



ksv advisory inc.

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, AS AMENDED

- AND -

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

- 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

FIRST REPORT OF KSV RESTRUCTURING INC.
AS MONITOR

AUGUST 7, 2024

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1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) issued by the Supreme Court of British Columbia (the “**Court**”) on August 1, 2024 (the “**Filing Date**”), Elevation Gold Mining Corporation (“**Elevation**”) and its subsidiaries (the “**Subsidiaries**”), Golden Vertex Corp. (“**Golden Vertex**”), Golden Vertex (Idaho) Corp. (“**Golden Idaho**”), Eclipse Gold Mining Corporation (“**Eclipse Gold**”), Alcmene Mining Inc. (“**Alcmene Mining**”), and Hercules Gold USA, LLC (“**Hercules Gold**” and collectively with Elevation and the other Subsidiaries, the “**Petitioners**”) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. (“**KSV**”) was appointed monitor of the Petitioners (in such capacity, the “**Monitor**”).
2. The CCAA proceedings were initiated in order to create a stabilized environment to enable the Petitioners to continue to operate their businesses on a scaled-down basis with the breathing space afforded by a stay of proceedings under the CCAA while they continue an ongoing sale and investment solicitation process (the “**SISP**”), with the assistance of a financial advisor, INFOR Financial Inc. (“**INFOR**” or the “**Sales Agent**”), with the objective of completing a going-concern transaction.
3. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Petitioners and its directors and officers (the “**Stay of Proceedings**”) to and including August 12, 2024 (the “**Stay Period**”);
 - b) created charges on all of the Petitioners’ current and future assets, property, and undertaking (collectively, the “**Property**”) as follows:
 - i. a first-ranking charge in the amount of CAD \$300,000 in favour of the Petitioners’ legal counsel, the Monitor, and its legal counsel to secure payment of their fees and disbursements (the “**Administration Charge**”);
 - ii. a second-ranking charge in the amount of CAD \$520,000 in favour of the Petitioners’ directors and officers (collectively, the “**Directors and Officers**”) to secure the Petitioners’ indemnity obligations to such persons (the “**D&O Charge**”); and

- iii. a third-ranking charge to secure repayment of any advances made by any Petitioner to another Petitioner (the “**Intercompany Advances**”) during these proceedings (the “**Intercompany Advance Charge**”);
 - c) appointed the Monitor as the foreign representative, including for the purpose of commencing recognition proceedings in the United States Bankruptcy Court for the District of Arizona (the “**US Court**”) pursuant to chapter 15 (“**Chapter 15**”) of title 11 of the *United States Code*, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”); and
 - d) permitted the Petitioners to pay certain pre-filing obligations owing to critical suppliers, subject to first obtaining the Monitor’s consent.
4. The comeback application is scheduled to be heard on August 12, 2024 (the “**Comeback Application**”). The Monitor understands that at the Comeback Application, the Petitioners intend to seek:
- a) an order amending and restating the terms and provisions of the Initial Order (as amended and restated, the “**ARIO**”), including to provide for an:
 - i. extension of the Stay Period to and including October 25, 2024 (the “**Stay Extension**”); and
 - ii. an increase in the amount of the Administration Charge to CAD \$500,000; and
 - b) an order (the “**SISP Approval Order**”) approving the SISP and the Sales Agent’s engagement letter dated August 7, 2024 (the “**INFOR Engagement Letter**”), including the Sales Agent’s work fee (the “**Work Fee**”) and a Transaction Fee (as defined below), each of which are to be secured by Court-ordered charges as described in Section 3.2 below.
5. Affidavit #1 of Tim Swendseid, Elevation’s Chief Executive Officer, sworn July 29, 2024 in support of the Initial Order (the “**First Swendseid Affidavit**”), provides, *inter alia*, background information regarding the Petitioners and their businesses, as well as the reasons for the commencement of these proceedings. Affidavit #2 of Mr. Swendseid¹ provides additional information, including the factual basis for the relief being sought by the Petitioners at the Comeback Application (the “**Second Swendseid Affidavit**”).

¹ The Second Swendseid Affidavit had not been sworn as of the time this First Report was finalized.

6. Court materials filed in these proceedings, including the report to Court prepared by KSV as proposed Monitor dated July 30, 2024 (the "**Pre-Filing Report**"), are available on the Monitor's case website at www.ksvadvisory.com/experience/case/elevation-gold-mining-corporation-inc (the "**Case Website**").

1.1 Purposes of this First Report

1. The purposes of this first report (the "**First Report**") are to:
 - a) provide background information concerning the Petitioners and these proceedings;
 - b) provide the Court with an update on the Petitioners' and the Monitor's activities since the date of the Initial Order; and
 - c) summarize and provide the Monitor's recommendations concerning the relief being sought by the Petitioners at the Comeback Application.

1.2 Restrictions

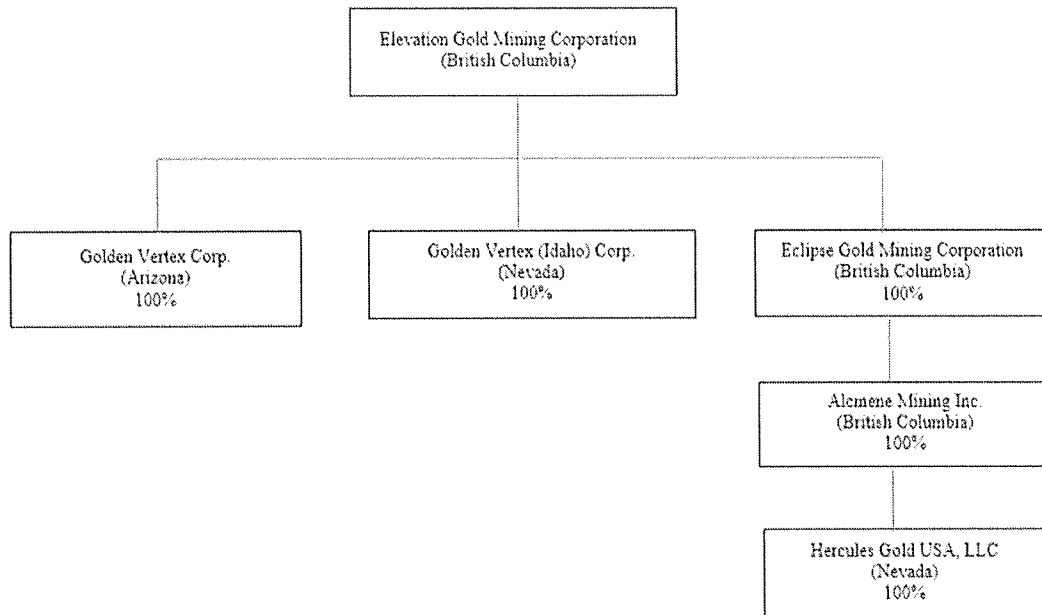
1. In preparing this First Report, the Monitor has relied upon the Petitioners' unaudited financial information, books and records, information available in the public domain, and discussions with the Petitioners' management, legal counsel, and INFOR.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this First Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party, other than the Court, wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast (as defined below) as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information relied upon in this First Report is based upon the Petitioners' assumptions regarding future events; actual results achieved may vary from this information, and these variations may be material. The Monitor expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.3 Currency

1. Unless otherwise noted, all currency references in this First Report are in United States dollars.

2.0 Background

1. The Petitioners' head office is located in Vancouver, British Columbia. The Petitioners are principally engaged in the acquisition, exploration, development, and exploitation of mineral properties.
2. Elevation's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol ELVT and were formally listed on the OTCQB Exchange under the symbol EVGDF. On August 6, 2024, the OTCQB Exchange advised Elevation that trading of Elevation's common shares will be transferred from the OTCQB Exchange to the Pink Sheets.
3. The Petitioners' corporate structure is as follows:



4. The Petitioners' principal operation is the production of gold and silver from their Moss Gold Mine (the "**Moss Mine**"), which is owned and operated by Golden Vertex, a wholly-owned subsidiary of Elevation. The Moss Mine is located in the Oatman District in Mohave County, Arizona. The Moss Mine began operating as an open pit mine in or around September 2018.

