGL invested in Otso Gold at inflated prices and was damaged thereby.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

A. Damages, including compensatory and punitive damages, in an amount to be determined at trial;

B. Plaintiff's attorneys' fees, expert fees, and other costs;

C. Prejudgment and post-judgment interest; and

D. Such other and further relief as the Court deems just and proper.

PLAINTIFF,
BRUNSWICK GOLD LIMITED,

By: /s/ Tony Miodonka

Alfred U. Pavlis
Tony Miodonka
FINN DIXON & HERLING LLP
Six Landmark Square
Stamford, CT 06901-2704
Tel: (203) 325-5000
Fax: (203) 325-5001
Juris No. 106177
Email: apavlis@fdh.com
tmiodonka@fdh.com

Michael C. Tu (*pro hac vice* forthcoming)
COOLEY LLP
1333 2nd Street, Suite 400
Santa Monica, CA 90401
Tel: (310) 883-6400
Email: mctu@cooley.com

Aric H. Wu (*pro hac vice* forthcoming)
COOLEY LLP
55 Hudson Yards
New York, New York 10001
Tel: (212) 479-6000
Email: ahwu@cooley.com

RETURN DATE: JANUARY 4, 2022	:	
	:	SUPERIOR COURT
BRUNSWICK GOLD LIMITED,	:	
	:	JUDICIAL DISTRICT OF
Plaintiff,	:	STAMFORD/NORWALK
v.	:	
	:	AT STAMFORD
PANDION MINE FINANCE LP, PFL RAAHE HOLDINGS LP, RIVERMET RESOURCE CAPITAL LP, JOSEPH ARCHIBALD, AND RYAN BYRNE,	:	
	:	December 17, 2021
Defendants.	:	

STATEMENT OF AMOUNT IN DEMAND

The amount, legal interest or property in demand is greater than $15,000.00, exclusive of interest and costs.

PLAINTIFF,
BRUNSWICK GOLD LIMITED,

By: /s/ Tony Miodonka
Alfred U. Pavlis
Tony Miodonka
FINN DIXON & HERLING LLP
Six Landmark Square
Stamford, CT 06901-2704
Tel: (203) 325-5000
Fax: (203) 325-5001
Juris No. 106177
Email: apavlis@fdh.com
tmiodonka@fdh.com

Michael C. Tu (*pro hac vice* forthcoming)
COOLEY LLP
1333 2nd Street, Suite 400
Santa Monica, CA 90401
Tel: (310) 883-6400
Email: mctu@cooley.com

LAW OFFICE OF • FINN DIXON & HERLING LLP
SIX LANDMARK SQUARE • STAMFORD, CT 06901-2704 • 203.325.5000 • JURIS NO. 106177

Aric H. Wu (*pro hac vice* forthcoming)
COOLEY LLP
55 Hudson Yards
New York, New York 10001
Tel: (212) 479-6000
Email: ahwu@cooley.com

This is **Exhibit "W"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Fairfield, Connecticut, United States of America, on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

OTSO GOLD
MANAGED BY LIONSBRIDGE

OTSO GOLD CORP.
(TSX-V: OTSO)

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED OCTOBER 31, 2019

Registered Address
Telephone: +16046096189
300-1055 West Hastings St
Vancouver, B.C V6E 2E9
Canada
Info@OtsoGold.com

Set out below is a review of the activities, results of operations and financial condition of Otso Gold Corp., (formerly Nordic Gold Inc.) ("Otso", "Otso Gold", or the "Company") and its subsidiaries for the period ended October 31,

2019. The discussion below should be read in conjunction with the Company's audited consolidated financial statements for the year ended January 31, 2019. Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar figures included in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. This MD&A has been prepared as at December 30, 2019.

Additional information related to the Company is available on SEDAR at www.sedar.com and the Company's website at www.otsogold.com

1. BACKGROUND AND CORE BUSINESS

The Company was incorporated under the laws of the Province of Alberta on February 14,1992 under the name 510438 Alberta Ltd. The Company's name was subsequently changed to Firesteel Resources Inc. on April 22, 1992. The Company further changed its name to Nordic Gold Corp. on August 10, 2018, then to Nordic Gold Inc. on December 10, 2018 and, most recently, to Otso Gold Corp. on December 9, 2019.

The Company is incorporated and domiciled in Canada and its shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "OTSO". Additionally, the Company's shares trade in the United States on the OTCQX under "FIEIF" and in Frankfurt under "FRA: 2FN".

The Company's administrative office is located at Suite 1001 – 409 Granville Street, Vancouver, BC, V6C 1T2.

The Company owns, indirectly through Swedish and Finnish companies, 100% of a fully licensed and developed gold mine in Finland (the "Otso Gold Mine")(formerly known as the "Laiva Gold Mine"). The Company also owns 49% of a Copper Creek porphyry copper gold exploration project in British Columbia, Canada.

The Company's core business is focused on building shareholder value through the development of prime resource assets via acquisition and development. The Company seeks diverse and well understood commodities such as gold and copper in safe harbour jurisdictions. Trading and mining in countries with robust regulatory conditions ensures socially and environmentally responsible practices for workers and communities and provenance for buyers.

The Company' major asset and sole focus of current management is the Otso Gold Mine which is located some 20 minutes from the port town of Raahe in west central Finland and one-hour south from the Oulu International Airport. Finland is the headquarters of leading global mining equipment manufacturers such as Metso Outotec Minerals ("Metso"). Metso designed and constructed Otso Gold's EUR 300 million, two million tonne per annum processing plant.

