



No. S-220231
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
OTSO GOLD CORP.

BETWEEN:

PANDION MINE FINANCE LP, RIVERMET RESOURCE CAPITAL LP
AND PFL RAAHE HOLDINGS LP

PETITIONERS

AND:

OTSO GOLD CORP.

RESPONDENT

NOTICE OF APPLICATION
(FEE APPROVAL AND DISCHARGE ORDER)

Name of Applicant: Deloitte Restructuring Inc. (“**Deloitte**”), as court-appointed receiver and receiver-manager (in such capacity, the “**Receiver**”) of the assets, undertakings and properties of Otso Gold Corp. (“**Otso**”).

On notice to: The Service List, a copy of which is attached hereto as **Schedule “A”**

TAKE NOTICE that an application will be made by the Receiver before the Honourable Justice Gomery at the Vancouver Courthouse at 800 Smithe Street, Vancouver, British Columbia on July 28, 2023 at 4:00 p.m. for the orders set out in Part 1 below.

PART I – ORDERS SOUGHT

1. An order substantially in the form attached as **Schedule “B”** hereto for among other things, the following relief:

- (a) approves the recommendation provided in the Registrar’s Report dated April 17, 2023 (the “**Registrar’s Report**”) in relation to the taxation of the fees of Borden Ladner Gervais LLP (“**BLG**”);
- (b) approves the professional fees and accounts of the Receiver and those of its counsel, **BLG**, including the payment of the estimated fees to be incurred up to the completion of the administration of Otso’s estate (the “**Estate**”);

- (c) approves the activities of the Receiver as set out in the Receiver's Third and Final Report dated July 11, 2023 (the "**Third Report**");
- (d) authorizes and directs the Receiver to make the payments described in the Third Report;
- (e) approves the Receiver's Statement of Receipts and Disbursements (the "**SRD**") for the period from January 14, 2022 to July 11, 2023;
- (f) authorizes and directs Kroll LLC ("**Kroll**") to destroy the records of Otso in its possession;
- (g) approves the discharge of the Receiver and termination of these receivership proceedings upon the filing of a Receiver's certificate (the "**Discharge Certificate**"), confirming the disbursements of all funds held and the conclusion of all remaining administrative matters; and
- (h) such further and other orders, declarations and directions as counsel may request and this Honourable Court deems to be just and convenient in the circumstances.

PART II – FACTUAL BASIS

A. Background

2. Otso is a mineral exploration and development corporation existing under the laws of Alberta and is extra-provincially registered in British Columbia. Otso's primary business pertained to the development of the Laiva Gold Project in Northern Ostrobothnia, Finland (the "**Mine**"), which it indirectly owned through its subsidiary companies Otso Gold AB ("**OGAB**") and Otso Gold OY ("**OGOY**").

3. On December 3, 2021, Otso, OGOY, OGAB and 2273265 Alberta Ltd. (collectively, the "**Otso Group**") obtained an order (the "**Initial Order**") from the Court under the *Companies' Creditors Arrangement Act*, R.S.C. 1995 C. C-36, as amended (the "**CCAA**"). Deloitte was appointed as monitor of the Otso Group in the CCAA (the "**Monitor**"). The Initial Order provided for a stay of proceedings until December 13, 2021 (the "**Stay**"), pursuant to which creditors were restrained from enforcing or exercising any rights or remedies against the Otso Group. The Stay was later extended to January 14, 2022.

4. The Monitor filed two reports in connection with the CCAA proceedings. The Second Report of the Monitor dated January 12, 2022 outlined that the CCAA proceedings could not continue since the Otso Group lacked sufficient resources to advance the restructuring and meet its obligations. The Monitor recommended that the Court lift the Stay and the CCAA proceedings be concluded to allow the secured creditor to exercise its rights against the Otso Group.

5. On January 14, 2022, Deloitte was appointed by the Court as the receiver and receiver-manager for Otso without security, of all assets, undertakings and property of Otso. An interim receivership order was issued on January 20, 2022, reasons for judgement were issued on January 28, 2022, and a final order of the Court (the “**Receivership Order**”), was filed on February 2, 2022.

