



COURT FILE NUMBER 52110503

COURT SUPREME COURT OF BRITISH COLUMBIA

JUDICIAL CENTRE VANCOUVER

IN THE MATTER OF THE COMPANIES CREDITOR  
ARRANGEMENT ACT, R.S.C. 185, c. C-36, AS AMENDED

AND IN THE MATTER OF OTSO GOLD CORP., OTSO  
GOLD OY, OTSO GOLD AB, and 2273265 ALBERTA LTD.  
(COLLECTIVELY THE "PETITIONERS" or "OTSO")

DOCUMENT **THE FIRST REPORT OF DELOITTE RESTRUCTURING INC.  
AS CCAA MONITOR OF OTSO**

**DATED DECEMBER 11, 2021**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

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## Introduction and background

1. On December 3, 2021 Otso Gold Corp. ("**OGC**" or the "**Company**"), Otso Gold OY ("**OGOY**"), Otso Gold AB ("**OGAB**"), and 2273265 Alberta Ltd. ("**227**") (collectively the "**Petitioners**" or "**Otso**") sought and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended, (the "**CCAA**") pursuant to an order (the "**Initial Order**") of the Supreme Court of British Columbia (the "**Court**"). A copy of the Initial Order is attached hereto as **Appendix A**.
2. The Petitioners are engaged in mineral exploration and development, focused on acquiring and developing resource assets in safe harbour jurisdictions. Otso's primary business pertains to the development of the Laiva Gold Project in Northern Ostrobothnia, Finland (the "**Otso Gold Mine**"). Otso's corporate structure and historical operations are discussed in further detail in the Petition Record filed with this Honourable Court on December 3, 2021.
3. OGC is a public company listed on the TSX Venture Exchange ("**TSXV**") under the symbol "TSXV:OTSO". The Company was incorporated pursuant to the laws of Alberta and is extra-provincially registered in British Columbia. Trading of OGC's shares on the TSXV was halted on December 3, 2021.
4. Pursuant to paragraph 14 of the Initial Order, until and including December 13, 2021, or such later date as the Court may order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of the Petitioners or any of them, or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the relevant Petitioner(s) and the Monitor or with leave of the Court, and any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or Property are hereby stayed and suspended pending further order of the Court.
5. Pursuant to the Initial Order, Deloitte Restructuring Inc. ("**Deloitte**") was appointed as monitor of the Petitioners (the "**Monitor**") in these CCAA proceedings. The Monitor has made the Initial Order and other information related to these proceedings available on its website at <http://www.insolvencies.deloitte.ca/en-ca/otsogoldcorp> (the "**Monitor's Website**").
6. The Monitor's powers and duties as directed by the Initial Order are, among other things, to:
  - a) monitor the Petitioners' receipts and disbursements;
  - b) report to the Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
  - c) advise the Petitioners in their preparation of the Petitioners' cash flow statements;
  - d) advise the Petitioners in their development of the Plan and any amendments to the Plan;
  - e) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors or shareholders' meetings for voting on the Plan;
  - f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
  - g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
  - h) perform such other duties as are required by this Order or by this Court from time to time.

## Purpose

7. The purpose of this first report of the Monitor (the "**First Report**") is to provide information to this Honourable Court and the Monitor's comments thereon regarding the following:
  - a) Activities of the Petitioners since the Initial Order with respect to the Petitioners restructuring efforts;
  - b) Activities of the Monitor since the Initial Order; and
  - c) Respectfully recommend that this Honourable Court make orders:
    - i. Extending the Stay Period as defined in the Initial Order for an interim period to January 14, 2022;
    - ii. Increasing the Administrative Charge as defined in the Initial Order from \$100,000 to \$300,000; and
    - iii. Providing such further or other relief that the Court considers just and warranted in the circumstances.

## Terms of reference

8. In preparing this First Report, the Monitor has relied upon unaudited financial information prepared by the Petitioners' management ("**Management**"), the Petitioners' books and records, and discussions with Management. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the information. The Monitor may refine or alter its observations as further information is obtained or brought to its attention after the date of this First Report.
9. The financial projections attached to this First Report, were prepared by Management (except where noted). Although we have reviewed the assumptions underlying the projections for reasonableness, financial projections, by their nature, are dependent upon future events, which are not susceptible to verification. Actual results will vary from the information presented and the variations may be material. We have not prepared a compilation as contemplated by Section 4250 of *Chartered Professional Accountants Canada Handbook*.
10. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of the First Report. Any use, which any party makes of the First Report, or any reliance or decision to be made based on the First Report, is the sole responsibility of such party.
11. All dollar amounts in this First Report are in Canadian dollars, unless otherwise indicated.
12. Unless otherwise provided, all capitalized terms not defined in this report are as defined in the Initial Order.

## Petitioners' Activities

13. On November 30, 2021, prior to these CCAA proceedings, representatives of Alvarez & Marsal ("**A&M**") were appointed as Chief Restructuring Officer ("**CRO**") of OGOY and interim Chief Executive Officer ("**CEO**") of OGC as well as interim Chief Financial Officer ("**CFO**") of OGOY. A&M and the Petitioners have

been focused on several matters since the date of the Initial Order as outlined in their summary, attached hereto as **Appendix "B"**, including, but not limited to:

- a) Managing the Otso leadership team to, among other things, ensure on-time and on-budget delivery of the start-up and first phase operations of the Otso Gold Mine.
- b) Reviewing the existing cash flow and projections for the Otso Gold Mine in order to develop a 13-week cash flow as further discussed in paragraphs 25 to 31 of this First Report;
- c) Reviewing the mine plan which, subsequent to the CCAA proceedings commencing, was determined to only be effective to December 17, 2021. A mine plan is a critical part of a mine's operation and safety requirements. The Petitioners intend to temporarily suspend mining operations from December 8, 2021 to January 31, 2022 and to temporarily suspend processing operations from December 13, 2021 to January 31, 2022 (the "**Suspension Period**") to minimize cash expenditures while they develop a revised mine plan.
- d) Reviewing available books and records of Otso to gain visibility on Otso's finance, operational, tax and treasury functions; and
- e) Developing of a budget to align with restructuring initiatives.

14. The Petitioners have also engaged in the following activities since the date of the Initial Order:

- a) Obtained creditor protection in Sweden and Finland as further discussed in paragraphs 32 to 35 of this First Report;
- b) Served materials on stakeholders and communicated with them;
- c) Taken steps to obtain further books and records of Otso as further discussed in paragraphs 36 to 37 of this First Report; and
- d) Considered next steps in its restructuring.

## Monitor's Activities

15. The Monitor fulfilled the requirements set out in Paragraph 37 of the Initial Order in respect of notifying Otso's creditors and other stakeholders of the CCAA proceedings including the following:

- a) The Monitor published notices in the Globe and Mail National Edition on December 10, 2021. A second publication is scheduled for December 17, 2021. The notice, attached hereto as **Appendix "C"**, contains the information prescribed under the CCAA.
- b) Within five business days after the day of the Initial Order, the Monitor:
  - i. Made the Initial Order, the Petition Record, Affidavits and other information publicly available by posting it on the Monitor's Website at <http://www.insolvencies.deloitte.ca/en-ca/otsogoldcorp>;
  - ii. Prepared a list of known or potential creditors for each of the Otso entities showing their names, addresses, and estimated claim amounts; and
  - iii. Sent a notice (the "**Notice**") on December 9, 2021 to every known creditor having a known or potential claim against one or more of the Petitioners advising them that the Initial Order, and other Court documents, are publicly available on the Monitor's Website and also posted a copy of the Notice on the Monitor's Website. A copy of the Notice is attached hereto as **Appendix "D"**.

16. The Monitor has also engaged in the following activities since the date of the Initial Order:

- a) Completed and filed the requisite statutory documentation with the Office of the Superintendent of Bankruptcy;
- b) Conducted numerous meetings and discussions with A&M, Management and Otso’s legal counsel regarding Otso’s business, financial affairs, restructuring efforts and other matters relating to the CCAA proceedings;
- c) Reviewed Otso’s cash flow and financial models;
- d) Attended to various inquiries which the Monitor received from Otso creditors and other stakeholders; and
- e) Prepared this First Report.

## Financial Position

17. Otso’s fiscal year end is January 31 and the last audited consolidated financial statements prepared were for the year ended January 31, 2021. Audited financial statements for each entity were not prepared. Interim unaudited consolidated financial statements for the period ending July 31, 2021, have also been prepared by Otso.

18. Management has advised that they will be completing a review of the historical financials to reconcile outstanding items to enable audits to be completed for each entity.

### Primary Assets

19. On December 6, 2021, Otso had approximately \$1.7 million in cash, as reflected in the CF Projection as defined later in this First Report.

