



No. S - 245121
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**

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

**IN THE MATTER OF ELEVATION GOLD MINING CORPORATION, ECLIPSE
GOLD MINING CORPORATION, ALCMENE MINING INC., GOLDEN VERTEX
CORP., GOLDEN VERTEX (IDAHO) CORP., and HERCULES GOLD USA, LLC**

PETITIONERS

ORDER MADE AFTER APPLICATION

(Approval of Interim Financing and Key Employee Retention Plan and Charges)

BEFORE THE HONOURABLE)
) September 26, 2024
JUSTICE MILMAN)

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on this day; AND ON HEARING Alexis Teasdale of Lawson Lundell LLP, counsel for the Petitioners, and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the First Affidavit of Tim Swendseid, sworn July 29, 2024, the Second Affidavit of Tim Swendseid, sworn August 8, 2024, the Third Affidavit of Tim Swendseid, sworn September 19, 2024, the Fourth Affidavit of Tim Swendseid, sworn September 19, 2024 (the "**Confidential Swendseid Affidavit**"), the Second Report of KSV Restructuring Inc. in its capacity as the Court-appointed monitor of the Petitioners (in such capacity, the "**Monitor**"), dated September 20, 2024 (the "**Second Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the *British Columbia Supreme Court Civil Rules*, and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

1. The time for service of the Notice of Application for this Order and the supporting materials is hereby abridged and this application is properly returnable today, and service upon any interested party other than those parties on the service list maintained in these proceedings is hereby dispensed with.
2. Capitalized terms used but not otherwise defined in this Order shall have the meanings given to them in the Amended and Restated Initial Order granted in these proceedings on August 12, 2024 (the “**ARIO**”).

INTERIM FINANCING

3. Elevation Gold Mining Corporation, Golden Vertex Corp. and Golden Vertex (Idaho) Corp., (collectively, the “**Borrowers**”) are hereby authorized and empowered to obtain and borrow funds under a credit facility from KIA II LLC (the “**Interim Lender**”), provided that borrowings under such credit facility (the “**Interim Lending Facility**”) shall not exceed USD \$2,000,000 unless permitted by further Order of this Court.
4. The Interim Lending Facility shall be on the terms and subject to the conditions set forth in the Interim Lending Facility Term Sheet made as between the Borrowers and the Interim Lender dated as of September 20, 2024 (the “**Interim Financing Term Sheet**”), attached as Appendix “B” to the Second Report.
5. The Borrowers are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), if any, as may be reasonably required by the Interim Lender pursuant to the terms of the Interim Financing Term Sheet, and the Borrowers are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the Interim Financing Term Sheet and the Definitive Documents, if any, as and when the same become due and are to be performed.
6. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the “**Interim Lender’s Charge**”) on the Property. The Interim Lender’s Charge shall not secure any obligation of any of the Borrowers to the Interim Lender that existed before this Order is made. The Interim Lender’s Charge shall have the priority set out in paragraphs 14 and 15 hereof.
7. Notwithstanding any other provision of this Order:
 - (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender’s Charge or any charge granted under the Definitive Documents, if any;
 - (b) upon the occurrence of an event of default under the Interim Financing Term Sheet or any of the Definitive Documents, the Interim Lender, upon notice to the

Borrowers and the Monitor, may exercise any and all of its rights and remedies against the Borrowers or the Property under or pursuant to the Interim Financing Term Sheet and any of the Definitive Documents, including without limitation, to terminate the Interim Lending Facility, and, on five (5) days' notice to the Borrowers and the service list in the within proceedings, apply to this Court for the appointment of an interim receiver or a receiver and manager of the Property, or a bankruptcy order in respect of any of the Borrowers, exercise the rights of a secured party under any legislation, and exercise all other rights and remedies under the Definitive Documents, if any, or under any Order of this Court in the within proceedings; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Borrowers or the Property.
8. The Interim Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Borrowers under the CCAA, or any proposal filed by the Borrowers under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, with respect to any advances made under the Interim Financing Term Sheet or Definitive Documents, if any.

