



No. **S1910194**
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

AND

IN THE MATTER OF ENERGOLD DRILLING CORP.,
CROS-MAN DIRECT UNDERGROUND LTD., EGD
SERVICES LTD., BERTRAM DRILLING CORP. AND
OMNITERRA INTERNATIONAL DRILLING INC.

PETITIONERS

NOTICE OF APPLICATION
(MEETING ORDER)

Name of Applicant: Extract Advisors LLC, in its capacity as the administrative agent for secured noteholders (the "**Agent**")

To: the Service List attached as **Schedule "A"**

TAKE NOTICE that an application will be made by the Applicant to the Honourable Justice Milman at the Courthouse at 800 Smithe Street, Vancouver, British Columbia on December 19, 2019 at 9:00 a.m. for the Order set out in Part 1 below.

PART 1: ORDER SOUGHT

1. An Order substantially in the form attached as **Schedule "B"** hereto (the "**Meeting Order**") *inter alia*:
 - (a) abridging the time for service of the Notice of Application herein and validating service thereof, if necessary;

- (b) accepting the filing of a Plan of Compromise and Arrangement (the "**Plan**")¹, substantially in the form attached to the Meeting Order as Schedule "B";
 - (c) establishing one class of creditors for the purpose of considering and voting on the Plan, being the Affected Noteholder Class which shall be comprised of the holders of secured notes pursuant to the note purchase agreement dated June 15, 2017 among the Agent, the Noteholders, Energold and certain of the Energold Group (as defined below) as guarantors (the "**Noteholders**");
 - (d) authorizing the Applicants to call, hold and conduct a meeting of the Noteholders (the "**Creditors' Meeting**") to consider and vote on a resolution to approve the Plan, and approving the procedures to be followed with respect to the Creditors' Meeting to be held on January 13, 2020 to seek approval of the Plan;
 - (e) setting the date for the hearing of the Applicant's application seeking an order to sanction the Plan (the "**Sanction Order**") should the Plan be approved by the Required Majority; and
 - (f) approving the third report of FTI Consulting Canada Inc. in its capacity as court appointed monitor ("**Monitor**") (the "**Third Report**") and the activities as set out therein; and
2. Such further and other relief as this Honourable Court may deem just.

PART 2: FACTUAL BASIS

- 1. On September 13, 2019, the Honourable Justice Milman granted the Initial Order pursuant to the CCAA.
- 2. Pursuant to the Sales Process Order, the Financial Advisor and the Petitioners under the Sales Process Order and the SSP conducted a marketing process that involved identifying a list of potential bidders and preparing a confidential information memorandum that was made available to interested parties and conducting an auction in respect of assets which received multiple qualified offers.

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Plan.

3. The Agent is the administrative agent for Noteholders, who are secured creditors with a first ranking security interest over the majority of Energold Group's' assets, pursuant to the Note Purchase Agreement.
4. Pursuant to the SSP, the Agent placed bids for the Purchased Assets and the Cros-Man Assets, which bids were deemed to be the stalking horse bids.
5. As of December 16, 2019, the total amount owing to the Noteholders is CAD\$25,701,919.58.
6. On October 31, 2019, the Financial Advisor conducted an auction. There were no other qualified bids except for the stalking horse bids for the Latin America Unit, the BDI Unit and the Cros-Man Assets under the SSP. There was one other qualified bidder for the EMEA Unit, which resulted in an auction of the EMEA Unit with the final winning bid by the Agent.
7. Following the conclusion of the SSP, the Agent, as purchaser subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid, was therefore the successful bidder for the Purchased Shares and the Cros-Man Assets.
8. Pursuant to the SSP, the Agent entered into the following Purchase Agreements, subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid:
 - (a) share purchase agreement with Energold and Omniterra for the purchase of the Purchased Shares in the Latin America Unit for a credit bid amount of \$4,160,000 (giving effect to \$2,640,000 working capital adjustment due to assumption of debt owed by Energold to the Economic Development Corporation of Canada (the "EDC")) and a cash payment of \$2,000, subject to further working capital adjustments to be calculated in due course;
 - (b) share purchase agreement with Energold for the purchase of the Purchased Shares in the EMEA Unit for a credit bid amount of \$3,050,000, subject to further working capital adjustments to be calculated in due course;
 - (c) share purchase agreement with Energold for the purchase of the Purchased Shares in the BDI Unit for a credit bid amount of \$1,500,000, subject to further working capital adjustments to be calculated in due course; and
 - (d) asset purchase agreement with Energold for the purchase of the Cros-Man Assets for a credit bid amount of \$3,000,000, subject to further working capital adjustments to be calculated in due course.

9. The Agent, as purchaser subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid, will also purchase the Residual Assets for a credit bid amount of \$3,869,755.
10. The total amount of the Credit Bid Amount for the Purchased Assets is \$15,579,755, subject to further working capital adjustments to be calculated in due course.
11. The Petitioners and the Agent wish to enter into an arrangement that will see the paydown and extinguishment of the debt owing by the Energold Group to the Noteholders by application of the Credit Bid Amount to each of the Latin America Unit, the EMEA Unit, the BDI Unit, the Cros-Man Assets and the Residual Assets. The Noteholders in return will receive their pro rata share of shares in a new acquisition vehicle (the US LP) which will manage and run the business formally owned by the Energold Group.
12. The Plan will allow for the continued operations of the business and will derive a greater benefit to stakeholders, including employees and trade suppliers.
13. The sale transactions pursuant to the Purchase Agreements will be concluded through implementation of this Plan, the Sanction Order and the Vesting Order which will transfer the Energold Group's assets directly or indirectly to the US LP.
14. The Applicant is now seeking approval of the Meeting Order, which provides for, among other things:
 - (a) the acceptance of the plan for the purposes of filing and calling the Creditors' Meetings on January 13, 2020 to seek approval of the Plan;
 - (b) the process to modify or amend the Plan;
 - (c) the classification of Affected Noteholders into one class being the Affected Noteholder Class for voting purposes;
 - (d) the procedures for conduct and voting at the Creditors' Meeting; and
 - (e) the scheduling of the application for the Sanction Order and Vesting Orders for January 20, 2020, or such other date thereafter subject to the Court's availability, in the event the Plan is approved at the Creditors' Meeting.
15. Pursuant to the Plan, if the Plan is approved, an application will be made before this Honourable Court to sanction the Plan and vest the Purchased Assets directly or indirectly in US LP.

PART 3: LEGAL BASIS

1. The Meeting Order and Plan comply with the provisions of the CCAA;

2. Pursuant to s. 11 of the CCAA, the Court may make any order that it considers appropriate.

3. Pursuant to s. 5 of the CCAA, where a compromise or arrangement is proposed between a debtor company and its secured creditors, the Court may, on the application of any such creditor, order a meeting of creditors to be summoned in such manner as the Court directs.

4. The Petitioners also rely on the provisions of the CCAA, the *Supreme Court Civil Rules* and the inherent and equitable jurisdiction of this Court.