20. Based on the interim consolidated financial statements as at July 31, 2021, Otso’s primary assets are comprised of the following:

#### Summary of primary assets

(Unaudited)	Ref.	NBV (\$)
Accounts receivable		125,010
Prepaid expenses		184,671
Inventory	<i>Paragraph 21</i>	2,225,305
Property, plant and equipment	<i>Paragraph 22</i>	55,853,164
Reclamation bonds	<i>Paragraph 23</i>	5,765,276
Exploration and evaluation assets		<u>1</u>
<b>Total assets</b>		<b><u>64,153,427</u></b>

21. Inventory consists of parts and supplies, including priority spares and maintenance consumables for the mine site.

22. Property, plant and equipment consists of the following (it should be noted that no appraisal has been completed at the time of this First Report):

(Unaudited)	NBV (\$)
Land	2,569,569
Connection fees	2,222,089
Buildings	4,576,143
Mineral properties and equipment	46,482,194
Computer equipment	3,169
<b>Total assets</b>	<b>55,853,164</b>

23. The reclamation bonds represent cash placed in trust as security to the appropriate government entity relating to Otso's asset retirement obligations in Finland. The total reclamation deposits are for government reclamation bonds for the Otso Gold Mine and a deposit held for the Finnish Safety and Chemical Agency. These bonds are posted with a Finnish financial institution.

### Primary Liabilities

24. The chart below outlines the quantum of creditors with claims exceeding \$1,000, which was prepared based on the available books and records of the Petitioners as at December 3, 2021. Non-Canadian amounts, where the original currency was indicated, have been converted to Canadian dollars using the applicable daily average exchange rates as at December 3, 2021. Where it is unclear about the original currency is a conversion to Canadian dollars has not been completed.

#### Summary of primary liability

	Ref.	Original Currency	Canadian Equivalent
<b>Secured</b>			
<i>Paragraph 24 a)</i>			
Pandion Mine Finance LP (as at July 31, 2021)		22,654,329	29,024,726
<b>Unsecured</b>			
<i>Paragraph 24 b)</i>			
Otso Gold Corp		1,095,338	1,184,900
Otso Gold OY		10,923,139	n/a
Otso Gold AB		3,197,245	448,254
2273265 Alberta Ltd.		n/a	n/a
<b>Total Liabilities</b>		<b>37,870,051</b>	<b>30,657,880</b>

#### a) Secured claims

Pandion Mine Finance LP and PFL Rahhe Holdings Ltd. (collectively "**Pandion**") is the principal secured creditor of Otso. Otso's interim consolidated financial statements as at July 31, 2021, indicate a loan balance owing to Pandion of approximately \$29 million (as shown above).

Pandion, through its legal counsel has advised the Monitor that the debt owing by Otso is approximately USD\$95 million as at December 8, 2021. As a result of the significant discrepancy between Otso's and Pandion's records, the quantum of Pandion's secured claim needs to be confirmed and the validity and enforceability of the security reviewed. The Monitor is of the view that the confirmation of the debt owing, and completion of a security review is necessary to proceed with Otso's restructuring plan as the quantum of the debt will have a direct impact on Otso's ability to secure Debtor-in-Possession ("**DIP**") financing and equity financing and may also affect the direction of the restructuring.

#### b) Unsecured claims

Otso has provided the Monitor with a creditor listing showing there are approximately 147 unsecured creditors. At the issuance of the Notice to Creditors, the Canadian equivalent of the quantum of the debt is uncertain as Otso did not identify the currency for various creditors' claims and as such the Monitor was unable to conclusively indicate the Canadian equivalent. Based on the 'original currency' the debt is in aggregate \$15 million. Since the time of mailing



the Notice to Creditors subsequent information was provided by Management with respect to the original currency which has allowed the Monitor to calculate the Canadian equivalent in aggregate of \$17 million as at the date of this First Report.

## Cash flow and Liquidity

25. The Petitioners projected statement of cash flow to the period ending March 4, 2022 (the "**CF Projection**"), attached hereto as **Appendix "E"**, is summarized below. The notes to the CF Projection outlining the Probable and Hypothetical Assumptions should be read in conjunction with the CF Projection. A&M worked with Management to prepare the CF Projection and have advised that additional work is required to update the short-term and long-term mine plan to accurately prepare a cash flow for mine operations. The information on hand is insufficient and hence part of the need for a shutdown of mining operations.
26. The cash flow is predicated on Otso ceasing mining and processing operations during the Suspension Period. The Otso Gold Mine will be placed in care and maintenance mode to January 31, 2022 to allow Management time to prepare a revised mine plan, prepare a further cash flow projection which incorporates the realistic costs for operation and to potentially permit Management to locate a DIP lender to fund the ongoing operations of the mine. Mining operations are deemed to be critical for Otso to be able to fund a Plan to its creditors.

### Summary of CF Projection

Week ending	Dec 10, 2021 to Jan 14, 2022	Jan 21, 2022 to Mar 4, 2022	Total
Total Revenues	2,555,003	10,539,162	13,094,165
Total payments	(3,282,906)	(19,060,152)	(22,343,058)
<b>Net operating expenses</b>	<b>(727,902)</b>	<b>(8,520,990)</b>	<b>(9,248,892)</b>
Restructuring cost	(927,907)	(1,167,648)	(2,095,554)
<b>Net cash flow</b>	<b>(1,655,809)</b>	<b>(9,688,638)</b>	<b>(11,344,447)</b>
Opening cash balance	1,656,698	889	1,656,698
<b>Closing cash balance</b>	<b>889</b>	<b>(9,687,749)</b>	<b>(9,687,749)</b>

27. Management has advised the Monitor that without a revised and approved mine plan, they do not have sufficient information to project cash flow requirements for a 13-week period. Management have indicated that they only have sufficient information to project cash flow requirements for the period of December 3, 2021 to January 14, 2022 (the "**Comeback Period**"). For the week ending January 21, 2022 through to March 4, 2022, the cash flow is based on an outdated and a non-feasible mine plan which they have indicated cannot be relied upon. Management further advised the Monitor that a new cash flow forecast for the 2022 calendar year will be produced on the basis of the revised mine plan during the stay extension should this Honourable Court grant such an extension.
28. Based on the Monitor's review of the CF Projection, we note the following:
- This analysis assumes that mining operations cease for the period December 8, 2021 to January 31, 2022 and processing operations cease from December 13, 2021 to January 31, 2022;
  - Payment for the purchase of gold by MKS, as referenced and defined in various of the Company's affidavits, is projected in the cash flow to be received the week ending January 7, 2022; however, based on Management's discussions with MKS, the funds are now anticipated to be received the week ending December 17, 2021;

- c) Management has adjusted all variable mining and processing costs on a pro-rata basis to reflect ceased operations. All fixed costs, including salaries and wages are expected to be paid in the normal course; no adjustments have been made for the Suspension Period;
  - d) Mining and processing costs incurred during the Suspension Period, reflect required care and maintenance costs of equipment and supplies and employee salaries to retain the workforce to maintain idle equipment and restart the mine in February 2022; and
  - e) Site indirect costs, safety, environmental, and G&A costs are higher in the Suspension Period than if the mine was operating. These costs are based on more accurate information than the outdated mining plan which Management advised was overly optimistic.
29. The Monitor's review of the CF Projection consisted of inquiries, analytical procedures and discussion related to information supplied to us by certain of the Management and employees of Otso. Since Hypothetical Assumptions need not be supported, the Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the cash flow statement. The Monitor has also reviewed the support provided by Management for the Probable Assumptions, and the preparation and presentation of the cash flow statement.
30. Based on the Monitor's review of the cash flow for the Comeback Period, nothing has come to our attention that causes us to believe that, in all material respects:
- a) the Hypothetical Assumptions are not consistent with the purpose of the cash flow statement;
  - b) as at the date of this First Report, the Probable Assumptions developed by Management are not suitably supported and consistent with the plans of the Group or do not provide a reasonable basis for the cash flow statement, given the Hypothetical Assumptions; or
  - c) the cash flow statement does not reflect the Probable and Hypothetical Assumptions.
31. Since the CF Projection is based on assumptions regarding future events, actual results will vary from the information presented even if the Hypothetical Assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the CF Projection will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this First Report or relied upon by the Monitor in preparing this First Report.

## Foreign Proceedings

### Finland Proceedings

32. On December 7, 2021, in the District Court of Oulu, proceeding no.2296579-4 (the "**Finnish Proceeding**"), OGOY obtained an order staying all proceedings against it which expires December 31, 2021 (the "**Finland Stay Period**"). Within the Finland Stay Period, OGOY is required to produce a statement by a certified auditor on certain material aspects of its restructuring application, subject to an application to extend the Finland Stay Period.
33. Management has been in contact with Otso's auditor and believe that the required 'statement by a certified auditor' will be able to be provided within the Finland Stay Period in order that a further extension may be obtained.
34. The Monitor understands that the Petitioners are consulting with their advisors to determine an appropriate main proceeding, as there is uncertainty with respect to the Finnish Court recognizing and enforcing a Canadian insolvency proceeding.

