



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, GOLDEN
VERTEX CORP., and GOLDEN VERTEX (IDAHO) CORP.

PETITIONERS

THIRD REPORT OF THE MONITOR

OCTOBER 23, 2024

Contents	Page
1.0 Introduction	1
2.0 Background	5
3.0 SISP Update.....	6
4.0 Updated Cash Flow Forecast	8
5.0 Performance Against the Initial Cash Flow Forecast.....	10
6.0 Determination Motions.....	10
7.0 Stay Extension	12
8.0 Update on the Petitioners' Activities	13
9.0 Monitor's Activities.....	13
10.0 Conclusion and Recommendation	14

Appendix	Tab
Cash Flow Forecast and Management's Report thereon	A
Monitor's Report on Cash Flow Forecast.....	B



1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) issued by the Supreme Court of British Columbia (the “**BC Court**”) on August 1, 2024 (the “**Filing Date**”), Elevation Gold Mining Corporation (“**Elevation**”) and its subsidiaries, Golden Vertex Corp. (“**Golden Vertex**”), Golden Vertex (Idaho) Corp. (“**Golden Idaho**”), Eclipse Gold Mining Corporation (“**Eclipse Gold**”, together with Elevation, Golden Vertex, and Golden Idaho, the “**Petitioners**”), Alcmene Mining Inc. (“**Alcmene Mining**”), and Hercules Gold USA, LLC (“**Hercules Gold**”, together with Alcmene Mining and the Petitioners, the “**Original 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 in these CCAA proceedings (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 a sale and investment solicitation process (the “**SISP**”), with the assistance of a financial advisor, INFOR Financial Inc. (“**INFOR**” or the “**Sales Agent**”), for the purpose of completing a going-concern transaction (a “**Transaction**”).
3. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Original Petitioners and their directors and officers to and including August 12, 2024 (the “**Stay Period**”);
 - b) created charges on all of the Original Petitioners’ current and future assets, property, and undertakings (collectively, the “**Property**”), as follows:
 - i. a first ranking charge in the amount of \$300,000¹ in favour of the Original 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 \$520,000 in favour of the Original Petitioners’ directors and officers to secure the Original Petitioners’ indemnity obligations to such persons (the “**D&O Charge**”); and

¹ All currency references in this Third Report are in Canadian dollars unless otherwise noted.

- iii. a third ranking charge to secure repayment of any advances made by any Original Petitioner to another Original Petitioner 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 Original Petitioners to pay certain pre-filing obligations owing to critical suppliers, subject to first obtaining the Monitor’s consent.
4. On August 2, 2024, the Monitor commenced proceedings in the US Court (the “**Chapter 15 Proceedings**”) seeking recognition of these CCAA proceedings as a foreign main proceeding under Chapter 15 of the Bankruptcy Code.
5. On August 12, 2024, at the Original Petitioners’ comeback application (the “**Comeback Application**”), the Court granted:
- a) an order (the “**SISP Approval Order**”) approving the SISP and the retention of the Sales Agent pursuant to its 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 in the INFOR Engagement Letter), each as contemplated by the INFOR Engagement Letter; and
 - b) an order amending and restating the terms and provisions of the Initial Order (as amended and restated, the “**ARIO**”) that, among other things:
 - i. extended the Stay Period to and including November 1, 2024;
 - ii. increased the amount of the Administration Charge from \$300,000 to \$500,000 due, in part, to including the Work Fee under this charge; and
 - iii. granted a charge for the Transaction Fee (the “**Sales Agent Charge**”) over the Property, ranking *pari passu* with the Administration Charge, which fee is only payable from the consideration payable on completion of a Transaction.