6. On April 12, 2022, an approval and vesting order (the “**Approval and Vesting Order**”) was granted by the Court to authorize and direct the Receiver to conclude the sale of a joint venture interest in a copper property in Northern British Columbia pursuant to the asset purchase agreement dated April 4, 2022, between the Receiver and Cavu Mining Corp.

7. Following conclusion of the sale of the joint venture interest, Otso’s primary assets were the shares held by OGAB in OGOY (the “**Shares**”) and inter-company receivables owing to Otso from OGOY (the “**Parent Receivables**”), pursuant to an intragroup loan agreement dated December 8, 2017, between OGOY and Otso. Otso had security from its subsidiaries for these Parent Receivables, but this security had been pledged and assigned to the Petitioners (collectively, “**Pandion**”) as part of the debt owing from the Otso Group to Pandion.

8. In February 2022, Deloitte Statsautoriseret Revisions (“**DSR**”) was engaged by OGOY to evaluate potential strategic transactions and to commence a marketing and sale process for the Mine or the shares of OGOY (the “**Sale Process**”).

9. The Sale Process resulted in a share purchase agreement dated October 4, 2022 (the “**Share Purchase Agreement**”), whereby OGAB was to sell the Shares to Pilar Gold Inc. (the “**Purchaser**”) (the “**Sale Transaction**”).

10. The conditions precedent to the Sale Transaction included, among other things, that the Receiver assign the Parent Receivables to the Purchaser and release Otso’s security interest against OGOY and OGAB as described in the Assignment and Release Agreement dated October 4, 2023 (the “**Assignment and Release Agreement**”) and that OGOY conclude the restructuring programme dated October 4, 2022 (the “**Restructuring Programme**”) (together, the “**Conditions Precedent**”).

11. On October 24, 2022, this Honourable Court granted the following orders:

- (a) an order for advice and direction (the “**Order for Advice and Direction**”) whereby the Receiver was authorized to enter into the Assignment and Release Agreement and provide support for the Restructuring Programme;

- (b) a sealing order (the “**Sealing Order**”) with respect to the confidential supplement to the Second Report of the Receiver dated October 12, 2022 (“**Receiver’s Second Report**”), which pertained to certain commercially sensitive or confidential information about the Sale Transaction and the Sale Process in connection with the Restructuring Programme and the Assignment and Release Agreement; and
- (c) a Fee Approval Order (the “**First Fee Approval Order**”) whereby the activities and the fees of the Receiver as well as the hours spent by BLG were approved. BLG’s hourly rates were referred to the Registrar for determination of their reasonableness.

12. On November 3, 2022, Mr. Justice Gomery released reasons for judgement in connection with the First Fee Approval Order (the “**Reasons**”). In his Reasons, Mr. Justice Gomery confirmed that the request for a Registrar’s review of BLG’s fees was specifically to address the narrow rate difference charged by BLG’s partners compared to its junior associates. Specifically, Mr. Justice Gomery questioned whether Ms. Pepper’s rate (second-year call) at roughly 64% of Ms. Hiebert’s rate (15-year call) was unreasonable. Mr. Justice Gomery’s sought a review of Ms. Pepper’s rate to determine whether her rate was fair and reasonable compared to the market.

13. On April 17, 2023, at the Registrar’s hearing before Master Vos, the Court determined that the market range for legal services provided by insolvency lawyers in their first and second year of call in 2022 ranged from \$315-\$395 per hour. The Court produced a report which recommended that the services provided by Ms. Pepper in this proceeding should be set at \$325 per hour (the “**Registrar Report**”).

Brunswick Claim

14. On October 21, 2022, Brunswick Gold Ltd. expressed interest in acquiring an unspecified cause(s) of action held by Otso (the “**Unspecified Claim**”), which after various discussion and consultation with counsel, the Receiver declined on the basis that it would not be commercially reasonable or in the best interest of the stakeholders.

15. On March 24, 2023, Brunswick’s counsel provided a revised offer the Receiver. The Receiver concluded that the cost of implementation and potential benefit to the Estate were insufficient without a non-refundable deposit (the “**Deposit**”) to ensure the cost to the Estate were not born by the secured lender.

16. On April 20, 2023, Brunswick agreed to the Deposit requirement; however, as of the date of the Receiver’s Third Report (dated July 11, 2023), the Receiver has not received the Deposit and there has been no further discussion with respect to the acquisition of the Unspecified Claim.