## Sweden Proceedings

35. On December 7, 2021, in the District Court of Soderton, case no. A-20470-21 (the "**Swedish Proceeding**"), OGAB obtained an order staying all proceedings against it expiring March 7, 2022 (the "**Sweden Stay Period**") subject to further extension and with a creditors' meeting to be held on December 22, 2021.

## Books and Records

36. The Petitioners have advised the Monitor that they only have restricted access to certain books and records of Otso, as the servers, data rooms, etc. have been managed by a third party, Lionsbridge Pty Ltd. ("**Lionsbridge**"), who terminated their contract with Otso on November 30, 2021. The Petitioners are currently working with Lionsbridge and their respective legal counsel to obtain full access to the books and records. As a first step, Lionsbridge and the Petitioners have agreed to have their respective information technology professionals discuss how best to provide access to the books and records and determine the timeline and costs to complete the transfer of information.
37. Full access to the books and records is required for the Petitioners to advance its restructuring efforts.

## Request for extension of these proceedings

38. The stay period provided by the Initial Order expires on December 13, 2021. To allow it sufficient time to further its restructuring efforts, the Petitioners are requesting a stay period of one (1) month, to January 14, 2022.
39. The Monitor observes that Management is working diligently to identify and accommodate the needs of interested parties as part of the process, preserving the existing assets and infrastructure at the Mine, managing the financial and operational aspects of Otso, and developing a restructuring plan during the CCAA process.
40. Otso is operating in a manner consistent with its objectives to preserve its assets while an updated mine plan is put in place. While a mine shutdown is a material change to the Petitioners operations it is deemed necessary from a safety and environment perspective, as well as to determine required funding for the mining operations. The Monitor is of the view that Otso has acted, and is acting, in good faith and with due diligence.
41. Accordingly, the Monitor respectfully recommends that the Court approve an extension of the stay period to January 14, 2022.

## Increase Administration Charge

42. The Petitioners are seeking approval to increase in the Administrative Charge as defined in the Initial Order from \$100,000 to \$300,000, in favour of the Monitor, the Monitor's legal counsel, the Petitioners' financial advisors and the Petitioners' legal counsel.
43. The Monitor supports the Administrative Charge pursuant to Section 11.52 of the CCAA on the basis that it adds certainty for the professionals involved that they will be paid such that they can effectively advance their restructuring efforts.

## Conclusions and Recommendations

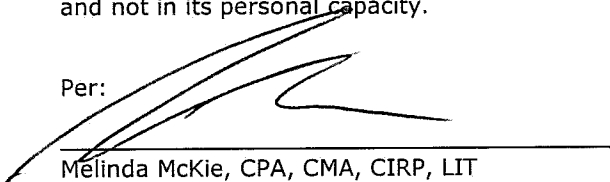
44. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the relief detailed in Section 7 c) of this First Report and such further and other relief as this Honourable Court deems appropriate in the circumstances.

All of which is respectfully submitted at Vancouver, British Columbia this 11<sup>th</sup> day of December 2021.

**DELOITTE RESTRUCTURING INC.,**

In its capacity as Court-appointed  
Companies' Creditors Arrangement Act Monitor of  
Otso Gold Corp, Otso Gold OY, Otso Gold AB and  
2273265 Alberta Ltd  
and not in its personal capacity.

Per:



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Melinda McKie, CPA, CMA, CIRP, LIT  
Senior Vice-President

# APPENDIX "A"



## **SUBSEQUENT HEARING DATE**

2. The hearing of the Petitioners' application for an extension of the Stay Period (as defined in paragraph 15 of this Order) and for any ancillary relief shall be held at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 10:00 a.m. on Monday, the 13th day of December, 2021 or such other date as this Court may order.

## **PLAN OF ARRANGEMENT**

3. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

## **POSSESSION OF PROPERTY AND OPERATIONS**

4. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"), and continue to carry on its business (the "Business") in the ordinary course and in a manner consistent with the preservation of the Business and the Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

5. The Petitioners shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the Order Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the

ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively “Wages”); and

- (b) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners’ restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Petitioner, whenever and wherever incurred, in respect of:
  - (i) these proceedings or any other similar proceedings in other jurisdictions in which the Petitioner or any subsidiaries or affiliated companies of the Petitioner are domiciled;
  - (ii) any litigation in which the Petitioner is named as a party or is otherwise involved, whether commenced before or after the Order Date; and
  - (iii) any related corporate matters.

6. Except as otherwise provided herein, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors’ and officers’ insurance), maintenance and security services, provided that any capital expenditure exceeding \$500,000 shall be approved by the Monitor;
- (b) all obligations incurred by the Petitioners after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioners’ obligations incurred prior to the Order Date); and



- (c) fees and disbursements of the kind referred to in paragraph 5(b) which may be incurred after the Order Date.

7. The Petitioners are authorized to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, “Sales Taxes”) required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

8. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioner and the landlord from time to time (“Rent”), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not

in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Order Date shall also be paid.

9. Except as specifically permitted herein, the Petitioners are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioner to any of its creditors as of the Order Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of its Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to its customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioners to such customers as of the Order Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

## **RESTRUCTURING**

10. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), the Petitioners shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of its Business or operations and commence marketing efforts in respect of any of its

redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$200,000 in any one transaction or \$500,000 in the aggregate;

- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing for its Business or Property, in whole or part;

all of the foregoing to permit the Petitioners to proceed with an orderly restructuring of the Business (the "**Restructuring**").

11. The Petitioners shall provide each of the relevant landlords with notice of the Petitioner's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Petitioner's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors who claim a security interest in the fixtures, such landlord and the Petitioner, or by further Order of this Court upon application by the Petitioners, the landlord or the applicable secured creditors on at least two (2) clear days' notice to the other parties. If a Petitioner disclaims any lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Petitioner's claim to the fixtures in dispute.

12. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Petitioner and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against such Petitioner, or any other rights the

landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Petitioner of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

13. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable (the “**Relevant Enactment**”), the Petitioners, in the course of these proceedings, are permitted to, and hereby shall, disclose personal information of identifiable individuals in its possession or control to stakeholders, its advisors, prospective investors, financiers, buyers or strategic partners (collectively, “**Third Parties**”), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties shall return the personal information to the Petitioner or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

#### **STAY OF PROCEEDINGS, RIGHTS AND REMEDIES**

14. Until and including December 13, 2021 or such later date as this Court may order (the “**Stay Period**”), no action, suit or proceeding in any court or tribunal (each, a “**Proceeding**”)

against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the Petitioners and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

15. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “Persons” and each being a “Person”) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Petitioners and the Monitor or leave of this Court.

16. Nothing in this Order, including paragraphs 14 and 15 shall: (i) empower the Petitioners to carry on any business which the Petitioner is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Petitioners.

#### **NO INTERFERENCE WITH RIGHTS**

17. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Petitioner, except with the written consent of the Petitioners and the Monitor or leave of this Court.

## **CONTINUATION OF SERVICES**

18. During the Stay Period, all Persons having oral or written agreements with any or all of Petitioners or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Petitioner, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by such Petitioner or Petitioners, and that the Petitioner or Petitioners shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Order Date are paid by such Petitioner or Petitioners in accordance with normal payment practices of such Petitioner or such other practices as may be agreed upon by the supplier or service provider and such Petitioner and the Monitor, or as may be ordered by this Court.

## **NON-DEROGATION OF RIGHTS**

19. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Petitioners on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Petitioners with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Petitioners whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or

performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Petitioners that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

#### **DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE**

21. The Petitioner shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Petitioner after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

#### **APPOINTMENT OF MONITOR**

22. Deloitte Restructuring Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Petitioners with the powers and obligations set out in the CCAA or set forth herein, and that the Petitioners and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioners pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Petitioners' receipts and disbursements;

- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Petitioners, to the extent required by the Petitioners, in their dissemination, to the Interim Lender (as hereinafter defined) and its counsel on a periodic basis of financial and other information as agreed to between the Petitioner and the Interim Lender which may be used in these proceedings including reporting on a basis to be agreed with the Interim Lender;
- (d) advise the Petitioners in their preparation of the Petitioners' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis, but not less than monthly, or as otherwise agreed to by the Interim Lender;
- (e) advise the Petitioners in their development of the Plan and any amendments to the Plan;
- (f) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and



- (i) perform such other duties as are required by this Order or by this Court from time to time.

24. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

25. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**") provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. The Monitor shall provide any creditor of the Petitioners and the Interim Lender with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioners is

confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Petitioners may agree.

27. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

28. Any party with knowledge of this order in possession of any books, records, data, including data in electronic form, or other documents that are property of the Petitioners (the "Petitioners' Records"), including any such Property created by parties engaged in management of the Petitioners, shall take steps to preserve such Petitioners' Records.