6. At the conclusion of a hearing on August 27, 2024, the US Court announced that it would enter an order recognizing this CCAA proceeding as a foreign main proceeding under Chapter 15 of the Bankruptcy Code and enforcing the Initial Order and the ARIO in the United States. The order to that effect was entered by the Clerk of the Bankruptcy Court on September 16, 2024.
7. On September 20, 2024, the Court granted an order (the “**Interim Financing and KERP Order**”):
 - a) approving an interim financing credit facility (the “**Interim Financing Facility**”) in the maximum principal amount of US\$2 million to be made available to the Petitioners by KIA II LLC (in such capacity, the “**Interim Lender**”), pursuant to an interim lending facility term sheet and granting a charge on the Property in favour of the Interim Lender (the “**Interim Lender’s Charge**”) to secure the advances made under the Interim Financing Facility;
 - b) approving a key employee retention program (the “**KERP**”) and a corresponding charge in the maximum amount of US\$870,417 as security for amounts payable under the KERP;
 - c) sealing certain aspects of the KERP to protect the privacy of the employees proposed to participate in the KERP; and
 - d) as a result of the Hercules Transaction (defined below), removing Alcmene Mining and Hercules Gold as Petitioners in these CCAA proceedings as a result of an immaterial transaction for the business and assets of Hercules Gold.
8. On October 2, 2024, the Monitor, as the foreign representative, filed a motion in the US Court for recognition and enforcement of the Interim Financing and KERP Order. On October 18, 2024, Patriot Gold Corp. (“**Patriot**”) filed its objection to such motion. On October 21, 2024, Nomad Royalty Company Limited (“**Nomad**”) filed a Joinder to Patriot’s objection. The motion is scheduled to be heard on October 29, 2024.
9. The affidavits of Tim Swendseid, Elevation’s Chief Executive Officer, sworn July 29, August 8, and September 19, 2024, provide, *inter alia*, background information regarding the Original Petitioners, their businesses, and these proceedings. The affidavit of Mr. Swendseid, sworn October 21, 2024 (the “**Fifth Swendseid Affidavit**”), provides additional information, including the factual basis for the relief being sought by the Petitioners on the present application.

10. Court materials filed in these proceedings and in the Chapter 15 Proceedings, including the report to Court prepared by KSV as proposed Monitor dated July 30, 2024, the first report of the Monitor dated August 7, 2024 (the “**First Report**”), and the Second Report of the Monitor dated September 20, 2024 (the “**Second Report**”, together with the First Report, the “**Previous Reports**”), are available on the Monitor’s case website at <https://www.ksvadvisory.com/experience/case/elevation-gold-mining-corporation-inc>.

1.1 Purposes of this Third Report

1. The purposes of this report (the “**Third Report**”) are to, among other things:
- a) provide background information and an update concerning the Petitioners and these proceedings;
 - b) provide an update on the status of the SISP;
 - c) report on the Petitioners’ updated cash flow projection for the period October 12, 2024 to January 31, 2025 (the “**Updated Cash Flow Forecast**”);
 - d) provide a comparison of the Petitioners’ initial cash flow forecast for the period July 27 to October 25, 2024 (the “**Initial Cash Flow Forecast**”) to their actual results;
 - e) discuss the rationale for extending the Stay Period from November 1, 2024 to January 31, 2025;
 - f) provide the Court with an update on the Petitioners’ and the Monitor’s activities since the Second Report; and
 - g) provide the Monitor’s recommendations in respect of the Petitioners’ application for an order extending the Stay Period from November 1, 2024 to January 31, 2025.

1.2 Restrictions

1. In preparing this Third 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 Third 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 BC Court, wishing to place reliance on the financial information should perform its own diligence.

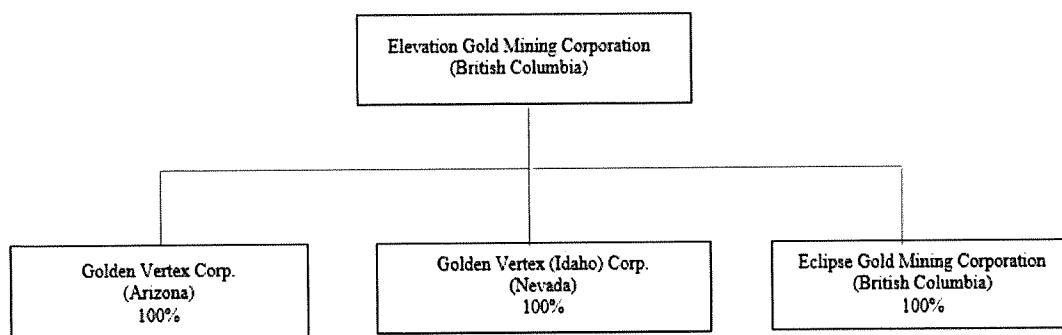
3. An examination of the Updated Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information relied upon in this Third Report is based upon the Petitioners' assumptions regarding future events; actual results 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 Updated Cash Flow Forecast will be achieved.