5. Such further and other grounds as counsel may advise and this Honourable Court may permit.

PART 4: MATERIAL TO BE RELIED ON

1. Third Report of the Monitor, to be filed.

2. The pleadings and materials filed herein.

The Applicant estimates that the application will take 1 hour.

This matter is within the jurisdiction of a Master.

This matter is not within the jurisdiction of a Master. Justice Milman is seized of this proceeding.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this Notice of Application, you must, within 5 business days after service of this Notice of Application or, if this application is brought under Rule 9-7, within 8 business days after service of this Notice of Application:

- (a) file an Application Response in Form 33;
- (b) file the original of every Affidavit, and of every other document, that:
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding; and
- (c) serve on the Applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of filed Application Response;
 - (ii) a copy of each of the filed Affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;

- (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: December 16, 2019


Signature of Lawyer for Applicant
Lawyer: Christopher J. Ramsay / Katie G. Mak

This NOTICE OF APPLICATION is prepared by Katie G. Mak of the firm of **Clark Wilson LLP** whose place of business is 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 (Direct #: 604.643.3105, Fax #: 604.687.6314, Email: KMak@cwilson.com) (File #: 49117-0001).

To be completed by the court only:

Order made

- in the terms requested in paragraphs _____ of Part 1 of this Notice of Application
- with the following variations and additional terms:

Date: _____
[dd/mmm/yyyy]

Signature of Judge Master

APPENDIX

[The following information is provided for data collection purposes only and is of no legal effect.]

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matters concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above

Schedule A

Service List

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

AND

IN THE MATTER OF ENERGOLD DRILLING CORP., CROS-MAN DIRECT
UNDERGROUND LTD., EGD SERVICES LTD., BERTRAM DRILLING CORP.,
AND OMNITERRA INTERNATIONAL DRILLING INC.

PETITIONERS

SERVICE LIST

[as at October 16, 2019]

<p>Borden Ladner Gervais LLP 1200 Waterfront Centre 200 Burrard Street Vancouver, BC V7X 1T2 Tel: (604) 687-5744</p> <p>Attn: Lisa C. Hiebert and Ryan Laity</p> <p>Email: lhiebert@blg.com rlaity@blg.com</p> <p>Counsel for the Petitioners</p>	<p>FTI Consulting Canada Inc. 555 Burrard Street Vancouver, BC V7X 1M8 Tel: (604) 484-9525</p> <p>Attn: Tom Powell and Toni Vanderlaan</p> <p>Email: toni.vanderlaan@fticonsulting.com tom.powell@fticonsulting.com robert.kleebaum@fticonsulting.com craig.munro@fticonsulting.com</p> <p>Monitor</p>
<p>Cassels Brock & Blackwell LLP Suite 2200 HSBC Building 885 West Georgia Street Vancouver, BC V6C 3E8 Tel: (604) 691-6100</p> <p>Attn: H. Lance Williams and Mary I.A. Buttery, Q.C.</p> <p>Email: lwilliams@casselsbrock.com mbuttery@casselsbrock.com sdanielisz@casselsbrock.com</p> <p>Counsel for the Monitor</p>	<p>Gowling WLG 550 Burrard Street Suite 2300-Bentall 5 Vancouver, BC V6C 2B5 Tel: (604) 683-3558</p> <p>Attn: Jonathan B. Ross and Jeffrey Bradshaw</p> <p>Email: jonathan.ross@gowlingwlg.com jeffrey.bradshaw@gowlingwlg.com michele.hay@gowlingwlg.com</p> <p>Counsel for Export Development Canada</p>

<p>Clark Wilson LLP 900 – 885 West Georgia Street Vancouver, BC V6C 3H1 Tel: (604) 643-3176</p> <p>Attn: Christopher Ramsay and Katie Mak</p> <p>Email: cramsay@cwilson.com kmak@cwilson.com dhamann-trou@cwilson.com</p> <p>Counsel for Extract Advisors LLC as administrative agent to the secured Noteholders</p>	<p>McCarthy Tétrault LLP 421 7th Avenue SW Suite 4000 Calgary, AB T2P 4K9 Tel: (403) 260-3500</p> <p>Attn: Pantelis Kyriakakis</p> <p>Email: pkyriakakis@mccarthy.ca</p> <p>Counsel for Royal Bank of Canada</p>
<p>Stikeman Elliott LLP 5300 Commerce Court West 199 Bay Street Toronto, ON M5L 1B9 Tel: (416) 869-5500</p> <p>Attn: Ashley Taylor and Marie Garneau</p> <p>Email: ataylor@stikeman.com mgarneau@stikeman.com</p> <p>Counsel for Energold DIP Lender, LLC</p>	<p>Ernst & Young Inc. Pacific Centre, 700 West Georgia Street Vancouver, BC V7Y 1C7 Tel: (604) 891-8200</p> <p>Attn: Mike Bell and Rob Withers</p> <p>Email: mike.bell@ca.ey.com robert.withers@ca.ey.com</p> <p>Financial Advisor for the Petitioners</p>
<p>Portage Point Partners LLC 300 North LaSale, Suite 4925 Chicago, IL 60654</p> <p>Attn: Mark Berger and Ryan Williams</p> <p>Email: mberger@pppllc.com rwilliams@pppllc.com</p> <p>Chief Restructuring Officer</p>	<p>Extract Advisors LLC Suite 423, 379 West Broadway New York, NY 10012</p> <p>Attn: Darin Milmeister</p> <p>Email: darin@extractcapital.com</p> <p>Administrative agent to the secured Noteholders</p>
<p>Downtown Capital Partners, LLC Suite 1110, 360 Hamilton Avenue White Plains, NY 10601</p> <p>Attn: Gary Katz</p> <p>Email: gkatz@downtownlp.com</p>	

Schedule B

No. **S1910194**
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OMNITERRA INTERNATIONAL DRILLING INC.

PETITIONERS

ORDER MADE AFTER APPLICATION
(MEETING ORDER)

BEFORE) THE HONOURABLE)
) JUSTICE MILMAN) December 19, 2019
))

ON THE APPLICATION of the Extract Advisors LLC, in its capacity as administrative agent for noteholders (the "Agent") coming on for hearing at Vancouver, British Columbia on December 19, 2019 and on hearing Christopher Ramsay and Katie Mak and those other counsel listed on **Schedule "A"** hereto; and upon reading the material filed, and pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "CCAA"), the British Columbia Supreme Court Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS that:

1. The time for service of the Notice of Application and supporting materials be and is hereby abridged such that this Application is properly returnable today and service thereof upon any interested party other than the parties on the service list maintained by the Monitor in this proceeding is hereby dispensed with.

2. All capitalized terms in this Order, unless otherwise stated herein, have the meaning ascribed to them in the Plan of Compromise and Arrangement (the "**Plan**"), substantially in the form attached hereto as **Schedule "B"**.

PLAN OF COMPROMISE AND ARRANGEMENT

3. The Plan is hereby accepted for filing, and the Agent is hereby authorized to seek approval of the Plan from the Affected Noteholders in the manner set forth herein.