#### **ADMINISTRATION CHARGE**

29. The Monitor, counsel to the Monitor, if any, and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioners as part of the cost of these proceedings. The Petitioners are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioners on a periodic basis and, in addition, the Petitioners is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Petitioner, retainers in any amount requested by any of them to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

30. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

31. The Monitor, counsel to the Monitor, if any, and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order which are related to the Petitioner’s restructuring. The Administration Charge shall have the priority set out in paragraph 33 hereof.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

32. Any security documentation evidencing, or the filing, registration or perfection of, the Administration Charge shall not be required, and the Administration Charge shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Administration Charge coming into existence, notwithstanding any failure to file, register or perfect any such Administration Charge.

33. The Administration Charge shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”), in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA.

34. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Administration Charge, unless the Petitioners obtain the prior written consent of the Monitor and the beneficiaries of the Administration Charge.

35. The Administration Charge, and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the

general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “Agreement”) which binds the Petitioner; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Petitioner of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioner entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Petitioners pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

36. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Petitioners’ interest in such real property leases.

#### **SERVICE AND NOTICE**

37. The Monitor shall (i) without delay, publish in The Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after Order Date, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioner of more than

\$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

38. The Petitioners and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioners' creditors or other interested parties at their respective addresses as last shown on the records of the Petitioner and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

39. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "Service List") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: [www.insolvencies.deloitte.ca/en-ca/otsogoldcorp](http://www.insolvencies.deloitte.ca/en-ca/otsogoldcorp)

40. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on its website at: [www.insolvencies.deloitte.ca/en-ca/otsogoldcorp](http://www.insolvencies.deloitte.ca/en-ca/otsogoldcorp)

41. Notwithstanding paragraphs 38 and 40 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

#### **GENERAL**

42. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of its powers and duties hereunder.

43. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.

44. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including but not limited to the District Court of Stockholm or any other District Court in any other judicial district in Sweden, as well as the District Court of Ouluto or any competent Court in Finland, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioner and the Monitor and their respective agents in carrying out the terms of this Order.

45. Each of the Petitioners and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Petitioners to apply for relief pursuant to any applicable local statutes or regulations.

46. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Petitioner determines that such a filing is appropriate.

47. The Petitioners are hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

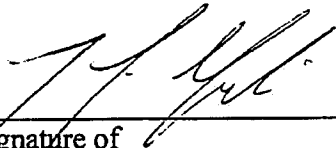
48. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

49. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

50. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioners is hereby dispensed with.

51. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

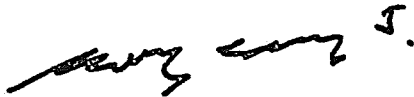
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



\_\_\_\_\_  
Signature of

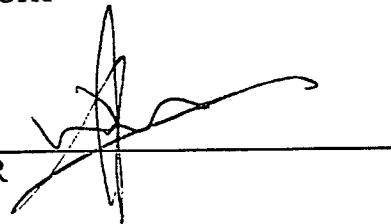
Party  Lawyer for the Petitioners

For Rebecca Morse



BY THE COURT

\_\_\_\_\_  
REGISTRAR



*Handwritten initials*  
\_\_\_\_\_

# APPENDIX "B"



## Background to the situation

Based on the decision of the board meeting of Brunswick Gold Corp. held on 30 Nov 2021, Alvarez & Marsal has been appointed to serve Otso Gold with two interim management roles after the previous management team had resigned. Dan Andersson has been appointed to serve as Chief Restructuring Officer (“CRO”) of Otso Gold Oy and Interim CEO of Otso Gold Corp. and Thomas Dillenseger to serve as interim Chief Financial Officer (“CFO”) of Otso Gold Oy (the Company). Due to the tight financial situation and higher than expected costs associated with the ramp-up of operations, the Otso Gold Corp has decided to file for CCAA proceedings on 3 Dec 2021 in order to restructure its obligations. In parallel the Finnish and Swedish entities have filed for local restructuring proceedings.

Primary duties of the CRO comprise the running of Otso Gold’s leadership team as well as preparations of a restructuring plan. The restructuring plan will focus on i) reviewing and improving workforce and contractor performance, ii) ensuring on-time and on-budget delivery of the start-up and first phase operations of the Laivakangas mine, iii) assessing and implementing any cost reduction and operational improvement opportunities. Additionally, the CRO advises and assists the COB in developing the Board’s independent and autonomous review of possible restructuring plans or strategic alternatives in order to maximize the enterprise value and secure continuation of the business.

The CFO is a part of Otso Gold’s leadership team and his focus areas are to take over responsibility and gain visibility on the Company’s finance, controlling, tax and treasury functions. Additionally, the CFO advises in i) the development of a budget in line with restructuring initiatives, ii) improvement of internal- and stakeholder reporting, iii) cash and working capital management, including development of a 13 week rolling cash flow and implementation of optimum financing structure. The CFO also serves as the principal contact person to the Company’s creditors.

## Current state of operations (week 49)

- CRO-stream has initiated on-site management during the week 48. The mine along with its processing facility became fully operational during week on 4 Dec 2021.
- The operations will be out into hibernation in week 50, in order to secure continuation of operations thereafter.
- Supplier and contractor negotiations for continued operations during CCAA proceedings has been initiated
- A short-term mining plan (produced by head of mining) has been reviewed, and preparations for building of long-term mining plan for FY22 has been initiated by A&M and external mining specialist Mr. Pavel Ustenko

## Current state of finance & cashflow (week 49)

- CFO-stream has started reviewing the Company’s financial information, including internal and external accounting reports, to build an understanding of the Company’s financial position and identify development needs in the finance function.
- Granting of access to Company bank accounts and signature rights to the new management team members has been initiated.
- The Company had a monthly cash flow forecast for 2022 that was based on a combination of a model produced by John T. Boyd and previous management’s budget. A&M has reviewed

this long-term model, and on the basis of it and discussions with key Company personnel produced a more detailed cash flow forecast until 14 Jan 2022.

- A new cash flow forecast for 2022 will be produced on the basis of the new mining plan when completed.

# APPENDIX "C"

Province of British Columbia  
Court File No.: 52110503

**NOTICE TO CREDITORS OF  
OTSO GOLD CORP  
NOTICE OF CCAA FILING**

Notice is hereby given that on December 3, 2021, Otso Gold Corp, Otso Gold OY, Otso Gold AB and 2273265 Alberta Ltd., sought and obtained from the Supreme Court of British Columbia an initial order (the "Initial Order") under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA"). Pursuant to the Initial Order, Deloitte Restructuring Inc. has been appointed as CCAA monitor (the "Monitor").

PLEASE TAKE NOTICE that a copy of the Initial Order and other public information concerning these CCAA proceedings can be found on the Monitor's website at <https://www.insolvencies.deloitte.ca/en-ca/pages/OtsoGoldCorp> or may be obtained by contacting the Monitor at:

**DELOITTE RESTRUCTURING INC.**

939 Granville Street  
Vancouver, British Columbia, V6B 3V7  
Tel: 403-503-1423  
Fax: 604-602-1583  
Email: [naomcgregor@deloitte.ca](mailto:naomcgregor@deloitte.ca)

**Deloitte**

# APPENDIX "D"



Deloitte Restructuring Inc.  
939 Granville Street  
Vancouver BC V6Z 1L3  
Canada

Tel: 604-640-3253  
Fax: 604-602-1583  
[www.deloitte.ca](http://www.deloitte.ca)

December 9, 2021

To Whom It May Concern:

**RE: Otso Gold Corp  
Otso Gold OY  
Otso Gold AB  
2273265 Alberta Ltd**

Take notice that on December 3, 2021, Otso Gold Corp, Otso Gold OY, Otso Gold AB and 2273265 Alberta Ltd. (collectively, the "**Petitioners**" or "**Otso**") sought and obtained protection pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") before the Supreme Court of British Columbia (the "**Court**").

Deloitte Restructuring Inc. has been appointed as monitor in the Petitioners' CCAA proceedings (the "**Monitor**") pursuant to the Initial Order of the Court dated December 3, 2021 (the "**Initial Order**").

Copies of the Initial Order and the Petitioners' application materials have been posted on the Monitor's website at: <http://www.insolvencies.deloitte.ca/en-ca/Otso> (the "**Monitor's Website**"). The Monitor will post additional documents, including its reports to the Court on the Monitor's Website as they become available, and interested parties are encouraged to refer to the Monitor's Website frequently for updates on the status of Otso's CCAA proceedings.

The Initial Order provides, among other things, for a stay of proceedings until December 13, 2021 (the "**Stay Period**"). The Stay Period may be extended by the Court from time to time. Court Orders were also obtained in Sweden and Finland, copies of those Orders (and other materials) will also be posted to the Monitor's Website as they are received.