APPROVAL OF THE KERP

9. The Key Employee Retention Plan (the "**KERP**") attached as Exhibit "A" to the Confidential Swendseid Affidavit is hereby approved.
10. The Petitioners are hereby authorized to enter into the KERP with those employees (the "**Key Employees**") listed in Schedule "A" to the KERP.
11. The Petitioners are hereby authorized to pay a retention bonus (the "**Retention Bonus**") to the Key Employees in two tranches, in the total the amount set out in the Confidential Fourth Swendseid Affidavit, payable upon the occurrence of the following events:
- (a) 20% of the Retention Bonus will be paid on November 15, 2024; and
 - (b) 80% of the Retention Bonus will be paid no later than 60 days following the completion of a transaction or concurrently with the termination of the Petitioners proceedings under the CCAA.
12. Payments to the Key Employees under the KERP will only be made if, at the date the relevant payment of the Retention Bonus is due, as described in paragraph 11, the Key Employee has fulfilled his or her employment obligations and has not resigned or been terminated for cause.
13. The Key Employees shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Property as security for the amounts payable to the Key Employees pursuant to the KERP, which charge shall not exceed an aggregate amount of USD \$870,417.

PRIORITIES AND PROTECTIONS

14. The priorities of:
- (a) the Administration Charge;
 - (b) the Sales Agent Charge;
 - (c) the Directors' Charge;
 - (d) the Intercompany Advance Charge;
 - (e) the Interim Lender's Charge; and
 - (f) the KERP Charge;

as among them, shall be as follows:

First – ranking *pari passu* the Administration Charge (to the maximum amount of \$500,000) and the Sales Agent Charge;

Second – the Interim Lender's Charge;

Third – the Directors' Charge;

Fourth – the KERP Charge; and

Fifth – the Intercompany Advance Charge.

15. The Interim Lender's Charge and the KERP Charge shall have, *mutatis mutandis*, the same protections and restrictions under the ARIO as the other Charges, including those set out in paragraphs 38-42 of the ARIO.

REMOVAL OF PETITIONERS

16. Effective as of the date of this Order, Alcmene Mining Inc. (“**Alcmene**”) and Hercules Gold USA, LLC (“**Hercules**”) shall cease to be Petitioners in this matter, and the CCAA proceedings with respect to those entities shall be terminated without any further act or formality; provided, however, that nothing herein impacts the validity or effect on Alcmene and Hercules of any orders made in these CCAA proceedings or any action or steps taken by any Person pursuant thereto or in connection therewith.
17. Effective as of the date of this Order, the style of cause in these proceedings shall be changed to:

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF ELEVATION GOLD MINING CORPORATION,
ECLIPSE GOLD MINING CORPORATION, GOLDEN VERTEX CORP.
and GOLDEN VERTEX (IDAHO) CORP.

PETITIONERS

GENERAL

- 18. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioners is hereby dispensed with.
- 19. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign courts, tribunals, and regulatory or administrative bodies having jurisdiction in Canada or in the United States of America, including the United States Bankruptcy Court overseeing the Petitioners' proceedings under Chapter 15 jointly administered in Case No. 2:24-bk-06359 or in any other foreign jurisdiction, to give effect to this Order and to assist the Petitioners, the Monitor, and their respective agents in carrying out the terms of this Order. 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, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

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 Alexis Teasdale

Party Lawyer for the Petitioners

BY THE COURT *Milman, J.*

Chris Milman

REGISTRAR



Schedule "A"

List of Counsel

Name of Counsel	Party Representing
Kibben Jackson Mishaal Gill	KSV Restructuring Inc.
Lance Williams Ashley Bowron	Patriot Gold Corp.
Mike Noel	Triple Flag Precious Metals Corp.