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7
8 Attorneys for Creditors
9 TRISURA INSURANCE COMPANY and
10 TRISURA GUARANTEE INSURANCE COMPANY

11
12
13 **UNITED STATES BANKRUPTCY COURT**
14 **DISTRICT OF ARIZONA**

15 In re:
16
17 **ELEVATION GOLD MINING**
18 **CORPORATION,**
19 Debtor in a Foreign Proceeding.

20 Chapter 15
21 (Jointly Administered)
22 Case No. 2:24-bk-06359-EPB

23 **AMENDED CONDITIONAL OBJECTION**
24 **TO MOTION FOR RECOGNITION AND**
25 **ENFORCEMENT OF CANADIAN SALE**
26 **AND DISTRIBUTION ORDER [ECF No.**
27 **110]**

28 In re:
29
30 **GOLDEN VERTEX CORP.,**
31 Debtor in a Foreign Proceeding.

32 Case No. 2:24-bk-06364-EPB

33 In re:
34
35 **GOLDEN VERTEX (IDAHO) CORP.,**
36 Debtor in a Foreign Proceeding.

37 Case No. 2:24-bk-06367-EPB

38 In re:
39
40 **ECLIPSE GOLD MINING**
41 **CORPORATION,**
42 Debtor in a Foreign Proceeding.

43 Case No. 2:24-bk-06368-EPB

44 In re:
45
46 **ALCMENE MINING INC.,**
47 Debtor in a Foreign Proceeding.

48 Case No. 2:24-bk-06370-EPB

In re:

HERCULES GOLD USA LLC,
Debtor in a Foreign Proceeding.

Case No. 2:24-bk-06371-EPB

Trisura Insurance Company (“Trisura Insurance”) and Trisura Guarantee Insurance Company (“Trisura Guarantee”) (Trisura Insurance and Trisura Guarantee are sometimes collectively referred to as “Trisura”)¹ hereby file their Conditional Objection to the Motion for Recognition and Enforcement of Canadian Sale and Distribution Order [ECF No. 110] (the “Motion”).

I. THE CONDITION IN SECTION 7.3(e) IN THE SALE AGREEMENT, TRISURA’S TERMS TO ISSUE OR NOT CANCEL THE TRISURA BONDS, AND TRISURA’S OBJECTION TO THE SALE MOTION IN THE CANADIAN COURT

KSV Restructuring Inc. is the court-appointed monitor (the “Monitor”) of Elevation Gold Mining Corporation (“Elevation Gold”) and its affiliates in proceedings before the Supreme Court of British Columbia, Vancouver Registry (the “Canadian Court”), under Canada’s Companies’ Creditors Arrangement Act (the “Canadian Proceeding”).

A hearing was scheduled on December 17, 2024, for the Canadian Court to consider the Group’s application for an Approval and Vesting Order (the “Sale Order”) approving a Purchase Agreement dated December 2, 2024 (the “Sale Agreement”), between Elevation Gold as seller, and EG Acquisition LLC as purchaser (the “Purchaser”). The Sale Agreement (redacted for purchase price, deposit and post-closing purchase price adjustments) is attached to the Motion as Exhibit “B.”

The principal assets to be transferred to the Purchaser pursuant to the Sale Agreement are the share certificates owned by Elevation Gold which represent 100% of the equity interest in Golden Vertex Corp. (“GVC”). The shares are property of the Canadian parent company, and they

¹ Trisura Insurance Company is a United States surety company that issued a Reclamation Bond on behalf of GVC. Trisura Guarantee Insurance Company is a Canadian surety company.

1 are held in Canada by Maverix Metals Inc. (“Maverix”) pursuant to a pledge agreement which
2 secures repayment of Maverix’s claims of approximately \$32 million.

