

Court File No.: CV-20-00649558-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS***  
***ARRANGEMENT ACT*, R.S.C. 1985, c C-36 AS AMENDED**

**AND IN THE MATTER OF A PLAN OF**  
**COMPROMISE OR ARRANGEMENT WITH RESPECT TO**  
**EXPRESS GOLD REFINING LTD.**

**SEVENTEENTH REPORT OF THE MONITOR**

**November 30, 2023**

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## INTRODUCTION

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on October 15, 2020 (the “**Initial Order**”), Express Gold Refining Ltd. (“**EGR**” or the “**Applicant**”) was granted creditor protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”), and Deloitte Restructuring Inc. was appointed as monitor (in such capacity, the “**Monitor**”) in the proceedings (the “**CCAA Proceedings**”). The Initial Order also provided for, among other things, a stay of proceedings with respect to the Applicant until and including October 19, 2020 (the “**Stay Period**”). The Stay Period in these CCAA Proceedings has been extended numerous times by further Orders, most recently up to and including December 12, 2023.
2. Copies of all orders and endorsements granted in these CCAA Proceedings are located on the Monitor’s website accessible at: <https://www.insolvencies.deloitte.ca/en-ca/pages/ExpressGoldRefiningLtd.aspx> (the “**Monitor’s Website**”). The Monitor encourages interested stakeholders to review the Monitor’s Website for a complete history of the CCAA Proceedings, including the various orders, endorsements and Monitor’s reports previously issued.
3. Unless otherwise stated, capitalized terms not defined herein are as defined in the Monitor’s prior reports.

## PURPOSE

4. The purpose of this seventeenth report of the Monitor (the “**Seventeenth Report**”) is to provide the Court with:
  - (a) the activities of EGR and the Monitor from September 6, 2023, the date of the Fifteenth Report of the Monitor (the “**Fifteenth Report**”), filed in connection with the previous motion to extend the Stay Period granted in the CCAA Proceedings, to the date of this Seventeenth Report;
  - (b) EGR’s cash flow results for the 13-week period ended November 17, 2023, with a comparison to forecast amounts in the 17-week cash flow forecast that was included in the Fifteenth Report;

- (c) EGR's revised cash flow forecast (the "**Revised Cash Flow Forecast**") for the 16-week period from November 20, 2023 to March 8, 2024, and the Monitor's comments thereon;
  - (d) the status of the Tax Litigation and information on the Monitor's motion for a Mediation Order, which is returnable before this Court on December 4, 2023 (the "**Mediation Motion**");
  - (e) the status of the Third Party Mareva Injunction;
  - (f) EGR's requested extension of the Stay Period up to and including March 4, 2024 (the "**Stay Extension Period**"); and
  - (g) the Monitor's conclusions and recommendations in respect thereof.
5. This Seventeenth Report should be read in conjunction with the Affidavit of Atef Salama sworn November 17, 2023 in support of the Applicant's motion for an extension of the Stay Period (the "**Salama Affidavit**"), and the Monitor's Sixteenth Report dated September 22, 2023, filed in respect of the Mediation Motion.

#### **TERMS OF REFERENCE AND DISCLAIMER**

6. In preparing this Seventeenth Report and making the comments herein, the Monitor has been provided with, and has relied upon, the following information (collectively, the "**Information**"): unaudited financial information, books and records and financial information prepared by EGR, and discussions with management of the Applicant ("**Management**").
7. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Generally Accepted Assurance Standards ("**Canadian GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under Canadian GAAS in respect of the Information.

8. Some of the information referred to in this Seventeenth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
9. Future oriented financial information referred to in this Seventeenth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that, since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
10. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

#### **ACTIVITIES OF EGR SINCE THE FIFTEENTH REPORT**

11. The activities of EGR since the Fifteenth Report are set out in the Salama Affidavit, and such activities of EGR that are related to or arising out of these CCAA Proceedings include:
  - (a) complying with the terms of the Second Amended and Restated Monitoring Protocol;
  - (b) continuing to manage its relationships with customers and suppliers to minimize business disruptions;
  - (c) continuing to provide regular updates and information to the Monitor with respect to EGR's business and the Tax Litigation; and
  - (d) continuing its efforts to advance the Tax Litigation. A status update of the Tax Litigation is provided in paragraphs 9 to 10 of the Salama Affidavit.