4. The Agent, subject to the provisions of the Plan, be and is hereby authorized to make and to file a modification or restatement of, or amendment or supplement to, the Plan (each a "**Plan Modification**") prior to or at the Creditors' Meeting, in which case any such Plan Modification shall, for all purposes, be and be deemed to form part of and be incorporated into the Plan.

5. The notice of such a Plan Modification shall be sufficient at or before the Creditors' Meeting if, prior to or at the Creditors' Meeting: (a) the Chair (as defined in this Meeting Order) communicates the details of the Plan Modification to Affected Noteholders and other Persons present at the Creditors' Meeting prior to any vote being taken at either of the Creditors' Meeting; (b) the Agent provides notice to the service list as amended from time to time (the "**Service List**") of any such Plan Modification and file a copy thereof with the Court forthwith and in any event prior to the Court hearing the application seeking the Sanction Order (the "**Sanction Application**"); and (c) the Monitor posts an electronic copy of the Plan Modification on the Monitor's website, <http://cfcanada.fticonsulting.com/energold/> (the "**Website**") forthwith and in any event prior to the Court hearing the Sanction Application.

6. After the Creditors' Meeting (and both prior to and subsequent to the obtaining of any Sanction Order), the Agent may at any time and from time to time, subject to the provisions of the Plan, effect a Plan Modification: (a) pursuant to an Order of the Court, or (b) without further Order of the Court, where such Plan Modification concerns a matter which, in the opinion of the Petitioners and the Monitor, is of an administrative nature required to better give effect to the implementation of the Plan or the Sanction Order or to cure any errors, omissions or ambiguities, and in either circumstance is not materially adverse to the financial or economic interests of the Affected Noteholders. The Monitor shall forthwith post on the Website any such Plan Modification, with notice of such posting forthwith provided to the Service List.

FORMS OF DOCUMENTS

7. The Notice of Creditors' Meeting and Sanction Application for Affected Noteholders substantially in the form attached hereto as **Schedule "C"** (the "**Notice of Creditors' Meeting and Sanction Application**"), the Proxy substantially in the form attached hereto as **Schedule "D"** (the "**Proxy**"), the form of Resolution substantially in the form attached hereto as **Schedule "E"** (the "**Plan Resolution**"), are each hereby approved and the Agent, with the consent of the Monitor, are authorized to make such changes to such forms of documents as it considers necessary or desirable to conform the content thereof to the terms of the Plan or this Meeting Order.

CLASSIFICATION OF CREDITORS

8. For the purposes of considering and voting on the Plan, there shall be one class of creditors, being the Affected Noteholder Class.

NOTICE OF CREDITORS' MEETING

9. In order to effect notice of the Creditors' Meeting, the Agent shall cause to be sent by email copies of the Notice of Creditors' Meeting and Sanction Order, the Proxy, and the Monitor's report regarding the Plan (the "**Information Package**") as soon as practicable after the granting of this Meeting Order and, in any event, no later than 4:00 p.m. (Vancouver time) on December 20, 2019 to each Affected Noteholder, at the last known email address of such Affected Noteholder as set out in the books and records of the Agent, or to such other address subsequently provided to the Agent in writing by such Affected Noteholder.

10. The Monitor shall forthwith post an electronic copy of the Information Package (and any amendments made thereto in accordance with paragraph 7 hereof) on the Website and send a copy of the Information Package to the Service List.

11. The delivery of the Information Package in the manner set out in paragraph 9 hereof and the posting of the Information Package on the Website in accordance with paragraph 10 hereof, shall constitute good and sufficient service of this Meeting Order, the Plan and the Sanction Application, and good and sufficient notice of the Creditors' Meeting on all Persons who may be entitled to receive notice thereof in these proceedings or who may wish to be present in person or by Proxy at the Creditors' Meeting or who may wish to appear in these proceedings, and no other form of notice or service need be made on such Persons.

12. The Agent shall calculate each Affected Noteholder Claim based on the Claim of a Noteholder as set out in the books and records maintained by the Agent, and each Affected Noteholder Claim shall be as calculated by the Agent.

13. Unless already provided, as soon as practicable after the granting of this Order, the Agent shall provide the Monitor with a list of the Affected Noteholders,

the Claim of each Noteholder, and the Affected Noteholder Claim of each Affected Noteholder (the "**Affected Noteholder List**").

14. Accidental failure of, or accidental omission by, the Agent to provide a copy of the Information Package to any one or more of the Affected Noteholders, the non-receipt of a copy of the Information Package by any Affected Noteholder beyond the reasonable control of the Agent or any failure or omission to provide a copy of the Information Package as a result of events beyond the reasonable control of the Agent shall not constitute a breach of this Order, and shall not invalidate any resolution passed or proceedings taken at the Creditors' Meeting, but if any such failure or omission is brought to the attention of the Agent prior to either of the Creditors' Meeting, then the Agent shall use reasonable efforts to rectify the failure or omission by the method and in the time most reasonably practicable in the circumstances.

CONDUCT AT THE CREDITORS' MEETING

15. The Monitor is hereby authorized to call, hold and conduct the meeting of the Affected Noteholders on January 13, 2020 at 2 p.m. (Vancouver time), at the offices of ♦, for the purpose of considering, and if deemed advisable by the Affected Secured Class, voting in favour of, with or without variation, the Plan Resolution to approve the Plan.

16. A representative of the Monitor, designated by the Monitor, shall preside as the chair of the Creditors' Meeting (the "**Chair**") and, subject to any further Order of this Court, shall decide all matters relating to the conduct of the Creditors' Meeting.

17. The Chair is authorized to accept and rely upon Proxies, the Affected Noteholder List or such other forms as may be acceptable to the Chair.

18. The quorum required at each of the Creditors' Meetings shall be one (1) Affected Noteholder present at such meeting in person or by Proxy.

19. The Monitor may appoint scrutineers for the supervision and tabulation of the attendance at, quorum at and votes cast at each of the Creditors' Meeting (the "**Scrutineers**"). A Person designated by the Monitor shall act as secretary at each of the Creditors' Meeting (the "**Secretary**").

20. If (a) the requisite quorum is not present at the Creditors' Meeting, or (b) the Creditors' Meeting is postponed by the request of the Agent, the Petitioners or by vote of the majority in value of Affected Noteholders in person or by Proxy at either of the Creditors' Meeting, then the Creditors' Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable.

21. The Chair, with the consent of the Petitioners and the Agent, he, and he or she is hereby, authorized to adjourn, postpone or otherwise reschedule the Creditors' Meeting on one or more occasions to such time(s), date(s) and place(s) as the Chair with the consent of the Petitioners and the Agent deems necessary or

desirable (without the need to first convene such Creditors' Meeting for the purpose of any adjournment, postponement or other rescheduling thereof). None of the Petitioners, the Agent, the Chair or the Monitor shall be required to deliver any notice of the adjournment of either of the Creditors' Meeting or adjourned either of the Creditors' Meeting, provided that:

- (a) the Monitor shall announce the adjournment of either of the Creditors' Meeting or adjourned Creditors' Meeting, as applicable;
- (b) the Monitor shall forthwith post notice of the adjournment on the Website;
- (c) the Agent shall cause a notice of the adjournment to be distributed to the Affected Noteholders;
- (d) the Monitor shall provide notice of the adjournment to the Service List forthwith; and
- (e) any Proxies validly delivered in connection with the Creditors' Meeting shall be accepted as Proxies in respect of any adjourned Creditors' Meeting.

