



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

REQUEST FOR LETTERS OF INTENT

FEBRUARY 25, 2022

On January 14, 2022 (the "**Date of Receivership**") Deloitte was appointed by Order of the Supreme Court of British Columbia (the "**Receivership Order**") as the receiver and receiver manager (the "**Receiver**") of all property (the "**Property**") of Otso Gold Corp. ("**OGC**"). A copy of the Receivership Order is posted on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/Pages/Otso-Gold-Corp.-Receiver.aspx.

The Receiver is seeking binding letters of intent ("**LOI**") for OGC's 49% joint venture interest in Star property (formerly Sheslay / Copper Creek) (the "**JV Interest**") until 5:00 p.m. (MDT) on **Friday, March 25, 2022** (the "**LOI Deadline**"). A form of the LOI is attached as **Appendix "1"**.

If you would like to make arrangements to obtain additional information, please contact the Receiver's representative noted below.

LOI's can be provided to the Receiver as follows:

**Deloitte Restructuring Inc.
Receiver of Otso Gold Corp.
700, 850 – 2 Street SW
Calgary, Alberta T2P 0R8**

Attention: Naomi McGregor
naomcgregor@deloitte.ca
403-503-1423

The sale of the JV Interest by the Receiver will be subject to Court approval and will be on an "as is, where is" basis, without any representations or warranties provided by the Receiver, whether as to title, condition, book value, realizable value or otherwise, without limitation. Each offeror will need to perform its own due diligence and satisfy itself with respect to the JV Interest.

The highest or best LOI or offer may not be accepted by the Receiver. The Receiver reserves the right to not accept any LOI or offer for the JV Interest, or to vary the terms of or terminate its request for LOI's at any time, in its sole discretion, without notice to any party. The Receiver reserves the right to deal with any one or more offerors to the exclusion of any others and to accept any offer or LOI for the JV Interest at any time, including prior to the LOI Deadline, without notice to any party.

LETTER OF INTENT

THIS LETTER OF INTENT (the "**LOI**") made as of this ____ day of March 2022 (the "**Execution Date**"),

BETWEEN:

(the "**Purchaser**")

- AND -

Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Otso Gold Corp. ("**OGC**"), and not in its personal capacity

(the "**Vendor**").

BACKGROUND:

- A. The Vendor has possession or control of the asset which is available for sale pursuant to a receivership order made January 14, 2022.
- B. The Purchaser wishes to purchase the asset from the Vendor.
- C. The parties agree that, if accepted by the Vendor, this LOI will establish the material terms for a definitive asset purchase agreement (the "**APA**") for the transaction contemplated by this LOI.
- D. The parties agree that this LOI supersedes and replaces any earlier expressions of interest or letters of intent submitted by the Purchaser.
- E. The parties agree that other than acceptance of this LOI by the Vendor, conclusion of the APA and approval of the APA by the Supreme Court of British Columbia, there are no other approvals or authorizations required to conclude the transaction.

Binding

1. The parties agree that, until accepted by the Vendor, this LOI does not create a binding commitment between the Purchaser and the Vendor and will not be enforceable, save and except paragraphs 4, 6, 8 and 10.

Transaction Description

2. The asset to be included in this contemplated transaction is OGC's 49% joint venture interest in the Star property (formerly Sheslay / Copper Creek) (the "**JV Interest**") as described in the **Schedule "A"** attached hereto. The Purchaser will purchase the JV Interest for \$_____ (the "**Proposed Purchase Price**").
3. The Vendor will prepare a draft APA for review by the Purchaser. The APA will contain limited covenants, representations, warranties, terms and conditions, typical of a transaction to be concluded subject to a court-supervised receivership sale. The APA will be finalized and executed on or before April 4, 2022. If the APA is not executed by that date, the offer

contemplated by this LOI shall be null and void, unless extended by agreement in writing between the Purchaser and the Vendor.

