



No. S-227894

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,

R.S.C. 1985, c. C-36, AS AMENDED

– AND –

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,

S.B.C. 2002, c. 57, AS AMENDED

– AND –

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GREAT PANTHER MINING LIMITED

PETITIONER

FIRST REPORT OF THE MONITOR

ALVAREZ & MARSAL CANADA INC.

October 13, 2022



ALVAREZ & MARSAL

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1.0 INTRODUCTION

- 1.1 On September 6, 2022, Great Panther Mining Limited (“GPR” or the “Company”) filed a Notice of Intention to Make a Proposal (“NOI”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3*, as amended (the “BIA”). Alvarez & Marsal Canada Inc. (“A&M”) consented to act as Trustee in the NOI proceedings (the “NOI Proceedings”).
- 1.1 On October 4, 2022 (the “Filing Date”), this Honourable Court granted an initial order (the “Initial Order”) in Supreme Court of British Columbia Action No. S-227894, Vancouver Registry (the “CCAA Proceedings”), which, among other things, ordered that the NOI Proceedings be taken up and continued under the *Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36*, as amended (“CCAA”), stayed all proceedings against the Company from the Filing Date up to and including October 14, 2022 (the “Stay Period”) and appointed A&M (the “Monitor”) as monitor of GPR during the CCAA Proceedings.
- 1.2 On October 12, 2022, the Company filed an application (the “Comeback Application”) for an amended and restated initial order (the “ARIO”) which extends the Stay Period to November 3, 2022 (the “First Stay Extension”) and grants the Directors’ Charge, as subsequently defined.
- 1.3 Further information regarding the NOI Proceedings and the CCAA Proceedings, including the Initial Order, the petition, affidavits, notices of application, reports of the proposal trustee and the Monitor, and all other court-filed documents and notices are available on the Monitor’s website at www.alvarezandmarsal.com/GPR (the “Monitor’s Website”).

2.0 PURPOSE

- 2.1 This report (the “First Monitor’s Report”) has been prepared by the Monitor to provide information to this Honourable Court in respect of the following:
- a) the initial activities of the Monitor;
 - b) the activities of the Company since the commencement of the CCAA Proceedings;
 - c) a comparison of the actual receipts and disbursements of the Company as compared to the statement of projected cash flow (the “CCAA Cash Flow Forecast”) for the period from September 24 to October 7, 2022;
 - d) the updated statement of projected cash flow for the four-week period from October 8 to November 4, 2022 (the “Second CCAA Cash Flow Forecast”);
 - e) the CCAA SISP (subsequently defined);

- f) the Company's application for the First Stay Extension;
- g) the priority charges; and
- h) the conclusions of the Monitor in respect of the foregoing, as applicable.

2.2 The First Monitor's Report should be read in conjunction with the Company's application materials dated October 12, 2022, and other materials filed in the CCAA Proceedings (collectively, the "**Filed Materials**"), including but not limited to the first affidavit of Sandra Daycock sworn September 28, 2022, the First Report of the Proposal Trustee dated October 3, 2022 (the "**First Trustee Report**"), the second affidavit of Sandra Daycock sworn October 12, 2022, and the confidential third affidavit of Sandra Daycock sworn October 12, 2022, as background information contained in the Filed Materials has not been included herein to avoid unnecessary duplication.

3.0 TERMS OF REFERENCE

3.1 In preparing this report, A&M has necessarily relied upon unaudited financial and other information supplied, and representations made to it, by certain senior management of GPR ("**Management**"). Although this information has been subject to review, A&M has not conducted an audit nor otherwise attempted to verify the accuracy or completeness of any of the information prepared by Management or otherwise provided by the Company. Accordingly, A&M expresses no opinion and does not provide any other form of assurance on the accuracy and/or completeness of any information contained in this First Monitor's Report, or otherwise used to prepare this First Monitor's Report.

3.2 Certain of the information referred to in this report consists of financial forecasts and/or projections prepared by Management. An examination or review of financial forecasts and projections and procedures as outlined by the Chartered Professional Accountants of Canada has not been performed. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from those forecasted and/or projected and the variations could be significant.