A company called Outokumpu first discovered the Laiva Gold Project in the 1980's and listed the exploration project on NASDAQ First North Sweden. The Laiva Gold Project (now called the Otso Gold Project) was first developed in 2009 and began production in 2011. However, increased pressure to satisfy the debt burden of the overspend during construction - compounded by fluctuating gold prices led to former management of the Project forgoing detailed geology in favour of bulk mining. With no grade control, poor information and substantial debt, the market turned, and production was suspended after 23 months. Subsequently, in February 2014, the Project (then owned by Nordic Gold AB ("Nordic AB")), a Swedish public company, was suspended from trading due to non-compliance with regulatory filing obligations.

Over the following two years, the Company negotiated with certain debt providers to conclude a joint venture agreement with Nordic AB that resulted in the Company acquiring, in 2017, 60% of the Otso Gold Mine's ultimate parent company, Nordic Mines Marknad AB ("Nordic Marknad"), and the remaining 40% of Nordic Marknad in 2018. The intial purchase of 60% of Nordic Marknad cost US$18 million while the final 40% interst in Nordic Marknad was acquired by issuing to Nordic AB (the vendor) 58,417,182 common shares of the Company. The Nordic AB equity position is subject to a Voting Support and Standstill Agreement initially dated February 5, 2018 (subsequently amended and restated as of June 21, 2018) which requires the equity to be voted with the meeting chair and not sold or transferred until the earlier of (i) the date at which the equity is distributed to the Nordic AB shareholders on a pro rata basis, or (ii) April 2021.

In management's view, the Otso Gold Mine has significant intrinsic value because;

- the Mine is located in one of the best mining destinations in the world.
- Finland has existing mining infrastructure including a skilled workforce and leading research and development in the sector.
- The Mine is fully developed with some of the most sophisticated technology available on the market.
- The Otso Gold Project is fully licensed and ready for production.

- Approximately EUR300 million has been invested in the project to date. Previous funds were raised, inter alia, by Nordic AB based on a comprehensive CSA Global (UK) pre-feasibility study and feasibility study (2008).
- The Mine has two developed pits (North Pit and South Pit).
- The operation is socially and environmentally responsible. The Mine is powered using a mix of energy utilising a high percentage of renewable energy. The gold is produced in high wage conditions with protective labour policies. These practices align with changing community expectations and opens markets for ethical investments and jewellery.

2. COMPANY HIGHLIGHTS

2.1. Gold Loan and Debt Restructure

The purchase of the Otso Gold Project asset from Nordic AB was achieved through a pre-paid gold forward agreement with Pandion Mine Finance ('Pandion'). Pandion has invested approximately USD $30 million over a three year period – namely an initial USD $23 million with a further USD $7 million short term debt to clear the path to production. Again, the pressure of growing debt resulted in an accelerated restart of the Mine in November 2018 without a detailed mine plan or the skilled staff required. The Mine restarted in Finnish winter with snowfall and limited sunlight hours. Within 5 months, the Mine returned to "care and maintenance" effective April 1, 2019.

Unable to repay the debt and under increasing pressure from its creditors, Lionsbridge Capital Pty Ltd ("Lionsbridge") and Pandion restructured the debt and senior members of Lionsbridge, namely Brian Wesson and Clyde Wesson, joined the Company's Board on July 2, 2019 and were also appointed as new senior officers of the Company. Lionsbridge and Pandion subsequently reached an agreement (the "Agreement") to restructure the Company's debt on October 7, 2019.

The Agreement cancelled all gold deliveries that were due to Pandion, its upside participation and free carry right, pursuant to the original Pre-Paid Forward Gold Purchase Agreement ("PPF Agreement") . The market to market value of the gold loan at the date of the Agreement was $71.4 million. In addition to the gold loan being cancelled, Pandion advanced the Company $6.7 million to pay down creditors and a further US$900,000 for care and maintenance costs. These amounts are not repayable under the Agreement.

The Agreement with Pandion replaces the above liability with:

- A loan of USD $23 million to be repaid in two instalments in full settlement, bearing no interest. The first payment of USD $11.5 million is due on April 7, 2021 with the second USD $11.5 million six months thereafter (October 7, 2021);
- USD$1.56 million is payable in common shares of the Company upon the completion of up to $7 million equity raise or pro rata on each tranche thereof; and
- A 2.5% net smelter return on gold production from the Otso Gold Mine.

Management believes that restructuring the debt allows the Company a reasonable runway to restart the Mine and service the debt from cashflow from operations. However, the Company may repay the debt earlier and seek a release of the security held by Pandion for a new debt provider.

2.2. Letter to Shareholders Announcing New Plan

A letter to shareholders dated October 10, 2019 detailed Otso Gold's plan to return the mine to production. The key points are as outlined below.

2.2.1. Path Forward

The core priorities of Otso Gold are to complete detailed geology and develop a high-level mine plan to support a projected July, 2020 restart. To this end, over the next year the Company will be focussed on;

1. recapitalising the Company;

2. completing confirmatory technical work by January 2020, including,
   i. infill drilling.
   ii. producing a second upgraded National Instrument 43-101Technical Report.
   iii. finalizing an optimised mine plan.

3. Returning to production in July 2020. To this end, The Company is;
   i. working with Caterpillar and other suppliers to secure a mining fleet by April, 2020.
   ii. upgrading the tailings and water dam on site.

iii. fundraising non-dilutive capital in the form of a convertible note discussed in more detail below.

2.3. Updated Technical Report

Prior to entering negotiations to join the Company, Lionsbridge conducted in-depth due diligence regarding the asset and its history. The mineralisation was examined internally and Tetra Tech UK were contracted to review the geology and appraise the mine.

Tetra Tech released an updated NI 43-101 technical report on October 15, 2019 outlining a new block model and resource statement. The suggested block model grades reflect a two-metre cross-section of the mineralisation including internal dilution with a further 10% dilution at zero grade. The dilution was applied across inferred, measured and indicated resources.

2.4. Drilling Program

Tetra Tech UK and Otso Gold geologists have developed an infill drilling program redefining the space between holes from 50 metre centres to 25 metres to meet requirements for reserves.