5. In addition to the Moss Mine, Elevation owns:
 - a) Hercules Gold, which is indirectly owned through two British Columbia subsidiaries. Hercules Gold has title to 100 square kilometers of exploration land that sits in Lyon County, Nevada, about 40 kilometers to the southeast of Reno, Nevada (the “**Hercules Property**”); and
 - a) through Golden Vertex (i) approximately 145 square kilometers of exploration land adjacent to the Moss Mine in Mohave County, Arizona; and (ii) a Mineral Lease and Option Agreement with La Cuesta International (the “**La Cuesta Option**”) of approximately 15 square kilometers with a 35-year term related to property adjacent to the Moss Mine in Mohave County, Arizona (the “**Silver Creek Property**”).
6. To enable the Petitioners to remain cash flow positive during these proceedings, Elevation’s management determined in late July 2024 that mineral extraction at the Moss Mine should be suspended and operations would instead focus on beneficiation, a process where metals of interest are extracted from mined ore on a leach pad.
7. Prior to the recent suspension of active mining operations, the Petitioners had 98 employees and 105 contractors. The Petitioners presently have 50 employees and intend to retain one to three contractors. The Petitioners’ management believes this level of staffing is sufficient to operate on a scaled-down basis.

3.0 SISP and INFOR Engagement Letter

3.1 Pre-Filing SISP

1. As outlined in the First Swendseid Affidavit and the Pre-Filing Report, on June 19, 2022, Elevation engaged Stifel Nicolaus Canada Inc. (“**Stifel**”) as its financial advisor to provide financial and strategic advice in connection with a potential transaction involving Elevation. The marketing process conducted by Stifel was unsuccessful and Elevation terminated Stifel’s engagement.
2. On August 9, 2023, Elevation engaged INFOR to assist the Petitioners in conducting a sale and investment solicitation process (the “**Pre-Filing SISP**”) to solicit interest in one or more transactions including, but not limited to, a merger, sale, joint venture, reorganization, restructuring, recapitalization, or strategic investment in Elevation.

3. A summary of the Pre-Filing SISP is as follows:
 - a) INFOR identified 45 potential purchasers and investors, including publicly traded mining companies, privately held mining companies, various private equity firms, and investment funds who have the financial and technical ability to complete a transaction or strategic investment;
 - b) INFOR narrowed the list of interested parties from 45 to 36 (the “**Prospective Pre-Filing Purchasers**”) by considering various criteria relating to the structure, size, and nature of each interested party in relation to the Petitioners’ business and assets;
 - c) INFOR reached out to the Prospective Pre-Filing Purchasers, providing them with a teaser and a confidentiality agreement;
 - d) 14 of the Prospective Pre-Filing Purchasers entered into confidentiality agreements. As of the date of this First Report, certain of these parties (the “**Interested Parties**”) remain interested in the opportunity; and
 - e) certain Interested Parties advised INFOR during the Pre-Filing SISP that they believed it would be preferable to complete a transaction in the context of an insolvency proceeding.
4. KSV understands that in carrying out the SISP in the CCAA proceedings, INFOR intends to advance discussions with the Interested Parties, re-engage with parties that it previously contacted (on the expectation that the commencement of these proceedings may cause parties to revisit the opportunity), and identify and canvass new parties that may have an interest in transacting with the Petitioners. The SISP is intended to market broadly to prospective purchasers and investors.

3.2 INFOR Engagement Letter

1. Capitalized terms used but not otherwise defined in this section have the meanings ascribed to them in the INFOR Engagement Letter, which is attached as Exhibit “B” to the Second Swendseid Affidavit.
2. Under the INFOR Engagement Letter, the Sales Agent’s services will include, among other things:
 - a) identifying and analyzing the financial and strategic alternatives available to the Petitioners;

- b) assisting the Petitioners to consider and solicit interest in asset sale or restructuring transactions (a "**Transaction**");
 - c) providing financial analysis and advice on structuring, planning, negotiating, and documenting a Transaction; and
 - d) assisting, in consultation with the Petitioners and the Monitor, in preparing confidential offering materials, contacting prospective purchasers and sources of capital, evaluating proposals, and assisting in the completion of a Transaction.
3. The fees payable to the Sales Agent pursuant to the INFOR Engagement Letter are as follows:
- a) The Sales Agent is to be paid a work fee of \$25,000 per month for a minimum of two and a maximum of four months (the "**Work Fee**"). The Work Fee is to be credited in full against the transaction fee (the "**Transaction Fee**"), which includes:
 - i. a fee payable upon closing of an "**Asset Sale Transaction**" equal to the greater of: (i) 2.25% of the Transaction Value; and (ii) \$800,000; or
 - ii. a fee payable upon closing of a "**Restructuring Transaction**" equal to 2.25% of the Gross Financing Proceeds. If the Restructuring Transaction is comprised solely of the existing lenders of the Petitioners credit bidding their debt, then the Restructuring Transaction Fee shall be \$800,000.
 - b) Pursuant to the INFOR Engagement Letter, payment of the Work Fee is to be secured under the Administration Charge and the Transaction Fee, if earned, is to be secured under a new charge (the "**Sales Agent Charge**") over the Property, which is to rank equal to the Administration Charge, and which shall be payable only from the consideration payable on completion of an Asset Sale Transaction or Restructuring Transaction.

3.3 Recommendation Regarding Retention of INFOR and Approval of INFOR Engagement Letter

- 1. The Monitor recommends that the Court approve the retention of INFOR as Sales Agent under the INFOR Engagement Letter for the following reasons:
 - a) in the Monitor's view, the fees payable to the Sales Agent are consistent with market and commercially reasonable, as:

- i. the Transaction Fee is contingent on the successful completion of a Transaction;
 - ii. the Transaction Fee is consistent with similar fees in other proceedings based on, among other things, recent mandates in which KSV has acted as monitor and in which a sales agent has been retained, including, Pure Gold Mining Inc., Wallace & Carey Inc., and Saltwire Network Inc.²; and
 - iii. the Work Fee is nominal in the circumstances and is to be credited in full against the Transaction Fee;
- b) the Sales Agent has significant experience in the mining sector, as reflected by the information provided in **Appendix "A"**; and
- c) there will be no delay in launching the SISP, as:
 - i. the Sales Agent has deep knowledge of the Petitioners and their management given the Sales Agent's involvement in the Pre-Filing SISP;
 - ii. the Sales Agent has already conducted a broad market canvassing of financial and strategic parties and the Sales Agent has an ongoing dialogue with certain of these parties;
 - iii. the Sales Agent has, among other things, prepared a teaser and populated a data room; and
 - iv. there is urgency to commence the SISP given the Petitioners' liquidity situation, and introducing a new financial advisor at this stage could confuse the market and result in substantial delay.

3.4 SISP

1. Capitalized terms used but not otherwise defined in this section have the meanings provided to them in the proposed SISP, which is attached as Exhibit "A" to the Second Swendseid Affidavit.

² Court-approved sales agent fees are as follows: (i) Pure Gold Mining Inc. – 1.50% of the transaction value subject to a minimum fee of CAD \$1.5 million; (ii) Wallace & Carey Inc. – CAD \$50,000 per month work fee and a transaction fee equal to the greater of (a) CAD \$750,000 and (b) 3% of the transaction value; (iii) Saltwire Network Inc. – CAD \$500,000 base fee and CAD \$750,000 in the event of a successful transaction.

2. In both the materials filed by the Petitioners in support of the Initial Order, and the submissions of its legal counsel on the application for the Initial Order, the Petitioners advised that they intended to seek approval of the SISP at the Comeback Application. Since the Filing Date, the Petitioners' management has worked with the Sales Agent and the Monitor to settle the terms of the INFOR Engagement Letter and the proposed SISP, both of which are subject to Court approval.
3. Pursuant to the SISP, interested parties are able to submit offers to:
 - a) acquire all, substantially all, or a portion of the Property or the business (an "**Asset Bid**"); or
 - b) make an investment in, restructure, reorganize, or refinance the Petitioners (a "**Restructuring Bid**").
4. The following table provides a summary of the key process milestones and dates under the proposed SISP:

Phase	Milestone	Deadline
Phase 1	SISP Commencement Date	August 12, 2024
	Letter of Intent Deadline	5:00 p.m. PT, September 13, 2024 ("LOI Deadline")
Phase 2	Final Bid Process Commences	September 19, 2024
	Final Bid Deadline	5:00 p.m. PT, October 18, 2024 ("Final Bid Deadline")
	Determination of Successful Bidder	October 25, 2024

5. As set out above, the SISP is intended to be conducted in two stages:
 - a) Phase 1 of the SISP is intended to solicit indicative letters of intent ("**LOIs**") from interested parties; and
 - b) During Phase 2, any parties who submit qualifying LOIs will be permitted to participate in Phase 2 and will be required to submit binding offers on or before the Final Bid Deadline.
6. The criteria to be considered and the process for submitting bids are set out in the SISP and will be considered by the Petitioners and the Sales Agent, in consultation with the Monitor.