Westech Payments

17. In December 2021, a Consent Order was obtained with respect to the Otso Group which resulted in a deposit of US \$50,000 to BLG, as counsel for Deloitte, as Monitor of the CCAA Proceedings. The Consent Order was obtained to allow OGOY to secure the services of Westech International Pty Ltd. (“**Westech**”) for the Mine operations.

18. The final invoices for Westech’s services were received by the Receiver on November 22, 2022. OGOY did not have sufficient funds to pay the accounts and required that the funds held in Trust, pursuant to the Consent Order, be used to pay Westech.

19. On January 20, 2023, the remainder of the funds held in trust by BLG were paid to the Receiver.

B. Otso’s Records

20. As described in the Receiver’s First Report dated April 6, 2022 and the Receiver’s Second Report, pursuant to an arrangement between Otso and Lionsbridge Capital PTY Ltd. (“**Lionsbridge**”), Kroll obtained copies of mailboxes from the email server(s) of Lionsbridge. Certain mailboxes were available for transfer, while other mailboxes required a review for solicitor-client privilege (the “**Review**”) before they could be released to any party, including Otso or its counsel (the “**Records**”).

21. Kroll’s review of the Records was not completed before Otso was placed in receivership.

22. There has been significant communication between the parties regarding the release of the Records. However, ultimately, the Records have not been released to the Receiver due to disputes on invoices received from Kroll.

23. Since the date of the Receiver’s Second Report, no further communication has occurred with respect to the Records. Given the status of the proceedings, limited utility to stakeholders, and lack of funding to cover the costs of the Review, the Receiver does not consider it commercially reasonable to obtain the Records. As such, the Receiver recommends that this Honourable Court authorize and direct Kroll to destroy the Records to bring finality to this issue.

C. Activities of the Receiver

24. The activities of the Receiver since the application for the First Fee Approval Order are set out in detail in the Third Report. The Receiver’s activities included, among other things:

- (a) filing the Receiver’s closing certificate in connection with the Sale Transaction;

- (b) corresponding and coordinating with OGAB's board of directors regarding the requirements for the liquidation of OGAB;
- (c) corresponding with the Finish Administrator (as defined in the Third Report) with respect to the Restructuring Programme;
- (d) corresponding with BLG regarding the Sale Transaction, the liquidation of OGAB, the Restructuring Programme, ongoing communication with stakeholders and the BLG fee taxation/Registrar's Report;
- (e) corresponding with Brunswick and its legal counsel with respect to the potential assignment of the Unspecified Claim;
- (f) corresponding with the Canada Revenue Agency (the "CRA") regarding goods and services tax and payroll accounts;
- (g) corresponding with creditors, stakeholders and other interested parties on various matters related to the Otso Group;
- (h) preparing and filing the required reporting to the Office of the Superintendent of Bankruptcy (the "OSB") as required under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 (the "BIA"); and
- (i) preparing the Third Report.

D. Approval of Fees of the Receiver and Receiver's Legal Counsel

25. Pursuant to the Receivership Order, the Receiver and its legal counsel are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges. The Receivership Order further provides that the Receiver and its legal counsel will pass their accounts from time to time, with such accounts referred to a judge of this Court for determination (which may be by hearing before the judge on a summary basis).

26. Pursuant to the First Fee Approval Order the activities and the fees of the Receiver were approved for the period of January 14, 2022 to September 30, 2022.

27. From October 1, 2022 to June 30, 2023, the Receiver billed approximately 54.50 hours in connection with these receivership proceedings, representing total fees incurred by the Receiver at their discounted rates and charges during the relevant period, inclusive of taxes, of \$31,841.79, which consists

of \$30,325.50 in fees and \$1,516.29 in GST. The Receiver estimates that the cost to conclude the proceedings will be \$10,000 or less, exclusive of taxes.

28. The details of the Receiver's fees and disbursements in these receivership proceedings are set out in Affidavit #3 of Melinda McKie and the related exhibits, sworn on July 14, 2023 (the "**Deloitte Affidavit**"). Details of the work performed by the Receiver in these receivership proceedings is set out in the Third Report.