#### **ACTIVITIES OF THE MONITOR SINCE THE FIFTEENTH REPORT**

12. Since the Fifteenth Report, the Monitor has undertaken the following activities:

- (a) monitored EGR's business in accordance with the Second Amended and Restated Monitoring Protocol;
- (b) reviewed EGR's GST/HST filings and communicated with CRA regarding the processing status. In this regard, CRA processed and released net tax refunds for GST/HST filings for the periods from October 16, 2020 to July 31, 2023. The GST/HST filing for the August and September 2023 periods are currently under review by CRA;
- (c) communicated with EGR's restructuring counsel regarding developments in the CCAA Proceedings and Tax Counsel regarding the status of the Tax Litigation;
- (d) communicated with CRA regarding developments in these CCAA Proceedings;
- (e) prepared the Sixteenth Report in connection with the Mediation Motion, interviewed potential mediator candidates, and corresponded with EGR and CRA regarding the same; and
- (f) assisted EGR in preparing the Revised Cash Flow Forecast and cash flow variance reporting.

#### **CASH FLOW FORECAST AND RESULTS RELATIVE TO FORECAST**

13. Summarized in the following table are EGR's actual cash receipts and disbursements for the 13-week period ended November 17, 2023 (the "**Reporting Period**"), as compared to the corresponding weeks in the cash flow forecast included in the Fifteenth Report.

<b>Express Gold Refining Ltd.</b>				
<b>Summary of Actual versus Forecast Cash Flows</b>				
<b>For the 13-week period from August 21, 2023 to November 17, 2023</b>				
<b>(\$CAD '000s)</b>				
<b>Unaudited</b>				
	<b>Actual</b>	<b>Forecast</b>	<b>Variance</b>	<b>Note</b>
<b>Receipts</b>				
Collection from Sales and Accounts Receivable	16,159	14,679	1,480	<b>A</b>
HST refunds	609	931	(322)	<b>B</b>
Interest, exchange gains / (losses), and other	(3)	10	(13)	
<b>Total Receipts</b>	<b>16,765</b>	<b>15,620</b>	<b>1,145</b>	
<b>Disbursements</b>				
Purchases	(14,521)	(14,092)	(429)	<b>C</b>
Customer accounts and hedging	(1,633)	-	(1,633)	<b>D</b>
Salaries and wages	(193)	(191)	(2)	
Consulting and professional fees	(20)	(36)	16	<b>E</b>
General Administrative Expenses	(67)	(61)	(6)	
Insurance	(30)	(47)	17	<b>F</b>
Rent	(50)	(50)	-	
Advertising and promotion	(19)	(37)	18	<b>G</b>
Vehicle	(5)	(9)	4	
Freight	(43)	(29)	(14)	<b>H</b>
Income Tax	-	-	-	
<b>Total Disbursements</b>	<b>(16,581)</b>	<b>(14,552)</b>	<b>(2,029)</b>	
Litigation Costs	(450)	(450)	-	
Restructuring Costs	(215)	(550)	335	<b>I</b>
<b>Total Litigation and Restructuring Costs</b>	<b>(665)</b>	<b>(1,000)</b>	<b>335</b>	
Intercompany loan	-	-	-	
<b>Total Intercompany loan</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net Cash Flow</b>	<b>(481)</b>	<b>68</b>	<b>(549)</b>	
<b>Opening Cash</b>	<b>2,149</b>	<b>2,149</b>	<b>-</b>	
<b>Ending Cash</b>	<b>1,668</b>	<b>2,217</b>	<b>(549)</b>	

14. EGR's actual net cash outflow for the Reporting Period was \$481,000 compared to forecast net cash inflow of \$68,000, resulting in an unfavourable variance of \$549,000. The following are the reasons for the major variances, identified by the Notes in the table above:
- A** A favourable variance of \$1.5 million in sales receipts is a permanent difference due to increased customer traffic as a result of the increase in gold price during the Reporting Period;
  - B** An unfavourable variance of \$322,000 in HST refunds is a timing difference due to the delay in receipt of August 2023 net tax refunds from CRA;
  - C** An unfavourable variance of \$429,000 in purchases is a permanent difference due to increased customer traffic as a result of the increase in gold price during the Reporting Period;
  - D** An unfavourable variance of \$1.6 million in customer accounts and hedging is a permanent difference that relates to advances to a customer's gold held at EGR. This customer deposited approximately \$1.9 million of gold held at EGR over the Reporting Period;
  - E** A favourable variance of \$16,000 in consulting and professional fees is a permanent difference due to lower than expected activities requiring consulting and professional services during the Reporting Period;
  - F** A favourable variance of \$17,000 in insurance is a timing difference that will reverse in the future;
  - G** A favourable variance of \$18,000 in advertising and promotion is a timing difference that will reverse in the future;
  - H** An unfavourable variance of \$14,000 in freight is a permanent difference due to increased customer traffic during the Reporting Period; and
  - I** A favourable variance of \$335,000 in restructuring costs is a timing difference that will reverse in the future.