The drill program comprises of 14,600 metres of diamond drilling oriented to allow the lode contacts to be fully understood. The holes are drilled at 50 degrees due North to intersect the 78-degree veins that strike East West and dip to the South.

The drilling program is underway and is been monitored in real time by Tetra Tech to allow the program to be modified if needed as the assay data becomes available. All samples will be fire assayed for the gold content and subsequently sent for multi scan sampling through Inductively Coupled Plasma mass spectrometry ("ICP-MS"). The ICP-MS will provide actrum of the minerals to allow the various lodes to be identified and modelled.

2.5. Retrenchments

Unfortunately, due to the mine being on care and maintenance and management's refocus on geology, five employees were retrenched as their roles were no longer required.

3. FINANCING

The Company has engaged with everal possible investors and are working towards securing funds. It was critical, however, to restructure the debt and update the technical report prior to opening discussions with new parties.

The challenge the Company faces in regard to financing is legacy issues associated with the previous failed restart that impacted the Company's share price and made investors apprehensive to issue debt.

Equity funding at current levels is extraordinarily dilutive, therefore the Company is seeking to raise a convertible note at a higher conversion price with a coupon to fund the technical work and improve the Company's bankability.

In the near term, approximately $5 – 7.5 million is required to complete the drilling, finalise payments to remaining creditors, commence work on the tailings dam for production, execute a mine plan and deliver a fesability report.

4. PROCESS PLANT AND INFRASTRUCTURE

The process plant is operational, and all permits are in place; however, the Mine requires preparation for production to restart in July, 2020.

Low Grade CIL (carbon in leach) detox gearboxes failed during the previous restart and were removed by crane and returned to the suppliers for repair, one under warranty and the other at the Company's expense.

The mill building is a large structure with 400mm insulation. Earlier this year, the heaters on the South West corner of the building were damaged during a storm and required repairs. The Company has begun repairs on the 20-metre high roof during the final quarter of calendar 2019, however the repairs have been delayed by storms.

The water storage dam was drained to be repaired and upgraded this quarter. The Company has consulted leading Finnish, civil dam builder, Geobotnia Oy to improve the standard of all dams on the property.

The design and schedule to lift the tailing dam's walls for production is underway.

Geotechnical analysis of the extension is complete. The extension will be designed and constructed in 2020.

A positive outcome from the attempted restart has been that the significant costs of first fills and maintenance was carried out by previous management, setting up the process plant for production.

4. EXPLORATION AND EVALUATION ASSETS IN FINLAND

The mineralisation has been remodelled by Tetra Tech UK to include sub blocks in the model, assuming two metre sections with a 10% dilution for inferred, measured and indicated resources. The purpose of the remodel is to define what grade is possible in the optimised mine plan. The findings of the updated technical report are as follows:

	Tonnes	Au g/t	Au oz
Measured	1,780,452	1.54	87,963
Indicated	5,810,777	1.56	291,515
Measured and Indicated	**7,591,229**	**1.55**	**379,478**
Inferred	24,677,098	1.52	1,209,438
Total	**32,268,327**	**1.53**	**1,588,916**

*The material remaining in the low-grade stockpile from previous production has been included in the measured category as it is ready to be fed to the mill at start-up. The sulphidic waste rock dump (potentially acid forming) is included in the inferred category of the estimate as it is considered to be above the planned cut-off grade of 0.3 g/t Au.

**See also NI 43-101 Technical Report with effective date 18 September 2019 filed on www.sedar.com with the Company's profile.

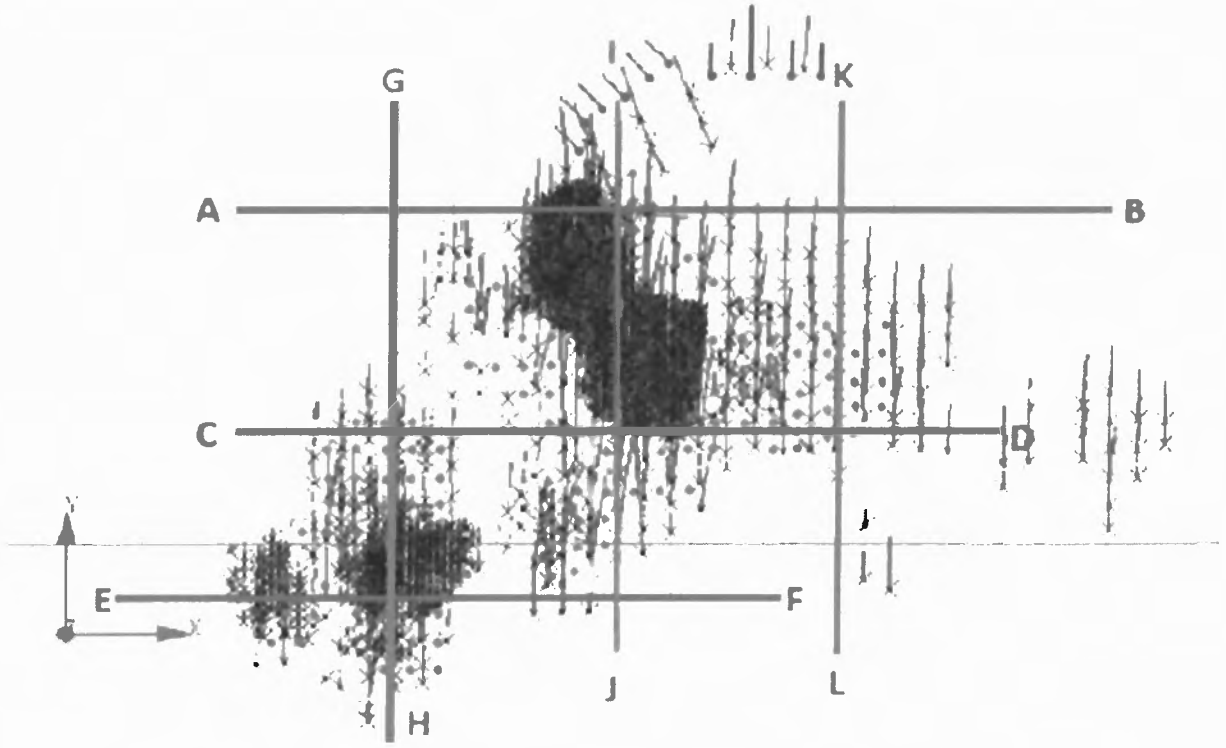
The updated technical report delivered a new interpretation and block model to advise the drill program. The drill will be spaced down to 25 metres to increase confidence in the indicated and measured resources and reserves.