1.3 Currency

1. Unless otherwise noted, all currency references in this Third Report are in Canadian 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. Prior to the CCAA proceedings, Elevation's common shares were listed on the TSX Venture Exchange ("TSX-V") and on the OTCQB Exchange under the symbol EVGDF. Elevation's common shares are now only listed on the NEX board of the TSX-V under the symbol ELVT-H.V.
3. The Petitioners' current 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, through Golden Vertex:
 - a) approximately 145 square kilometers of exploration land adjacent to the Moss Mine in Mohave County, Arizona; and
 - b) a Mineral Lease and Option Agreement with La Cuesta International of approximately 15 square kilometers with a 35-year term related to property adjacent to the Moss Mine in Mohave County, Arizona.
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 focussed on beneficiation, a process where metals of interest are extracted from mined ore on a leach pad.

2.1 Hercules Transaction

1. Pursuant to a share purchase agreement dated August 29, 2024, Eclipse Gold, a wholly owned subsidiary of Elevation, sold 100% of the shares of Alcmene Mining to Strikepoint Gold Inc. for \$250,000 (the "**Hercules Transaction**"). Alcmene owns 100% of the shares of Hercules Gold, which is the sole owner of 100 square kilometers of exploration land that sits in Lyon County, Nevada.

3.0 SISP Update²

1. Since the granting of the SISP Approval Order, the Sales Agent has been working with the Petitioners to carry out the SISP, under the supervision of the Monitor.

² Capitalized terms used but not otherwise defined in this section have the meanings provided to them in the SISP.

- As detailed in the First Report, the SISP contemplates the following milestones and timelines:

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

- The SISP is a two-stage process, with letters of intent to be submitted by the LOI Deadline and binding agreements to be submitted at the Final Bid Deadline.
- As outlined in the Second Report, the Petitioners received multiple letters of intent ("LOIs") from Potential Bidders at the LOI Deadline. After reviewing the LOIs, engaging in discussions with the Potential Bidders, and consulting with the Monitor, the Petitioners and the Sales Agent determined that the Potential Bidders who had submitted LOIs should be confirmed as "Qualified Bidders" in accordance with the SISP. Since that time, the Petitioners and the Sales Agent, in consultation with the Monitor, have assisted the Qualified Bidders to advance their due diligence and consider issues relevant to submitting definitive offers by the Final Bid Deadline.
- Following the LOI Deadline, two new parties advised that they wished to participate in the SISP (the "New Potential Bidders"). INFOR confirmed to the Petitioners that it believed each of the New Potential Bidders had a genuine interest in making a Final Bid and that they have the financial capabilities and the managerial, technical, and operational expertise and capabilities to complete a transaction. Further, the Monitor confirmed to the Petitioners that it supported the entry of the New Potential Bidders into the SISP, as did Maverix Metals Inc., the Petitioners' senior secured creditor. On that basis, the New Potential Bidders executed confidentiality agreements (which is a requirement to be a Qualified Bidder) and were admitted into the SISP as Qualified Bidders.
- Several offers were received by the Petitioners at the Final Bid Deadline. The Petitioners have identified a lead bidder (the "Lead Bidder"). The Lead Bidder's offer contemplates, among other things, a sale of the shares of Golden Vertex (which are owned by Elevation), as well as confirmation that certain of the Payment Obligation Agreements (as defined in Section 6.1(c), below) are not interests in the lands comprising the Moss Mine. Based on the terms of the Lead Bidder's offer, it will be necessary to determine on a timely basis the

nature of certain of the Payment Obligation Agreements (as defined and discussed in greater detail in Section 6.1(c) below).

7. It is the Petitioners' intention to advance the Lead Bidder's offer so that they can seek court approval of, and complete, a value-maximizing transaction as soon as possible. The Monitor believes this is appropriate and in the interests of the Petitioners' stakeholders.

4.0 Updated Cash Flow Forecast

1. The Petitioners, with the assistance of the Monitor, have prepared the Updated Cash Flow Forecast for the period October 12, 2024 to January 31, 2025 (the "Updated Forecast Period"). The Updated Cash Flow Forecast and the Petitioners' statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix "A"**.
2. The Updated Cash Flow Forecast reflects that the Petitioners are projected to have sufficient liquidity to continue to operate during the Updated Forecast Period.