## APPLICANT'S REVISED CASH FLOW FORECAST

15. The Applicant, with the assistance of the Monitor, has prepared the Revised Cash Flow Forecast, which covers the period from November 20, 2023 to March 8, 2024 (the “**Revised Cash Flow Period**”) for the purposes of projecting the cash position of the Applicant’s planned operations and other activities during the Revised Cash Flow Period. A copy of the Revised Cash Flow Forecast is attached hereto as **Appendix “A”**.
16. The Revised Cash Flow Forecast has been prepared by Management, using the probable and hypothetical assumptions set out in the notes to the Revised Cash Flow Forecast (the “**Assumptions**”), and is presented on a weekly basis during the Revised Cash Flow Period.
17. EGR’s opening cash balance on November 20, 2023 was \$1.7 million. The forecast cash flow surplus for the Revised Cash Flow Period before litigation and restructuring costs is estimated to be approximately \$1.5 million. Litigation and restructuring costs in connection with the Tax Litigation and these CCAA proceedings are estimated to be approximately \$450,000 and \$1.1 million, respectively, over the Revised Cash Flow Period. As a result, the forecast cash flow deficit for the Revised Cash Flow Period after litigation and restructuring costs is estimated to be \$185,000, resulting in an estimated ending cash balance of \$1.5 million on March 8, 2024.
18. Accordingly, the Applicant is expected to have sufficient liquidity to operate during the proposed Stay Extension Period.
19. The Monitor has reviewed the Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. Section 23(1)(b) requires a monitor to review the debtor’s cash flow statement as to its reasonableness and to file a report with the Court on the monitor’s findings. The Canadian Association of Insolvency and Restructuring Professionals’ Standards of Professional Practice include a standard for monitors fulfilling their statutory responsibilities under the CCAA in respect of a monitor’s report on a cash flow statement.
20. In accordance with the standard, the Monitor’s review of the Revised Cash Flow Forecast consisted of inquiries, analytical procedures and discussions related to the Information.

Since the 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 Revised Cash Flow Forecast. The Monitor also reviewed the support provided by Management for the Assumptions and the preparation and presentation of the Revised Cash Flow Forecast.

21. Based on the Monitor's review, nothing has come to its attention that causes it to believe, in all material aspects, that:
  - (a) the Assumptions are not consistent with the purpose of the Revised Cash Flow Forecast;
  - (b) as at the date of this Report, the Assumptions are not suitably supported and consistent with the plans of the Applicant or do not provide a reasonable basis for the Revised Cash Flow Forecast, given the Assumptions; or
  - (c) the Revised Cash Flow Forecast does not reflect the Assumptions.
22. Since the Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Accordingly, the Monitor expresses no assurance as to whether the Revised Cash Flow Forecast will be achieved. In addition, the Monitor expresses no opinion or other form of assurance with respect to the accuracy of the financial information presented in the Revised Cash Flow Forecast or relied upon by the Monitor in preparing this Seventeenth Report.
23. The Revised Cash Flow Forecast has been prepared solely for the purposes described above, and readers are cautioned that it may not be appropriate for other purposes

## **THE TAX LITIGATION**

24. There are no substantive Tax Litigation updates to report since the filing of the Fifteenth and Sixteenth Reports. Discoveries are completed and the parties continue to wait for trial dates from the TTC. As noted at paragraph 9 of the Salama Affidavit, on November 1, 2023, tax counsel for EGR wrote to the Tax Court seeking a case management conference.

EGR has further advised the Monitor that the Tax Court has reached out regarding the parties' availability but no date for the case management conference has been set.