Tetra Tech UK in conjunction with Otso Gold's geologists are infill drilling in close proximity to the pits to ease mining. The drilling is currently focused within the red squares shown by the white crosses. The yellow square indicates a new mineralised area that has a few significant drill hole intersections which will be drilled once the mine areas have been drilled for the restart of production in July 2020.

-Plate 1 Indicated the two developed pits and the red squares the current focus for drilling and initial mining.

Given the operation is built and licenced the only remaining issue to operations is defining the resources, upgrading them and developing a detailed mine plan, this is the focus of the new management. On December 3, 2019 the first diamond drill rig arrived onsite and drilling commenced. As at the end of December, 2019 some 2,000 metres have been drilled and logged but given the holidays the fire assay results are expected in the new year. Drilling stopped in second week of December, 2019 and is to resume on January 7, 2020.

The current focus is drilling in the area south of the North Pit, north of the South Pit and in the South Pit. A total of 156 holes are planned and depth varies depending on the veins being targeted, average depth 100m. Currently the holes are looking to upgrade resources for production in the short and medium term. However, the mineralisation is open at depth with holes 250 metres below the pit with grades between 5g/t and 32 g/t. Further, the mineralisation is open to the North, South and East but is interrupted in the West by a granite pluton.

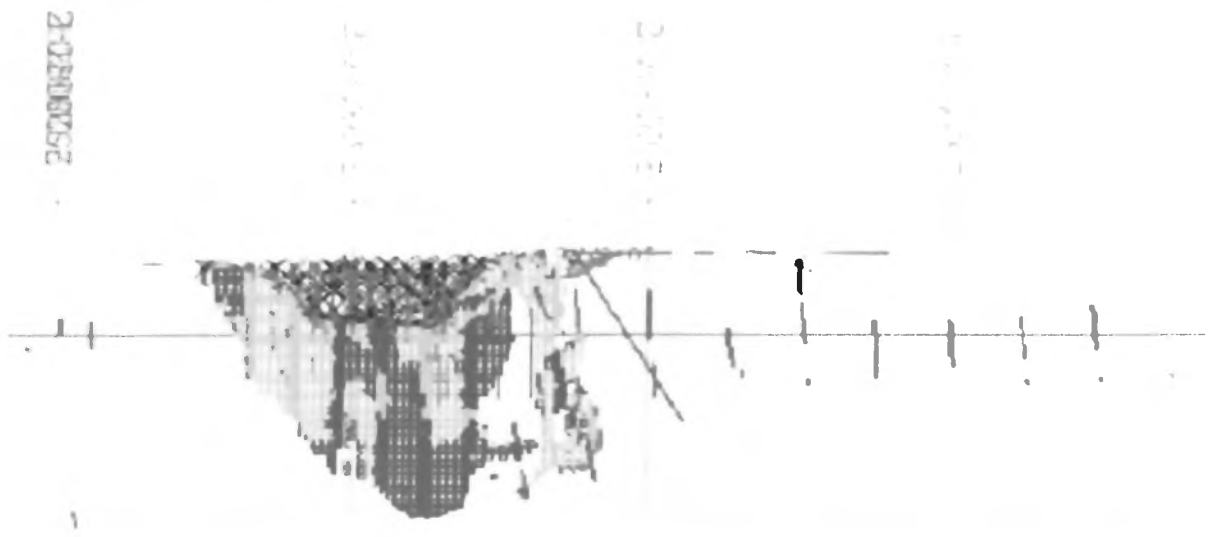


-Figure 1 Plan of pits at 200 metre grid