29. From January 14, 2022 to June 19, 2023, BLG billed approximately 490.1 hours in connection with these receivership proceedings. BLG's total fees and disbursements, inclusive of taxes, amounted to a total of \$263,263.30, which consists of \$233,643.33 in fees, \$1,521.66 in disbursements, \$11,743.26 in GST and \$16,355.05 in PST. BLG estimates that the cost to conclude the proceedings will be \$10,000 or less, exclusive of taxes.

30. The details of BLG's fees and disbursements in these receivership proceedings (including the effect of Mr. Pepper's rate change pursuant to the Registrar's Report and other discounts) are set out in Affidavit #1 of Lisa Hiebert and the related exhibits, sworn on October 11, 2022 and Affidavit #3 of Lisa Hiebert and the related exhibits, sworn on July 14, 2023 (together, the "**BLG Affidavits**").

31. The Receiver submits that its fees and the fees of its counsel are fair and reasonable in the circumstances, and that the time spent was necessary in the circumstances and the work was delegated to the appropriate professionals within each firm. Accordingly, the Receiver is seeking an order for the following relief:

- (a) Approval of the fees and activities of the Receiver as set out in the Third Report and the Deloitte Affidavit; and
- (b) Approval of the fees incurred by BLG as set out in the BLG Affidavits.

E. Remaining Activities and Receiver Discharge

32. The Receiver has prepared the SRD, which is set out in the Third Report.

33. The Receiver proposes to perform the following activities in connection with the conclusion of these receivership proceedings:

- (a) settling any remaining Estate liabilities and payment of the Receiver and BLG's fees;

- (b) remitting the balance of the Receiver's trust account to Pandion as partial repayment of the Receivership Borrowings (as defined in the Third Report); and
 - (c) complete the final GST filing and close the receivership GST account with the CRA;
 - (d) prepare a final statutory report and file the same with the OSB in accordance with subsection 246(3) of the *BIA*; and
 - (e) close the Receiver's trust account,
- (the "Concluding Activities").

34. Upon completion of the Concluding Activities, the Receiver will have completed the activities contemplated by the Receivership Order and the Third Report required to conclude its administration of the Estate in these receivership proceedings. As such, the Receiver seeks to be discharged of its role as the receiver of the assets, property and undertakings of Otso.

PART III – LEGAL BASIS

General Authority

35. In support of the relief sought in this application, the Receiver generally relies on:

- (a) the *Companies' Creditors Arrangement Act*, R.S.C 1985, c. C-36, as amended;
- (b) the *Supreme Court Civil Rules*, including rules 8-1 and 13-1;
- (c) the inherent jurisdiction and statutory discretion of this Honourable Court; and
- (d) such further and other grounds as counsel may advise and this Honourable Court may permit.

36. Further, the Court has broad discretion under section 11 of the *CCAA* to make any order it considers appropriate in the circumstances.

CCAA, s. 11.

Approval of Fees and Activities

37. The Court may make any order respecting the payment of fees and disbursements of the receiver and its legal counsel that it considers proper, provided the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations.

38. In assessing whether the fees of a receiver and its counsel ought to be approved, the Court considers whether those fees and disbursements are “fair and reasonable”, on the basis of evidence verified by affidavit and disclosing: (i) the name of each person who rendered services; (ii) the dates on which the services were rendered; (iii) the time expended each day; (iv) the rate charged; and (v) the total charges for each of the categories of services rendered.

Re Redcorp Ventures Ltd., 2016 BCSC 188 at para. 22 [*Redcorp*].

Re Confectionately Yours Inc., 2002 CarswellOnt 3002 (ONCA) at paras. 37-42 [*Confectionately Yours*].

39. While it is necessary to review some description of the nature of services rendered and the standard rates and charges of professionals and counsel, a line-by-line review of the documentation for the fees is not required.

Canadian Imperial Bank of Commerce v. Rempel Copper Sky Development Ltd., 2015 BCSC 2183 at para. 84.

40. In assessing whether the fees of a receiver and its counsel are fair and reasonable, the Court considers the “normal rates and charges” of a receiver and its counsel according to the standard billing format and practice of the profession in question. It is standard for the hourly rates of chartered accountants and court officers to exclude the cost of administrative or support staff.

Bank of Montreal v. Nican Trading Co., 1990 CarswellBC 397 at paras. 36-38.