(unaudited; US\$000s)	Note	Oct 12, 2024 – Jan 31, 2025
Receipts	A	7,332
Disbursements		
Workforce	B	(1,640)
Non-labour operating expenses	C	(3,866)
Administration and other	D	(1,392)
Professional fees	E	(1,538)
KERP	F	(870)
		<u>(9,306)</u>
Net cash flow		(1,974)
Opening cash balance		2,544
Net cash flow		<u>(1,974)</u>
Ending cash balance		570

3. A summary of the key assumptions underlying the Updated Cash Flow Forecast³ is as follows:
 - a) Receipts: represents the collection of gold and silver sales;
 - b) Workforce: represents employee payroll, vacation pay, and benefits paid on a bi-weekly basis;

³ The notes to the Updated Cash Flow Forecast provide the underlying assumptions, including a description of each line item.

- c) Non-labour operating expenses: represents non-labour operating expenses including mining contractors, materials, consumables, capital expenditures, other operating expenses, and a contingency of US\$50,000 per week;
 - d) Administration and other: represents technology, rent, sales taxes, insurance, administrative, directors and officers insurance, and other expenses;
 - e) Professional fees: includes fees and disbursements of the Petitioners' Canadian and US legal counsel, the Monitor and its Canadian and US legal counsel, and the Financial Advisor's Work Fee; and
 - f) KERP: represents payments under the KERP.
4. Based on KSV's review of the Updated Cash Flow Forecast, the cash flow assumptions appear reasonable. KSV's statutory report on the Updated Cash Flow Forecast is attached as **Appendix "B"**.
 5. The Updated Cash Flow is premised on the Petitioners continuing the beneficiation process and not recommencing mining operations. In the event mining operations recommence, as has been suggested by interested parties who participated in the SISP (including the Lead Bidder), additional capital may be required, and the Interim Financing Facility is available as a source of capital for this purpose.
 6. The Petitioners are also concerned that a material negative cash flow variance could result in a liquidity crisis. The Monitor shares this concern. Accordingly, in addition to providing capital to restart operations (if financially sensible), the Interim Financing Facility provides liquidity to the Petitioners to address negative cash flow variances so the Petitioners can continue to operate while they work to complete a going-concern transaction for the benefit of their stakeholders. Absent this facility, the Petitioners face the risk that a liquidity crisis could result in the immediate cessation of operations, bankruptcy and the inability to complete the Sale Process.
 7. The Petitioners have scheduled a hearing on October 29, 2024 for the US Court's recognition of the Interim Financing and KERP Order.

5.0 Performance Against the Initial Cash Flow Forecast

1. A summary of the Petitioners' actual receipts and disbursements compared to the Initial Cash Flow Forecast for the period July 27 to October 11, 2024 is as follows:

(unaudited; US\$000s)	Actual	Projected	Difference	Difference %
Receipts				
Revenue	7,175	7,341	(166)	-2.3%
Hercules Transaction	185	-	185	0.0%
	7,360	7,341	19	0.3%
Disbursements				
Workforce	(1,425)	(1,565)	140	8.9%
Non-labour operating expenses	(2,862)	(3,194)	332	10.4%
Administration and other	(214)	(756)	542	71.7%
Professional fees	(889)	(1,010)	121	12.0%
	(5,390)	(6,525)	1,135	17.4%
Net cash flow	1,970	816	1,154	141.4%

2. As reflected in the table above, Petitioners' cash flow has exceeded forecast since the commencement of these proceedings. The material variances and explanations are summarized below:
 - a) the sale of Hercules was not contemplated in the Initial Cash Flow Forecast;
 - b) non-labour operating costs and general and administrative costs have been lower than forecasted; and
 - c) no extraordinary or one-time costs have been allocated by the Petitioners to the contingency line item (forecast of US\$275,000 through October 11, 2024).