3 The Sale Agreement between Elevation Gold and the Purchaser provides at Section 7.3(e):

4 **“7.3 Conditions to Purchaser’s Obligations**

5 The Purchaser’s obligation to effect the Closing shall be subject to the fulfillment (or
6 express written waiver by the Purchaser), at or prior to the Closing, of each of the
7 following additional conditions:

8 * * * *

9 Trisura Specialty Insurance Company shall have provided the Purchaser with a written
10 acknowledgement (in form and substance satisfactory to the Purchaser in its sole and
11 unfettered discretion) that it will not terminate any reclamation bonding provided by it
12 to GVC (and any related arrangements) upon the change of control of GVC on Closing.”

13 Trisura has sent the Purchaser a Terms and Conditions letter, dated December 16, 2024 (the
14 “Trisura T&C Letter”). Due to the sensitive nature of information in the Trisura T&C Letter, it
15 cannot be filed in this Court.

16 The various Bonds that Trisura will issue or has issued are as follows:

17 **BONDING FACILITY:**

18 United States Department of the Interior, Bureau of Land Management Surface Management Surety Bond
19 **BOND AMOUNT:** \$8,501,680
BLM Serial No.: AZA-37772

20 United States Department of the Interior, Bureau of Land Management Right-of-Way Surety Bond
21 **BOND AMOUNT:** \$300,000
Right-of-Way Grant or Temporary Use Permit Serial No.: AZA 037253

22 State of Arizona, Department of Environmental Quality Performance Bond Guaranteeing Performance of
23 Closure and/or Post-Closure Care Discharging Facility Aquifer Protection Permits
24 **BOND AMOUNT:** \$5,644,568
Aquifer Protection Permit Identification No.: P-511225

25 State of Arizona, State Mining Inspector Surface Mine Reclamation Surety Bond
26 **BOND AMOUNT:** \$205,827
Legal Description: Sec 19, 20, 29 & 30, TS20N, Range 20W
27 Parcel ID: 213-05-004, 213-05-005, 213-05-006, 213-09-001, 213-09-002 located in Mohave County

28 (Collectively, the “Trisura Bonds”).

1 The conditions for Trisura to issue or not cancel the Trisura Bonds include, among other
2 items, the execution of an Indemnity Agreement by various parties including, but not limited to,
3 GVC and other entities as well as certain collateral being provided to Trisura, as follows:

4 **COLLATERAL:**

5 The company will provide Trisura with cash collateral, in the amount equal to 20% of the facility. Should the
6 amount of the facility change from time to time, the cash collateral amount being held will be amended to ensure
that at all times it is equal to not less than 20% of the facility.

7 Should EG Acquisitions (or the majority of its assets) be purchased or acquired by Mako Mining Corp. the
8 company will provide Trisura with cash collateral or an Irrevocable Letter of Credit (ILOC), in the amount equal
9 to 10% of the facility. Should the amount of the facility change from time to time, the cash collateral amount
10 being held will be amended to ensure that at all times it is equal to not less than 10% of the facility. Should
11 Trisura be holding in excess of 10% cash collateral or an ILOC, Trisura will work to release the excess cash
12 collateral upon request from the company within 60 days.

13 It is undersigned counsel's understanding that the Purchaser and Trisura's underwriting
14 department are discussing this matter and that it should be resolved soon. However, since the
15 deadline for Trisura to file an objection to the Motion, Trisura is filing this Conditional Objection
16 to the Motion today.

17 Canadian counsel for Trisura is James MacLellan Esq. with Borden Ladner Gervais, who
18 is handling the Canadian Proceedings on behalf of trisura. Mr. MacLellan filed an objection to the
19 Sale Motion in his December 17th Email to Alexis Teasdale. Esq., which provides as follows:

20 "Further to your letters of December 3, 2024 and December 13, 2024, Trisura objects to
21 any "contracts" between Trisura and Elevation being retained by the Purchaser without
22 Trisura's express agreement. I have asked a number of times what "contract" your letters
23 refer to and you have not clarified but we assume it relates to various surety bonds issued
24 by Trisura to Elevation. I understand that Trisura and the Purchaser have been dealing
25 with the issues related to the surety bonds however Trisura is awaiting the execution of
26 various documents, including an indemnity agreement in favour of Trisura, by the
Purchaser. Until such time as Trisura's underwriters confirm that the security package
is fully executed, the surety bonds will not be transferred."