Northland Bank v. G.I.C. Industries Ltd., 1986 CarswellAlta 426 at paras. 30-35.

41. The Court considers a number of factors in assessing whether the fees of a receiver are reasonable, including: (i) the nature, extent and value of the assets handled; (ii) the complications and difficulties encountered; (iii) the degree of assistance provided by the debtor; (iv) the time spent; (v) the receiver’s knowledge, experience and skill; (vi) the diligence and thoroughness displayed; (vii) the responsibilities assumed; (viii) the results of the receiver’s efforts; and (ix) the cost of comparable services when performed in a prudent and economical manner.

Bank of Nova Scotia v. Diemer, 2014 ONCA 851 (Ont. C.A.) at para. 32-33.

HSBC Bank of Canada v. Maple Leaf Loading Ltd., 2014 BCSC 2245 at para. 11 [*Maple Leaf*].

Redcorp at para. 23.

42. Similar factors are considered on the assessment of the fees and disbursements of legal counsel in insolvency proceedings, including: (i) the time expended; (ii) the complexity of the receivership; (iii) the degree of responsibility assumed by the lawyers; (iv) the amount of money involved; (v) the degree of skill of the lawyers involved; (vi) the results achieved; and (vii) the client’s expectations as to the fee.

Maple Leaf at para. 12.

43. The Receiver submits that the fees of its counsel are fair and reasonable in the circumstances. The invoices of its counsel were provided to the Receiver when rendered. In this respect, the Receiver submits that the work completed was delegated to the appropriate professionals within BLG with the appropriate seniority and hourly rates, and the services were performed by the Receiver and its legal counsel in a prudent and economical manner.

44. The Receiver further submits that the fees of its counsel are consistent with the Registrar's recommendation regarding rates. As described in the Affidavit #3 of Lisa Hiebert, BLG has adjusted the fees charged by Ms. Pepper to reflect the Registrar's recommendation.

45. The Receiver will satisfy all technical requirements for the approval of fees, including providing reasonable notice to all secured creditors who would be materially affected by the order and verifying the fees and disbursements to be approved by affidavit.

Approval of the Receiver's Activities

46. The Court has the inherent jurisdiction to review the activities of a court-appointed receiver and, if satisfied that the receiver has acted reasonably, prudently and not arbitrarily, to approve the activities set out in the receiver's report. The assessment of whether the receiver has acted "reasonably, prudently and not arbitrarily" is made on an objective basis.

Leslie & Irene Dube Foundation Inc. v. P218 Enterprises Ltd., 2014 BCSC 1855 at para. 54.

47. There are good policy and practice reasons for the Court to provide a level of protection for the receiver by approving its activities, provided the benefit of such approval is limited to the receiver itself.

Re Hanfeng Evergreen Inc., 2017 ONSC 7161 at para. 17.

48. The Receiver has reported to the Court, and all interested parties and stakeholders, throughout these proceedings. The Receiver carried out a transparent, orderly and timely sales process in respect of the Otso's assets. As outlined in the Third Report, the Receiver made all commercially reasonable efforts to maximize the value received for the Debtor's assets throughout these proceedings.

49. Similarly to the Receiver's activities approved pursuant to the First Fee Approval Order, the Receiver respectfully submits that its activities, as described in the Third Report, have been carried out in a reasonable, prudent and not arbitrary manner. Accordingly, the Receiver submits that an order approving its activities, as set out in the Third Report, is appropriate.

Destruction of Records

50. Pursuant to paragraph 37 of the Receivership Order, the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

Receivership Order, para 37.

51. Furthermore, section 183 of the *BIA* confers the Court with “such jurisdiction at law and in equity as will enable [the Court] to exercise original auxiliary, ancillary jurisdiction in bankruptcy and in other proceedings authorized by this Act”. Pursuant to section 183, the Court retains statutory discretion to apply the *BIA* in accordance with the legal and equitable principles to give effect to the purpose of the legislation.

BIA, s. 183.

52. Pursuant to the arrangement between Otso and Lionsbridge, Kroll was provided the Records to perform the Review before releasing the Records to any party. Kroll did not complete the Review of the Records before Otso was placed in receivership. Ultimately, the Records were never released to the Receiver due to disputes over Kroll’s invoices.