### **THE MEDIATION MOTION**

25. The Mediation Motion is returnable before this Court on December 4, 2023, being the same date as EGR's stay extension motion.
26. The Sixteenth Report set out in detail the basis for the Monitor's recommendation that this Court grant a mediation order.
27. The Monitor and CRA/DOJ have carried out all steps contemplated by the agreed-upon timetable, including:
  - (a) on September 22, 2023, the Monitor served its Motion Record, comprised of its Notice of Motion, the Sixteenth Report and its proposed form of Mediation Order;
  - (b) on October 13, 2023, CRA delivered its written questions for the Monitor in relation to the Sixteenth Report;
  - (c) on October 20, 2023, the Monitor provided its written responses;
  - (d) on November 10, 2023, the Monitor delivered its Factum;
  - (e) on November 20, 2023, CRA delivered its Responding Motion Record and Factum; and
  - (f) on November 29, 2023, the Monitor delivered its Reply Factum.
28. The Monitor notes that EGR has expressed its support for the Mediation Order, including at paragraph 10 of the Salama Affidavit, wherein Mr. Salama states that EGR supports the Monitor's motion for the appointment of a mediator.

### **THIRD PARTY MAREVA INJUNCTION**

29. On December 19, 2022, the parties, including the Monitor and its counsel, attended before Justice Myers regarding, among other matters, whether EGR should have been added as a

defendant to the action that Chicago Title Insurance Company (“CTIC”) had initiated in June 2022, and whether the *Mareva* relief should have been extended against EGR. Justice Myers set aside the prior orders that added EGR as a defendant and extended the *Mareva* relief against it. Justice Myers also indicated that CTIC and EGR should cooperate regarding the former’s request for certain documents and that the Monitor should provide assistance if necessary.

30. Following Justice Myers’ Endorsement, counsel to CTIC and EGR have been collaborating and continuing discussions on a proposed form of production order pursuant to which the scope of EGR’s document production would be circumscribed. While certain issues remain to be resolved, the Monitor remains hopeful that a resolution can be achieved without the need for advice and directions from this Court.

#### **STAY EXTENSION**

31. The current Stay Period expires on December 12, 2023. EGR is seeking an extension of the Stay Period up to and including March 4, 2024 in order to allow EGR, with the assistance of the Monitor, to:
  - (a) preserve the *status quo* and continue to maintain the stability of operations;
  - (b) work towards a resolution of the Tax Litigation with CRA, including through mediation if this Court finds it just to grant the Mediation Order; and
  - (c) determine next steps in respect of the CCAA Proceedings.
32. As described above, the Revised Cash Flow Statement indicates that EGR will have sufficient liquidity during the Stay Extension Period.
33. In the Monitor’s view, EGR has acted and continues to act in good faith and with due diligence in these CCAA Proceedings.
34. The Monitor supports EGR’s request for the extension of the Stay Period to March 4, 2024.

All of which is respectfully submitted this 30<sup>th</sup> day of November, 2023.

**Deloitte Restructuring Inc., solely in its  
capacity as Court-appointed Monitor of  
Express Gold Refining Ltd.**



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Philip J. Reynolds, LIT  
Senior Vice-President



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Warren Leung, LIT  
Senior Vice-President

# Appendix “A”

Express Gold Refining Ltd.  
16-week cash flow forecast for the period November 20, 2023 to March 08, 2024