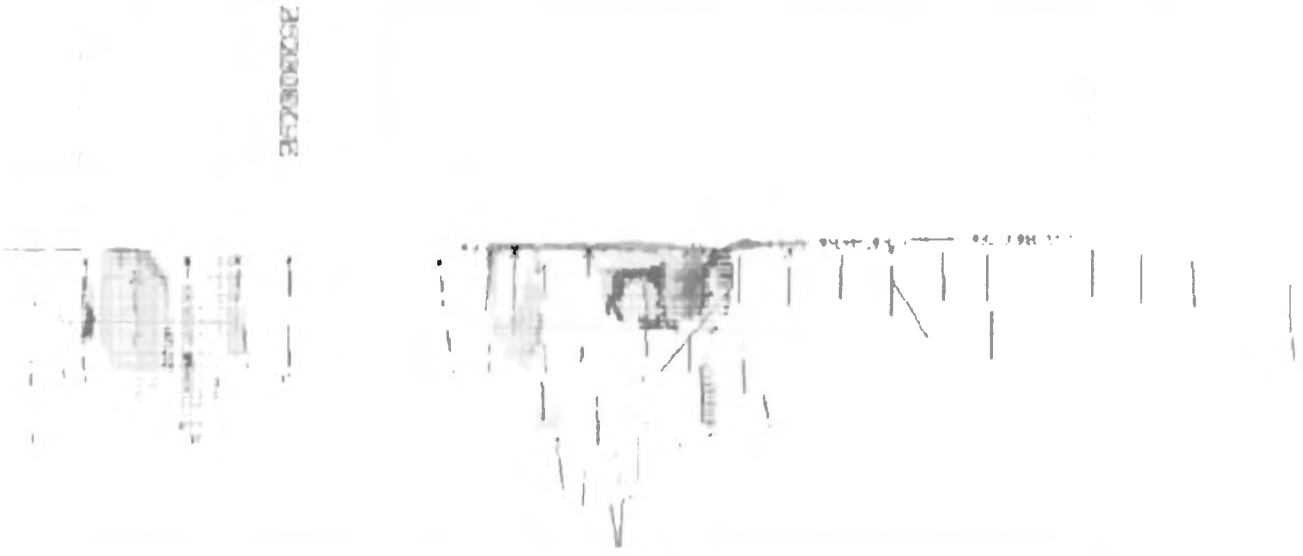
Figure 1 shows the two pits namely, North pit and South pits that were previously mined. The red lines and dots indicate the historic drill holes of which close on half were RC (reverse circulation) holes that did not attribute to understanding the mineralisation. The teal lines and crosses indicate the 14,600 metres planned to close drill spacing to 25m which is required to upgrade the Resource reserve statement. It can be seen in the above table in section 4 a considerable amount of mineralisation is classified as inferred mainly due to the lack of infill drilling to 25m centres. There is no guarantee that infilling will upgrade or increase the resources but the directional diamond drilling to confirm structures is very necessary for the detailed mine plan and to underpin the July restart.

The above figure 1 was produced by Tetratech after remodelling the mineralisation from scratch using sub blocks to follow the veins. It should be noted that the remodel and new technical report considers a 2 metre cross section over the mineralised sections with internal waste and then includes a further 10% dilution at zero grade. This was applied for all categories of mineralisation which should reduce the impact in quantum when upgrading from resources to reserves.

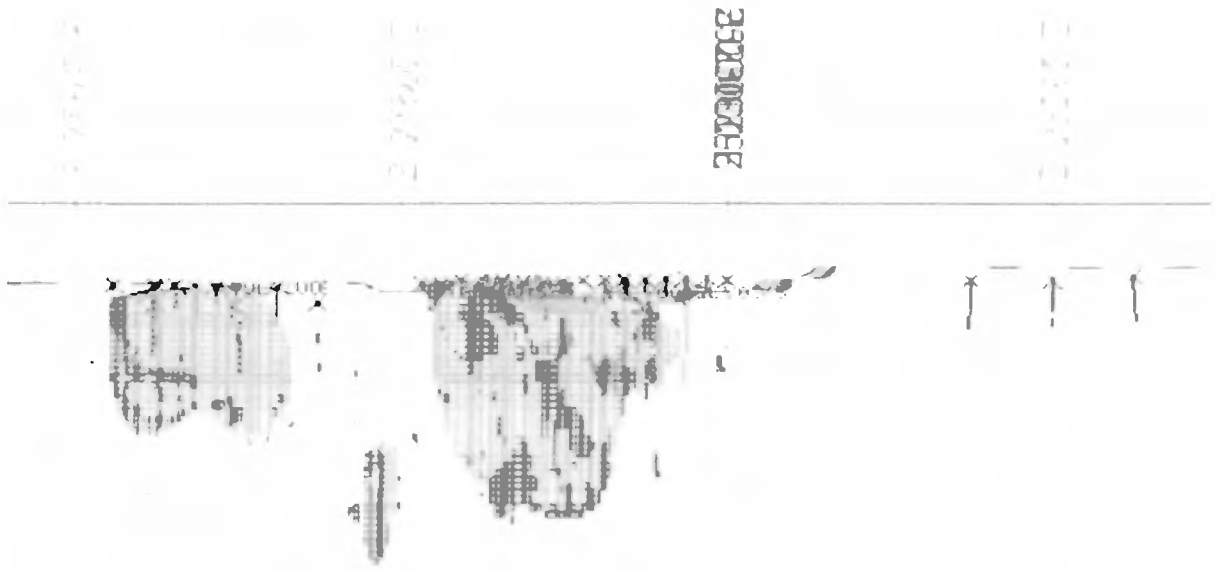
To fully appreciate the mineralisation and possible extensions on dip and strike TetraTech generated cross sections of the mineralisation sections AB, CD,EF looking north as shown by the red lines. Further cross sections looking east GH, IJ and KL indicated the current drilling program holes being drilled dew north.