4. A deposit of twenty percent (20%) of the Proposed Purchase Price will be paid by the Purchaser to the Vendor concurrently with execution and delivery of this LOI (the "**Deposit**"), by way of bank draft or solicitor's trust cheque payable to the Receivers legal counsel "Borden Ladner Gervais, in Trust", or wired to the Receiver's legal counsel. Should this LOI not be accepted by the Vendor, the Deposit will be returned to the Purchaser without interest. Should this LOI be accepted, and the parties enter into an APA, the Deposit will be dealt with in accordance with the terms of the APA or as may otherwise be agreed in writing among the Purchaser and the Vendor.
5. Should the Vendor accept this LOI, the Vendor and Purchaser agree to negotiate the terms and conditions of the APA in good faith. Upon the execution of an APA, it is understood by the Purchaser that the Deposit may become forfeited in accordance with the terms of the APA.
6. The Vendor and Purchaser acknowledge that any sale of the JV Interest will be subject to approval by the Supreme Court of British Columbia (the "**Court Approval**"), to be sought by the Receiver on or before April 14, 2022 (or such later date as may otherwise be agreed between the Vendor and Purchaser) and closing of the transaction will occur only after Court approval and by no later than April 26, 2022, or as may otherwise be agreed by the Vendor and Purchaser.
7. The Vendor will make best efforts to obtain the Court Approval vesting the JV Interest in the name of the Purchaser (or its nominee) free and clear of any liens, charges, encumbrances, or rights of others. If the Court Approval is not obtained, the Purchaser or the Vendor may terminate the transaction contemplated by the APA, the Deposit shall be refunded without interest, the transaction contemplated by the APA shall be null and void, and neither the Purchaser nor Vendor shall have any recourse against the other.
8. The Vendor and Purchaser acknowledge and agree that a Non-Disclosure Agreement shall be executed by the Purchaser to obtain a copy of the Joint Venture Agreement and any other information which may be available which is not publicly available.
9. The Purchaser acknowledges and agrees that the JV Interest is being sold on an "as is where is" basis and that the Receiver has not made, nor will have made, any representation, warranty, statement or promise of any kind, except as may be expressly provided for in any APA.
10. The Vendor and Purchaser agree that each party shall bear its own costs associated with this LOI and subsequent APA.

This LOI accurately reflects the understanding between the Vendor and the Purchaser, signed on this ____ day of March ____, 2022.

Per: _____
(Purchaser)

Per: _____
Deloitte Restructuring Inc., in its capacity as
Receiver Manager of Otso Gold Corp., and
not in its personal capacity (Vendor)

SCHEDULE "A"

The Joint Venture Agreement dated August 30, 2016 specifies that 51% Joint Venture participant ("**51% JV participant**") and Otso Gold Corp. (formerly Firesteel Resources Inc.) ("**OGC**") will contribute funds to continue explorations on the Star property based on their percentage of ownership; 51% to be contributed by the 51% JV participant and 49% to be contributed by OGC.

The Star property comprises nineteen mineral claim licenses located in the Atlin Mining Division of northwestern British Columbia.

Title Number	Claim Name	Owner	Title Type	Title Sub Type	Map Number	Issue Date	Good To Date	Status	Area (ha)
392224	COPPER CREEK 1	280794 51% - 133018 49%	Mineral	Claim	104/022	2002/mar/08	2025/oct/31	GOOD	450
392225	COPPER CREEK 2	280794 51% - 133018 49%	Mineral	Claim	104/022	2002/mar/08	2025/oct/31	GOOD	450
400918	CC 2	280794 51% - 133018 49%	Mineral	Claim	104/022	2003/mar/01	2025/oct/31	GOOD	500
400921	PC 3	280794 51% - 133018 49%	Mineral	Claim	104/022	2003/mar/01	2025/oct/31	GOOD	500
400922	PC 4	280794 51% - 133018 49%	Mineral	Claim	104/022	2003/mar/01	2025/oct/31	GOOD	500
408884	CC 3	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	450
408885	CC 4	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	450
408887	CC 6	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	25
408888	CC 7	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	25
408889	CC 8	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	25
408890	CC 9	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	25
408891	CC 10	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	25
408892	CC 11	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/05	2025/oct/31	GOOD	25
408893	CC 12	280794 51% - 133018 49%	Mineral	Claim	104/022	2004/mar/13	2025/oct/31	GOOD	450
518533		280794 51% - 133018 49%	Mineral	Claim	104/	2005/jul/29	2025/oct/31	GOOD	204.29
518534		280794 51% - 133018 49%	Mineral	Claim	104/	2005/jul/29	2025/oct/31	GOOD	408.72
518535		280794 51% - 133018 49%	Mineral	Claim	104/	2005/jul/29	2025/oct/31	GOOD	1021.57
518536		280794 51% - 133018 49%	Mineral	Claim	104/	2005/jul/29	2025/oct/31	GOOD	1124.43
551609	COPPER NORTH	280794 51% - 133018 49%	Mineral	Claim	104/	2007/feb/11	2025/oct/31	GOOD	170.29
								Total	6829.30