3.3 All monetary amounts contained in this First Monitor's Report are expressed in United States dollars unless otherwise noted.

4.0 INITIAL ACTIVITIES OF THE MONITOR

4.1 As at the date of this First Monitor's Report, the Monitor has conducted the following initial activities:

- a) On October 11, 2022, distributed a notice to 38 known creditors, either by email or regular mail, in accordance with paragraph 33 of the Initial Order, a copy of which notice is attached hereto as **Appendix “A”**;
- b) scheduled a notice to creditors to run in the Globe and Mail (national edition) on October 14, 2022, and the Northern Miner on October 17, 2022, in accordance with paragraph 33 of the Initial Order;
- c) filed statutory notices with the Office of the Superintendent of Bankruptcy in the prescribed forms as required under section 23(1)(f) of the CCAA;
- d) retained Fasken Martineau DuMoulin LLP to act as independent legal counsel to the Monitor;
- e) communicated with and attended to various inquiries from trade creditors and other stakeholders;
- f) established various reporting protocols with GPR, including but not limited to cash flow reporting;
- g) participated in discussions with the Company regarding GPR’s potential transaction with Newrange Gold Corp. (“**Newrange**”) to sell GPR’s Peruvian operations (the “**Coricancha Transaction**”);
- h) considered a potential Sales and Investment Solicitation Process (the “**CCAA SISP**”) and participated in various planning efforts with Management to develop the CCAA SISP; and
- i) prepared this First Monitor’s Report.

5.0 ACTIVITIES OF THE COMPANY

5.1 Since the granting of the Initial Order, the Company has taken steps to notify its creditors and other stakeholders of the proceedings, and advance its restructuring under the CCAA. Those steps include, without limitation:

- a) responding to information requests from various stakeholders;
- b) engaging with Asahi Refining Canada Ltd. (“**Asahi**”) in respect of the Post-Filing Asahi Agreement and attending to Asahi’s inquiries;
- c) working with the Monitor to prepare and progress the CCAA SISP, including:
 - identifying potential investment bankers;
 - reviewing marketing proposals received from select investment bankers;
 - together with the Monitor, attending meetings with certain investment bankers; and

- engaging in negotiations with select investment bankers to advance an engagement.
- d) planning for the transition of: (i) Mr. Alan Hair from Interim-CEO to Chairman of the Board, (ii) Ms. Sandra Daycock from CFO to President and CEO, and (iii) Mr. Shawn Turkington, from VP of Finance to CFO, all to be effective on October 17, 2022;
- e) working with Mina Tucano Ltda. (“**Mina Tucano**”) under the Judicial Reorganization proceedings (the “**JR Proceedings**”), formulating the initial restructuring strategy for Mina Tucano and obtaining a Chapter 15 recognition order of the JR Proceedings in the U.S.;
- f) overseeing local management and accounting functions of GPR’s foreign subsidiaries;
- g) engaging with Newrange to progress the Coricancha Transaction, including the preparation of definitive documents and timeline for the transaction; and
- h) preparing the Second CCAA Cash Flow Forecast;

6.0 CASH FLOW VARIANCES FOR THE PERIOD ENDED OCTOBER 7, 2022

- 6.1 As part of the ongoing oversight and monitoring of the business and financial affairs of GPR, the Monitor has set up a weekly cash flow review protocol with the Company to compare actual cash flows against the CCAA Cash Flow Forecast. GPR’s actual cash receipts and disbursements as compared to the CCAA Cash Flow Forecast for the period September 24 to October 7, 2022 (the “**Reporting Period**”), are summarized below:

Great Panther Mining Limited
Cash Flow Forecast Variance Analysis - Prepared by Management
For the two weeks ended October 7, 2022
US\$'000