Amounts in CAD, unaudited

Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total
Notes	24-Nov	1-Dec	8-Dec	15-Dec	22-Dec	29-Dec	5-Jan	12-Jan	19-Jan	26-Jan	2-Feb	9-Feb	16-Feb	23-Feb	1-Mar	8-Mar	
<b>Receipts</b>																	
1 Sales	1,242,410	1,242,410	1,242,410	1,242,410	1,242,410	1,242,410	993,928	1,366,651	1,366,651	1,366,651	1,366,651	1,366,651	1,366,651	993,928	1,242,410	1,242,410	18,884,637
2 HST refunds	-	321,921	-	-	-	-	380,085	-	-	-	325,795	-	-	-	325,795	-	1,353,596
3 Interest income	-	-	3,588	-	-	-	3,588	-	-	-	-	3,588	-	-	-	-	14,332
<b>Total Receipts</b>	<b>1,242,410</b>	<b>1,564,332</b>	<b>1,245,998</b>	<b>1,242,410</b>	<b>1,242,410</b>	<b>1,242,410</b>	<b>1,377,601</b>	<b>1,366,651</b>	<b>1,366,651</b>	<b>1,366,651</b>	<b>1,692,447</b>	<b>1,370,239</b>	<b>1,366,651</b>	<b>993,928</b>	<b>1,568,206</b>	<b>1,245,998</b>	<b>20,252,585</b>
<b>Disbursements</b>																	
4 Purchases	(1,192,714)	(1,192,714)	(1,192,714)	(1,192,714)	(1,192,714)	(1,192,714)	(954,171)	(1,311,985)	(1,311,985)	(1,311,985)	(1,311,985)	(1,311,985)	(1,311,985)	(954,171)	(1,192,714)	(1,192,714)	(18,129,251)
5 Salaries and wages	(35,309)	-	(17,621)	(16,680)	(35,309)	(35,309)	(4,415)	(17,621)	(16,680)	(35,309)	(4,415)	(17,621)	(16,680)	(35,309)	(4,415)	(17,621)	(261,761)
6 Consulting and professional fees	(4,415)	-	(4,415)	-	(4,415)	-	(4,415)	-	(4,415)	-	-	-	(4,415)	-	(4,415)	-	(35,322)
7 General Administrative Expenses	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(4,699)	(75,182)
8 Insurance	-	-	-	(7,300)	-	-	-	-	(7,300)	-	-	-	(7,300)	-	-	-	(21,900)
9 Rent	-	(16,653)	-	-	-	-	(16,653)	-	-	-	(16,653)	-	-	-	(16,653)	-	(66,614)
10 Advertising and promotion	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(35,960)
11 Vehicle	(2,266)	(1,114)	(2,266)	(2,266)	(2,266)	(2,266)	(2,266)	(2,266)	(1,114)	(2,266)	(2,266)	(2,266)	(1,114)	(2,266)	(2,266)	(2,266)	(10,284)
12 Freight	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(2,531)	(47,969)
13 Income Tax	(81,039)	-	(81,039)	-	-	-	(4,000)	-	-	-	-	(4,000)	-	-	(4,000)	-	(93,039)
<b>Total Disbursements</b>	<b>(1,241,517)</b>	<b>(1,219,446)</b>	<b>(1,304,869)</b>	<b>(1,226,661)</b>	<b>(1,241,517)</b>	<b>(7,548)</b>	<b>(1,008,319)</b>	<b>(1,338,686)</b>	<b>(1,350,347)</b>	<b>(1,357,373)</b>	<b>(1,342,133)</b>	<b>(1,342,686)</b>	<b>(1,350,347)</b>	<b>(998,559)</b>	<b>(1,223,862)</b>	<b>(1,223,414)</b>	<b>(18,777,283)</b>
<b>Net Cash Flow Before Litigation and Restructuring Costs</b>	<b>894</b>	<b>344,885</b>	<b>(58,870)</b>	<b>15,749</b>	<b>894</b>	<b>(7,548)</b>	<b>369,282</b>	<b>27,966</b>	<b>16,304</b>	<b>9,278</b>	<b>350,314</b>	<b>27,554</b>	<b>16,304</b>	<b>(4,630)</b>	<b>344,344</b>	<b>22,584</b>	<b>1,475,303</b>
14 Litigation Costs	-	-	-	(150,000)	-	-	-	-	(150,000)	-	-	-	(150,000)	-	-	-	(450,000)
15 Restructuring Costs	-	(200,000)	-	(140,000)	-	-	(200,000)	-	(90,000)	-	(200,000)	-	(90,000)	-	(200,000)	-	(1,120,000)
<b>Total Litigation and Restructuring Costs</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(140,000)</b>	<b>-</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(1,570,000)</b>
16 CEBA Loan	-	-	-	(290,000)	-	-	(200,000)	-	(240,000)	-	(200,000)	-	(240,000)	-	(200,000)	-	(400,000)
<b>Total CEBA Loan</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(290,000)</b>	<b>-</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(240,000)</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(240,000)</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>(400,000)</b>
17 Intercompany loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(50,000)	(50,000)
<b>Total Intercompany Loan</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(50,000)</b>	<b>(50,000)</b>
<b>Net Cash Flow</b>	<b>894</b>	<b>144,885</b>	<b>(98,870)</b>	<b>(274,251)</b>	<b>894</b>	<b>(7,548)</b>	<b>169,282</b>	<b>27,966</b>	<b>(223,696)</b>	<b>9,278</b>	<b>150,314</b>	<b>27,554</b>	<b>(223,696)</b>	<b>(4,630)</b>	<b>144,344</b>	<b>(27,416)</b>	<b>(184,697)</b>
18 Opening Cash	1,669,887	1,670,780	1,815,666	1,716,795	1,442,545	1,443,438	1,435,891	1,605,173	1,633,138	1,409,442	1,418,721	1,509,034	1,596,588	1,372,892	1,368,261	1,512,605	1,669,887
<b>Ending Cash</b>	<b>1,670,780</b>	<b>1,815,666</b>	<b>1,716,795</b>	<b>1,442,545</b>	<b>1,443,438</b>	<b>1,435,891</b>	<b>1,605,173</b>	<b>1,633,138</b>	<b>1,409,442</b>	<b>1,418,721</b>	<b>1,509,034</b>	<b>1,596,588</b>	<b>1,372,892</b>	<b>1,368,261</b>	<b>1,512,605</b>	<b>1,485,189</b>	<b>1,485,189</b>