27 Trisura's objection relating to the Sale Motion being approved by the Canadian Court is attached
28 hereto as **Exhibit "1."**

1 Undersigned counsel has been advised that the Canadian Court has not yet issued its Canadian
2 Sale and Distribution Order.

3 **II. THE TRISURA'S SURETY BONDS ARE "FINANCIAL ACCOMODATIONS"**
4 **THAT CANNOT BE ASSUMED BY THE DEBTORS WITHOUT TRISURA'S**
5 **CONSENT**

6 The Trisura Bonds are "financial accommodations" under 11 U.S.C. § 365(c)(2),² which
7 provides as follows:

8 "(c) The trustee may not assume or assign any executory contract or unexpired lease
9 of the debtor, whether or not such contract or lease prohibits or restricts assignment
10 of rights or delegation of duties, if—

11 * * * *

12 (2) such contract is a contract to make a loan, or extend other debt financing or
13 financial accommodations, to or for the benefit of the debtor, or to issue a security of
14 the debtor;"

15 (Emphasis added).

16 The courts have defined "financial accommodations" as "the extension of money or credit
17 to accommodate another."³ *In re TS Indus., Inc* discusses the underlying rationale for the
18 prohibition against the assumption of contracts that are financial accommodations as follows:

19 "The financial circumstances of the debtor are of course fundamental considerations in
20 any credit contract.... Presumably these circumstances were assessed in entering the
21 contract. The risk of bankruptcy was accounted for, but that risk had not yet matured
22 before the loan was made. Bankruptcy dramatically alters the assumption under which
23 the contract was arranged. Independent of any contract terms, Section 365 adopts the
24 optimal remedy from the creditors' standpoint. The creditor is then allowed to reassess
25 the desirability and terms for offering credit in light of its changed circumstances."⁴

26 ² Unless otherwise indicated, all references to "**Bankruptcy Code § _____**" are to Title 11 of the United
27 States Code, 11 U.S.C. §§ 101-1532 (as amended).

28 ³ See *In re Sun Runner Marine, Inc.*, 945 F.2d 1089, 1092 (9th Cir. 1991); *In re Boutielle*, 168 B.R. 474, 480
(Bankr. D. Mass. 1994); *In re Adana Mortgage Brokers*, 12 B.R. 977, 987 (Bankr. N.D. Ga. 1980) (guaranty
constituted a contract of financial accommodation that was not assumable).

⁴ 117 B.R. 682, 687 (Bankr. D. Utah 1990) (footnotes omitted); see also *in re Wegner Farms Co.*, 49 B.R.
440, 444 (Bankr. N.D. Iowa 1985) (the purpose of 11 U.S.C. § 365(c)(2) "is to make clear that a party to a
transaction which is based upon the financial strength of a debtor should not be required to extend new credit
to the debtor..."); *In re United Airlines, Inc.*, 368 F.3d 720, 723 (7th Cir. 2004) ("Although the Bankruptcy
Code does not define 'financial accommodation,' it is common ground among the parties that a guaranty or
other form of suretyship fits the bill.").

1 Simply put, the Bankruptcy Code cannot compel a party who extended credit to a debtor
2 prepetition to extend that credit post-petition.

3 Surety credit should be considered no differently than other forms of credit in this regard. A
4 surety provides bonding credit to its principal just as a bank provides loans to its borrower. A
5 surety's decision to issue surety credit in the form of a bond is driven by the underwriting of the
6 financial condition of the principal (as well as its character and capacity) in the same way that a
7 bank analyzes the financial condition of its borrower and potential collateral in deciding whether
8 to issue a loan.