During the Stay Period, all parties are prohibited from commencing or continuing legal or enforcement actions against the Petitioners and all rights and remedies of any party against or in respect of the Petitioners or its assets are stayed and suspended except with the written consent of the Petitioners and the Monitor or leave of the Court.

Pursuant to the Initial Order, parties having oral or written agreements with Otso for the supply of goods and/or services are restrained until further order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by Otso, provided that the normal prices or charges for such goods or services provided after December 3, 2021 are paid by Otso in accordance with normal payment practices, or as may be agreed among the supplier or service provider, Otso and the Monitor, or as may be ordered by the Court. The Initial Order prohibits Otso from making payment on amounts relating to the supply of goods and services prior to December 3, 2021. Pursuant to the Initial Order, you are not required to extend further credit.

Included in this package is a list of creditors with claims exceeding \$1,000 and was prepared based on information available from the Petitioners' books and records as of December 9, 2021. Creditors are not required to file a proof of claim at this time.

In the Matter of a Plan of Compromise or Arrangement of  
Otso Gold Corp, Otso Gold OY, Otso Gold AB, and 2273265 Alberta Ltd.  
December 9, 2021

Yours truly,

**DELOITTE RESTRUCTURING INC.**

In its capacity as Court-appointed  
Companies' Creditors Arrangement Act Monitor of  
Otso Gold Corp, Otso Gold OY, Otso Gold AB and  
2273265 Alberta Ltd  
and not in its personal capacity.



Melinda McKie, CPA, CMA, CIRP, LIT  
Senior Vice President

Enclosures

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT , R.S.C. 1985, c.C-36 AS AMENDED  
AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
OTSO GOLD AB**

**List of Creditors**

1. The attached list of creditors with claims > \$1,000 was prepared based on information available from the books and records of Otso Gold AB as of December 9, 2021.
2. This list is provided pursuant to section 23(1)(a) of the CCAA and the regulations made thereunder and has been prepared without admission as to the liability for, or the quantum of, any of the amounts shown.
3. All non-Canadian amounts have been converted to Canadian currency using the applicable daily average exchange rate as at December 3, 2021.
4. Creditors are not required to submit a proof of claim at this time

<b>Creditor Name</b>	<b>Street Address</b>	<b>City</b>	<b>Country</b>	<b>Postal Code</b>	<b>Original Amount(\$)</b>	<b>Currency</b>	<b>FX Rate</b>	<b>Converted Amount (CA\$)</b>
Nordic Mines Marknad AB	c/o Torbjörn Bygdén, Murgrönsvägen 23	Älvsjö	Sweden	S-125 55	3,156,534	Swedish Krona	0.1402	442,546
Nordic Ventures Advisory AB	c/o Torbjörn Bygdén, Murgrönsvägen 23	Älvsjö	Sweden	S-125 55	27,770	US Dollar	0.1402	3,893
Haem Consulting AB	St. Olofsgatan 33 A	Uppsala	Sweden	S-753 30	12,941	Swedish Krona	0.1402	1,814



IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED  
AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
OTSO GOLD OY

List of Creditors

1. The attached list of creditors with claims > \$1,000 was prepared based on information available from the books and records of Otso Gold Oy as of December 9, 2021.
2. This list is provided pursuant to section 23(1)(a) of the CCAA and the regulations made thereunder and has been prepared without admission as to the liability for, or the quantum of, any of the amounts shown.
3. All non-Canadian amounts have been converted to Canadian currency using the applicable daily average exchange rate as at December 3, 2021.
4. Creditors are not required to submit a proof of claim at this time

Creditor Name	Street Address	City	Country	Postal Code	Original Amount(\$)	Currency	FX Rate	Converted Amount (CA\$)
Tallqvist	Unknown	Unknown	Unknown	Unknown	5,132,069	Unknown	n/a	n/a
E. Hartikainen Oy	PL 307	Joensuu	Finland	80101	2,224,706	Unknown	n/a	n/a
Brunei Energy, Inc	9811 Katy Freeway	Houston	USA	77024	495,124	Unknown	n/a	n/a
Vattenfall Oy	Konepajankuja 3 B	Helsinki	Finland	00510	348,377	Unknown	n/a	n/a
Advokatbyrå Waselius & Wist Ab	Södra Esplanaden 24 A	Helsinki	Finland	00130	335,924	Unknown	n/a	n/a
Radial Drilling Ltd	Lee View House 13	Cork	Ireland	T12 TOCT	238,276	Unknown	n/a	n/a
Orica Finland Oy	Jussilankatu 6	Lahti	Finland	15680	233,755	Unknown	n/a	n/a
Eläkevakuutusosakeyhtiö Veritas	Lemminkäisenkatu 34	Turku	Finland	20520	221,276	Unknown	n/a	n/a
Metso Outotec Finland Oy	PL 306	Tampere	Finland	33101	154,709	Unknown	n/a	n/a
Rannikon Konepalvelu Oy	Rantakatu 8 A	Raahе	Finland	92100	86,212	Unknown	n/a	n/a
KP-asennus	Yövartiantie 2	Ruukki	Finland	92400	82,870	Unknown	n/a	n/a
Adrok PGM	49-1 West Bowling Green Street	Edinburgh	Scotland, UK	EH6 5NX	79,704	Unknown	n/a	n/a
Elenia Verkkö Oyj	Patamäenkatu 7	Tampere	Finland	33900	74,925	Unknown	n/a	n/a
Coffey Geotechnics Limited	1 Northfield Road	Reading	United Kingdom	RG1 8AH	70,976	Unknown	n/a	n/a
Elra Oy	Lampputie 2	Helsinki	Finland	00740	65,161	Unknown	n/a	n/a
EC Svenska AB	Rusthällarvägen 37	Bagarmossen	Sweden	128 43	60,415	Unknown	n/a	n/a
Finn Urakointi Oy	Ylipääntie 400	Piehinki	Finland	92220	59,394	Unknown	n/a	n/a
Raahen Vesi Oy	Marintie 10	Pattijoki	Finland	92140	58,396	Unknown	n/a	n/a
Contitech Finland Oy	PL 9	Tampere	Finland	33331	53,626	Unknown	n/a	n/a
Sma Mineral Oy	Selleenkatu 281	Tomio	Finland	90540	49,905	Unknown	n/a	n/a
Aallon Oulu Oy	Teknoligiantie 2	Oulu	Finland	90590	40,308	Unknown	n/a	n/a
Omp-Konepaja Oy	Lumjoentie 2	Oulu	Finland	90400	40,290	Unknown	n/a	n/a
Peab Industrij Oy	Karvaamokuja 2 A	Helsinki	Finland	00380	38,619	Unknown	n/a	n/a
Team Simisami Oy	Liuskatie 1	Oulu	Finland	90620	33,698	Unknown	n/a	n/a
Mineral Services Co.	11475 West I-10 Frontage Road North	Wheat Ridge	USA	80033	32,603	Unknown	n/a	n/a
Alucrom Oy	Tiedekatu 2	Seinäjäki	Finland	60320	28,272	Unknown	n/a	n/a
Geotrim Oy	Perintökuja 6	Vantaa	Finland	01510	26,877	Unknown	n/a	n/a
Ramirent Finland Oy	PL 31	Helsinki	Finland	00751	25,892	Unknown	n/a	n/a
Raahen Sht Oy	Rakentajankatu 6	Raahе	Finland	92130	25,650	Unknown	n/a	n/a
Caverion Suomi Oy	PL 501	Vantaa	Finland	01651	20,520	Unknown	n/a	n/a
Pohjolan Sähkösepat Oy	Laitatie 8	Haapavesi	Finland	86600	20,390	Unknown	n/a	n/a
Raahen Asuntosijoitus Oy	Rajaholmantie 14	Pattijoki	Finland	92140	17,826	Unknown	n/a	n/a
Holger Hartmann Oy	Pispalan valtatie 124	Tampere	Finland	33270	17,748	Unknown	n/a	n/a
Intrum Oy	PL 47	Helsinki	Finland	00811	17,660	Unknown	n/a	n/a
Oulun uretaanieristys Ky	Kosunimentie 18	Rova, Domžale	Slovenia	91510	17,360	Unknown	n/a	n/a
Suomen Terveystalo Oy	Jaakonkatu 3 A	Helsinki	Finland	00100	16,938	Unknown	n/a	n/a
Ramboll Cm Oy	PL 25	Espoo	Finland	02601	16,386	Unknown	n/a	n/a
Wardell Armstrong International	Sir Henry Doulton House, Forge Lane	Cornwall	United Kingdom	TR3 6 EH	16,183	Unknown	n/a	n/a
Kiinteistöhuolto Jurvelin Oy	Haaransuontie 19	Oulu	Finland	90240	14,408	Unknown	n/a	n/a
Arbetslöshetsförsäkringsfonden	PL 191	Helsinki	Finland	00120	13,127	Unknown	n/a	n/a
Aquator Oy	Hiltusentie 20 B 9	Oulu	Finland	90620	11,957	Unknown	n/a	n/a
If Vahinkovakuutusyhtiö Oy	PL 4	Espoo	Finland	00025	11,370	Unknown	n/a	n/a
JFP Executive Search Oy	Aleksanterinkatu 15 A	Helsinki	Finland	00100	11,227	Unknown	n/a	n/a
Viksea Oy	Vanikkopolku 3 A 2	Raahе	Finland	92100	10,850	Unknown	n/a	n/a
Pronto Solutions Alliance Canada Inc	310 Centre Street Shout	Whitby	Canada	L1N 4V9	10,300	Unknown	n/a	n/a
Impomet Oy	Nuutisarankatu 22	Tampere	Finland	33900	10,251	Unknown	n/a	n/a
Owatec Group Oy	Teknoligiantie 18	Oulu	Finland	90590	8,556	Unknown	n/a	n/a
MPC Pty Ltd, Mineral Proce	Unit 3, 30 Furness Road	Landsdale	Australia	6065	8,276	Unknown	n/a	n/a
E. Helaaoski Oy	Kirkkokatu 33 B	Raahе	Finland	92100	7,909	Unknown	n/a	n/a
Lopen Maa ja Vesirakenne Oy	Helsingintie 2466 B	Riihimäki	Finland	11910	7,407	Unknown	n/a	n/a
Knight Piesold Limited	L 1 184 Adelaide Tce East Perth	East Perth	Australia	6004	7,322	Unknown	n/a	n/a
RJ-Elektro Oy	Kisällintie 1	Leppävesi	Finland	41310	7,311	Unknown	n/a	n/a
Langin Kauppahuone Oy	Kirkkokatu 19	Raahе	Finland	92100	7,116	Unknown	n/a	n/a
Norfil Oy	Liitintie 13	Oulu	Finland	90620	5,980	Unknown	n/a	n/a
Raahen Ykköpalvelu Oy	Antinkankaantie 35	Raahе	Finland	92130	5,917	Unknown	n/a	n/a
Sio Oy	PL 88	Vantaa	Finland	01741	5,848	Unknown	n/a	n/a
Projektipalvelu Specpro Oy	Liitokurenkaari 16	Jyväskylä	Finland	40320	5,741	Unknown	n/a	n/a
Loomis Suomi Oy	PL 6000	Vantaa	Finland	01511	5,691	Unknown	n/a	n/a
Fuchs Oil Finland Oy	Wolffintie 36 M 10	Vaasa	Finland	65200	5,189	Unknown	n/a	n/a
HSK Sähkö Oy	Yrityskalliontie 1	Kalajoki	Finland	85100	5,176	Unknown	n/a	n/a
Valmet Automation Oy	PL 11	Espoo	Finland	02151	5,109	Unknown	n/a	n/a
Ce Rental Oy	Turkkirata 31	Pirkkala	Finland	33960	5,031	Unknown	n/a	n/a
Laplands Hotels Oy	Yrjö Kokontie 4	Muonio	Finland	99300	5,000	Unknown	n/a	n/a
Normaint Oy	c/o Teknologiapuisto, Kehraämöntie 7	Kajaani	Finland	87400	4,979	Unknown	n/a	n/a
Rotator Oy	PL 10	Pirkkala	Finland	33961	4,848	Unknown	n/a	n/a
Stuk Säleilyturvakeskus	PL 14	Helsinki	Finland	00811	4,695	Unknown	n/a	n/a
Oil House Finland Oy	Talvitie 46	Kajaani	Finland	87500	4,552	Unknown	n/a	n/a
Stratus Managed Services Inc.	310 Centre St S	Whitby	Canada	L1N 4V9	4,457	Unknown	n/a	n/a
Meca-Trade Oy	Mikkolantie 32	Pori	Finland	28130	4,439	Unknown	n/a	n/a
Teca Oy	Tiilitie 6	Vantaa	Finland	01720	4,194	Unknown	n/a	n/a
Safesid Oy	c/o BTF Revision Helsingfors Ab, Kotkagatan 8	Helsinki	Finland	00510	4,083	Unknown	n/a	n/a
Joi-Rent Oy	Huoltokatu 4	Raahе	Finland	92150	3,859	Unknown	n/a	n/a
Dmb Consulting Ky	Metsäpuhlo 1	Saloinen	Finland	92160	3,533	Unknown	n/a	n/a
Rotarent Oy	Tuottoitie 4	Pirkkala	Finland	33961	3,466	Unknown	n/a	n/a
Prominent Finland Oy	Oraphilajatie 39	Helsinki	Finland	00320	3,287	Unknown	n/a	n/a
Hyx Oy	PL 16	Kerava	Finland	04261	3,271	Unknown	n/a	n/a
Silmäasema Optiikka Oy	Saaristonkatu 22	Oulu	Finland	90100	3,172	Unknown	n/a	n/a