53. The Receiver does not consider it commercially reasonable to obtain the Records, given the status of the receivership proceedings, limited utility to the stakeholders, and lack of funding to cover costs of the Review. As such, the Receiver submits there is no longer a reason for Kroll to hold the Records. The Receiver submits that this Honourable Court should authorize and direct Kroll to destroy the Records to bring finality to this issue.

Payment of Trust Account Balance

54. The Court may appoint a receiver to take possession of an insolvency person’s property, exercise any control that the Court considers advisable over that property, and take any other action that the Court considers advisable in the circumstances.

BIA, s. 243(1).

Discharge of the Receiver

55. Upon the completion of its mandate, including the sale of all realizable assets, a court appointed receiver will typically seek a discharge order from the court.

Ed Mirvish Enterprises Ltd. v. Stinson Hospitality Ltd., [2009] O.J. No. 4265 at paras 8 and 9.

56. The Receiver submits that upon filing the Discharge Certificate certifying that it has completed the remaining outstanding activities described in the Third Report, the Receiver will have fulfilled its mandate as set out in the Receivership Order. Accordingly, the Receiver seeks a discharge order from this Honourable Court. Notwithstanding any such discharge, the Receiver shall remain the Receiver for the performance of such incidental duties as may be required for the administration of the receivership proceedings.

PART IV – MATERIAL TO BE RELIED ON

57. The Receiver relies on:

- (a) The Registrar's Report dated April 17, 2023;
- (b) the Receivership Order filed February 2, 2022;
- (c) the First Fee Approval Order filed November 29, 2022;
- (d) the First Report of the Receiver dated April 6, 2022;
- (e) the Second Report of the Receiver dated October 12, 2022;
- (f) the Third and Final Report of the Receiver dated July 11, 2023;
- (g) the Affidavit #1 of Lisa Hiebert, sworn on October 11, 2022;
- (h) the Affidavit #2 of Lisa Hiebert, sworn on March 28, 2023;
- (i) the Affidavit #3 of Lisa Hiebert, sworn on July 14, 2023;
- (j) the Affidavit #1 of Melinda McKie, sworn on October 12, 2022;
- (k) the Affidavit #2 of Melinda McKie, sworn on March 1, 2023;
- (l) the Affidavit #3 of Melinda McKie, sworn on July 14, 2023;
- (m) the Affidavit #1 of Lucas Beatch, sworn on February 14, 2023;
- (n) the Affidavit #1 of James Hubbard, sworn on March 7, 2023; and
- (o) such further and other materials as counsel may advise and this Honourable Court may allow.

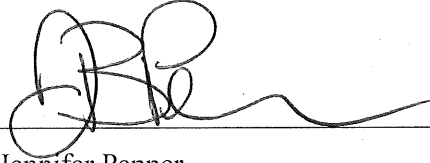
The applicant estimates that the application will take **15 minutes**.

- This matter is within the jurisdiction of a master.
- This matter is not within the jurisdiction of a master. **Justice Gomery is seized of these proceedings**. The hearing of this application has been set with Trial Scheduling.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an Application Response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed Application Response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (i) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: July 17, 2023



Signature of Jennifer Pepper
 lawyer for the Applicant, Deloitte Restructuring Inc.,
in its capacity as the Court appointed Receiver of Otso
Gold Corp

Borden Ladner Gervais LLP
1200 - 200 Burrard Street, P.O. Box 48600
Vancouver, BC V7X 1T2
Tel: 604-640-4106
jpepper@blg.com

To be completed by the court only:

Order made

in the terms requested in paragraphs _____ of
Part 1 of this notice of application

with the following variations and additional terms:

Date: _____

Signature of Judge Master

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matters concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- other

Schedule "A"

The Service List

Please see attached.

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OTSO GOLD CORP.