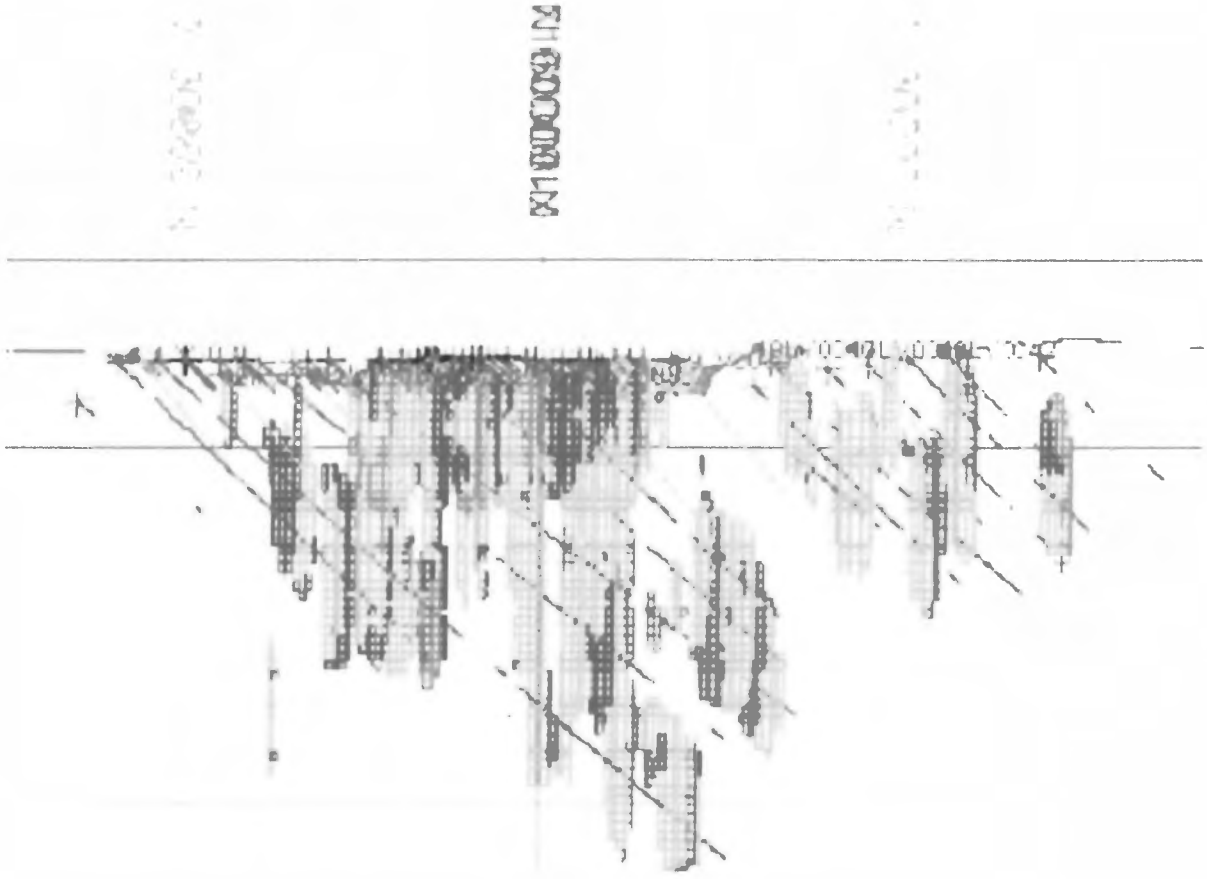
-Figure 2, Section AB above is a cross section of the North pit the yellow and red is the high grade ore the green is heap leachable.



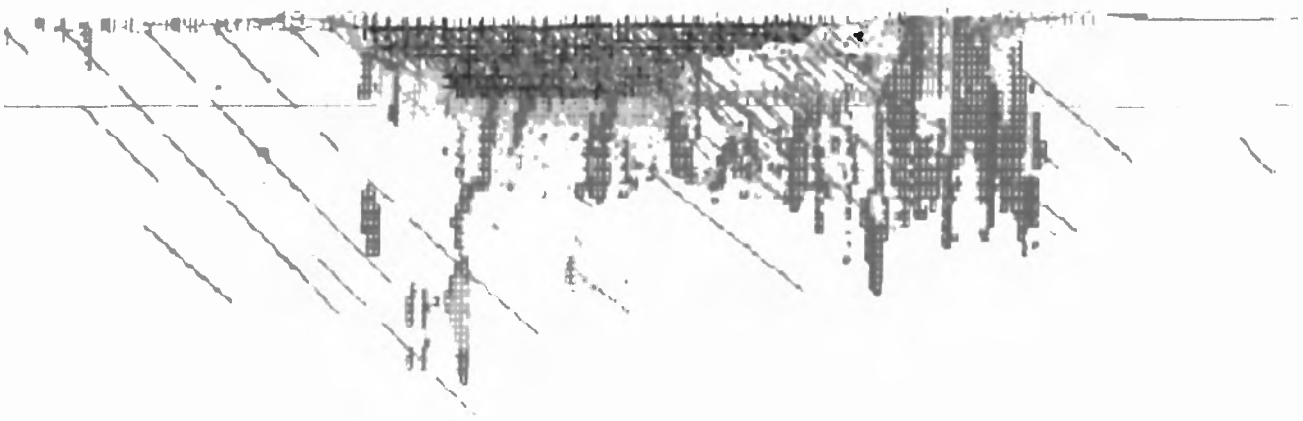
-Figure 3, Section CD shows the mineralisation to the north of the South pit and south of the North pit, little drilling has been carried out to the south of the North pit or to the east.



-Figure 4, Section EF shows the strong mineralisation to the south of the South pit and is the focus for the restart of operations once infill drilled.



-Figure 5, Section GH Blue is the current infill drill program. As shown in plate



-Figure 6, Section LK

The technical disclosure in this MD&A has been reviewed and approved by Andrew Carter BSc, CEng, MIMMM, MSAIMM, SME and a Qualified Person as defined in NI 43-101.

7. OUTLOOK

The Company is focussed on acquiring the necessary technical information and funding to build an optimised mine plan and commence production in July, 2020. Next quarter the infill drilling in and out of the pits will be completed to update and upgrade the mineral resource reserves.

Tetra Tech UK are working closely with Otso Gold's geologists, specialists and staff to open the pits. Tetra Tech UK spent two days on site (December 12 and 13, 2019) to develop a mining strategy and observe the drilling program quality assurance and support staff logging the core.

As stated previously, the Company plans on raising an approximate $5 million-dollar convertible note. Senior management are seeking to close fundraising with a view to complete the drilling program, finalise payments to previous creditors and start preparing the water and tailings dam for construction.

The Company is also in ongoing discussions with Caterpillar Finland to lease a fleet owner operator of 10 trucks, three excavators, 988 frontend loaders and a bulldozer for the restart. Westech International (a company related to Lionsbridge) will provide support to train staff and provide technical expertise in March, 2020 once the mine plan is finalised.

Further, the Company is negotiating the purchase of trucks and excavators with several other contractors.