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED  
AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
OTSO GOLD OY

List of Creditors

1. The attached list of creditors with claims > \$1,000 was prepared based on information available from the books and records of Otso Gold Oy as of December 9, 2021.
2. This list is provided pursuant to section 23(1)(a) of the CCAA and the regulations made thereunder and has been prepared without admission as to the liability for, or the quantum of, any of the amounts shown.
3. All non-Canadian amounts have been converted to Canadian currency using the applicable daily average exchange rate as at December 3, 2021.
4. Creditors are not required to submit a proof of claim at this time

Creditor Name	Street Address	City	Country	Postal Code	Original Amount(\$)	Currency	FX Rate	Converted Amount (CAD)
L&T Teollisuuspalvelut Oy	Valimotie 27	Helsinki	Finland	00380	3,166	Unknown	n/a	n/a
Envineer Oy	PL 1199	Kuopio	Finland	70211	3,058	Unknown	n/a	n/a
Kwa Impact Oy	Sörnäistenkatu 2	Helsinki	Finland	00580	3,009	Unknown	n/a	n/a
Havator Oy	PL 24	Tornio	Finland	95401	2,740	Unknown	n/a	n/a
Säteilyturvakeskus-Stuk	PL 14	Helsinki	Finland	00811	2,740	Unknown	n/a	n/a
Oy Linde Gas Ab	Ilsehallintokuja 6	Espoo	Finland	02600	2,725	Unknown	n/a	n/a
Vaiscom Oy	Ahlströmintie 1 C	Ruukki	Finland	92400	2,652	Unknown	n/a	n/a
Työllisyysrahasto	PL 191	Helsinki	Finland	00120	2,648	Unknown	n/a	n/a
Axflow Oy	Jokisuunkuja 3	Helsinki	Finland	00560	2,499	Unknown	n/a	n/a
Epiroc Finland Oy Ab	Itäinen Valkoisenlähteentie 14 A	Vantaa	Finland	01380	2,430	Unknown	n/a	n/a
Raahen Autohuolto Oy	Kirkkotarhantie 12	Pattijoki	Finland	92140	2,396	Unknown	n/a	n/a
Raahen Motocafe Oy	PL 74	Raahе	Finland	92101	2,290	Unknown	n/a	n/a
Reijo Mehtälä Oy	Ristikarinkatu 53	Raahе	Finland	92100	2,256	Unknown	n/a	n/a
Geostats Pty Ltd	20 Hines Rd	O'Connor	Australia	6163	2,227	Unknown	n/a	n/a
SA-TU Logistics	Komentosilta 1	Helsinki	Finland	00980	2,208	Unknown	n/a	n/a
Nurmesen Työstö Ja Tarvike Oy	Pöppöläntie 14	Nurmes	Finland	75500	2,189	Unknown	n/a	n/a
Tullin Pullti Oy	Tyrnäväntie 4	Oulu	Finland	90400	2,177	Unknown	n/a	n/a
Asianajotoimisto Norra Oy	Kauppurienkatu 12 A	Oulu	Finland	90100	2,170	Unknown	n/a	n/a
Suomen Kaukokiito Oy	Teollisuustie 7	Tampere	Finland	33330	2,115	Unknown	n/a	n/a
Santander Consumer Finance Oy	Risto Rytin tie 33	Helsinki	Finland	57	2,106	Unknown	n/a	n/a
Accountor HR Solutions Oy	Akerlundinkatu 11	Tampere	Finland	33100	2,030	Unknown	n/a	n/a
Raahen Konepajatyö Oy	Pajakatu 3	Raahе	Finland	92100	2,009	Unknown	n/a	n/a
Pohjois-Pohjanmaan ELY keskus	Veteraaninkatu 1	Oulu	Finland	90130	2,000	Unknown	n/a	n/a
Insinööritoimisto Raksainssit Oy	Antinkankaantie 24 C 2	Raahе	Finland	92130	1,860	Unknown	n/a	n/a
Grano Oy	Kuortaneenkatu 1	Helsinki	Finland	00520	1,767	Unknown	n/a	n/a
Ruukin Pintako Oy	Siihajoentie 209	Pattijoki	Finland	92140	1,751	Unknown	n/a	n/a
Dna Oy	Lakkisepantie 21 PO Box 10	Helsinki	Finland	01044	1,747	Unknown	n/a	n/a
Raahen Kasari Oy	Kirkkokatu 28	Raahе	Finland	92100	1,739	Unknown	n/a	n/a
Raahen Taksiasema Oy	Fellmanin puistokatu 19 B 1	Raahе	Finland	92100	1,738	Unknown	n/a	n/a
Gwm-Engineering Oy	Savilahdentie 6 L 20	Kuopio	Finland	70210	1,724	Unknown	n/a	n/a
Eurofins Ahma Oy	PL 96	Rovaniemi	Finland	96101	1,606	Unknown	n/a	n/a
Kallunki Arto Juhani	Rantatie 4	Ylivieska	Finland	84100	1,538	Unknown	n/a	n/a
Densiq Oy	Gneissikuja 1	Oulu	Finland	90620	1,494	Unknown	n/a	n/a
Haitor Oy	Vijelijäntie 8	Helsinki	Finland	00410	1,450	Unknown	n/a	n/a
Kontram Oy	PL 741	Vantaa	Finland	01741	1,433	Unknown	n/a	n/a
Nordea Rahoitus Suomi Oy	Aleksis Kiven katu 9	Helsinki	Finland	00020	1,424	Unknown	n/a	n/a
Collector Bank Ab	PL 79	Helsinki	Finland	00101	1,319	Unknown	n/a	n/a
Kodinkonehuolto Pee-Tee Ky	Rakentajankatu 5	Raahе	Finland	92130	1,250	Unknown	n/a	n/a
Rematiplop Oy	Hakamaenkuja 7	Vantaa	Finland	01510	1,207	Unknown	n/a	n/a
Owela Oy	PL 11	Sillinjärvi	Finland	71801	1,172	Unknown	n/a	n/a
Raahen Monisivous Oy	Muurarinkatu 3b	Raahе	Finland	92120	1,144	Unknown	n/a	n/a
Muistix Oy	Juurakkokatu 2	Saloinen	Finland	92160	1,066	Unknown	n/a	n/a
Mitta Oy	Typpiie 1	Oulu	Finland	90620	1,045	Unknown	n/a	n/a