9 The court in *In re Wegner Farms*, 49 B.R. 440 (Bankr. N.D. Iowa 1985), explained why a
10 surety bond is a financial accommodation, as follows:

11 “[T]he issuance of a bond is intimately connected to Debtor's financial integrity as
12 evidenced by the requirement that Debtor furnished financial statements to Merchants
13 and Merchants' alarm over Debtor's recent losses. Given these characteristics, the
14 Court concludes the bond is a financial accommodation within the meaning of section
365(c) and (e). As such it cannot be assumed by Debtor and can be terminated by
Merchants because of Debtor's bankruptcy.”

15 *Wegner Farms*, 49 B.R. at 444. A surety bond is a financial accommodation under Bankruptcy
16 Code § 365(c)(2) that cannot be assumed by the principal's bankruptcy estate. Therefore, the bond
17 should not be available to continue to guarantee the principal's obligations to the obligee without
18 the surety's consent. Where the surety does not consent to the assumption of the bond, it cannot be
19 compelled to renew or extend its bond post-petition.

20 Surety bonds are precisely the type of financial accommodation that cannot be assumed by
21 the debtor pursuant to Bankruptcy Code § 365(c)(2). See *In re Edwards mobile homes sales, Inc.*,
22 119 B.R. 857 (Bankr. M.D. Fla. 1990) (“[A]n obligation to pay the debts of another is a ‘financial
23 accommodation’ and as such is encompassed by Section 365(c)(2)”); *In re Wegner Farms*, 49 B.R.
24 at 440; *In re Adana Mortgage Brokers*, 12 B.R. 977 (Bankr. N.D. Ga. 1980) (guaranty constituted
25 a contract of financial accommodation); *In re Thomas B. Hamilton Co., Inc.*, 969 F.2d 1013, 1019
26 (11th Cir. 1992) (noting that courts hold that surety agreements are contracts of financial
27 accommodation).

28 ///

1 Bankruptcy Code § 365(e) has another important provision in relation to Trisura’s Bonds,
2 which provides in pertinent part:

3 (e)(1) Notwithstanding a provision in an executory contract..., an executory contract of the
4 debtor may not be terminated or modified, and any right or obligation under such contract or
5 lease may not be terminated or modified, at any time after the commencement of the case
6 solely because of a provision in such contract or lease that is condition on –

7 (A) the insolvency or financial condition of the debtor at any time before the closing of
8 the case;

9 (B) the commencement of a case under this title; or

10 (C) the appointment of or taking possession by a trustee in a case under this title or a
11 custodian before such commencement.

12 (2) **Paragraph (1) of this subsection does not apply to an executory contract** or unexpired
13 lease of the debtor, whether or not such contract or lease prohibits or restricts assignment of
14 rights or delegation of duties, if –

15 * * * *

16 (B) **such contract is** a contract to make a loan, or extend other debt financing or **financial**
17 **accommodations, to or for the benefit of the debtor**, or to issue a security of the debtor.

18 (Emphasis added).⁵

19 In *Wagner Farms*, the bankruptcy court held that a commercial bond was an executory
20 contract that was a financial accommodation under Bankruptcy Code § 365(e)(2)(B), thereby
21 prohibiting the debtor from assuming the bond and permitting the surety to cancel the bond.

22 **III. RESERVATION OF RIGHTS**

23 Trisura does not waive, and expressly reserves, its rights, defenses, limitations and/or claims
24 under the Indemnity Agreement, the Trisura Surety Bonds, and applicable law. Further, Trisura
25 reserves its right to amend, modify or supplement this Conditional Objection to the Motion, and
26 reserves its right to adopt any other objections to the Motion.

27 ⁵ Bankruptcy Code § 362(e)(2)(B) permits termination of an executory contract that constitutes a financial
28 accommodation. However, the automatic stay prevents a surety from unilaterally terminating its bonds
without first obtaining relief from the automatic stay. Trisura may seek stay relief if this matter is not
resolved.

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IV. REQUEST FOR RELIEF

WHEREFORE, Trisura respectfully requests that the Court enter an Order that:

- A. Denies the approval of the Motion for Recognition and Enforcement of Canadian Sale and Distribution Order except as consistent with the foregoing; and
- B. Grants such other and further relief as the Court deems just and proper.