22. The only Persons entitled to attend and speak at either of the Creditors' Meeting are Affected Noteholders (or their respective duly appointed proxyholder), representatives of the Monitor, the Petitioners, the Agent and all such parties' financial and legal advisors, the Chair, the Secretary and Scrutineers and their respective legal counsel and advisors. Any other Person may be admitted to either of the Creditors' Meeting on invitation of the Petitioners, the Agent or the Chair.

VOTING PROCEDURE AT THE CREDITORS' MEETING

23. The Chair and the Monitor be and are hereby authorized to direct a vote by confidential written ballot or by such other means as the Chair or Monitor may consider appropriate, with respect to the Plan Resolution to approve the Plan.

24. Any Proxy for an Affected Noteholder must be received by the Monitor by noon (Vancouver time) on January 13, 2020, or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors' Meeting (the "**Proxy Deadline**").

25. In the absence of instruction to vote for or against the approval of the Plan Resolution in a duly signed and returned Proxy, the Proxy shall be deemed to include instructions to vote for the approval of the Plan Resolution, provided the Proxy holder does not otherwise exercise its right to vote at the Creditors' Meeting.

26. To the extent that the Monitor is in receipt of more than one Proxy in respect of the same Affected Noteholder, the last submitted duly signed and returned Proxy to the Monitor shall be deemed to be such Affected Noteholder's voting instructions with respect to the Plan.

27. Only Affected Noteholders shall be entitled to vote on the Plan.
28. Each Affected Noteholder shall be entitled to one vote equal to the aggregate dollar value of its Affected Noteholder Claim.
29. Each Noteholder shall constitute one vote in number for the purpose of determining the Required Majority, regardless of whether the Noteholder holds Secured Notes beneficially through a securities account with a depository participant or other securities intermediary.
30. An Affected Noteholder Claim shall:
 - (a) not include fractional numbers and shall be rounded down to the nearest whole dollar amount; and
 - (b) be converted into Canadian Dollars at the Bank of Canada exchange rate for the US dollar to the Canadian dollar as of the date of the Initial Order.
31. An Affected Noteholder may transfer or assign the whole of its Claim prior to the Creditors' Meeting, provided that none of the Petitioners, Agent nor the Monitor shall be obligated to give notice to or otherwise deal with the transferee or assignee of such Claim as an Affected Noteholder, in respect thereof, including allowing such transferee or assignee of an Affected Noteholder to vote at the Creditors' Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received and acknowledged by the Agent in writing no later than 12:00 noon on the date that is three (3) days prior to the Creditors' Meeting. Thereafter, such transferee or assignee shall, for all purposes in this Meeting Order, constitute an Affected Noteholder, and shall be bound by any and all notices previously given to the transferor or assignor and steps taken in respect of such Claim. Such transferee or assignee shall not be entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such transferee or assignee to any of the Petitioners. Where a Claim has been transferred or assigned in part, the transferor or assignor shall retain the right to vote at the Creditors' Meeting in respect of the full amount of the Claim as determined for voting purposes in accordance with this Meeting Order, and the transferee or assignee shall have no voting rights at the Creditors' Meeting in respect of such Claim.
32. An Affected Noteholder may transfer or assign the whole of its Claim after the Creditors' Meeting provided that the Agent shall not be obligated to make any distributions to any such transferee or assignee or otherwise deal with such transferee or assignee as an Affected Noteholder, in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received and acknowledged by the Agent in writing. Thereafter, such transferee or assignee shall, for all purposes in accordance

with this Meeting Order and the Plan, constitute an Affected Noteholder, and shall be bound by any and all notices previously given to the transferor or assignor and steps taken in respect of such Claim.

APPROVAL OF THE PLAN

33. In order to be approved, the Plan must receive an affirmative vote by the Required Majority.

34. Following the votes at the Creditors' Meeting, the Monitor shall tally the votes and determine whether the Plan has been approved by the Required Majority.

35. The results of and all votes provided the Creditors' Meeting shall be binding on all Affected Noteholders, whether or not any such Affected Noteholder is present or voting at the Creditors' Meeting.

SANCTION HEARING

36. The Monitor shall provide a report to the Court as soon as practicable after the Creditors' Meeting (the "**Monitor's Report Regarding the Creditors' Meeting**") with respect to:

- (a) the results of voting at the Creditors' Meeting on the Plan Resolution;
- (b) whether the Required Majority has approved the Plan; and
- (c) in its discretion, any other matter relating to the Petitioners' application(s) seeking sanction of the Plan.

37. An electronic copy of the Monitor's Report Regarding the Creditors' Meeting, the Plan, including any Plan Modifications, and a copy of the materials filed in respect of the Sanction Application shall be posted on the Website prior to the Sanction Application.

38. In the event the Plan has been approved by the Required Majority, the Agent may bring the Sanction Application before this Court on January __, 2020, or such later date as the Agent may advise the Service List in these proceedings, provided that such later date shall be acceptable to the Petitioners and the Monitor.

39. Service of this Meeting Order by the Agent to the parties on the Service List, the delivery of the Information Package in accordance with paragraph 10 hereof, and posting of the Information Package on the Website in accordance with paragraph 10 hereof, shall constitute good and sufficient service and notice of the Sanction Application.

40. Any Person intending to oppose the Sanction Application shall (i) file or have filed with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least two (2) Business Days before the date set

for the Sanction Application; and (ii) serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the Sanction Application that are available at least two (2) Business Days before the date set the Sanction Application, or such shorter time as the Court, by Order, may allow.

41. In the event that the Sanction Application is adjourned, only those Persons appearing on the Service List as of the date of service shall be served with notice of the adjourned date.

42. Subject to any further Order of the Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Meeting Order, the terms, conditions and provisions of the Plan shall govern and be paramount, and any such provision of this Meeting Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

MONITOR'S ROLE

43. The Monitor, in addition to its prescribed rights and obligations under the CCAA and the Initial Order, is hereby directed and empowered to take such other actions and fulfill such other roles as are authorized by this Meeting Order.

44. That: (i) in carrying out the terms of this Meeting Order, the Monitor shall have all the protections given to it by the CCAA, the Initial Order, or as an officer of the Court, including the stay of proceedings in its favour; (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Meeting Order, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of the Petitioners and any information provided by the Petitioners and the Agent and any information acquired by the Monitor as a result of carrying out its duties under this Order without independent investigation; and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

APPROVAL OF ACTIVITIES

45. The Third Report and the actions, conduct and activities of the Monitor described therein be and are hereby approved.

GENERAL PROVISIONS

46. The Monitor shall use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms hereunder are completed and executed and the time in which they are submitted and may waive strict compliance with the requirements of this Meeting Order including with respect to the completion, execution and time of delivery of required forms.

47. The Petitioners, the Agent or the Monitor may, from time to time, apply to this Court to amend, vary, supplement or replace this Meeting Order or for advice and directions concerning the discharge of their respective powers and duties under this Meeting Order or the interpretation or application of this Meeting Order.