7. At any time during the SISP, the Petitioners are permitted to enter into a stalking horse transaction, subject to approval of the Court and entry of an order of the US Court giving effect to that order in the US.
8. The SISP provides that its terms, including the requirements, criteria, and timelines set out therein, may be amended, extended, or waived by the Petitioners, with the consent of the Monitor or by further order of the Court. If any one milestone deadline is extended, all subsequent milestones shall be extended by the same number of days and a revised timetable shall be provided to all applicable interested parties and posted on the Case Website.

3.4.1 Solicitation of Interest

1. The SISP provides that the Petitioners, with the assistance of the Sales Agent and oversight of the Monitor, will disseminate marketing materials and solicit interest from parties potentially interested in pursuing a transaction. In particular, the SISP provides that the Petitioners and Sales Agent, in consultation and with oversight of the Monitor, will:
 - a) prepare a list of potential bidders who may have an interest in a transaction involving the Property or the Petitioners;
 - b) prepare and disseminate an initial marketing or offering summary (the "**Teaser Letter**") to the potential bidders with any additional marketing materials the Petitioners and Sales Agent consider appropriate, as well as a draft form of confidentiality agreement (a "**Confidentiality Agreement**");
 - c) require parties wishing to participate in the SISP and obtain access to the virtual data room to first sign a Confidentiality Agreement in form and substance satisfactory to the Petitioners; and
 - d) facilitate due diligence by Potential Bidders (as defined below).
2. Any Known Potential Bidder or other person wishing to submit an Asset Bid and/or a Restructuring Bid who meets the following criteria shall be deemed to be a "**Potential Bidder**":
 - a) executes a Confidentiality Agreement in form and substance satisfactory to the Petitioners;

- b) in the judgment of the Petitioners and Sales Agent, in consultation with the Monitor, appears to have a bona fide interest in submitting an Asset Bid and/or Restructuring Bid, and
- c) in the judgment of the Petitioners and Sales Agent, in consultation with the Monitor, appears to have the financial capabilities and the technical, managerial, and operational expertise and capabilities to make a viable Asset Bid or Restructuring Bid.

3.4.2 Qualified LOI Process

1. Potential Bidders who wish to make a Restructuring Bid or Asset Bid shall first submit a non-binding LOI to the Sales Agent and the Monitor before 5:00 p.m. (Pacific Time) on September 13, 2024 (i.e., the LOI Deadline).
2. Unless otherwise ordered by the Court or agreed by the Petitioners, with the approval of the Monitor, an LOI will be considered a “**Qualified LOI**” if it meets the requirements outlined in paragraph 16 of the SISP. The Petitioners, in consultation with the Monitor, may waive strict compliance with any one or more of the requirements specified in the SISP and deem any LOI to be a Qualified LOI.
3. Subsequent to the LOI Deadline, the Petitioners and the Sales Agent, in consultation with the Monitor, will assess the Qualified LOIs. A Potential Bidder who meets the following criteria shall be deemed to be a “**Qualified Bidder**”:
 - a) has a bona fide interest in consummating an Asset Bid or a Restructuring Bid, as applicable; and
 - b) has the financial, managerial, operational, technical, and other capabilities to consummate an Asset Bid or a Restructuring Bid.
4. For greater certainty, no Potential Bidder who has submitted a Qualified LOI by the LOI Deadline will be deemed not to be a Qualified Bidder without the approval of the Monitor.

3.4.3 Final Bid Process

1. Qualified Bidders who wish to submit an Asset Bid or Restructuring Bid shall submit a binding offer (each a “**Final Bid**”) that complies with all of the requirements outlined in paragraphs 23 and 24 of the SISP (each a “**Qualified Final Bid**”) to the Sales Agent and the Monitor by no later than 5:00 p.m. (Pacific Time) on October 18, 2024 (i.e., the Final Bid Deadline).

2. The Petitioners, in consultation with the Monitor, may waive strict compliance with any one or more of the requirements specified in the SISP and deem any Final Bid to be a Qualified Final Bid.

3.4.4 Selection of Winning Bid and Backup Bid

1. The Petitioners, in consultation with the Monitor, shall review all Qualified Final Bids to determine the highest or otherwise best Asset Bid or Restructuring Bid. Evaluation criteria will include, but are not limited to, matters such as:
 - a) the purchase price or net value being provided by such bid;
 - b) the nature of the consideration proposed to be provided under such bid;
 - c) the conditionality of any bid;
 - d) the firm, irrevocable commitment for any required financing;
 - e) the timeline to close any bid;
 - f) the identity, circumstances, and ability of the proponents of the Qualified Final Bids to successfully complete the transaction;
 - g) the costs associated with the bid and its consummation; and
 - h) the terms of the proposed transaction documents.
2. The Petitioners, in consultation with the Monitor, shall identify the highest or otherwise best Qualified Final Bid (each, a **"Winning Bid"**) and the next highest or otherwise best Qualified Final Bid (each, a **"Backup Bid"**). A person or persons who make a Winning Bid shall be a **"Successful Bidder"**, and a person or persons who make a Backup Bid shall be a **"Backup Bidder"**.
3. The Petitioners or Sales Agent, after consulting with the Monitor, shall notify a Successful Bidder, if any, a Backup Bidder, if any, and any other bidders of their respective status as soon as reasonably practicable in the circumstances.

4. The Petitioners may, but shall have no obligation to, enter into an agreement or agreements with a Successful Bidder (a "**Final Agreement**"). Any Final Agreement entered into with a Successful Bidder shall be executed on or before November 15, 2024 (the "**Final Agreement Deadline**"). The objective of the SISP is to complete a transaction by the end of November 2024.

3.5 SISP Recommendation

1. The Monitor recommends that this Court approve the proposed SISP for the following reasons:
 - a) the primary purpose of the CCAA proceedings is to attempt to complete a going concern transaction and to maximize value for all stakeholders through the conduct of the SISP;
 - b) in the Monitor's view, the SISP is commercially reasonable and will provide for a wide canvassing of the market with a view to completing a going-concern, value-maximizing transaction in the best interests of the Petitioners' stakeholders, including the opportunity to preserve employment;
 - c) the duration of the SISP is sufficient in the circumstances to allow interested parties to undertake necessary due diligence and submit binding offers, particularly in light of the Pre-Filing SISP;
 - d) the SISP provides for flexibility in respect of its deadlines to the extent they need to be amended or extended, with the consent of the Monitor;
 - e) the SISP provides for flexibility in terms of transaction structure;
 - f) the Sales Agent has deep experience in the mining industry and extensive knowledge about the Petitioners. The Sales Agent is ready to commence the SISP, which is critical given the significant costs and the Petitioners' liquidity situation. The majority of the Sales Agent's fees are contingent and designed to compensate them for successfully completing a value-maximizing transaction; and
 - g) the SISP will be carried out under the supervision of the Monitor to ensure fairness and transparency.

4.0 Court Ordered Charges

1. The proposed ARIO contemplates the following CCAA Charges:
 - a) First, *pari passu*: (i) the Administration Charge in the amount of CAD \$500,000 (including to secure payment of the Work Fee); and (ii) the Sales Agent Charge, to be paid from the consideration payable under a Sale Transaction or Restructuring Transaction;
 - b) Second, the D&O Charge (CAD \$520,000); and
 - c) Third, the Intercompany Advance Charge.
2. The Monitor is of the view that securing the Work Fee and the Transaction Fee under the Administration Charge and the Sales Agent Charge, respectively, is reasonable and appropriate because the Sales Agent requires security for the payment of its fees. It would, in the Monitor's view, be unreasonable to expect a financial advisor to act in the context of insolvency proceedings without reasonable assurance that its fees will be paid.
3. The Pre-Filing Report provides the rationale for the amount and priority of the D&O Charge.