RESPONDENT

SERVICE LIST
As of July 12, 2023

<p>Cassels Brock & Blackwell LLP 2200 – 885 West Georgia Street Vancouver, BC V6C 3E8 Tel: (604) 691-6100</p> <p>Attention: Jared Enns Morgan Burris Natalie Levine Joseph Bellissimo</p> <p>Email: jenns@cassels.com mburris@cassels.com nlevine@cassels.com jbellissimo@cassels.com</p> <p><i>Counsel for the Petitioners</i></p>	<p>Deloitte Restructuring Inc. 939 Granville Street Vancouver BC V6B 3V7 Tel: (604) 669-4466</p> <p>Attention: Melinda McKie Naomi McGregor</p> <p>Email: MMcKie@deloitte.ca NaoMcGregor@deloitte.ca</p> <p><i>The Receiver</i></p>
<p>Borden Ladner Gervais LLP 1200 - 200 Burrard Street Vancouver, BC V7X 1T2 Tel : (604) 687-5744</p> <p>Attention: Lisa Hiebert Ryan Laity Jennifer Pepper</p> <p>Email: lhiebert@blg.com rlaity@blg.com jpepper@blg.com katkinson@blg.com</p> <p><i>Counsel for the Receiver</i></p>	<p>Farris LLP 2500 - 700 W Georgia Street Vancouver, BC V7Y 1B3 Tel: (604) 661-1712</p> <p>Attention: Rebecca Morse Tim Louman-Gardiner</p> <p>Email: tjeffries@farris.com rmorse@farris.com tlouman-gardiner@farris.com</p> <p><i>Counsel to Otso Gold Corp.</i></p>

<p>McMillan LLP 1500 - 1055 W Georgia Street PO Box 11117 Vancouver BC V6E 4N7 Tel: (236) 826-3022</p> <p>Attention: Daniel Shouldice</p> <p>Email: Daniel.Shouldice@mcmillan.ca</p> <p>Poulus Ensom LLP Suite 1560, Box 15 - 505 Burrard Street Vancouver, BC V7X 1M5 Tel: (778) 727-3500</p> <p>Attention: Hein Poulus, Q.C.</p> <p>Email: hpoulus@poulusensom.com</p> <p><i>Counsel for Westech International Pty Ltd. and Lionsbridge Capital Pty Ltd.</i></p>	<p>Osler, Hoskin & Harcourt LLP 6200 – 100 King Street West P.O. Box 50 Toronto ON M5X 1B8 Tel: (416) 862-4908</p> <p>Attention: Marc Wasserman Kathryn Esaw Justin Kanji</p> <p>Email: MWasserman@osler.com kesaw@osler.com jkanji@osler.com</p> <p>White & Case LLP 5 Old Broad Street London, UK EC2N 1DW Tel: +44 20 7532 1883</p> <p>Attention: Gabrielle Goodrow</p> <p>Email: gabrielle.goodrow@whitecase.com</p> <p><i>Counsel for Blackrock</i></p>
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<p>Harbourfront Technologies 77 Harbour Square, #2803 Toronto, ON M5J 2S2 Tel: (416) 839-8276</p> <p>Attention: Nam Nguyen</p> <p>Email: nnguyen@tech.harbourfronts.com</p>	<p>Aird & Berlis LLP 1800 – 181 Bay Street Toronto ON M5J 2T9 Tel: (416) 865-3965</p> <p>Attention: Pamela Miehls</p> <p>Email: pmiehls@airdbleris.com</p>

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Schedule "B"

Order Sought

Please see attached

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
OTSO GOLD CORP.

BETWEEN:

PANDION MINE FINANCE LP, RIVERMET RESOURCE CAPITAL LP
AND PFL RAAHE HOLDINGS LP

PETITIONERS

AND:

OTSO GOLD CORP.

RESPONDENT

ORDER MADE AFTER APPLICATION
(FEE APPROVAL AND DISCHARGE ORDER)

BEFORE THE HONOURABLE)
MISTER JUSTICE GOMERY) July 28, 2023
)

ON THE APPLICATION of Deloitte Restructuring Inc. (“**Deloitte**”), as Court-appointed receiver and receiver-manager (in such capacity, the “**Receiver**”) of the assets, undertakings and properties of Otso Gold Corp. (“**Otso**”), coming on for hearing at Vancouver, British Columbia on the 28th day of July, 2023, AND ON HEARING Jennifer Pepper, counsel for the Receiver, and those other counsel listed on **Schedule “A”** hereto; AND UPON READING the material filed, including the Receiver’s First Report dated April 6, 2022 (the “**First Report**”), the Receiver’s Second Report dated October 12, 2022 (the “**Second Report**”), and the Receiver’s Third and Final Report dated July 11, 2023 (the “**Third Report**” and collectively with the First Report and the Second Report, the “**Receiver’s Reports**”), Affidavit #1 of Melinda McKie dated October 12, 2022, Affidavit #3 of Melinda McKie dated July 14, 2023, Affidavit #1 of Lisa Hiebert dated October 11, 2022 and Affidavit #3 of Lisa Hiebert July 14, 2023 (collectively, the “**Fee Affidavits**”);