	Actual	Forecast	(\$)
Receipts			
Gold sales	\$ 7,560	\$ 5,526	\$ 2,034
Other receipts	4	-	4
Total Receipts	7,564	5,526	2,039
Disbursements			
Gold purchase	4,702	4,681	21
Advances to the Coricancha Mine	136	162	(26)
Payroll, benefits and payroll taxes	237	233	5
Payments to corporate suppliers	11	39	(28)
Professional fees - restructuring	149	147	3
Vancouver corporate office rent	23	23	-
Contingency	-	50	(50)
Total Disbursements	5,259	5,334	(75)
Net Cash Flow	2,306	192	2,114
Cash Position			
Opening Cash Available	2,234	2,234	-
Closing Cash Available	4,540	2,425	2,114
GIC	151	151	-
Total Cash and Cash Equivalents	4,691	2,576	2,114

6.2 Over the Reporting Period, the Company experienced a favourable cash flow variance of \$2.1 million. The principal components of the variance are described as follows:

- a) gold sales were \$2.0 million higher than forecast due to the earlier than forecast receipt of a planned gold sale to Asahi;
- b) advances to the Coricancha Mine were \$26,000 lower than forecast due to lower than forecast costs over the Reporting Period; and
- c) payments to corporate suppliers were \$28,000 lower than forecast due to temporary timing differences.

7.0 SECOND CCAA CASH FLOW FORECAST

7.1 The Company, with the assistance of the Monitor, has prepared the Second CCAA Cash Flow Forecast for the four-week period from October 8 to November 4, 2022 (the “**Forecast Period**”). A copy of the Second CCAA Cash Flow Forecast together with the underlying notes and assumptions is attached hereto as **Appendix “B”**.

Great Panther Mining Limited
Second CCAA Cash Flow Statement
For the period ending November 04, 2022
US\$'000

Receipts	
Gold Sales	\$ 3,006
Total Receipts	3,006
Disbursements	
Gold purchase	2,703
Advances to the Coricancha Mine	390
Payroll, benefits and payroll taxes	190
Payments to corporate suppliers	202
Professional fees - restructuring	152
Contingency	40
Total Disbursements	3,676
Net Cash Flow	(670)
Cash Position	
Opening Cash Position	4,540
Closing Cash Position	\$ 3,870
GIC	151
Total Cash and Cash Equivalents	\$ 4,021

7.2 A summary of the Second CCAA Cash Flow Forecast and its underlying notes and assumptions is as follows:

- a) GPR is expected to generate \$3.0 million from gold sales to Asahi, and is forecast to purchase \$2.7 million of gold from Mina Tucano during the Forecast Period;
- b) advances of \$390,000 are forecast to be made to cover critical payments at the Coricancha Mine to maintain its care and maintenance status while Newrange secures financing for the Coricancha Transaction;
- c) general head office costs, including payroll, payment to suppliers, expenses in relation to gold sales and rent are forecast at approximately \$392,000 during the Forecast Period; and
- d) professional fees are forecast at \$152,000, and include fees incurred during the NOI Proceedings and the CCAA Proceedings.

7.1 Pursuant to section 23(1)(b) of the CCAA and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standards of Professional Practice No. 9, the Monitor hereby reports as follows:

- a) the Second CCAA Cash Flow Forecast has been prepared by Management for the purpose described in the notes to the Second CCAA Cash Flow Forecast, using probable and hypothetical assumptions as set out in the notes;
- b) the Monitor's review of the Second CCAA Cash Flow Forecast consisted of inquiries, analytical procedures, and discussion related to information supplied to it by Management. Since hypothetical assumptions need not be supported, the procedures with respect to them were limited to evaluating whether they were consistent with the purposes of the Second CCAA Cash Flow Forecast. The Monitor also reviewed the support provided by Management for the probable assumptions and the preparation and presentation of the Second CCAA Cash Flow Forecast;
- c) based on the Monitor's preliminary review of the Second CCAA Cash Flow Forecast, nothing has come to its attention that causes A&M to believe that, in any material respects:
 - i. the hypothetical assumptions are not consistent with the purpose of the Second CCAA Cash Flow Forecast;
 - ii. as at the date of this First Monitor's Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Second CCAA Cash Flow Forecast, given the hypothetical assumptions; or
 - iii. the Second CCAA Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
- d) since the Second CCAA Cash Flow Forecast 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, A&M does not express any assurance as to whether the Second CCAA Cash Flow Forecast will be accurate. A&M does not express any opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon by us in preparing this report; and
- e) the Second CCAA Cash Flow Forecast has been prepared solely for the purpose described in Note 1 of the accompanying notes to the Second CCAA Cash Flow Forecast, and readers are cautioned that it may not be appropriate for other purposes.