8. SELECTED FINANCIAL INFORMATION

8.1. Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company and is derived from the unaudited condensed interim consolidated financial statements prepared by management. The Company's interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

For the quarter ended	October 2019	July 2019	April 2019	January 2019
	$	$	$	$
Net income/(loss)	36,231,652	(8,602,163)	(3,818,165)	(7,240,721)
Basic income/(loss) per common share	0.18	(0.04)	(0.02)	(0.04)
Diluted income/(loss) per common share	0.17	(0.04)	(0.02)	(0.04)
Cash and cash equivalents	1,127,945	1,625,990	1,915,540	1,528,767
Property, plant and equipment	49,457,224	53.817,427	52,270,779	49,977,667
Net current assets/(liabilities)	(7,334,585)	(73,853,554)	(13,080,179)	(10,348,523)

For the quarter ended	October 2018	July 2018	April 2018	January 2018
	$	$	$	$
Net income/(loss)	(11,933,935)	(5,413,438)	(3,818,165)	(1,168,847)
Basic income/(loss) per common share	(0.08)	(0.04)	(0.02)	(0.01)
Diluted income/(loss) per common share	(0.08)	(0.04)	(0.02)	(0.01)
Cash and cash equivalents	4,107,112	11,919,951	14,526,872	17,120,211
Property, plant and equipment	38,156,662	22,621,414	19,617,418	17,351,337
Net current assets/(liabilities)	2,375,785	13,413,768	16,651,140	18,474,913

During the quarter to October 31, 2019, the Company restructured the PFP Agreement and the Maintenance Loan Agreement in place with Pandion. The key commercial terms of the restructured debt are as follows:

- Payments of:
  - USD$1.56 million payable in common shares of the Company upon the completion of up to $7 million equity raise or pro rata on each tranche thereof;
  - USD$11.5 million due 18 months from October 7, 2019; and
  - USD$11.5 million due 24 months from October 7, 2019.
- Cancellation of gold deliveries to Pandion, its upside participation and free carry right, pursuant to the PFP Agreement.
- After the payments outlined above have been made, Pandion will release their security package in full and have no entitlements from the Company, other than continuing to be entitled to 2.5% net smelter return ("Royalty Provision") on gold production from the Otso Gold Mine.

As part of the debt restructuring, Pandion agreed to also provide an additional US$900,000 to the Company for assistance with working capital for maintenance expenditures of the Otso Gold Mine. The Company received US$300,000 during the period ended October 31, 2019. As a result of the restructuring, 26,612,000 common shaes of the Company, valued at $1,330,600, were issued to entities controlled by Brian Wesson and Clyde Wesson. Brian and Clyde Wesson are each senior officers and directors of the Company and have been since their appointment on July 2, 2019.

As a result of the debt restructuring, a continuity of the Company's gold forward sale derivative liability, loan, and royalty provision was as follows:

Gold Forward Sale Derivative Liability	October 31, 2019 $
Balance, beginning of the period	**51,756,705**
Revaluation of the derivative	**19,672,626**
Fund received pursuant to the Maintenance Loan Agreement (EUR4,334,910)	**6,445,145**
Working capital assistance (US$900,000)	**1,170,000**
Additional working capital assistance received	**213,400**
Recognition of Loan	**(16,926,756)**
Recognition of Royalty Provision	**(9,031,270)**
Common shares issued for debt restructuring	**(1,330,600)**
Gain on restructuring	**(51,969,249)**
Balance, end of the period	-

The above gain on the restructure led to the Company have net income for the quarter of $36,231,652.

At July 31, 2019 the gold forward sale derivative liability was classed as a current liability due to being in default with Pandion, this liability at October 31, 2019 is zero. There is now a loan balance of $17.4 million and a royalty provision of $9.5 million, these changes have significantly improved the net current liability position of the Company from the prior quarter.

8.2. Liquidity and Capital Resources

These condensed consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. The Company has incurred operating losses since inception and currently is incurring negative cash flows from operating and investing activities. In order to continue as a going concern, the Company must generate sufficient operating cash flows, secure additional capital or otherwise pursue a strategic restructuring, refinancing or other transactions to provide it with additional liquidity.

Several adverse conditions and material uncertainties cast significant doubt upon the going concern assumption. During the period ended October 31, 2019, the Company incurred a net cash outflows from operating and investing activities of $6,824,461 (2018: $17,908,312). As at October 31, 2019, the Company had cash and cash equivalents of $1,127,945 (January 31, 2019: $1,582,767) and a working capital deficiency of $7,334,585 (January 31, 2019: $10,348,523).

There can be no assurances that sufficient funding, including adequate financing, will be available to maintain its property and to cover general and administrative expenses necessary for the maintenance of a public company. There is no guarantee that the Company will be able to continue to secure additional financing in the future, and if so, on terms that are favorable.

Realization values may be substantially different from carrying values as shown in these condensed interim consolidated financial statements. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

8.3. Outstanding Share Data

As of December 30, 2019, the Company had 222,292,740 common shares on issue.

8.4. Related Party Transactions

During the 9 months to October 31, 2019, USD$388,000 were paid to Lionsbridge Capital Pty Ltd ("Lionsbridge") under the terms of a Service Agreement dated July 2, 2019. Brian Wesson and Clyde Wesson are both directors of Lionsbridge and senior officers and directors of the Company. Also, during the period, B & A Wesson Pty Ltd and C & C Wesson Pty Ltd., associated entities of Brian Wesson and Clyde Wesson received a total of 26,612,000 common shares of the Company valued at $1,330,600 as a result of the successful restructure of the Pandion debt, in accordance with the terms of the Services Agreement.

9. CRITICAL ACCOUNTING ESTIMATES

9.1. Functional Currency

The Company's functional currency is Canadian dollars while Otso Gold Oy's functional currency is Euros.