48. Any notice or other communication to be given under this Meeting Order by an Affected Noteholder to the Petitioner, the Agent or the Monitor shall be in writing in substantially the form, if any, provided for in this Meeting Order and will be sufficiently given only if given by prepaid ordinary mail, registered mail, courier, personal delivery or email addressed to:

The Agent's Counsel: Clark Wilson LLP
900 – 885 West Georgia Street
Vancouver, BC V6C 3H1

Attention: Christopher Ramsay / Katie Mak
Email: CRamsay@cwilson.com/

KMak@cwilson.com

The Petitioners' Counsel: Borden Ladner Gervais LLP
Waterfront Centre
200 Burrard St. #120
Vancouver, BC V7X 1T2

Attention: Lisa Hiebert / Ryan Laity
Email: LHiebert@blg.com / RLaity@blg.com

The Monitor: FTI Consulting Canada Inc.
555 Burrard St.
Vancouver, BC V7X 1M8

Attention: Craig Munro / Tom Powell
Email: craig.munro@fticonsulting.com /
tom.powell@fticonsulting.com

With a copy to the Monitor's Counsel: Cassels Brock & Blackwell LLP
885 W Georgia #2200
Vancouver, BC V6C 3E8

Attention: Mary Buttery – Lance Williams
Email: mbuttery@cassels.com /
lwilliams@cassels.com

49. Any notice or other communication from the Petitioners, the Agent or the Monitor to any Person shall be sent by email and shall be deemed to have been received if delivered by email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

50. Any notice or other communication shall be sent by email and shall be deemed to have been received, if delivered by facsimile transmission or e-mail by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

51. In the event that the day on which any notice or communication required to be delivered pursuant to this Meeting Order is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day.

52. All references to time in this Meeting Order shall mean prevailing local time in Vancouver, British Columbia, and any references to an event occurring on a Business Day shall mean prior to 5:00 p.m. on the Business Day unless otherwise indicated.

53. References to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.

THIS COURT HEREBY REQUESTS:

54. The aid and recognition of any court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada, in the United States of America or in any other foreign jurisdiction to give effect to this Meeting Order and to assist the Petitioners, the Agent and the Monitor and their respective agents in carrying out the terms of this Meeting Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, to the Agent and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioners, the Agent and the Monitor and their respective agents in carrying out the terms of this Order.

55. Endorsement of this Order by counsel appearing on this application, other than counsel for the Agent, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND
CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS
BEING BY CONSENT:

Signature of Lawyer for the Agent
Lawyer: Christopher Ramsay / Katie Mak

BY THE COURT

Registrar

SCHEDULE "A"
LIST OF COUNSEL

SCHEDULE "B"
PLAN OF COMPROMISE AND ARRANGEMENT

No. S1910194
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

AND

IN THE MATTER OF ENERGOLD DRILLING CORP., CROS-MAN
DIRECT UNDERGROUND LTD., EGD SERVICES LTD., BERTRAM
DRILLING CORP. AND OMNITERRA INTERNATIONAL DRILLING INC.

PETITIONERS

PLAN OF COMPROMISE AND ARRANGEMENT

PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* S.B.C. 2002, c.57
and the
BUSINESS CORPORATIONS ACT, S.B.C. 2002, c.57

concerning, affecting and involving

ENERGOLD DRILLING CORP., CROS-MAN DIRECT UNDERGROUND LTD., EGD SERVICES LTD.,
BERTRAM DRILLING CORP. AND OMNITERRA INTERNATIONAL DRILLING INC.

December ◆, 2019

PLAN OF COMPROMISE AND ARRANGEMENT

- A. On September 13, 2019, the Supreme Court of British Columbia (the “**Court**”) made an order (the “**Initial Order**”) granting each of Energold Drilling Corp. (“**Energold**”), Cros-Man Direct Underground Ltd. (“**Cros-Man**”), EGD Services Ltd., Bertram Drilling Corp. (“**Bertram**”) and Omniterra International Drilling Inc. (“**Omniterra**”)(collectively, the “**Petitioners**”), protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”).
- B. Pursuant to an order made by the Court on September 13, 2019 (the “**Sale Process Order**”), the Court approved a sale solicitation procedure (the “**SSP**”) to be conducted by the Petitioners, with the assistance of FTI Consulting Canada Inc. (“**FTI**”) as the monitor in the CCAA proceedings (in such capacity, the “**Monitor**”) and Ernst & Young Orenda Corporate Finance Inc. as the financial advisor in the CCAA proceedings (“**Financial Advisor**”), for the solicitation of offers to acquire any of the Petitioners’ direct and indirect wholly-owned subsidiaries, including the other Petitioners (collectively, the “**Energold Group**”).
- C. The Financial Advisor and the Petitioners under the Sales Process Order and the SSP conducted a fair and reasonable marketing process that involved identifying a list of potential bidders and preparing a confidential information memorandum that was made available to interested parties and conducting an auction in respect of assets which received multiple qualified offers.
- D. Certain of the Petitioners are the registered and beneficial owners of the shares (the “**Purchased Shares**”) in the capital of each issuer set out in **Schedule “A”** attached hereto, and each issuer is a member of the Energold Group and the Purchased Shares have been marketed for sale in connection with the Sale Process Order and the SSP.
- E. Cros-Man is the owner of the assets set out in **Schedule “B”** attached hereto (the “**Cros-Man Assets**”), which have also been marketed for sale in connection with the Sales Process Order and the SSP.
- F. Certain of the Petitioners are also the owners, both registered and beneficial, of the assets listed in **Schedule “C”** attached hereto (the “**Residual Assets**”, and together with the Purchased Shares and the Cros-Man Assets, herein referred to as a “**Purchased Assets**”).
- G. Extract Advisors LLC (the “**Agent**”) is the administrative agent for Noteholders (as defined herein), who are secured creditors with a first ranking security interest over the majority of Energold Group’s’ assets, pursuant to the Note Purchase Agreement (as defined herein)
- H. Pursuant to the SSP and at the recommendation of the Financial Advisor, the Agent placed bids for the Purchased Shares and the Cros-Man Assets, which bids were deemed to be the stalking horse bids in the following amounts (each amount subject to certain working capital and other adjustments):
- (a) for the Latin America Unit (as set out in Schedule “A”), a credit bid amount of \$6.8 million [subject to further working capital adjustments to be calculated in due course];
 - (b) for the EMEA Unit (as set out in Schedule “A”), a credit bid amount of \$2 million [subject to further working capital adjustments to be calculated in due course];