Notes

General Receipts and disbursements denominated in U.S. Dollars have been converted into Canadian Dollars using an exchange rate of CDNS\$1.37 = USDS\$1.00.

Projected disbursements include GST and HST charged for purchases of goods and services.

EGR is closed from December 25, 2023 to January 01, 2024 and on February 19, 2024.

Receipts from sales are estimated based on historical average monthly sales, collected weekly.

The projected tax refunds are estimated based on input tax credits claimed on GST and HST paid to vendors.

Receipts from interest income earned on deposits.

These projected disbursements represent payments to suppliers of precious metals such as gold, silver, platinum and palladium bullion in the form of bars. The Company also purchases unrefined bars and scrap gold for refining.

These projected disbursements include payroll costs for all salaried and hourly employees and expense reimbursements. The forecast amounts are based on historic run rates. Hourly employees are paid monthly, and salaried employees are paid twice a month. Payroll disbursements include all employee source deductions, employee and employer portions of CPP and EI, and other payroll-related taxes.

These projected disbursements include payments to EGR's advisors for corporate matters.

These projected disbursements include payments related to office supplies, repair and maintenance, telephone and networking, bank charges, travel, software and utilities.

These projected disbursements include premium payments for general, property and liability insurance, employee benefits, life insurance, and car insurance.

These projected disbursements include rent payments to Fing Properties Inc., a related party.

These projected disbursements relate to the various advertising and promotional initiatives.

These projected disbursements represent vehicle lease and other vehicle-related expenses.

These projected disbursements represent freight expenses to transport inventory for refining or for delivery to customers.

These projected disbursements represent corporate income tax instalments.

These projected disbursements include payments to legal advisors for litigation matters.

These projected disbursements include payments to EGR's legal advisor for specialist restructuring advice and the fees and costs of the Monitor and its counsel.

These projected disbursements include repayments of the Canada Emergency Business Account ("CEBA") loan.

These projected disbursements include repayments to related parties for working capital purposes.

The opening cash balance reflects the bank balance and cash on hand balance at the start of the cash flow forecast.



November 28, 2023

Deloitte Restructuring Inc.  
Bay Adelaide East  
8 Adelaide Street West  
Suite 200  
Toronto, Ontario M5H 0A9  
Canada

Attention: Phil Reynolds

Dear Sirs:

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

In connection with the CCAA proceedings in respect of Express Gold Refining Ltd. ("EGR"), the management of EGR ("**Management**") has prepared the attached Cash Flow Statement and the assumptions on which the Cash Flow Statement is based.

EGR confirms that:

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





- c. That all relevant assumptions have been properly presented in the Cash Flow Statement or in the notes accompanying the Cash Flow Statement.
4. Management understands and agrees that the determination of what constitutes a material adverse change in the projected cash flow or financial circumstances, for the purposes of our monitoring the on-going activities of EGR, is ultimately at your sole discretion, notwithstanding that Management may disagree with such determination;
5. Management understands its duties and obligations under the CCAA and that a breach of these duties and obligations could make EGR's Management liable to fines and imprisonment in certain circumstances; and
6. The Cash Flow Statement and assumptions have been reviewed and approved by the EGR's board of directors or Management has been duly authorized by EGR's board of directors to prepare and approve the cash flow assumptions.

Yours truly,

Atef Salama  
Vice President

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

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**ONTARIO**

**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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PROCEEDING COMMENCED AT TORONTO

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**SEVENTEENTH REPORT OF THE MONITOR**

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*Lawyers for Deloitte Restructuring Inc., the Monitor*