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED  
AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
OTSO GOLD CORP**

**List of Creditors**

1. The attached list of creditors with claims > \$1,000 was prepared based on information available from the books and records of Otso Gold Corp as of December 9, 2021.
2. This list is provided pursuant to section 23(1)(a) of the CCAA and the regulations made thereunder and has been prepared without admission as to the liability for, or the quantum of, any of the amounts shown.
3. All non-Canadian amounts have been converted to Canadian currency using the applicable daily average exchange rate as at December 3, 2021.
4. Creditors are not required to submit a proof of claim at this time

Creditor Name	Street Address	City	Country	Postal Code	Original Amount(\$)	Currency	FX Rate	Converted Amount (CA\$)
John T. Boyd Company	c/o Gregory B. Sparks, Dominion Plaza, Suite 2800, 600 17th St	Denver	USA	80202	318,500	USD	1.2812	408,062
Lionsbridge Pty Ltd	Level 29, Chifley Tower, 2 Chifley	Sydney	Australia	2000	165,089	CAD	n/a	165,089
Pricewaterhouse	PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400	Vancouver	Canada	V6C 3S7	132,523	CAD	n/a	132,523
Pandion Mine	437 Madison Avenue, 25th Floor	New York	USA	10022	111,159	CAD	n/a	111,159
GFD & SMD	c/o Greg Duras - Unknown	Unknown	Unknown	Unknown	76,863	CAD	n/a	76,863
NGR USD	Unknown	Unknown	Unknown	Unknown	64,346	CAD	n/a	64,346
Investing News Network	L200 - 560 Beatty Street	Vancouver	Canada	V6N 2L3	62,030	CAD	n/a	62,030
Chris Towsey	Unknown	Unknown	Unknown	Unknown	39,620	CAD	n/a	39,620
Aird & Berlis	Brookfield Place, 181 Bay Street, Suite 1800	Toronto	Canada	M5J 2T9	34,325	CAD	n/a	34,325
Computershare	510 Burrard Street, 3rd Floor	Vancouver	Canada	V6C 3B9	18,752	CAD	n/a	18,752
Borden Ladner Gervais LLP	Centennial Place, East Tower, 1900, 520 - 3rd Ave. SW	Calgary	Canada	T2P 0R3	11,758	CAD	n/a	11,758
Nordic Ventures Advisory AB	c/o Torbjörn Bygdén, Murgrönsvägen 23	Ålvsjö	Sweden	S-125 55	11,538	CAD	n/a	11,538
BH Legal	1030 W Georgia St #1012	Vancouver	Canada	V6E 2Y3	10,286	CAD	n/a	10,286
Twin Butte	Unknown	Unknown	Unknown	Unknown	8,680	CAD	n/a	8,680
121 Group Usd	c/o Alex Harris - Unknown	Unknown	Unknown	Unknown	7,595	CAD	n/a	7,595
Martin Smith	44 Angelica Road	Bisley	United Kingdom	GU249EY	6,200	CAD	n/a	6,200
Streetwise	Unknown	Unknown	Unknown	Unknown	4,746	CAD	n/a	4,746
Ansarada Pty Limited	Level 2, 80 George Street	The Rocks	Australia	2000	3,561	CAD	n/a	3,561
Harbourfront	c/o Nam Nguyen - Unknown	Unknown	Unknown	Unknown	3,408	CAD	n/a	3,408
Ares Mining	Unit 1001 - 409 Granville Street	Vancouver	Canada	V6C 1T2	2,923	CAD	n/a	2,923
Hamilton Sek	Unknown	Unknown	Unknown	Unknown	1,438	CAD	n/a	1,438
BMO Credit Card - Corp	595 Burrard Street	Vancouver	Canada	V7X 1L7	Unknown	CAD	n/a	Unknown

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED  
AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
2273265 ALBERTA LTD.

List of Creditors

1. The attached list of creditors with claims > \$1,000 was prepared based on information available from the books and records of 2273265 Alberta Ltd. as of December 9, 2021.
2. This list is provided pursuant to section 23(1)(a) of the CCAA and the regulations made thereunder and has been prepared without admission as to the liability for, or the quantum of, any of the amounts shown.
3. All non-Canadian amounts have been converted to Canadian currency using the applicable daily average exchange rate as at December 3, 2021.
4. Creditors are not required to submit a proof of claim at this time

Creditor Name	Street Address	City	Country	Postal Code	Original Amount(\$)	Currency	FX Rate	Converted Amount (CA\$)
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

# APPENDIX "E"

In the Matter of the Companies Creditor Arrangement Act ("CCAA") proceedings of  
 Otso Gold Corp, Otso Gold OY, Otso Gold AB and 2273265 Alberta Ltd. (collectively "Otso")  
 For the 13-week period ending March 4, 2022  
 (Unaudited, CAD\$)