- (c) for the BDI Unit (as set out in Schedule "A"), a credit bid amount of \$1.5 million **[subject to further working capital adjustments to be calculated in due course]**; and
 - (d) for the Cros-Man Assets, a credit bid amount of \$3 million **[subject to further working capital adjustments to be calculated in due course]**.
- I. As of December 16, 2019, the total debt owing to the Noteholders is \$25,701,919.58, with interest continuing to accrue after this date (the "**Total Noteholder Claim**"). There were no other qualified bids except for the stalking horse bids for the Latin America Unit, the BDI Unit and the Cros-Man Assets under the SSP. There was one other qualified bidder for the EMEA Unit, which resulted in an auction of the EMEA Unit with the final winning bid by the Agent of \$3.05 million **[subject to further working capital adjustments to be calculated in due course]**. Following the EMEA auction, the only other qualified bidder lodged an objection with the Financial Advisor and purported to withdraw its bids. The Agent also lodged an objection with the Financial Advisor with respect to the auction process and requested that its initial stalking horse bid be declared the winning bid under the SSP. To avoid expenses and delays associated with litigation, the Agent agreed for purposes of approval of this Plan (as defined herein) only to allow the \$3.05 million credit bid amount **[subject to further working capital adjustments to be calculated in due course]** to be used. Following the conclusion of the SSP, the Agent, as purchaser subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid, was therefore the successful bidder for the Purchased Shares and the Cros-Man Assets.
- J. Pursuant to the SSP, the Agent, as purchaser subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid, entered into the following share purchase agreements (the "**Share Purchase Agreements**"):
- (a) share purchase agreement with Energold and Omniterra, as vendors, dated October 11, 2019 for the purchase of the Purchased Shares in the Latin America Unit for a credit bid amount of \$4,160,000 (giving effect to \$2,640,000 working capital adjustment due to assumption of debt owed by Energold to the Economic Development Corporation of Canada (the "**EDC**")) and a cash payment of \$2,000 **[subject to further working capital adjustments to be calculated in due course]**;
 - (b) share purchase agreement with Energold, as vendor, dated October 31, 2019 for the purchase of the Purchased Shares in the EMEA Unit for a credit bid amount of \$3,050,000 **[subject to further working capital adjustments to be calculated in due course]**; and
 - (c) share purchase agreement with Energold, as vendor, dated October 11, 2019, for the purchase of the Purchased Shares in the BDI Unit for a credit bid amount of \$1,500,000 **[subject to further working capital adjustments to be calculated in due course]**.
- K. Pursuant to the SSP, the Agent, as purchaser subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid, entered into an asset purchase agreement (the "**Cros-Man Asset Purchase Agreement**", and together with the Share Purchase Agreements, herein referred to as the "**Purchase Agreements**"), with Energold, as vendor, dated October 11, 2019 for the purchase of the Cros-Man Assets for a credit bid amount of \$3,000,000 **[subject to further working capital adjustments to be calculated in due course]**.

- L. The Agent, as purchaser subject to its reservation of rights regarding the fair market valuation of the assets on which it credit bid, will also purchase the Residual Assets for a credit bid amount of \$3,869,755.
- M. The total amount of the Agent's credit bid for the Purchased Assets is \$15,579,755 (the "Credit Bid Amount") [subject to further working capital adjustments to be calculated in due course].
- N. The Petitioners and the Agent wish to enter into an arrangement that will see the paydown of the debt owing by the Energold Group to the Noteholders by application of the Credit Bid to each of the Latin America Unit, the EMEA Unit, the BDI Unit, the Cros-Man Assets and the Residual Assets. The Noteholders in return will receive their pro rata share of units in a new limited partnership acquisition vehicle which will manage and run the business formerly owned by the Energold Group. The sale transactions pursuant to the Purchase Agreements will be concluded through implementation of this Plan, the Sanction Order and the Vesting Order (as defined herein) which will transfer the Energold Group's assets directly or indirectly to the US LP (as defined herein).
- O. Upon the implementation of the Plan:
 - (a) the Affected Noteholders will hold their Affected Noteholder Pro Rata Share of the partnership units in the US LP.
 - (b) the US LP will directly or indirectly hold the Purchased Assets which will be managed by the general partner of the US LP;
 - (c) the outstanding obligations of Energold to the Affected Noteholders up to the Affected Noteholder Claim shall be fully extinguished;
 - (d) all Intercompany Working Capital Obligations (as defined herein) shall be extinguished; and
 - (e) the Transferred Subsidiaries Guarantee shall remain extant, enforceable and independent of the Note Purchase Agreement.

NOW THEREFORE the Agent hereby proposes and presents this consolidated plan of compromise and arrangement under the CCAA and the *Business Corporations Act*, S.B.C. 2002, c.57.

ARTICLE 2 INTERPRETATION

2.1 Certain Rules of Interpretation

For the purposes of this Plan:

- (a) In this Plan and the Recitals, unless otherwise stated or the subject matter or context otherwise requires, all terms defined herein have their meanings ascribed thereto in Schedule "D".
- (b) Any reference in this Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions

means such document shall be substantially in such form or substantially on such terms and conditions;

- (c) Unless otherwise expressly provided herein, any reference in this Plan to an instrument, agreement or an Order or an existing document or exhibit filed or to be filed means such instrument, agreement, Order, document or exhibit as it may have been or may be amended, modified, or supplemented in accordance with its terms;
- (d) The division of this Plan into articles and sections is for convenience of reference only and does not affect the construction or interpretation of this Plan, nor are the descriptive headings of articles and sections intended as complete or accurate descriptions of the content thereof;
- (e) The use of words in the singular or plural, or with a particular gender, including a definition, shall not limit the scope or exclude the application of any provision of this Plan to such Person (or Persons) or circumstances as the context otherwise permits;
- (f) The words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes but is not limited to" and "including but not limited to", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (g) Unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Vancouver, British Columbia and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day;
- (h) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends;
- (i) Unless otherwise provided, any reference to a statute or other enactment of parliament, a legislature or other Governmental Entity includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation;
- (j) References to a specific Recital, Article or Section shall, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specific Recital, Article or Section of this Plan, whereas the terms "this Plan", "hereof", "herein", "hereto", "hereunder" and similar expressions shall be deemed to refer generally to this Plan and not to any particular Recital, Article, Section or other portion of this Plan and include any documents supplemental hereto; and
- (k) The word "or" is not exclusive.

2.2 Governing Law

This Plan shall be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein. All questions as to the interpretation or application of this

Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the jurisdiction of the Court.

2.3 Currency

Unless otherwise stated, all references in this Plan to sums of money are expressed in, and all payments provided for herein shall be made in, Canadian dollars.

2.4 Date for Any Action

If the date on which any action is required to be taken hereunder by a Person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

2.5 Time

Time shall be of the essence in this Plan.

ARTICLE 3 PURPOSE AND EFFECT OF THIS PLAN

3.1 Purpose

The purpose of this Plan is to

- (a) implement the transfer of the Purchased Assets through the Sanction Order and the Vesting Orders;
- (b) compromise the Affected Noteholder Claims and distribute to the Affected Noteholders their Affected Noteholder Pro Rata Share of units in the US LP;
- (c) extinguish all Intercompany Working Capital Obligations; and
- (d) release Energold of its obligations to the Affected Noteholders to the extent of their Affected Noteholder Claims; and
- (e) allow the Transferred Subsidiaries to continue operations under the US LP with the Affected Noteholders as holders of US LP Units pursuant to the US LP Agreement which will preserve operations and employee jobs;

in the expectation that Persons who have an economic interest in the Energold Group's operations, when considered as a whole, will derive a greater benefit from the implementation of the Plan than would result from a liquidation.