8.0 CCAA SISP

- 8.1 As part of Mina Tucano's restructuring efforts, and for GPR to potentially realize value from Mina Tucano, Management, in consultation with the Monitor, has been in discussions with various

investment bankers to explore a CCAA SISP to market Mina Tucano. To ensure the timely commencement of the CCAA SISP, the Company, with the assistance of A&M, contacted seven investment bankers and ultimately obtained marketing proposals from three firms.

- 8.2 As part of the sales agent selection process, the Monitor assisted the Company in establishing selection criteria and participated in meetings with four investment banks who indicated interest in submitting proposals.
- 8.3 As of the date of this First Monitor's Report, GPR has preliminarily chosen an investment bank as the sales agent, and is in the process of formulating the proposed engagement and establishing a framework for the CCAA SISP.
- 8.4 Based on the preliminary indications of value presented by the investment bank it appears that there may be a recovery, which could be significant, to GPR's stakeholders from a transaction involving Mina Tucano in its current state. The potential recovery for stakeholders is an estimate at this stage. Actual recoveries can only be ascertained through the completion of a sale and investment process.
- 8.5 Further updates in relation to the CCAA SISP along with the Monitor's comments in respect of the sales agent and the CCAA SISP will be provided to this Honourable Court in due course.

9.0 EXTENSION OF STAY OF PROCEEDINGS

- 9.1 Pursuant to the Initial Order, the Stay Period will expire on October 14, 2022. The Company is seeking an extension of the Stay Period to November 3, 2022.
- 9.2 The Monitor supports the First Stay Extension for the following reasons:
 - a) the extension of the Stay Period to November 3, 2022 will ensure the Company continues to be afforded the benefits of the Initial Order and will be granted time to further develop the CCAA SISP;
 - b) as indicated in the Second CCAA Cash Flow Forecast, the Company has sufficient liquidity to continue operating in the ordinary course of business during the requested extension of the Stay Period;
 - c) no creditor of GPR would be materially prejudiced by the extension of the Stay Period; and
 - d) the Company has acted in good faith and with due diligence in these CCAA Proceedings since the date of the Initial Order.

10.0 PROPOSED COURT-ORDERED CHARGES

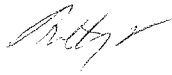
- 10.1 At the time of filing the First Trustee Report, the proposed Initial Order provided for a charge on the assets, property and undertakings of the Company in an amount not to exceed C\$150,000 in favour of the directors and officers of the Company (the “**Directors’ Charge**”). The proposed Directors’ Charge is to be a second-priority charge to rank in priority to all other charges other than the Administration Charge.
- 10.2 Subsequent to the filing of the First Trustee Report, the Directors’ Charge was withdrawn by the Company as a result of discussions with Asahi, the Monitor and its advisors. As part of the Comeback Application, the Company has included a request for the Director’s Charge.
- 10.3 Consistent with the First Trustee Report, the Monitor’s view is that the continued support and services of the directors of the Company during the CCAA proceedings would be beneficial to the Company’s efforts to preserve value and maximize recoveries for stakeholders through completion of the CCAA proceedings.
- 10.4 The Monitor has reviewed the underlying assumptions upon which the Company has based the estimate of the potential liability in respect of the directors’ statutory obligations and is of the view that the Directors’ Charge is reasonable and appropriate in the circumstances.
- 10.5 The Initial Order established a priority charge in the amount of C\$100,000 in favour of the Monitor, the Monitor’s counsel and the Company’s counsel (the “**Administration Charge**”). The Company is seeking an increase in the quantum of the Administration Charge to C\$150,000.
- 10.6 It is the view of the Monitor that the proposed increase to the Administration Charge is reasonable and appropriate in the circumstances having regard to the retainers that are in place, the complexity of GPR and the CCAA Proceedings, and the services to be provided by the beneficiaries to the Administration Charge.