4.1 Administration Charge Increase

1. The Initial Order granted an Administration Charge in the amount of CAD \$300,000 to secure the fees and expenses of the Monitor, its counsel, and the Petitioners' counsel up to the Comeback Application.
2. The Petitioners seek to increase the amount of the Administration Charge to CAD \$500,000. The Pre-Filing Report noted that an increase in the Administration Charge may be sought at the Comeback Application.
3. The Monitor is of the view that the increased Administration Charge is reasonable in the circumstances given:
 - a) the complexities of the Petitioners' CCAA proceedings and the services to be provided by the professionals covered by the Administration Charge, each of whom is necessary to further the restructuring efforts of the Petitioners;
 - b) the inclusion of the Work Fee in the Administration Charge;

- c) the Petitioners are funding these proceedings through cash flow generated from the Moss Mine, and as such, the professionals require additional security in the event the Petitioners incur negative cash flow variances; and
- d) without such protection, the professionals are unlikely to be prepared to continue to provide services in these CCAA proceedings.

5.0 Stay Extension and Related Relief

1. The Stay Period currently expires on August 12, 2024. The Petitioners are requesting an extension of the Stay Period until October 25, 2024 (i.e., the Stay Extension).
2. The Monitor supports the Stay Extension for the following reasons:
 - a) the Petitioners are acting in good faith and with due diligence to advance these proceedings;
 - b) the Stay Extension will allow the SISF to be conducted, which is the primary purpose of these proceedings;
 - c) binding offers are to be submitted by October 18, 2024, which is within the Stay Extension Period;
 - d) the Monitor does not believe that any creditor will be prejudiced if the extension is granted;
 - e) as of the date of this First Report, neither the Petitioners nor the Monitor are aware of any party opposed to the requested extension; and
 - f) the Petitioners are projected to have sufficient liquidity to fund operations and the costs of these proceedings, as reflected in the Cash Flow Forecast attached to the Pre-Filing Report, which is also attached to this First Report as **Appendix "B"**.

6.0 Update on the Petitioners' Activities since the Filing Date

1. Since the Filing Date, the Petitioners have:
 - a) continued to operate the beneficiation process at the Moss Mine;

- b) engaged with the Monitor concerning all aspects of these proceedings, including reporting on receipts and disbursements, the proposed SISP, the INFOR Engagement Letter, employee issues, and supplier issues;
- c) communicated with suppliers to secure goods and services;
- d) drafted the terms of the proposed SISP in consultation with the Sales Agent and the Monitor;
- e) analyzed cost-saving initiatives at the Moss Mine; and
- f) communicated with staff regarding these proceedings.

7.0 Monitor's Activities since the Filing Date

1. Since the Filing Date, the Monitor has, among other things:
 - a) corresponded regularly with the Petitioners' management team regarding these proceedings;
 - b) mailed a CCAA notice to the Petitioners' creditors and filed Forms 1 and 2 with the Office of Superintendent of Bankruptcy in Canada, as required under the CCAA;
 - c) maintained the Case Website, including posting the CCAA notice, list of creditors, and court materials;
 - d) arranged for the publication of the CCAA notice in *The Globe and Mail*, *The Mohave Valley Daily*, *The Las Vegas Review Journal*, and *The Arizona Business Gazette* newspapers in accordance with the Initial Order;
 - e) monitored the Petitioners' receipts and disbursements;
 - f) engaged extensively with Fasken Martineau DuMoulin LLP (the Monitor's Canadian legal counsel), Kenneth Coleman and Lewis Roca Rothgerber Christie LLP (together, the Monitor's US legal counsel), and Lawson Lundell LLP (the Petitioners' legal counsel) regarding various matters relating to these proceedings;

- g) commenced proceedings for each of the Petitioners under Chapter 15 of the Bankruptcy Code in the US Court. The cases have been assigned to Chief Bankruptcy Judge Eddward P. Ballinger Jr. and a hearing is scheduled for August 13, 2024 at 10:00 a.m. (Arizona time) to consider the Monitor's motion for provisional relief pending determination of the Chapter 15 petitions;
- h) engaged extensively with its and the Petitioners' US counsel regarding the commencement of the Chapter 15 proceedings and the filing of same with the US Court;
- i) discussed the proposed terms of the SISP and the INFOR Engagement Letter with the Sales Agent and the Petitioners' management;
- j) reviewed and commented on the Petitioners' materials to be filed in support of the relief to be sought at the Comeback Application; and
- k) prepared this First Report.

8.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the relief sought by the Petitioners at the Comeback Application.

* * *

All of which is respectfully submitted,

KSV RESTRUCTURING INC.,
in its capacity as monitor of
Elevation Gold Mining Corporation, Golden Vertex Corp.,
Golden Vertex (Idaho) Corp., Eclipse Gold Mining Corporation,
Alcmene Mining Inc., and Hercules Gold USA, LLC and not
in its personal capacity

Per: Robert Kofman, President and Managing Director

APPENDIX A

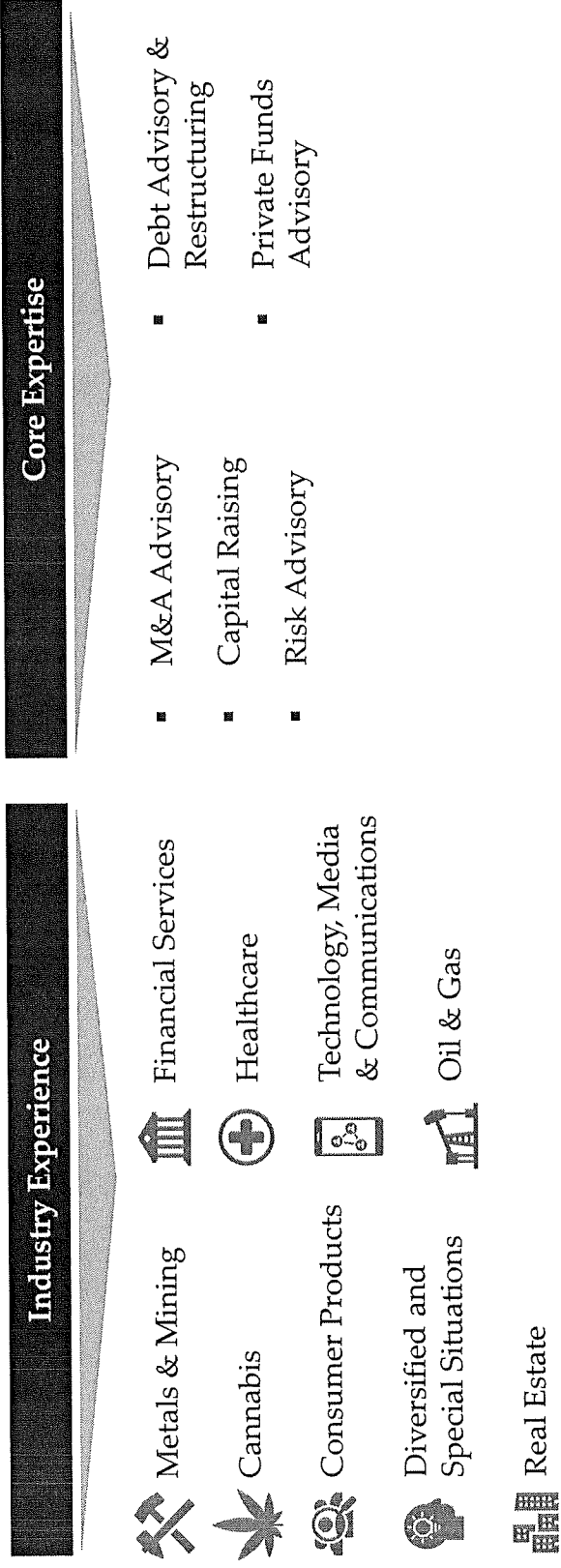
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INFOR Financial Inc.
Mining Team Overview



INFOR Financial Inc. Overview

- INFOR Financial Inc. (“INFOR”) is one of Canada’s leading independent investment banks
- Our team has been directly involved in originating and executing over 2,000 transactions totaling more than \$390 billion
- Extensive experience providing advisory services on complex, transformational transactions and related capital markets activities
- Since inception, INFOR has consistently ranked as one of Canada’s top independent M&A advisors by Thomson Reuters



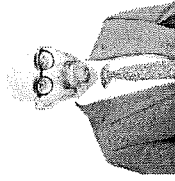
INFOR is Canada’s leading provider of innovative, independent, forward thinking financial and strategic advice