6.0 Determination Motions

1. As outlined in the First Swendseid Affidavit, the following agreements exist relating to the Moss Mine:
 - a) an agreement with various tenant in common interest owners, providing for a 3% net smelter return ("**NSR**") on gold and silver and 4% on other products (the "**Cal Moss Agreement**");
 - b) a letter agreement between Golden Vertex and Nomad, which provides for an NSR ranging between 0.5% and 3% depending on the attributes of the relevant claims (the "**Nomad Agreement**");

- c) a finder's fee agreement between Golden Vertex and Hartmut W. Baitis, Robert B. Hawkins, and Larry L. Lackey (collectively, "**BHL**") providing for a sliding fee scale based on production (the "**Finders Fee Agreement**"); and
 - d) an agreement with Patriot, providing for a 3% NSR on gold and silver production from certain patented and unpatented claims (the "**Patriot Agreement**", together with the Cal Moss Agreement, the Nomad Agreement, and Finders Fee Agreement, the "**Payment Obligation Agreements**").
2. Patriot and Nomad have advised the Petitioners of their positions that the payment obligations established by their agreements with Golden Vertex are interests in real property. As at the date of this Third Report, neither the interest owners in the Cal Moss Agreement nor BHL have provided their positions regarding the respective payment obligations established by the relevant agreements.
 3. As outlined in the Fifth Swendseid Affidavit, the Petitioners are of the view that the obligations created by the Payment Obligation Agreements (excepting the Cal Moss Agreement) are mere interests in personal property. As a result, the Petitioners are of the view that the patented and unpatented claims comprising the Moss Mine can be sold free and clear of the Payment Obligation Agreements (except the Cal Moss Agreement).
 4. The Monitor is firmly of the view that the determination of the interests created by the Nomad Agreement, Finders Fee Agreement, and Patriot Agreement on a timely basis is critical to completing a value-maximizing transaction in the CCAA proceedings. In the Monitor's view, the Petitioners require a determination by the US Court as to the nature of the identified Payment Obligation Agreements as quickly as possible as this issue concerns not only the ability of the Petitioners to complete a Transaction, but also the value realized from any such Transaction. Apart from the liquidity constraints of the Petitioners, which necessitate the completion of a Transaction as soon as practicable, the Monitor is also concerned that the Qualified Bidders, including the Lead Bidder, will not wait indefinitely to have the nature of relevant the Payment Obligation Agreements determined.
 5. On October 14, 2024, the Petitioners' U.S. legal counsel filed:
 - a) three motions seeking a determination of the Nomad Agreement, Finders Fee Agreement, and Patriot Agreement (collectively, the "**Determination Motions**"); and

- b) a motion to expedite the hearing of the Determination Motions (the “**Expedited Hearing Motion**”) with the objective of determining in advance of the Petitioners’ application for approval of any proposed sale under the SISP. In this regard, the Petitioners have scheduled an application for sale approval by the BC Court on November 22, 2024.
6. On October 15, 2024, Patriot filed an objection to the Expedited Hearing Motion. On October 17, 2024, the Petitioners filed a reply to Patriot’s objection.
 7. On October 17, 2024, the Monitor filed a Joinder to the Petitioners’ Motion to Expedite (the “**Joinder**”) with the US Court confirming the Monitor’s position that the Determination Motions need to be determined on an expedited basis as they impact the value and timing to close a transaction.
 8. On October 18, 2024, Nomad filed an objection to the Expedited Hearing Motion.
 9. As at the date of this Third Report, a hearing has not been set for the Expedited Hearing Motion or Determination Motions.

7.0 Stay Extension

1. The stay of proceedings currently expires on November 1, 2024. The Petitioners are requesting an extension of the Stay Period until January 31, 2025.
2. The Monitor supports the extension of the Stay Period for the following reasons, among others:
 - a) the Petitioners are acting in good faith and with due diligence to advance their restructuring;
 - b) an extension of the Stay Period will allow the Petitioners to continue discussions with the Qualified Bidders, including the Lead Bidder, with a view to completing a transaction;
 - c) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted; and the Petitioners are projected to have sufficient liquidity to fund their operations and the costs of these proceedings until January 31, 2025, as reflected in the Updated Cash Flow Forecast. Additionally, if the US Court recognizes the Interim Financing Facility and KERP Order, the Petitioners will have a funding contingency that will assist the Petitioners to complete these proceedings.

8.0 Update on the Petitioners' Activities

1. Since the Second Report, the Petitioners have:
 - a) continued the beneficiation process at the Moss Mine;
 - b) worked with INFOR to advance the SISP, including facilitating due diligence by interested parties;
 - c) engaged with the Monitor concerning all aspects of these proceedings, including reporting on receipts and disbursements, the SISP, employee issues, and supplier issues;
 - d) dealt with suppliers to secure the provision of goods and services, including coordinating with the Monitor regarding certain supplier discussions;
 - e) dealt with various issues concerning the Payment Obligation Agreements and the legal proceedings to have the nature of these obligations determined; and
 - f) communicated with staff regarding these proceedings.
2. The Fifth Swendseid Affidavit provides further details regarding the Petitioners' activities.