3.2 Effectiveness

Subject to the satisfaction, completion or waiver (to the extent permitted pursuant to section 10.5) of the conditions precedent set out herein, this Plan will become effective in the sequence described in Section 8.2 from and after the Effective Time and shall be binding on and enure to the benefit of the Petitioners, the Affected Noteholders, and all other Persons as provided for herein, or subject to, this Plan and their respective successors and assigns and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

3.3 Persons Not Affected

This Plan does not affect Excluded Creditors to the extent of their Excluded Claims. Nothing in this Plan shall affect the Energold Group's rights and defences, both legal and equitable, with respect to any Excluded Claims, including, but not limited to, all rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Excluded Claims. Nothing herein shall constitute a waiver of any rights of any of the Energold Group to dispute the quantum or validity of an Excluded Claim.

ARTICLE 4 CLASSIFICATION, AFFECTED NOTEHOLDER CLAIMS AND RELATED MATTERS

4.1 Classes

For the purposes of considering, voting on, and receiving distributions under this Plan, there shall be one class being the Affected Noteholder Class.

4.2 Claims of Affected Noteholders

Affected Noteholders shall be entitled to vote their Affected Noteholder Claims at the Creditors' Meeting in respect of this Plan and shall be entitled to receive distributions on account of their Affected Noteholder Claims as provided under and pursuant to this Plan.

4.3 Excluded Claims

Excluded Claims shall not be compromised under the Plan. No Excluded Creditor shall be:

- (a) entitled to vote or attend in respect of their Excluded Claims at any Creditors' Meeting to consider and approve this Plan; or
- (b) entitled to receive any distribution or consideration under this Plan in respect of such Excluded Claim.

4.4 Creditors' Meeting

- (a) The Creditors' Meeting shall be held in accordance with this Plan, the Meeting Order and any further Order in the CCAA Proceedings. Subject to the terms of any further Order in the CCAA Proceedings, the only Persons entitled to notice of, to attend or to speak at the Creditors' Meeting are the Agent, the Affected Noteholders (or their respective duly-appointed proxyholders), representatives of the Monitor, the Petitioners, all such parties' financial and legal advisors, the Chair, Secretary and Scrutineers (all as defined in the Meeting Order). Any other person may be admitted to the Creditors' Meeting only by invitation of the Petitioners or the Chair.
- (b) If this Plan is approved by the Required Majority, then this Plan shall be deemed to have been agreed to, accepted and approved by the Affected Noteholders and shall be binding upon all Affected Noteholders immediately upon the delivery of the Monitor's Certificate in accordance with section 10.7 hereof.

4.5 Payments to Employees

If not otherwise paid pursuant to this Plan the Petitioners will pay in full all employee-related payments required by subsection 6(5) of the CCAA, provided that this Section 4.5 shall not require payment of any employee-related amounts in advance of the normal payroll cycle applicable to employees.

ARTICLE 5 TREATMENT OF CLAIMS

5.1 Treatment of Affected Noteholder Claims

- (a) On the Implementation Date, in accordance with this Plan and in accordance with the steps and in the sequence set forth in Section 8.2, each Affected Noteholder shall be entitled to receive a distribution of its Affected Noteholder Pro Rata Share of the LP Units which shall, and shall be deemed to, be received in full and final settlement of its Affected Noteholder Claim.
- (b) On the Implementation Date, each Affected Noteholder shall be deemed to be a party to the US LP Agreement, each in its capacity as a holder of US LP Units.

5.2 Priority Claims

- (a) In accordance with the Sanction Order, the CCAA and with the steps and in the sequence set forth herein, Section 8.2 and 8.3, the Employee Priority Claims and the Crown Priority Claims, if any, shall be paid from the Priority Claim Reserve Account.
- (b) Subject to the Effective Time occurring:
 - (i) all Crown Priority Claims that were outstanding as at the Filing Date shall be paid in full by the Monitor on behalf of the Petitioners, from the Priority Claim Reserve within six months after the Sanction Order, as required by subsection 6(3) of the CCAA; and
 - (ii) all Employee Priority Claims to the extent unpaid prior to the Implementation Date shall be paid by the Monitor, on behalf of the Petitioners, from the Priority Claim Reserve immediately after the Sanction Order as required by subsection 6(5) of the CCAA.

5.3 Excluded Claims

Excluded Creditors in respect to and to the extent of their Excluded Claims shall not receive any consideration under this Plan in respect of their Excluded Claims. Excluded Creditors shall not be entitled to vote on this Plan at the Creditors' Meeting in respect of their Excluded Claims.

5.4 Extinguishment of Claims

On the Implementation Date, in accordance with its terms and in the sequence set forth in Section 8.2 herein and in accordance with the provisions of the Sanction Order, the treatment of Affected Noteholder Claims and all Released Claims, in each case as set forth herein, shall be final and binding on the Petitioners, all Affected Noteholders (and their respective heirs, executors, administrators, legal personal representatives, successors and assigns) and any Person holding a Released Claim. All Affected

Noteholder Claims, all Intercompany Working Capital Obligations and all Released Claims shall be fully, finally, irrevocably and forever released, discharged, cancelled and barred, and Energold shall thereupon have no further obligation whatsoever in respect of the Affected Noteholder Claims and the Released Claims, as applicable; provided that nothing herein releases Energold or any other Person from their obligations to make distributions in the manner and to the extent provided for in the Plan and provided further that such discharge and release of Energold shall be without prejudice to the right of an Affected Noteholder in respect of an Unaffected Noteholder Claim.

5.5 Set-Off

The law of set-off applies to all Claims.

ARTICLE 6 CREATION OF POOL AND RESERVES

6.1 Creation of the Administrative Reserve

- (a) At least three Business Day prior to the Implementation Date, the Agent shall deliver to BLG, in trust, by way of wire transfer (in accordance with the wire transfer instructions provided in the Purchase Agreements), Cash in the amount necessary to establish the Administrative Reserve.
- (b) BLG shall hold the Administrative Reserve in the Administrative Reserve Account for the purpose of paying the Administrative Reserve Costs and shall distribute any remaining balance in the Administrative Reserve Account to the Agent, in accordance with section 8.3 of the Plan.

6.2 Creation of the Priority Claim Reserve

- (a) At least three Business Days prior to the Implementation Date, the Petitioners shall deliver to the Monitor by way of wire transfer (in accordance with the wire transfer instructions provided by the Monitor at least five (5) Business Days prior to the Implementation Date), Cash in the amount necessary to establish the Priority Claim Reserve.
- (b) The Monitor shall hold the Priority Claim Reserve in the Priority Claim Reserve Account for the purpose of paying the Priority Claims in accordance with this Plan and shall distribute any remaining balance in the Priority Claim Reserve Account to the Applicants, in accordance with section 8.3 of this Plan.