INFOR Mining Team



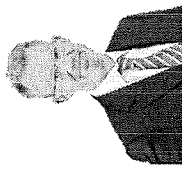
Jens Mayer, MBA, Principal

- Over 30 years of mining industry experience as a geologist and investment banker
- Prior to joining INFOR, spent 16 years as the Head/Co-Head of Investment Banking and the Resource Group at Canaccord Genuity where he helped build Canaccord form a small regional dealer to Canada's largest independent investment bank with global reach
- Holds a H.B.Sc. from Brock University and an MBA from Queen's University



Neville Dastoor, CFA, MBA, P.Eng., Principal

- Previously, senior partner in the mining investment banking group at Canaccord Genuity
- Successful history of advising clients on deals ranging from M&A and restructuring transactions to IPOs, RTOs and financing transactions
- Holds a B.Sc. (Civil Engineering) from Queen's University, an MBA from The Richard Ivey School of Business, University of Western Ontario, is a CFA charter holder and a Professional Engineer (Ontario)



Peter Collibee, CA, Principal

- Over 30 years of international experience as an investment banker focused on the global mining industry; 8 years as Global Head of Mining & Metals at Scotiabank; 11 years as a senior banker at BMO in the Global Metals & Mining division; 7 years at Rothschild (Sydney / Toronto)
- Holds a B.Ec from the University of Western Australia and is a CA



Luke Matta, Analyst

- Two years of investment banking experience; previously an intern at several boutique investment banks
- Holds an Honours Bachelor of Business Administration from Wilfrid Laurier University and an Honours Bachelor of Mathematics from the University of Waterloo



Felix Ng, Analyst

- Two years of investment banking experience; previously an intern at a boutique private equity firm
- Holds an Honours Bachelor of Commerce from the Smith School of Business at Queen's University

Industry Leading Mining Team

- In September 2016, INFOR expanded its investment banking reach into the resource space with the hiring of Jens Mayer and Neville Dastoor and subsequently expanded its distribution capabilities with the addition of Kenrick Sylvester in 2020
- In 2022, after many successful years, INFOR once again expanded its mining team with the hiring of Peter Collibee
- INFOR's mining team has been directly involved in originating and executing over 200 M&A transactions totalling more than \$100 billion in value at two of the mining industry's leading brokerage firms
- The mining team has previously led or co-led over 800 financing transactions totalling over \$20 billion in value and participated as a syndicate member in over 600 financing transactions totalling over \$40 billion in value

PRIMERO

METALLICA
RESOURCES INC.

GRAYD
RESOURCE CORPORATION



GOLDCORP

uraniumone™
investing in our energy

KINROSS

centenario
CORPORATION



AGNICO EAGLE



FORTUNA
SILVER MINES INC.



TAHOE
RESOURCES™



YAMANA GOLD
Minas Argentinas S.A.

WHEATON
PRECIOUS METALS

Fronteergold
Where Gold Comes to Life


lundin mining


INFOR has brought leaders from some of the most active mining finance and advisory firms in Canada together to create a team deep in industry knowledge and relationships


INFOR
FINANCIAL INC.

Market Making and Institutional Distribution

INFOR's Dedicated Trading Support Team


Anthony George
Co-Head, Trade Support


David Tomlin
Co-Head, Trade Support


Andrew Menzies
Principal, Trade Support

- In September 2018, INFOR added one of Canada's top trading-support teams
- This experienced group brings a wealth of market knowledge and deep corporate relationships across a range of sectors
 - Various members of the team have been providing liquidity to institutions and corporate issuers on the TSX/TSX-V for over 30 years
- The addition of the trading-support team further represents INFOR's commitment to providing a full suite of advisory and capital markets support solutions to better address the needs of our clients

INFOR's Leading Institutional Distribution Team



Kenrick Sylvestre
MBA, CFA

Principal & Head of
Distribution

- INFOR's institutional distribution team is led by Kenrick Sylvestre
 - More than 20 years of capital markets experience
 - 2019 Brendan Wood International TopGun Award for Canadian sales professionals
- Provides our clients with extensive coverage of North America's leading institutional buy-side accounts along with select accounts in Europe and Australasia
- Platform exposes clients to a wide range of investment styles and mandates, including fundamental mutual funds, hedge funds, value funds, alpha capture strategies and the ever-growing family office/high-net-worth groups
- COVID-19 has further accelerated our belief that technology will continue to play an important role in creating the most efficient, institutional distribution platform in Canada

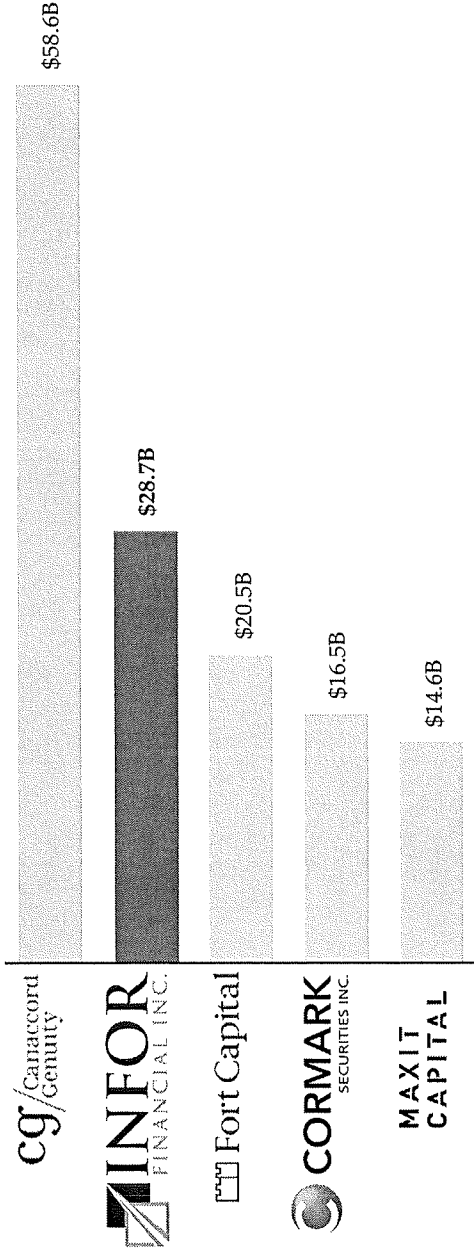
INFOR has established an alternative post-trading support team, comprised of a dedicated market liquidity division and a highly effective institutional engagement platform to support our clients in the aftermarket

Top Public Markets M&A Track-Record

- INFOR has established itself as a leading Canadian independent investment bank since its inception in March 2015, ranking 2nd among independent investment banks for M&A Advisory
- Total M&A transaction value since inception of ~\$29 billion

Independent Diversified Canadian M&A Advisor Rankings (C\$B)

Since Inception (2015 – 2024)



Source: Bloomberg M&A League Tables (Mar. 23, 2015 – Feb. 29, 2024)

Select Transactions

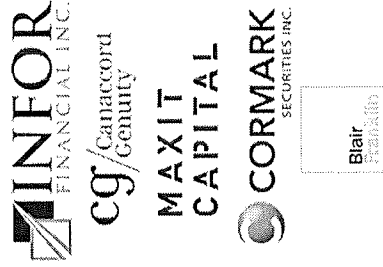
- Advised Element Financial on the acquisition of the U.S. and Mexico fleet operations of GE Capital Fleet for \$8.6 billion
- Advised a consortium of U.S. and Canadian buyers on the acquisition of a majority stake in Duff & Phelps for US\$1.3 billion
- Advised Fortuna on the acquisition of Roxgold for \$1.1 billion
- Advised Sangoma on its acquisition of Star2Star for US\$437 million
- Advised Canopy Growth in respect of the company's landmark transaction with Constellation Brands (\$245 million investment)

Canadian Metals & Mining League Tables

Independent Canadian M&A Advisors - Deals

Since January 1, 2020

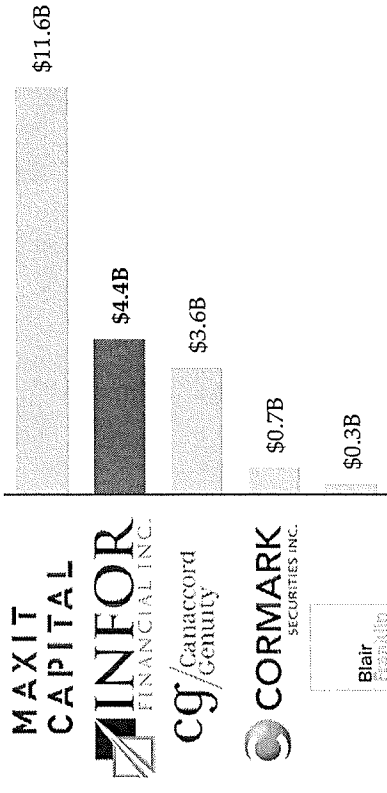
2021




Independent Canadian M&A Advisors - Deal Value (C\$B)