11.0 RECOMMENDATIONS

- 11.1 The Monitor respectfully recommends that this Honourable Court:
- a) grant the ARIO;
 - b) approve the Directors’ Charge and the increase to the Administration Charge to C\$150,000;
and
 - c) grant the extension of the Stay Period to November 3, 2022.

All of which is respectfully submitted to this Honourable Court this 13th day of October, 2022.

**Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of Great Panther Mining Limited
and not in its personal or corporate capacity**


Per: Anthony Tillman
Senior Vice President


Per: Pinky Law
Vice President

Appendix A – CCAA Creditor Notice



Alvarez & Marsal Canada Inc.
Licensed Insolvency Trustees
Cathedral Place Building
925 West Georgia Street, Suite 902
Vancouver, BC V6C 3L2
Phone: +1 604 638 7440
Fax: +1 604 638 7441

October 11, 2022

To whom it may concern:

Re: Great Panther Mining Limited ("GPR")

As you may be aware, on September 6, 2022, GPR filed a Notice of Intention to Make a Proposal (the "NOI") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, c. B-3, as amended (the "BIA") and Alvarez & Marsal Canada Inc. was appointed as Proposal Trustee of GPR.

On October 4, 2022, GPR was granted an order (the "Initial Order") by the Supreme Court of British Columbia (the "Court") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"). Accordingly, GPR's proceedings under the BIA were converted into a proceeding under the CCAA. Alvarez & Marsal Canada Inc. was appointed pursuant to the CCAA as monitor (the "Monitor") of the business and financial affairs of GPR.

The Initial Order provides for, among other things, a stay of proceedings initially expiring on October 14, 2022 (the "Stay Period"). The Stay Period may be extended by the Court from time to time.

A copy of the Initial Order as well as the other materials filed in these CCAA proceedings may be obtained at <https://www.alvarezandmarsal.com/GPR>.

GPR is continuing to operate in the ordinary course in accordance with the provisions of the Initial Order.

Pursuant to the Initial Order, all persons having oral or written agreements with GPR or statutory or regulatory mandates 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 GPR, provided that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by GPR in accordance with normal payment practices of GPR or such other practices as may be agreed upon by the supplier or service provider and each of GPR and the Monitor, or as may be ordered by the Court. Pursuant to the Initial Order, you are not required to extend further credit.

During the Stay Period, parties are prohibited from commencing or continuing any legal proceeding or enforcement action against GPR and all rights and remedies of any party against or in respect of GPR or their assets are stayed and suspended except in accordance with the Initial Order, or with the written consent of GPR and the Monitor, or with leave of the Court.

To date, no claims procedure has been approved by the Court and creditors are therefore not required to file a proof of claim at this time.

If you have any questions regarding the foregoing or require further information, please consult the Monitor's website at <https://www.alvarezandmarsal.com/GPR>. Should you wish to speak to a representative of the Monitor, please email GPR@alvarezandmarsal.com.

Yours very truly,

Alvarez & Marsal Canada Inc.

in its capacity as Court-appointed Monitor of
Great Panther Mining Limited,
and not in its personal or corporate capacity