9.0 Monitor's Activities

1. The Monitor's activities from the Filing Date to the date of the Second Report (September 20, 2024) were summarized in the Previous Reports.
2. Since the date of the Second Report, the Monitor has, among other things:
 - a) corresponded regularly with the Petitioners' management team regarding all aspects of these proceedings including operations and the SISP;
 - b) corresponded with INFOR regarding the SISP;
 - c) assisted the Petitioners in dealing with suppliers in connection with the ongoing supply of goods and services;
 - d) monitored the Petitioners' receipts and disbursements;
 - e) monitored the Petitioners' business and operations;

- f) engaged extensively with: (i) Fasken Martineau DuMoulin LLP ("**Fasken**"), the Monitor's Canadian legal counsel; (ii) Kenneth Coleman and Lewis Roca Rothgerber Christie LLP, together the Monitor's US legal counsel (the "**Monitor's US Counsel**"); (iii) Lawson Lundell LLP ("**Lawson**"), the Petitioners' Canadian legal counsel; and (iv) Fennemore Craig ("**Fennemore**") and Dorsey & Whitney LLP ("**D&W**"), together the Petitioners' US counsel, regarding various matters relating to these proceedings;
- g) engaged extensively with the Monitor's US Counsel regarding the motion for recognition and enforcement of the Interim Financing and KERP Order filed by the Monitor in connection with the Chapter 15 Proceedings;
- h) dealt with various stakeholders who have asserted royalty claims, including Patriot, Nomad, and certain individuals;
- i) reviewed and commented on the Determination Motions and Expedited Hearing Motion and engaged in extensive correspondence with Fasken, the Monitor's US Counsel, Lawson, Fennemore, and D&W regarding same;
- j) with the Monitor's US Counsel, assisted with the preparation and filing of the Joinder with respect to the Expedited Hearing Motion;
- k) reviewed and commented on the Petitioners' materials to be filed in support of the relief to be sought on this Application; and
- l) prepared this Third Report.

10.0 Conclusion and Recommendation

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

* * *

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., and Eclipse Gold Mining Corporation,
and not in its personal capacity**

Per: Robert Kofman, President and Managing Director

APPENDIX A
[ATTACHED]

Elevation Gold Mining Corporation et al.
Weekly Cash Flow Projection
 October 12, 2024 to January 31, 2025
 (Unaudited; \$USD Thousands)

Week #	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total
Week Ending	18-Oct-24	25-Oct-24	1-Nov-24	8-Nov-24	15-Nov-24	22-Nov-24	29-Nov-24	6-Dec-24	13-Dec-24	20-Dec-24	27-Dec-24	3-Jan-25	10-Jan-25	17-Jan-25	24-Jan-25	31-Jan-25	Total
RECEIPTS																	
Revenue - Gold Sales	1,196	1,202	-	902	-	810	-	698	-	622	-	582	-	582	-	582	7,175
Contract - Leaching Cost	-	-	(114)	-	-	-	-	-	-	-	-	-	-	-	-	-	(114)
Revenue - Silver Sales	-	33	33	33	33	33	33	33	33	35	35	35	35	35	35	35	271
	1,196	1,234	(114)	935	-	843	-	730	-	657	-	617	-	617	-	617	7,332
DISBURSEMENTS																	
Site-Related Disbursements																	
Workforce	-	(205)	-	(205)	-	(205)	-	(205)	-	(205)	-	(205)	-	(205)	-	(205)	(1,840)
Operating Expenses	(198)	(237)	(397)	(250)	(173)	(148)	(148)	(229)	(148)	(148)	(148)	(148)	(173)	(148)	(148)	(148)	(2,989)
Capital Expenditures	-	(76)	-	-	-	(50)	-	-	-	-	(26)	-	-	-	-	-	(152)
Corporate Disbursements																	
General & Administrative	(37)	(54)	(98)	(54)	(68)	(54)	(98)	(54)	(68)	(54)	(98)	(54)	(54)	(68)	(54)	(98)	(1,062)
Financial Advisory	-	-	-	-	(26)	-	-	-	-	-	-	-	-	-	-	-	(26)
Professional Fees	(107)	-	-	(170)	(190)	(50)	(190)	(170)	(190)	-	-	(170)	(190)	-	-	(325)	(1,512)
KERP	-	-	-	-	(174)	-	-	-	-	-	-	-	-	-	-	(696)	(870)
D&O Insurance	-	(25)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(330)
Contingency	(342)	(597)	(675)	(729)	(680)	(507)	(296)	(708)	(455)	(457)	(321)	(627)	(467)	(470)	(452)	(1,522)	(9,306)
Net Cash Flow	854	637	(789)	206	(680)	336	(296)	23	(455)	200	(321)	(10)	(467)	146	(452)	(905)	(1,974)
Cash Balance																	
Opening Cash Balance	2,544	3,398	4,035	3,247	3,452	2,772	3,108	2,812	2,835	2,379	2,580	2,258	2,248	1,781	1,927	1,475	2,544
Net Cash Flow	854	637	(789)	206	(680)	336	(296)	23	(455)	200	(321)	(10)	(467)	146	(452)	(905)	(1,974)
Ending Cash Balance	3,398	4,035	3,247	3,452	2,772	3,108	2,812	2,835	2,379	2,580	2,258	2,248	1,781	1,927	1,475	570	570