Since January 1, 2020


2021





Select INFOR Mining Transactions


Advisor

 Undisclosed
 Sale of Certain Assets to Ex Gold Corp.
 February 2024


Advisor

 FORTUNA SILVER MINING INC
 A\$89,000,000
 Acquisition of Chesser Resources
 September 2023


Advisor

 ROCKCLIFF METALS CORP.
 \$18,000,000
 Sale to Hudbay
 September 2023


Advisor

 SAIFISH MINING ROYALTIES
 US\$6,000,000
 Silver Stream Agreement with Mako Mining
 May 2023


Advisor to

 ROSCAN GOLD
 \$10,000,000
 Royalty Sale Agreement With Osisko Gold Royalties
 December 2022


Advisor to

 NORTH AMERICAN NICKEL
 US\$242,949,552
 Go Public RTO
 August 2022


Co-Manager for

 BRAVO MINING CORP.
 \$40,250,000
 Initial Public Offering
 July 2022


Co-Manager for

 NORTH AMERICAN NICKEL
 \$10,136,640
 Best Efforts Private Placement
 April 2022


Advisor to

 TEMBO GOLD CORP
 US\$60,000,000
 Sale of Non-Core Assets to Barrick Gold & Strategic Investment
 April 2022


Advisor to

 AURAMET PARTNERS
 \$5,000,000
 Private Placement from Auramet Capital Partners
 April 2022

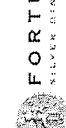
Co-Manager for

 BONERRA
 \$48,954,885
 Two Best Efforts Private Placement and One Non-Brokered Private Placement
 2020-2022

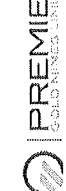
Co-Manager for

 RESSOURCES MINIERES
Radissor
 MINING RESOURCES
 \$6,773,110
 Best Efforts Private Placement
 December 2021


Advisor to

 MAKO MINING ROYALTIES
 US\$8,000,000
 Debt Restructuring & Gold-Linked Loan with Saifish Royalty
 August 2021

Advisor to

 CALIFORNIA GOLD MINING INC
 \$12,000,000
 Sale to Stratabound Minerals
 August 2021



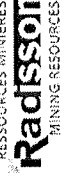

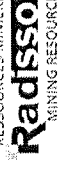




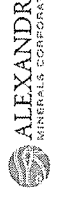



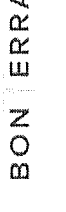
Advisor to

 Li-Cycle
 US\$1,670,000,000
 Public Listing via SPAC
 August 2021

Advisor to

 FORTUNA SILVER MINING INC
 \$1,100,000,000
 Acquisition of Roxgold
 July 2021

Advisor to

 PREMIER GOLD MINING LIMITED
 \$457,000,000
 Spin-Out of Nevada Assets into i-80 Gold
 April 2021


Advisor to

 Citabar LP
 \$12,605,396
 Sale to Red Pine Exploration
 March 2021

Select INFOR Mining Transactions

<p>Co-Manager for</p>  <p>Reupine EXPLORATION INC.</p> <p>\$20,026,805</p> <p>Best Efforts Private Placement</p> <p>March 2021</p>	<p>Advisor to</p>  <p>COMPASS GOLD SOUTH AFRICA</p> <p>\$3,637,062</p> <p>Private Placement</p> <p>December 2020</p>	<p>Co-Lead for</p>  <p>Radisson MINING RESOURCES</p> <p>\$13,172,034</p> <p>Best Efforts Private Placement</p> <p>November 2020</p>	<p>Advisor to</p>  <p>cline mining corporation</p> <p>US\$55,000,000</p> <p>Sale of Equity in New Elk Coal</p> <p>October 2020</p>	<p>Advisor to</p>  <p>Radisson MINING RESOURCES</p> <p>\$9,500,000</p> <p>Asset Purchase and Equity Investment</p> <p>August 2020</p>	<p>Co-Manager for</p>  <p>FREEMAN GOLD</p> <p>\$10,350,000</p> <p>Bought Deal Prospectus Offering</p> <p>July 2020</p>
<p>Co-Manager for</p>  <p>MIAKO MINING CORP.</p> <p>\$28,400,000</p> <p>Bought Deal Private Placement</p> <p>July 2020</p>	<p>Advisor to</p>  <p>BALMORAL</p> <p>\$110,000,000</p> <p>Sale to Wallbridge Mining</p> <p>May 2020</p>	<p>Advisor to</p>  <p>puregold</p> <p>\$15,000,000</p> <p>Non-Brokered Flow Through Financing</p> <p>May 2020</p>	<p>Advisor to</p>  <p>COMPASS GOLD</p> <p>\$5,387,275</p> <p>Private Placement</p> <p>December 2019</p>	<p>Advisor to</p>  <p>BALMORAL</p> <p>\$4,550,000</p> <p>Non-Brokered Flow Through Financing</p> <p>December 2019</p>	<p>Advisor to</p>  <p>ALEXANDRIA MINERALS CORPORATION</p> <p>\$38,400,000</p> <p>Sale to O3 Mining (Osisko Spin-Out)</p> <p>August 2019</p>
<p>Advisor to</p>  <p>IMPACT SILVER CORP.</p> <p>\$4,950,000</p> <p>Private Placement</p> <p>August 2019</p>	<p>Advisor to</p>  <p>MIAKO MINING CORP.</p> <p>\$27,000,000</p> <p>Rights Offering / Strategic Advisor</p> <p>July 2019</p>	<p>Advisor to</p>  <p>DESERT LION ENERGY</p> <p>\$24,000,000</p> <p>Sale to Lepidico</p> <p>July 2019</p>	<p>Advisor to</p>  <p>LEADFX</p> <p>\$103,000,000</p> <p>Going Private Transaction</p> <p>October 2018</p>	<p>Advisor to</p>  <p>KLONDEX MINES LTD.</p> <p>US\$507,000,000</p> <p>Sale to Hecla Mining and Spinout of Canadian Assets</p> <p>July 2018</p>	<p>Co-Manager for</p>  <p>BONERRA</p> <p>60,669,784</p> <p>Three Bought Deal Private Placement Financings & Kinross' Strategic Investment</p> <p>2017 – 2018</p>

Select Prior Mining Transaction Experience – M&A

Advisor to




investing in our energy

\$2,800,000,000

Acquisition by ARMZ

October 2013

Advisor to




Gold Mines Limited

\$438,000,000

Acquisition by Yamana Gold Inc.

August 2012

Advisor to




RESOURCE CORPORATION

\$252,000,000

Acquisition by Agnico-Eagle Mines Ltd.

November 2011

Advisor to




US\$1,200,000,000

Announced Merger with Northgate Minerals

July 2011

Advisor to




RESOURCES LTD

\$663,000,000

Acquisition by Nyrstar NV

June 2011

Advisor to



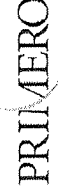
GOLD CORP.

\$137,000,000

Acquisition by Argonaut Gold Inc.

October 2010

Advisor to




\$510,000,000

Acquisition of San Dimas from Goldcorp Inc.

July 2010

Advisor to




RESOURCES INC.

\$679,000,000

Acquisition by CRCC-Tongguan Investment Co., Ltd.

May 2010

Advisor to




RESOURCES LTD.

\$139,200,000

Acquisition by Kinross Gold Corp.

March 2010

Advisor to




\$57,000,000

Acquisition by Quadra Mining Ltd.

February 2009

Advisor to




RESOURCES INC.

US\$1,600,000,000

Merger with New Gold and Peak Gold

June 2008

Advisor to




\$4,600,000,000

Acquisition of Meridian Gold & Northern Orion Resources

November 2007

Advisor to



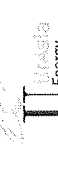
Where gold runs to life.

\$187,000,000

Acquisition of NewWest Gold Corp.

