



EXPRESS GOLD REFINING LTD.

Let us Earn Your Trust

Dear valued customer,

As noted in the October 15, 2020 letter from Deloitte Restructuring Inc., we have sought and obtained protection pursuant to the Companies' Creditors Arrangement Act. This course of action was solely necessitated by recent, aggressive and unwarranted actions taken by the Canada Revenue Agency against our family business, which appear to be with a view to putting an end to the gold refining industry in Canada.

We are challenging the CRA's actions through the appropriate channels; however, in order to be able to see this challenge through to completion and continue our business as usual while doing so, creditor protection (in particular, vis-à-vis the CRA) was necessary.

As many of you will know, the CRA has taken a very aggressive approach to our industry over the years, which has now escalated into CRA's recent actions. We have cooperated fully with the CRA at all times, including engaging with the CRA and Department of Finance in past years with a view to ensuring that the tax treatment of the industry was appropriate, both from a business perspective and to minimize any tax leakage. As such, we cannot understand why the CRA now wants to destroy our business, the industry, in general, and eliminate jobs.

We acknowledge that as a customer/supplier this may be of concern to you, which is why we wanted to make sure you are informed. Our day to day business will not be impacted and we remain to provide you with the best, honest service you have come to expect. We respect each of you, thank you for working with us, and sincerely are gracious for your loyalty in working with us as we resolve this matter.

Express Gold Refining Family