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., and Eclipse Gold Mining Corporation (collectively, the "Petitioners") from October 12, 2024 to January 31, 2025 (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 \$2,500 dollars per ounce.
3. Projected silver sales are based on Management's planned weekly pour schedule and an assumed price of silver of \$29 dollars per ounce.

Most Probable

4. Workforce labour is paid bi-weekly.
5. Operating expenses include mining contractor costs, materials, consumables, surety bonds, and other operating expenses.
6. Based on Management's estimate of 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. Relates to the work fees charged by INFOR 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 and its Canadian and US legal counsel.
10. Represents payments under the Key Employee Retention Plan.
11. Includes the annual renewal premium for the Petitioners' directors and officers ("D&O") insurance policy and estimated premiums for a D&O tail insurance policy.
12. Beginning the week ending November 1, 2024, the weekly contingency has been increased from \$25,000 to \$50,000 to account for capital expenditures that Management believes may be required during the Period.

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

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

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of Elevation Gold Mining Corporation ("**Elevation Gold**") has developed the assumptions and prepared the attached projected cash flow (the "**Cash Flow**") for the period October 12, 2024 to January 31, 2025 (the "**Cash Flow Period**") reflecting the operations of Elevation Gold, Golden Vertex Corp., Golden Vertex (Idaho) Corp., and Eclipse Gold Mining Corporation (collectively, the "**Petitioners**") for the Cash Flow Period. The assumptions are disclosed in the notes to the Cash Flow.

The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow as described in Note 1 to the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Petitioners and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1 using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Draper, Utah this 21 day of October, 2024.

ELEVATION GOLD MINING CORPORATION,
ECLIPSE GOLD MINING CORPORATION, GOLDEN VERTEX CORP.,
and GOLDEN VERTEX (IDAHO) CORP.



Per: William Dean
Chief Financial Officer
Elevation Gold Mining Corporation

APPENDIX B

[ATTACHED]

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

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

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash flow of Elevation Gold Mining Corporation ("**Elevation Gold**"), Golden Vertex Corp., Golden Vertex (Idaho) Corp., and Eclipse Gold Mining Corporation (collectively, the "**Petitioners**"), as of the 21st day of October, 2024, consisting of a weekly projected cash flow statement for the period October 12, 2024 to January 31, 2025 (the "**Cash Flow**") has been prepared by the management of Elevation Gold for the purpose described in Note 1, using the probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by Elevation Gold's management. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by Elevation Gold's management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by Elevation Gold's management are not suitably supported and consistent with the plans of the Petitioners or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow 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, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 of the Cash Flow and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, Ontario this 21st day of October, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR OF
ELEVATION GOLD MINING CORPORATION,
ECLIPSE GOLD MINING CORPORATION, GOLDEN VERTEX CORP.,
and GOLDEN VERTEX (IDAHO) CORP.,
AND NOT IN ITS PERSONAL CAPACITY**