June 2007

Advisor to



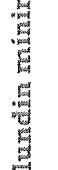
Energy

\$3,400,000,000

Acquisition by SXR Uranium One

April 2007

Advisor to




\$1,500,000,000

Acquisition of Tenke Mining Corp.

April 2007

Advisor to




\$640,000,000

Acquisition by Yamana Gold

November 2006

Advisor to

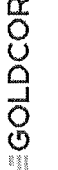


US\$3,100,000,000

Acquisition of Bema Gold Corp.

November 2006

Advisor to




\$2,400,000,000

Acquisition of Wheaton River Minerals Ltd.

March 2005

Select Prior Mining Transaction Experience – Financings

Bookrunner for




PRIMERO

\$524,288,640

Private Placement & Secondary Offering

Jul. 2010 – Mar. 2014

Bookrunner for




COLOSSUS

\$155,733,750

Public Offerings

Feb. 2008 – Jul. 2013

Bookrunner for



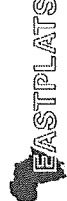
Denison Mines

\$354,752,500

Public Offerings

Jan. 2007 – Feb. 2011

Bookrunner for




EASTPLATS

\$548,837,581

Public Offerings

May 2007 – Dec. 2010

Bookrunner for




TAHOE

\$699,931,657

Public Offerings

May 2010 – Dec. 2010

Bookrunner for



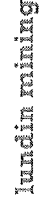
TERANGA

\$136,480,000

Initial Public Offering

November 2010

Bookrunner for




Lundin mining

\$1,022,600,000

Public Offerings

May 2004 – Oct. 2010

Bookrunner for




African Minerals

£167,897,370

Public Offering

June 2010

Bookrunner for




uraniumone

\$260,000,000

Convertible Debentures

March 2010

Bookrunner for




Aura Minerals Inc.

\$385,925,750

Private Placement & Public Offerings

May 2007 – Feb. 2010

Bookrunner for




FNX

\$246,267,500

Public Offerings

Nov. 2005 – Aug. 2009

Bookrunner for




Gold Wheaton Gold Corp.

\$375,000,000

Private Placement & Public Offering

Jul. 2008 – Mar. 2009

Bookrunner for



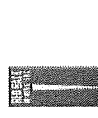
IAMGOLD

\$345,143,750

Public Offering

March 2009

Bookrunner for




SILVER WHEATON

\$660,003,520

Private Placements & Public Offerings

Jun. 2004 – Jan. 2009

Bookrunner for




YAMANA GOLD

\$831,230,000

Public Offerings

Jul. 2003 – Dec. 2008

Bookrunner for




ThompsonCreek METALS COMPANY INC.

\$236,500,000

Public Offering

May 2008

Bookrunner for



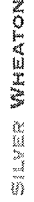
BLUE PEARL MINING LTD.

\$39,000,000

Private Placement

Apr. 2006 – Apr. 2007

Bookrunner for



SILVER WHEATON


\$528,600,000

Public Offerings

Dec. 2005 – Dec. 2006

Select INFOR Transactions

Advisor to




TIDEWATER RENEWABLES

\$150,000,000

Senior Secured Second Lien Credit Facility from AIMCo

October 2022

Co-Manager for




TIDEWATER

\$161,025,000

Initial Public Offering

August 2021

Co-Manager for




softchoice

\$402,500,000

Initial Public Offering

June 2021

Advisor to




Leaf Medical Cannabis

US\$240,000,000 + Earnout

Sale to Columbia Care

June 2021

Advisor to




SANGOMA

US\$437,000,000

Acquisition of Star2Star

March 2021

Multiple Roles for




Dye & Durham

\$1,415,685,663

Five Bought Deals and an IPO

2020-2021

Co-Manager for




Andlauer

\$172,500,000

Initial Public Offering

December 2019

Advisor to




Acreage

US\$3,400,000,000

Business Combination with Canopy Growth

June 2019

Advisor to




ICCLabs Inc.

\$290,000,000

Sale of Outstanding Shares to Aurora Cannabis

November 2018

Advisor to




CI FINANCIAL

\$1,000,000,000

Capital Allocation Strategy and Share Repurchase

August 2018

Advisor to




HIKU

\$320,000,000

Sale of Outstanding Shares to Canopy Growth

August 2018

Co-Manager for




aphria

\$258,750,794

Bought Deal Prospectus Offering

June 2018

Advisor to




CANDY GROWTH

\$245,000,000

Strategic Investment by Constellation Brands

November 2017

Advisor to




goeasy

US\$325,000,000

High Yield Debt Offering

November 2017

Advisor to




D+H

\$4,800,000,000

Strategic Advisor to the Board

December 2016

Advisor to




element

\$24,002,658,000 Total Assets

Separation of Fleet & Commercial Finance into 2 Publicly Traded Companies

October 2016

Advisor to




DUFF & PHELPS

Undisclosed

Advisor to U.S. and Canadian Institutional Investors on Acquisition

January 2016

Advisor to



element

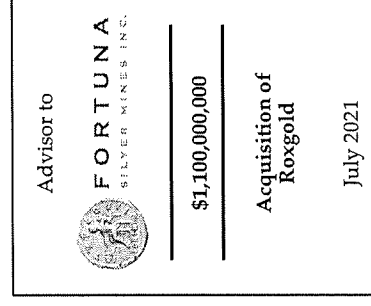
\$8,600,000,000

Acquisition of GE Capital's Fleet Operations (U.S., Mex, Aus, NZ)

June 2015

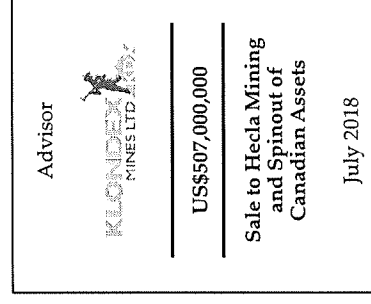
Mining M&A Case Study – Fortuna

- Fortuna Silver Mines Inc. (“Fortuna”) was a South American focused, precious and base metal producer
- Fortuna was in a unique position, seeking to de-risk its operations and acquire assets outside of South America while also experiencing a supportive capital-markets valuation
- INFOR provided targeted and meaningful alternatives to Fortuna, and ultimately helped guide it to the best potential target, Roxgold Inc. (“Roxgold”), a production stage company with assets in West Africa
- Through its expertise and deep-rooted industry relationships, INFOR played a meaningful role in negotiating transaction terms and ultimately helped Fortuna acquire Roxgold at substantially accretive levels
- INFOR dedicated the full resources of its firm and thus was instrumental in advising Fortuna along the entire deal process
- The transaction helped create a low-cost platform for gold and silver production growth in the world’s fastest growing precious metals producing region
 - In addition, the transaction put Fortuna in a stronger position to compete for meaningful assets in the Americas and in West Africa
- INFOR also assisted in securing key lock-up and support agreements from Roxgold’s largest shareholder
- The transaction closed in July 2021 for total consideration to Roxgold shareholders of \$1.1 billion




Mining M&A Case Study – Klondex


- The principals of INFOR have a long-standing relationship with Klondex Mines Inc. (“Klondex”)
- INFOR was initially retained by Klondex to assess strategic alternatives in 2017; a sale of the Nevada gold mines to Hecla Mining Co. (“Hecla”) emerged as the most compelling strategic alternative
- In March 2018, Klondex announced the sale of three high-grade gold mines in Nevada to Hecla for consideration of US\$462 million; **INFOR acted as co-advisor to Klondex on the transaction**
- INFOR was successful in negotiating a substantial and above-market premium of ~59% for Klondex shareholders
- Klondex’s Canadian assets in Manitoba were spun off into Havilah Mining Corporation (“Havilah”, now known as “1911 Gold Corp.”)
- The principals of INFOR were instrumental in the formation and structuring of this spinout entity
- Havilah was subsequently listed on the TSX Venture Exchange, with Hecla making an investment of US\$7.0 million in Havilah
- INFOR also assisted in securing key lock-up and support agreements from major shareholders, which accounted for 25.4% of the shares outstanding
- The transaction closed in July 2018 for total consideration to Klondex shareholders of US\$507million, including Havilah