THIS COURT ORDERS THAT:

1. Kroll LLC be authorized and directed to destroy all electronic and physical copies of the Records (as defined in the Notice of Application dated July 17, 2023), and any related work products, documents or reports derived from such Records in its possession or control within seven (7) days of this Order and provide confirmation of the same to the Receiver in due course.

2. The activities of the Receiver and the Statement of Receipts and Disbursements, in each case as set out in the Third Report, are hereby approved.
3. The fees and disbursements of the Receiver and its counsel, Borden Ladner Gervais LLP (“BLG”), as set out in the Receiver’s Reports and the Fee Affidavits, are hereby approved.
4. After payment of the fees and disbursements of the Receiver and BLG as herein approved, and settling any remaining estate liabilities, the Receiver shall pay the balance of the Receiver’s trust account to Pandion (as defined in the Notice of Application dated July 17, 2023) as partial repayment of the Receivership Borrowings (as defined in the Third Report).
5. Upon payment of the amounts set out in paragraph 4 hereof, and upon the Receiver filing a certificate in substantially the form attached as **Schedule “B”**, certifying that it has completed the remaining outstanding activities described in the Third Report, the Receiver shall be discharged as Receiver of the assets, undertaking and property of Otso, provided that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte in its capacity as Receiver.
6. Deloitte is hereby released and discharged from any and all liability that Deloitte now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Deloitte while acting in its capacity as Receiver herein. Without limiting the generality of the foregoing, Deloitte is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings.
7. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 and regulations thereto, any other applicable enactment or any other Order of this Court.

8. Endorsement of this Order by counsel appearing on this application, other than counsel to the Receiver, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Jennifer Pepper
Lawyer for the Receiver, Deloitte Restructuring Inc.

By the Court.

Registrar

SCHEDULE "A"

LIST OF COUNSEL

Counsel	Party

SCHEDULE "B"

DISCHARGE CERTIFICATE

No. S-220231
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF
OTSO GOLD CORP.**

BETWEEN:

**PANDION MINE FINANCE LP, RIVERMET RESOURCE CAPITAL LP
AND PFL RAAHE HOLDINGS LP**

PETITIONERS

AND:

OTSO GOLD CORP.

RESPONDENT

RECEIVER'S DISCHARGE CERTIFICATE

WHEREAS pursuant to the Order of the Honourable Justice Gomery made July 28, 2023 (the "**Discharge Order**"), Deloitte Restructuring Inc., in its capacity as the Court-appointed receiver and receiver-manager (in such capacity, the "**Receiver**") of the assets, properties and undertakings of Otso Gold Corp., was discharged as receiver with such discharge to be effective upon the Receiver filing a certificate with this Court certifying that the Receiver has completed the administration of the estate.

THE UNDERSIGNED HEREBY CERTIFIES as follows:

1. The Receiver has complied with the Discharge Order.
2. The Receiver has completed all other matters that are incidental to the termination of these proceedings and the discharge of the Receiver.

NOW THEREFORE AS A RESULT OF THE FOREGOING, the Receiver is entitled to be fully and completely discharged in accordance with the terms of the Discharge Order and relieved of any further powers or duties as Receiver in these proceedings.

THIS RECEIVER'S DISCHARGE CERTIFICATE is made and filed by the Receiver in accordance with paragraph 6 of the Discharge Order.

Date: July ____, 2023

DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed receiver and receiver-manager of Otso Gold Corp., and not in its personal capacity:

Per: _____
Name:
Title:

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
OTSO GOLD CORP.

BETWEEN:

PANDION MINE FINANCE LP, RIVERMET RESOURCE CAPITAL LP
AND PFL RAAHE HOLDINGS LP

PETITIONERS

AND:

OTSO GOLD CORP.

RESPONDENT

NOTICE OF APPLICATION

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