Per: Anthony Tillman
Senior Vice President



Appendix B – Second CCAA Cash Flow Forecast

Great Panther Mining Limited

Cash Flow Statement¹

For the period ending November 04, 2022

US\$'000

Week Week Ending	Notes	Week 1 14-Oct	Week 2 21-Oct	Week 3 28-Oct	Week 4 4-Nov	Total
Gold Sales	3	\$ -	\$ 142	\$ 2,758	\$ 106	\$ 3,006
Other		-	-	-	-	-
Total Revenue		-	142	2,758	106	3,006
Disbursements						
Gold purchase	3	-	-	2,703	-	2,703
Advances to the Coricancha Mine	4	90	100	100	100	390
Payroll, benefits and payroll taxes	5	71	21	71	26	190
Payments to corporate suppliers	6	85	15	49	53	202
Professional fees - restructuring	7	20	38	56	38	152
Contingency		10	10	10	10	40
Total Disbursements		277	184	2,989	227	3,676
Net Cash Flow		(277)	(42)	(231)	(121)	(670)
Cash Position						
Opening Cash Position	2	4,540	4,263	4,222	3,990	4,540
Closing Cash Position		\$ 4,263	\$ 4,222	\$ 3,990	\$ 3,870	\$ 3,870
GIC	2	151	151	151	151	151
Total Cash and Cash Equivalents		\$ 4,414	\$ 4,373	\$ 4,142	\$ 4,021	\$ 4,021

Great Panther Mining Limited ("GPR" or the "Company")
Second CCAA Cash Flow Forecast
Notes and Assumptions

1. The cash flow statement (the "Second CCAA Cash Flow Forecast") has been prepared by management ("Management") of Great Panther Mining Limited to set out the liquidity requirements of the Company during the *Companies' Creditors Arrangement Act* proceedings (the "CCAA Proceedings").

The Second CCAA Cash Flow Forecast is presented on a weekly basis from October 8 to November 4, 2022 (the "Period") and represents Management's best estimate of the expected results of operations during the Period. Readers are cautioned that since the estimates are based on future events and conditions that are not ascertainable, the actual results achieved will vary, even if the assumptions materialize, and such variations may be material. There are no representations, warranties or other assurances that any of the estimates, forecasts, or projections will be realized. The projections are based upon certain estimates and assumptions discussed below and may be amended from time to time during the CCAA proceedings. Upon such amendments, Management will update its cash flow forecast accordingly as included herein.

Unless otherwise noted, the Second CCAA Cash Flow Forecast is presented in U.S. dollars.

2. The opening cash position as presented in the Second CCAA Cash Flow Forecast includes the Company's actual cash availability as of the first day of the Second CCAA Cash Flow Forecast.

The Company has maintained a Guaranteed Investment Certificate ("GIC") with the Royal Bank of Canada as collateral to its corporate credit cards. Accordingly, the Company is unable to redeem the GIC unless the corporate credit cards are cancelled, and all credit card debts paid out. As the Company requires the use of its corporate credit card on a regular basis, it is not intending to redeem the GIC during the Period. The GIC of CAD\$202,000 (USD\$151,000) is excluded from the opening cash balance.

3. GPR is expected to make one gold purchase (for a total of 1,700 oz or approximately \$2.7 million) from its Brazilian subsidiary during the Period and immediately sell the gold to Asahi Refining Canada Ltd. ("Asahi") during the week ending October 28, 2022. GPR is expected

to receive 95% of total gold sale proceeds upfront, and the remaining 5% approximately 30 business days after the shipment date and upon finalizing the assaying results.

Other gold sales over the period totaling approximately \$390,000 represents the collection of the remaining 5% from prior gold sales made by the Company to Asahi.

Asahi is entitled to apply 1.5% of total gold sales to its outstanding pre-filing indebtedness. This amount would be deducted pro rata from the gold sale proceeds described above.

4. Advances to the Coricancha Mine represents critical payments to be made at the Coricancha project in Peru to maintain its care and maintenance status and bridge to the anticipated sale of the asset to Newrange Gold Corp for a purchase price of \$750,000 plus assumption of all liabilities.
5. Payroll, benefits and payroll taxes includes bi-monthly Vancouver corporate office executive and staff payroll, Canada Life group benefits and Employee Health Tax (EHT) costs.
6. Payments to corporate suppliers for post-filing services, including utilities, IT services, expenses in relation to the gold sales, and office rent for the head office in Vancouver, B.C., are forecast to be paid in the ordinary course of business.
7. Restructuring professional fees have been forecast based on projected costs of professional services firms relating to the NOI and the CCAA proceedings, and include the Company's legal counsel as well as the Monitor and its legal counsel.