Mining M&A Case Study – Balmoral

- Balmoral Resources Ltd. (“Balmoral”) was an exploration company with a portfolio of gold and base metal properties located in the Abitibi greenstone belt
- In May 2019, Wallbridge Mining Company Ltd. (“Wallbridge”) delivered its first offer to Balmoral, an all-share transaction with Balmoral Shareholders receiving 0.38 of a Wallbridge Share for each Balmoral Share held
- Balmoral ultimately denied the first offer and continued exploration on its projects
 - In December 2019, INFOR secured a lead order from Eric Sprott to help fund exploration
- INFOR was instrumental in conducting multiple rounds of negotiation with Balmoral, and in February 2020, Balmoral’s board accepted an all-share transaction with a share exchange ratio of 0.71 – over 85% higher than its first offer
- This implied a substantial and above-market premium of ~46% for Balmoral shareholders
- INFOR also assisted in securing key lock-up and support agreements from major shareholders, which accounted for 17.3% of the shares outstanding
- The transaction closed in May 2020 for total consideration to Balmoral of C\$110 million

Advisor to	
	BALMORAL
	<hr/>
	\$4,550,000
	<hr/>
	Non-Brokered Flow Through Financing
	December 2019

Advisor to	
	BALMORAL
	<hr/>
	\$110,000,000
	<hr/>
	Sale to Wallbridge Mining
	May 2020


Mining Financing Case Study – Bonterra


- Bonterra Resources Inc. (“Bonterra”) is a gold exploration company with a large portfolio of advanced exploration assets anchored by three main assets and a central milling facility in Quebec, Canada
- As the company grew rapidly a strong emphasis was placed on securing leading strategic investors that took a long-term view of Bonterra. INFOR was instrumental in securing a strategic investment from Kinross, fueling long-term growth
- From 2017-2022, INFOR has helped raise over \$125 million for Bonterra
- INFOR’s long-standing relationship with Bonterra has been built upon a number of formal and informal strategic and financial assignments, including:
 - Assisting with M&A screening, identification, and negotiations with targets
 - Supporting with board meetings and communications with existing and potentially new shareholders


<p>Advisor to</p> <p>BONERRA</p> <p>\$5,200,104</p> <p>Kinross’ Strategic Investment</p> <p>March 2017</p>	<p>Co-Manager</p> <p>BONERRA</p> <p>\$13,974,800</p> <p>Bought Deal Private Placement Financing</p> <p>March 2017</p>	<p>Co-Manager</p> <p>BONERRA</p> <p>\$19,999,880</p> <p>Bought Deal Private Placement Financing</p> <p>June 2017</p>	<p>Co-Manager</p> <p>BONERRA</p> <p>\$21,495,000</p> <p>Best Efforts Private Placement</p> <p>February 2018</p>
<p>Co-Manager</p> <p>BONERRA</p> <p>\$12,270,375</p> <p>Non-Brokered Private Placement</p> <p>December 2020</p>	<p>Co-Manager to</p> <p>BONERRA</p> <p>\$17,472,300</p> <p>Best Efforts Private Placement</p> <p>April 2021</p>	<p>Co-Manager to</p> <p>BONERRA</p> <p>\$11,664,450</p> <p>Best Efforts Private Placement</p> <p>October 2021</p>	<p>Co-Manager to</p> <p>BONERRA</p> <p>\$25,020,060</p> <p>Best Efforts Private Placement</p> <p>March 2022</p>

Mining Financing Case Study – Radisson

- Radisson Mining Resources Inc. (“Radisson”) is a gold exploration company focused on its 100% owned O’Brien project, located in the Bousquet-Cadillac mining camp along the Larder-Lake-Cadillac Break in Abitibi, Quebec
- The principals of IFI have a long-standing relationship with Radisson, and over the last few years have helped with strategic alternatives and comprehensive evaluation of a number of asset purchases
- In August 2020, IFI recommended the asset purchase of the New Alger Gold Property (“New Alger”) from Renforth Resources Inc. (“Renforth”)
- Radisson acquired a 100% interest in Renforth’s New Alger Gold Property for \$9.5 million and entered into a long-term strategic relationship through a 9.9% equity investment in Renforth
 - The relationship aimed to leverage regional synergies and unlock significant value for shareholders of both companies from one of the most prospective mining camps in the world
- In November 2020, IFI co-led a \$6 million private placement which was later **upsized to \$11 million and ultimately closed over-subscribed at ~\$13 million**
- In December 2021, IFI acted as Co-Manager for a ~\$6 million best efforts private placement financing on a flow-through basis
 - The financing was later oversubscribed and upsized to ~\$6.7 million

Advisor to RESSOURCES MINÉRIÈRES 	<hr/> \$9,500,000 <hr/>	Asset Purchase and Equity Investment August 2020
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Co-Lead for RESSOURCES MINÉRIÈRES 	<hr/> \$13,172,034 <hr/>	Best Efforts Private Placement November 2020
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Co-Manager for RESSOURCES MINÉRIÈRES 	<hr/> \$6,773,110 <hr/>	Best Efforts Private Placement December 2021
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APPENDIX B

[ATTACHED]

Elevation Gold Mining Corporation et al.
Weekly Cash Flow Projection
 July 27, 2024 to October 25, 2024
 (Unaudited; \$USD Thousands)

Week #	1	2	3	4	5	6	7	8	9	10	11	12	13	Total
Week Ending	2-Aug-24	9-Aug-24	16-Aug-24	23-Aug-24	30-Aug-24	6-Sep-24	13-Sep-24	20-Sep-24	27-Sep-24	4-Oct-24	11-Oct-24	18-Oct-24	25-Oct-24	Total
RECEIPTS														
2	1,209	899	760	718	676	622	488	488	488	488	352	352	352	7,888
	(38)	-	-	-	-	(38)	-	-	-	(38)	-	-	-	(115)
3	-	65	-	65	-	54	-	54	-	-	33	33	-	305
	1,170	965	760	783	676	638	488	542	488	482	352	384	352	8,078
DISBURSEMENTS														
<u>Site-Related Disbursements</u>														
4	(425)	-	(240)	-	(240)	-	(220)	-	(220)	-	(220)	-	(220)	(1,785)
5	(203)	(203)	(203)	(203)	(275)	(203)	(203)	(203)	(203)	(360)	(203)	(203)	(203)	(2,869)
6	-	-	-	-	(372)	-	-	-	(85)	-	-	-	(60)	(517)
<u>Corporate Disbursements</u>														
7	(94)	(73)	(71)	(53)	(71)	(73)	(53)	(71)	(53)	(71)	(73)	(71)	(53)	(880)
8	(25)	-	-	-	(25)	-	(360)	-	(25)	-	-	-	(25)	(100)
9	-	(290)	-	-	-	-	(360)	-	-	-	(285)	-	(430)	(1,365)
	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(325)
	(772)	(591)	(539)	(281)	(1,007)	(301)	(861)	(299)	(611)	(456)	(806)	(299)	(1,016)	(7,841)
Net Cash Flow	398	374	221	502	(332)	336	(374)	243	(124)	26	(454)	85	(664)	237
Cash Balance														
Opening Cash Balance	575	973	1,346	1,567	2,069	1,737	2,074	1,700	1,943	1,820	1,845	1,391	1,476	575
Net Cash Flow	398	374	221	502	(332)	336	(374)	243	(124)	26	(454)	85	(664)	237
Ending Cash Balance	973	1,346	1,567	2,069	1,737	2,074	1,700	1,943	1,820	1,845	1,391	1,476	812	812

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of Elevation Gold Mining Corporation, Golden Vertex Corp., Golden Vertex (Idaho) Corp., Eclipse Gold Mining Corporation, Alcmene Mining Inc., and Hercules Gold USA, LLC (collectively, the "Petitioners") from July 27 to October 25, 2024 (the "Period") in respect of the proceedings under the *Companies' Creditors Arrangement Act* ("CCAA").

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical

2. Projected gold sales are based on Management's planned weekly pour schedule and an assumed price of gold of \$2,400 dollars per ounce.
3. Projected silver sales are based on approximately 4,000 ounces sold at \$29 dollars per ounce.

Most Probable

4. Workforce labour is paid bi-weekly.
5. Operating expenses includes materials, consumables, surety bonds, and other operating expenses.
6. Based on the minimum capital expenditures required to maintain operations.
7. Corporate G&A expense includes monthly payroll for the Petitioners' corporate office, as well as office rent and administration expenses.
8. Financial advisory relates to the work fees charged by the investment banker to be retained for the sale and investment solicitation process.
9. Professional fees include the fees and disbursements of the Petitioners' Canadian and US legal counsel and the Monitor's Canadian and US legal counsel.