RESPECTFULLY SUBMITTED this 19th day of December, 2024.

SMTD LAW LLP

By: /s/ Robert J. Berens
Robert J. Berens, Esq.

Attorneys for Trisura Guarantee Insurance Company and Trisura Insurance Company

CERTIFICATE OF SERVICE

1
2 I certify that on this 19th day of December, 2024, I electronically transmitted the attached
3 document to the Clerk’s office using the CM/ECF System for filing and served through the
4 Notice of Electronic Filing automatically generated by the Court’s facilities.

5 ANTHONY W. AUSTIN on behalf of Debtor Elevation Gold Mining Corporation
aaustin@fennemorelaw.com, gkbacon@fclaw.com

6 ANTHONY W. AUSTIN on behalf of Debtor GOLDEN VERTEX CORP.
aaustin@fennemorelaw.com, gkbacon@fclaw.com

8 ROBERT M CHARLES, JR on behalf of Debtor Alcmene Mining Inc.
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
9 1072@ecf.pacerpro.com

10 ROBERT M CHARLES, JR on behalf of Debtor Eclipse Gold Mining Corporation
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
11 1072@ecf.pacerpro.com

12 ROBERT M CHARLES, JR on behalf of Debtor Elevation Gold Mining Corporation
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
13 1072@ecf.pacerpro.com

14 ROBERT M CHARLES, JR on behalf of Debtor Golden Vertex (Idaho) Corp.
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
15 1072@ecf.pacerpro.com

16 ROBERT M CHARLES, JR on behalf of Debtor Golden Vertex Corporation
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
17 1072@ecf.pacerpro.com

18 ROBERT M CHARLES, JR on behalf of Debtor Hercules Gold USA LLC
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
19 1072@ecf.pacerpro.com

20 ROBERT M CHARLES, JR on behalf of Other Professional KSV Restructuring Inc.
rcharles@lewisroca.com, bankruptcynotices@lewisroca.com, robert-charles-
21 1072@ecf.pacerpro.com

22 BRADLEY A COSMAN on behalf of Creditor Maverix Metals Inc.
BCosman@perkinscoie.com, kmclure@perkinscoie.com, DocketPHX@perkinscoie.com,
23 scarnall@perkinscoie.com

24 TYLER CARLTON on behalf of Defendant Alcmene Mining Inc.
tcarlton@fennemorelaw.com, smcalister@fennemorelaw.com, ksanders@fennemorelaw.com

25 TYLER CARLTON on behalf of Defendant Eclipse Gold Mining Corporation
tcarlton@fennemorelaw.com, smcalister@fennemorelaw.com, ksanders@fennemorelaw.com

26 TYLER CARLTON on behalf of Defendant Elevation Gold Mining Corporation
tcarlton@fennemorelaw.com, smcalister@fennemorelaw.com, ksanders@fennemorelaw.com

1 TYLER CARLTON on behalf of Defendant GOLDEN VERTEX CORP.
tcarlton@fennemorelaw.com, smcalister@fennemorelaw.com, ksanders@fennemorelaw.com

2 TYLER CARLTON on behalf of Defendant Golden Vertex (Idaho) Corp.
tcarlton@fennemorelaw.com, smcalister@fennemorelaw.com, ksanders@fennemorelaw.com

3 TYLER CARLTON on behalf of Defendant Hercules Gold USA LLC
4 tcarlton@fennemorelaw.com, smcalister@fennemorelaw.com, ksanders@fennemorelaw.com

5 JAMES GEORGE FLORENTINE on behalf of Creditor Nomad Royalty Company
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6 jflorentine@swlaw.com, jthomes@swlaw.com, docket@swlaw.com

7 JAMES GEORGE FLORENTINE on behalf of Creditor Nomad Royalty Company Ltd.
8 jflorentine@swlaw.com, jthomes@swlaw.com, docket@swlaw.com