9.2. Key Sources of Estimation and Uncertainty and Critical Accounting Judgements

The Company's key estimates and judgments are consistent with those applied in the audited consolidated financial statements of the Company for the year ended January 31, 2019, with the exception of additional estimates and judgment applied in the restructuring of its debt with Pandion, as described in Note 7 in the interim financial statements. Actual results may differ from these estimates.

10. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

10.1. Financial instrument classification and measurement

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of hierarchy has the following levels:

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in the markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The Company's investments have been assessed on the fair value hierarchy described above and classified as Level 1. The valuation of the Company's royalty provision (Note 7 in the interim financial report) is classified as Level 3, as was the Company's gold forward sale derivative liability before being structured.

10.2. Fair values of financial assets and liabilities

The Company's financial instruments include cash, accounts receivables, equity instruments, reclamation bond, accounts payable and accrued liabilities, convertible debentures and Royalty provision. The fair value of accounts payable and accrued liabilities maybe less than their carrying value due to the liquidity risk (see Note 1 in the interim financial report).

10.3. Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents and reclamation bonds. Cash and cash equivalents consist of cash held at a Canadian bank. A substantial portion of the Company's amounts receivable is Input Tax Credit. The carrying amount of cash and cash equivalents, amounts receivable represents the maximum credit exposure.

Management monitors the exposure to credit risk on an ongoing basis and does not consider such risk significant at this time.

10.4. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses. As at October 31, 2019, the Company had a cash balance of $1,127,945 (January 31, 2019: $1,528,767) to settle current liabilities of $12,343,205 (January 31, 2019: $18,104,447). See Note 1 in the interim financial report for further details.

10.5. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's operations, net earnings or the value of financial instruments.

10.6. Foreign currency risk

Foreign exchange risk is the risk that variations in exchange rates between foreign currencies will affect the Company's operating and financial results. The Company's Otso Gold Mine is located in Finland and as a consequence, as significant portion of its operations are conducted in Euros. During the period ended October 31, 2019, with all other variables being constant, a 5% change in the value of the Euros compared to the Canadian dollar, would increase/decrease the Company's comprehensive income/(loss) by approximately $1,880,000.

10.7. Interest rate risk

Interest rate risk is the risk that interest rate fluctuations will affect the Company's operating and financial results. Management does not believe that the Company is exposed to significant interest rate risk.

10.8. Commodity price risk

The nature of the Company's operations results in exposure to fluctuations in commodity prices. Commodity prices are impacted by global economic events that dictate the levels of supply and demand. Otso's management continuously monitors commodity prices and may consider instruments to manage exposure to these risks when it deems appropriate.

The Company is exposed to commodity price risk with respect to the price of gold. Commodity price risk is defined as the potential impact on earnings and economic value due to price movements. The Company closely monitors prices of gold to determine the appropriate course of action to be taken by the Company. Price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the market price of gold.

11. INTERNAL CONTROLS

Internal Controls over Financial Reporting

11.1.1. Disclosure Controls and Procedures ("DC&P")

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related consolidated financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under Canadian Securities Administration regulations. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its interim filings and other reports that it files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

11.1.2. Internal Control over Financial Reporting ("ICFR")

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

11.1.3. Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

12. INFORMATION REGARDING FORWARD LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations contain certain forward- looking statements. Forward-looking statements include but are not limited to the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward- looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of current exploration activities, conclusions or economic evaluations, changes in project parameters as plans continue to be refined, possible variations in grade and or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes or other risks of the mining industry, delays in obtaining government approvals or financing or incompletion of development or construction activities, risks relating to the integration of acquisitions, to international operations, and to the prices of gold and other metals. While the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.

13. ADDITIONAL INFORMATION

SCHEDULE "A"
OTSO GOLD CORP TENEMENT LISTING

Otso Gold Corp Leases

Licence	RegNo	Licence type	Area ha
Laiva Mining lease help area	7803/1a	Mining concession	1551.93
Laiva Mining lease	7803/1b	Mining concession help area	142.30
Laiva 1, 4-5	ML2013:0054	Exploration permit, mining law 621/2011	40.42
Laiva 6, 8-12	ML2019:0035	Exploration permit, mining law 621/2011	465.65
Laiva 13-15	ML2013:0055	Exploration permit, mining law 621/2011	43.51
Laiva 16-33, 41	ML2014:0035	Exploration permit, mining law 621/2011	1258.85
Laiva 34-40	ML2017:0129	Exploration permit, mining law 621/2011	565.30
Oltava 1	ML2012:0155	Exploration permit, mining law 621/2011	2.00
Oltava 2-5	ML2013:0102	Exploration permit, mining law 621/2011	400.00
Oltava 6	ML2012:0069	Exploration permit, mining law 621/2011	566.99
Tormua 1-7	ML2013:0043	Exploration permit, mining law 621/2011	689.00

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This is **Exhibit "X"** referred to in Affidavit #1 of **Joseph Archibald**, sworn before me at Archibald, Connecticut, United States of Amerida on January 7, 2022.

A Notary Public in and for the
State of Connecticut

ANNE FERRIS CASSIDY
Notary Public, State of Connecticut
My Commission Expires March 31, 2024

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, OTSO GOLD AB, and 2273265 ALBERTA LTD.

PETITIONERS

CONSENT TO ACT AS RECEIVER

FTI CONSULTING CANADA INC., a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act* (Canada), does hereby consent to its appointment as receiver and receiver-manager of all assets, undertakings and properties of **OTSO GOLD CORP., OTSO GOLD OY, OTSO GOLD AB, and 2273265 ALBERTA LTD.** on the terms sought in the Notice of Application of Pandion Mine Finance, L.P., RiverMet Resources Capital, L.P. and PFL Raahe Holdings LP.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of January, 2022.

FTI CONSULTING CANADA INC.

Per:

Tom Powell
Senior Managing Director