	week 1	week 2	week 3	week 4	week 5	week 6	week 7	week 8	week 9	week 10	week 11	week 12	week 13
<b>Revenue</b>													
gold	982,861	-	641,026	-	-	-	-	-	2,105,954	2,105,954	2,105,954	2,105,954	2,105,954
silver	-	-	-	-	951,117	-	-	-	1,878	1,878	1,878	1,878	1,878
<b>Total Revenue</b>	<b>982,861</b>	<b>641,026</b>	<b>641,026</b>	<b>951,117</b>	<b>951,117</b>	<b>2,107,832</b>	<b>2,107,832</b>	<b>2,107,832</b>	<b>2,107,832</b>	<b>2,107,832</b>	<b>2,107,832</b>	<b>2,107,832</b>	<b>2,107,832</b>
<b>Payments</b>													
Mining costs	(741,738)	(118,952)	-	(118,952)	-	(118,952)	-	(118,952)	(966,449)	(966,449)	(966,449)	(966,449)	(966,449)
Processing costs	(170,762)	(177,271)	-	(177,271)	-	(177,271)	-	(177,271)	(574,404)	(574,404)	(574,404)	(574,404)	(574,404)
Infrastructure costs	-	-	-	-	-	-	-	-	(19,606)	(19,606)	(19,606)	(19,606)	(19,606)
Site indirect costs	(23,132)	(23,132)	(23,132)	(23,132)	(11,723)	(11,723)	(11,723)	(11,723)	(11,723)	(11,723)	(11,723)	(11,723)	(11,723)
Technical services	-	-	-	-	-	-	-	-	(19,843)	(19,843)	(19,843)	(19,843)	(19,843)
Safety	(45,012)	(45,012)	(45,012)	(45,012)	(57,145)	(57,145)	(57,145)	(57,145)	(7,882)	(7,882)	(7,882)	(7,882)	(7,882)
Environmental	(67,034)	(67,034)	(67,034)	(67,034)	(63,609)	(63,609)	(63,609)	(63,609)	(22,654)	(22,654)	(22,654)	(22,654)	(22,654)
G&A costs	(111,553)	(111,553)	(111,553)	(111,553)	(113,726)	(113,726)	(113,726)	(113,726)	(3,159)	(3,159)	(3,159)	(3,159)	(3,159)
Land tenure costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalties payable	-	-	-	-	-	-	-	-	(47,146)	(47,146)	(47,146)	(47,146)	(47,146)
Other operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in working capital	-	-	-	-	-	-	-	-	(751,947)	(751,947)	(751,947)	(751,947)	(751,947)
Repair and replacement capex	-	-	-	-	-	-	(614,578)	(614,578)	-	-	(507,051)	(507,051)	(507,051)
Sustaining capex	-	-	-	-	-	-	-	-	(411,538)	(411,538)	-	-	-
Mine Closure	-	-	-	-	-	(1,448,718)	(1,448,718)	(1,448,718)	-	-	-	-	-
<b>Total Payments</b>	<b>(1,159,231)</b>	<b>(542,954)</b>	<b>(246,731)</b>	<b>(545,359)</b>	<b>(246,204)</b>	<b>(542,426)</b>	<b>(2,509,499)</b>	<b>(1,467,990)</b>	<b>(2,436,555)</b>	<b>(2,903,094)</b>	<b>(4,863,863)</b>	<b>(3,003,606)</b>	<b>(1,810,546)</b>
<b>Net Cash Flow From Operations</b>	<b>(196,370)</b>	<b>(542,954)</b>	<b>394,295</b>	<b>(545,359)</b>	<b>704,913</b>	<b>(542,426)</b>	<b>(2,509,499)</b>	<b>(1,467,990)</b>	<b>(388,722)</b>	<b>(906,261)</b>	<b>(2,756,030)</b>	<b>(895,774)</b>	<b>297,287</b>
<b>Total restructuring costs</b>	<b>(80,353)</b>	<b>(220,301)</b>	<b>(155,455)</b>	<b>(81,192)</b>	<b>(181,077)</b>	<b>(205,523)</b>	<b>(158,823)</b>	<b>(195,387)</b>	<b>(163,823)</b>	<b>(195,041)</b>	<b>(144,336)</b>	<b>(160,900)</b>	<b>(149,336)</b>
<b>Net Cash Flow</b>	<b>(276,723)</b>	<b>(763,255)</b>	<b>238,840</b>	<b>(626,551)</b>	<b>523,836</b>	<b>(751,955)</b>	<b>(2,668,323)</b>	<b>(1,663,377)</b>	<b>(552,546)</b>	<b>(995,302)</b>	<b>(2,900,367)</b>	<b>(1,056,674)</b>	<b>147,950</b>
<b>Opening Cash balance (deficit)</b>	<b>1,656,698</b>	<b>1,379,975</b>	<b>616,720</b>	<b>855,560</b>	<b>229,008</b>	<b>752,844</b>	<b>889</b>	<b>(2,667,434)</b>	<b>(4,330,810)</b>	<b>(4,883,356)</b>	<b>(5,878,659)</b>	<b>(6,779,025)</b>	<b>(8,835,699)</b>
<b>Net Cash Flow</b>	<b>(276,723)</b>	<b>(763,255)</b>	<b>238,840</b>	<b>(626,551)</b>	<b>523,836</b>	<b>(751,955)</b>	<b>(2,668,323)</b>	<b>(1,663,377)</b>	<b>(552,546)</b>	<b>(995,302)</b>	<b>(2,900,367)</b>	<b>(1,056,674)</b>	<b>147,950</b>
<b>Closing Cash balance (deficit)</b>	<b>1,379,975</b>	<b>616,720</b>	<b>855,560</b>	<b>229,008</b>	<b>752,844</b>	<b>889</b>	<b>(2,667,434)</b>	<b>(4,330,810)</b>	<b>(4,883,356)</b>	<b>(5,878,659)</b>	<b>(6,779,025)</b>	<b>(9,835,699)</b>	<b>(9,687,749)</b>

Notes and assumptions:

- The Otso 13-week Cash Flow (the "Otso CF") was prepared on a normalized consolidated basis using three (3) information sources: Jonh T. Boyd Company Feasibility Report (independent third party), former managements most recent financial model, and the available October 2021 financial information. Management has utilized the three (3) different information sources in order to approach the Otso CF on an overall conservative basis. The Otso CF has contingencies built in for potential unforeseen expenses.
- This analysis assumes that mining operations cease for the period December 8, 2021 to January 31, 2022 and processing operations cease from December 13, 2021 to January 31, 2022 (the "Shutdown Period"). Management has adjusted all variable mining and processing costs on a pro-rata basis to reflect ceased operations. All fixed costs, including salaries and wages are expected to be paid in the normal course; no adjustment have been made for the Shutdown Period.
- Revenues are based on estimated net production volumes and recent commodity prices. Revenues are anticipated to increase as the mine becomes fully operational and production capacity increases.
- Mining costs are based on production volumes of 4,000 tonnes per day and include equipment rental, utilities, repairs, maintenance and labour.
- Processing costs are comprised of spare parts and tools, utilities, scaffolding, safety equipment, rentals and labour.
- Infrastructure costs are comprised site drainage, security services and general site utilities.
- Site indirect costs are comprised of fuel and lube, general labor and miscellaneous supplies.
- General & Administrative ("G&A") costs are primarily comprised of salaries and wages and pension premiums for thirteen (13) staff/office supplies, insurance and property tax. In Finland, employer's pension insurance, or TyEL insurance, is a statutory insurance that ensures pension cover for employees. It is the employers responsibility to take out the insurance and to report employees' earnings to the Incomes Register.
- Land tenure costs are calculated as a percentage of gold sales per Ton Ore Treated (\$/mt).
- Royalties are payable to PFL Rauhhe Holdings LP at 2.5% of net operating revenues pursuant to a contract dated November 8, 2018.
- Other operating expenses represent a contingency for unforeseen site maintenance, health and safety, training, environment and G&A costs.

In the Matter of the Companies Creditor Arrangement Act ("CCAA") proceedings of  
Otso Gold Corp, Otso Gold OY, Otso Gold AB and 2273285 Alberta Ltd. (collectively "Otso")  
For the 13-week period ending March 4, 2022  
(Unaudited, CAD\$)

- 11 Change in working capital reflects anticipated advances for future supplies purchased for the mine operations. Management anticipates that as a result of the restructuring proceedings various suppliers will require cash-on-demand ("COD") payment terms for continuing supplies.
- 12 Repair and replacement capex reflects the requirements necessary to reach full mining capacity including, but not limited to, construction costs, inventory and environmental costs.
- 13 Sustaining capex reflects the requirements to maintain stable production levels.
- 14 Mine closure costs reflect the anticipated reclamation obligations which Otso is obligated to pay to Centre for Economic Development, Transport and the Environment on an annual basis.
- 15 Restructuring costs have been forecast based on projected costs by professional services firms related to the restructuring. Actual expenses will be dependent on a number of unknown factors, including the timing of a Plan to be put forward to the creditors and the number of Court applications which are required.



**OTSO GOLD**

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December 10, 2021

Deloitte Restructuring Inc.  
939 Granville Street  
Vancouver BC V6Z 1L3  
Canada

**RE: Proceedings under the Companies' Creditors Arrangement Act ("CCAA")  
Responsibilities/Obligations and Disclosure with respect to Cash Flow Projections**

In connection with the application by Otso Gold Corp, Otso Gold OY, Otso Gold AB and 2273265 Alberta Ltd. (collectively, the "**Petitioners**" or "**Otso**") for the commencement of proceedings under the CCAA in respect of Otso, the management of Otso ("**Management**") has prepared the attached Cash Flow Statement and the assumptions on which the Cash Flow Statement is based.

Otso confirms that:

1. The Cash Flow Statement and the underlying assumptions are the responsibility of Otso;
2. All material information presently available to Otso relevant to the Cash Flow Statement and to the underlying assumptions has been made available to Deloitte Restructuring Inc. in its capacity as Monitor; and
3. Management has taken all actions that it considers necessary, based on the information available to it, to ensure:
  - a. That the individual assumptions underlying the Cash Flow Statement are appropriate in the circumstances; and
  - b. That the individual assumptions underlying the Cash Flow Statement, taken as a whole are appropriate in the circumstances.

Yours truly,

Otso Gold Corp.