9 AMIR GAMLIEL on behalf of Creditor Maverix Metals Inc.
agamliel@perkinscoie.com

10 JOHN A. HARRIS on behalf of Creditor PATRIOT GOLD CORP.
john.harris@quarles.com, sybil.aytch@quarles.com

11 PAUL A LOUCKS on behalf of Creditor PATRIOT GOLD CORP.
12 ploucks@dmyl.com

13 ANTHONY F. PUSATERI on behalf of Creditor PATRIOT GOLD CORP.
Anthony.Pusateri@quarles.com, sybil.aytch@quarles.com, dawn.mcombs@quarles.com

14 STACY PORCHE on behalf of Debtor ELEVATION GOLD MINING CORPORATION
15 sporche@fennemorelaw.com, lmarble@fennemorelaw.com

16 STACY PORCHE on behalf of Debtor GOLDEN VERTEX CORP.
sporche@fennemorelaw.com, lmarble@fennemorelaw.com

17 MICHAEL P. ROLLAND on behalf of Creditor Mohave Electric Cooperative,
mpr@eblawyers.com, jlc@eblawyers.com, acm@eblawyers.com

18 BRYCE A. SUZUKI on behalf of Creditor Nomad Royalty Company Limited
19 bsuzuki@swlaw.com, docket@swlaw.com, pshanahan@swlaw.com

20 BRYCE A. SUZUKI on behalf of Creditor Nomad Royalty Company Ltd.
bsuzuki@swlaw.com, docket@swlaw.com, pshanahan@swlaw.com

21 LARRY L. WATSON on behalf of U.S. Trustee U.S. TRUSTEE
larry.watson@usdoj.gov, Christopher.stewart2@usdoj.gov, coleen.craig@usdoj.gov

22 JEFFREY CHARLES WHITLEY on behalf of Creditor Hartmut Baitis
23 jeff@whitleylegalgroup.com

24 JEFFREY CHARLES WHITLEY on behalf of Creditor Larry Lackey
jeff@whitleylegalgroup.com

25 JEFFREY CHARLES WHITLEY on behalf of Creditor Robert B. Hawkins
26 jeff@whitleylegalgroup.com

27

28

1 On **December 19, 2024**, I transmitted the attached document, on the interested party(s),
2 listed below, as follows:

- 3 **U.S. MAIL.** By placing the document(s) listed above in a sealed envelope with
4 postage thereon fully prepaid, in the United States mail at Oakland, California
5 addressed as set forth below. I am readily familiar with the firm's practice of
6 collection and processing correspondence for mailing. Under that practice it would
7 be deposited with the U.S. Postal Service on that same day with postage thereon
8 fully prepaid in the ordinary course of business. I am aware that on motion of the
9 party served, service is presumed invalid if postal cancellation date or postage meter
10 date is more than one day after date of deposit for mailing in affidavit.
- 11 **PERSONAL SERVICE.** By causing document(s) listed above to be personally
12 delivered the person(s) at the address(es) set forth below.
- 13 **OVERNIGHT COURIER.** By placing the document(s) listed above in a sealed
14 envelope with shipping prepaid, and depositing in a collection box for next day
15 delivery to the person(s) at the address(es) set forth below.
- 16 **ELECTRONIC.** I electronically served the document listed above in an email
17 transmission addressed to the person(s), and respective represented party(s), at the
18 email addresses listed below.

19 Ken Coleman (pro hac vice)
20 2628 Broadway
21 New York, NY 10025
22 Tel. (646) 662-0138
23 Email: ken@kencoleman.us

*Attorneys for KSV Restructuring, Inc.,
as Monitor and Foreign
Representative*

24 I declare under penalty of perjury under the laws of the State of California that the above is
25 true and correct. Executed on **December 19, 2024**, at Oakland, California.

26 
27 Aurora Sanabria-Delgado

EXHIBIT “1”

From: [MacLellan, James](#)
To: [Robert Berens](#)
Cc: Ryan.Slepesky@Trisura.com; [Mr. Stuart Detsky](#)
Subject: FW: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry
Date: Wednesday, December 18, 2024 4:58:26 PM
Attachments: [image005.png](#)

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Borden Ladner Gervais LLP

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From: MacLellan, James
Sent: Tuesday, December 17, 2024 11:13 AM
To: Alexis Teasdale <ateasdale@lawsonlundell.com>
Cc: Mishaal Gill <mgill@fasken.com>; Angad Bedi <abedi@lawsonlundell.com>; Jason Knight <jknight@ksvadvisory.com>; kjackson@fasken.com; bkofman@ksvadvisory.com; Robin Schwill <rschwill@dwpv.com>
Subject: RE: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

Alexis,

Further to your letters of December 3, 2024 and December 13, 2024, Trisura objects to any “contracts” between Trisura and Elevation being retained by the Purchaser without Trisura’s express agreement. I have asked a number of times what “contract” your letters refer to and you have not clarified but we assume it relates to various surety bonds issued by Trisura to Elevation. I understand that Trisura and the Purchaser have been dealing with the issues related to the surety bonds however Trisura is awaiting the execution of various documents, including an indemnity

agreement in favour of Trisura, by the Purchaser. Until such time as Trisura's underwriters confirm that the security package is fully executed, the surety bonds will not be transferred.

Pls send the

James



James MacLellan

Partner

T 416.367.6592 | JMACLELLAN@blg.com

Bay Adelaide Centre, East Tower, 22 Adelaide St. W, Toronto, ON, Canada M5H 4E3

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Borden Ladner Gervais LLP

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From: Alexis Teasdale <ateasdale@lawsonlundell.com>

Sent: Monday, December 16, 2024 8:53 PM

To: MacLellan, James <JMACLELLAN@blg.com>

Cc: Mishaal Gill <mgill@fasken.com>; Angad Bedi <abedi@lawsonlundell.com>; Jason Knight <jknight@ksvadvisory.com>; kjackson@fasken.com; bkofman@ksvadvisory.com; Robin Schwill <rschwill@dwpv.com>

Subject: RE: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

[External / Externe]

Thank you for the information, James.

We look forward to the update from your client.

Best regards,

Alexis Teasdale* (she/her) | Partner

Lawson Lundell LLP

D 403.218.7564 | F 403.269.9494

*Professional Corporation

From: MacLellan, James <JMACLELLAN@blg.com>

Sent: Monday, December 16, 2024 6:50 PM

To: Alexis Teasdale (4564) - 11Flr <ateasdale@lawsonlundell.com>

Cc: Mishaal Gill <mgill@fasken.com>; Angad Bedi (4554) - 11Flr <abedi@lawsonlundell.com>; Jason

Knight <jknight@ksvadvisory.com>; kjackson@fasken.com; bkofman@ksvadvisory.com; Robin Schwill <rschwill@dwpv.com>

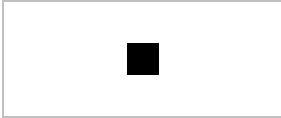
Subject: RE: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

[THIS MESSAGE ORIGINATED FROM OUTSIDE OUR FIRM]

Alexis

My understanding is that Trisura has not reached a final agreement with the purchaser of Elevation. Trisura will object to its contracts (being the Bonds) being “retained” without a final agreement being achieved. I will speak to Trisura tomorrow to obtain an update on the negotiation.

James



James MacLellan

Partner

T 416.367.6592 | JMACLELLAN@blg.com

Bay Adelaide Centre, East Tower, 22 Adelaide St. W, Toronto, ON, Canada M5H 4E3

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Borden Ladner Gervais LLP

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From: Alexis Teasdale <ateasdale@lawsonlundell.com>

Sent: Monday, December 16, 2024 6:06 PM

To: MacLellan, James <JMACLELLAN@blg.com>

Cc: Mishaal Gill <mgill@fasken.com>; Angad Bedi <abedi@lawsonlundell.com>; Jason Knight <jknight@ksvadvisory.com>; kjackson@fasken.com; bkofman@ksvadvisory.com; Robin Schwill <rschwill@dwpv.com>

Subject: RE: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

[External / Externe]

Now copying Robin Schwill.

Alexis Teasdale* (she/her) | Partner

Lawson Lundell LLP

D 403.218.7564 | F 403.269.9494

*Professional Corporation

From: Alexis Teasdale (4564) - 11Flr <ateasdale@lawsonlundell.com>

Sent: Monday, December 16, 2024 3:14 PM

To: jmaclellan@blg.com

Cc: Mishaal Gill <mgill@fasken.com>; Angad Bedi (4554) - 11Flr <abedi@lawsonlundell.com>; Jason Knight <jknight@ksvadvisory.com>; kjackson@fasken.com; bkofman@ksvadvisory.com

Subject: RE: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

Good afternoon James,

As you may recall, you and I have already exchanged several emails on this subject – the chain of emails between us is attached for ease of reference.

Briefly:

- Robin Schwill (who I have copied here) is counsel for EG Acquisition LLC, the purchaser – he is in the best position to provide an update as to the status of discussions between the purchaser and Trisura.
- As you likely know, Trisura provided certain reclamation surety bonds to Golden Vertex Corp., and Golden Vertex and its parent, Elevation Gold Mining Corporation, provided an indemnity.
- The Agreement of Purchase and Sale between Elevation Gold Mining Corporation and the purchaser, EG Acquisition LLC provides at Section 7.3(e) (Purchaser’s Conditions) that “Trisura Specialty Insurance Company shall have provided the Purchaser with a written acknowledgement (in form and substance satisfactory to the Purchaser in its sole and unfettered discretion) that it will not terminate any reclamation bonding provided by it to GVC (and any related arrangements) upon the change of control of GVC on Closing.”
- As noted in the attached email chain, the purchaser has been dealing directly with your client in relation to the foregoing condition. We expect your client will have an understanding of what the arrangements are going to be as between them and the purchaser.

Best regards,

Alexis Teasdale* (she/her) | Partner
Lawson Lundell LLP
D 403.218.7564 | F 403.269.9494
*Professional Corporation

From: MacLellan, James <JMACLELLAN@blg.com>

Sent: December 16, 2024 2:30 PM

To: Yuliia Topal <ytopal@lawsonlundell.com>

Cc: Angad Bedi <abedi@lawsonlundell.com>; Jason Knight <jknight@ksvadvisory.com>; mgill@fasken.com

Subject: Re: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

Can you please advise what contract you are referring to immediately.

James

James MacLellan
Borden Ladner Gervais LLP
Sent from iPhone

From: Yuliia Topal <ytopal@lawsonlundell.com>
Sent: Monday, December 16, 2024 3:30:33 PM
To: MacLellan, James <JMACLELLAN@blg.com>
Cc: Angad Bedi <abedi@lawsonlundell.com>; jknights@ksvadvisory.com <jknights@ksvadvisory.com>; mjill@fasken.com <mjill@fasken.com>
Subject: Re: In the Matter of Elevation Gold Mining Corporation et al. - SCBC Action No. S-245121, Vancouver Registry

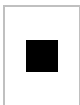
[External / Externe]

Good afternoon,

Further to our letter of December 3 2024, please find enclosed a letter on behalf of Elevation Gold Mining Corporation, Eclipse Gold Mining Corporation, Golden Vertex Corp., and Golden Vertex (Idaho) Corp.

Kindly note that **the US Approval Hearing will take place before the United States Bankruptcy Court for the District of Arizona on December 23, 2024, at 11:00 a.m. MST.** As such, if you have any objections to your Contract being retained by the purchaser, please submit written notice by December 23, 2024, to the addresses specified in the enclosed letter.

Thank you,



YULIJA TOPAL (she/her) | Administrative Assistant
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