ARTICLE 7 PROVISIONS REGARDING DISTRIBUTIONS AND DISBURSEMENTS

7.1 Distributions and Disbursements Generally

- (a) All distributions and disbursements to be effected pursuant to the Plan shall be made pursuant to this Article 7 and shall occur in the manner set out below under the supervision of the Monitor.
- (b) All distributions and disbursements to be effected pursuant to this Plan on account of Affected Noteholder Claims shall be made by the Agent for the benefit of the Affected

Noteholders holding such Affected Noteholder Claims as at the Implementation Date and the Petitioners, the Monitor, the Agent and their agents shall have no obligation to deal with a transferee or assignee of such Affected Noteholder Claim after the Implementation Date in respect of any such matter. Affected Noteholders who assign their Affected Noteholder Claims after the Implementation Date shall be wholly responsible for ensuring that plan distributions intended to be included within such assignments are in fact delivered to the assignee and neither the Petitioners, the Monitor, the Agent, as applicable, shall have any liability in connection therewith.

7.2 Issuance and Delivery of US LP Units

- (a) The US LP Units to be distributed under this Plan will be made by the Agent to the Affected Noteholders.
- (b) On the Implementation Date or as soon as reasonably practicable thereafter, the US LP, on account of Affected Noteholder Claims, shall lodge in its records the US LP Units to be distributed to the Affected Noteholders in the name of and to the address as recorded in the books and records of the Agent or as otherwise communicated to the Agent not less than three Business Days prior to the anticipated Implementation Date.
- (c) Notwithstanding Section 7.2(b), no Affected Noteholder shall be entitled to the rights associated with the US LP Units and all such US LP Units shall be reserved for issuance on the books and records of US LP until such time as it has delivered its US LP Unitholder Information to the Agent and/or US LP, as applicable. In the event that a Affected Noteholder fails to deliver its US LP Unitholder Information in accordance with this Section 7.2(c) on or before the date that is 6 months following the Implementation Date, the US LP shall have no further obligation to issue or deliver, and shall have no further obligation to reserve on its books and records, any LP Units otherwise issuable to Affected Noteholders (such equity, the “Unissued US LP Units”) that have not delivered their US LP Unitholder Information accordance this Section 7.2(c) and all such Affected Noteholders shall cease to have a claim to, or interest of any kind or nature against or in, the Petitioners, the US LP or the Unissued US LP Units and the Agent shall delete such Unissued US LP Units from the books and records of the Agent as maintained by the Agent. Upon receipt by the Agent of the US LP Unitholder Information in accordance with Section 7.2(b), as soon as reasonably practicable thereafter the Agent shall cause the US LP to lodge in the records of the US LP the Affected Noteholder as the holder of its Affected Noteholder Pro Rata Share.
- (d) No fractional US LP Units of US LP shall be allocated or issued under this Plan. Any legal, equitable, contractual and any other rights or claims (whether actual or contingent, and whether or not previously asserted) of any Person with respect to fractional US LP Units of US LP issued pursuant to this Plan shall be rounded down to the nearest whole number without compensation therefor.

7.3 Tax Matters

- (a) Notwithstanding any provisions of the Plan, each Person that receives a distribution, disbursement or other payment pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed on such

Person by any Taxing Authority on account of such distribution, disbursement or payment.

- (b) Any payor shall be entitled to deduct and withhold and remit from any distribution, payment or consideration otherwise payable to any Person pursuant to the Plan such amounts as are required (a **"Withholding Obligation"**) to be deducted and withheld with respect to such payment under the ITA, or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended or succeeded. All distributions made pursuant to the Plan shall be first in satisfaction of the portion of Affected Noteholder Claims that are not subject to any Withholding Obligation.
- (c) To the extent that amounts are withheld or deducted and paid over to the applicable Taxing Authority, such withheld or deducted amounts shall be treated for all purposes of the Plan as having been paid to such Person as the remainder of the payment in respect of which such withholding and deduction were made.
- (d) For the avoidance of doubt, it is expressly acknowledged and agreed that the Monitor and any Director or Officer will not hold any assets hereunder, including Cash, or make distributions, payments or disbursements, and no provision hereof shall be construed to have such effect.

ARTICLE 8 IMPLEMENTATION

8.1 Corporate Authorizations

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Plan involving corporate action of the Petitioners will occur and be effective as of the Implementation Date, and will be authorized and approved under this Plan and by the Court, where appropriate, as part of the Sanction Order, in all respects and for all purposes without any requirement of further action by shareholders, directors or officers of any of the Petitioners. All necessary approvals to take actions shall be deemed to have been obtained from the Directors or the shareholders of the Petitioners, as applicable, including resolution or special resolution with respect to any of the steps contemplated by this Plan shall be deemed to be effective.

8.2 Implementation Date Transactions

Commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected at the time, manner or order set out in this section (or in such other manner, order or at such other time or times as the Agent may determine in consultation with the Monitor and with the Petitioners), without any further act or formality required on the part of any Person, except as may be expressly provided herein.

- (a) Energold shall incorporate a new Canadian corporation (**"Canadian Holdco"**).
- (b) The Agent shall cause US LP to be formed.
- (c) Energold shall transfer and shall be deemed to transfer all Residual Assets and all of the shares of Cros-Man and Bertram to Canadian Holdco in consideration for the issuance of 100% of the common shares of Canadian Holdco.

- (d) Cros-Man and Bertram shall commence liquidation, and shall distribute all of its assets to Canadian Holdco. Energold, pursuant to the Vesting Orders, shall transfer to the Agent all of the Purchased Assets and the shares of Canadian Holdco, in full and final settlement of the obligations of Energold under the Note Purchase Agreement up to the extent of Affected Noteholder Claims.
- (e) The Agent shall transfer to US LP all of the Purchased Assets, all of the shares of Canadian Holdco and the benefit of the Note Purchase Agreement and Transferred Subsidiaries Guarantee, as applicable. In consideration, US LP shall to the Affected Noteholders their Affected Noteholder Pro Rata Share of the US LP Units.
- (f) The Administration Charge shall be deemed to be released as against the Purchased Assets and shall attach to the Administrative Charge Reserve pursuant to and in accordance with the Vesting Orders.
- (g) The Affected Noteholders shall be entitled to the treatment set out in section 5.1 hereof in full and final settlement of their Affected Noteholder Claims, and the Affected Noteholder Claims shall, and shall be deemed to be, irrevocably and finally extinguished and such Affected Noteholders shall have no further right, title or interest in and to its Affected Noteholder Claim; and
 - (i) each Affected Noteholder shall be deemed to be a party to the US LP Agreement, each in its capacity as a holder of US LP Units; and
 - (ii) the Financial Advisor Charge, the Interim Lender's Charge and the D&O Charge shall be deemed to be discharged as against the Purchased Assets pursuant to and in accordance with the Vesting Orders.
- (h) The releases and injunctions referred to in accordance with Section 5.4 and Article 9 hereof shall become effective.

8.3 Post-Implementation Date Transactions

- (a) As soon as practicable, but in no event more than 10 days, following the Implementation Date, the Petitioners shall prepare, or cause to be prepared, and deliver to the Agent a statement setting forth in reasonable detail the final calculation of the Administrative Reserve Costs in accordance with the terms of the Purchase Agreements.
- (b) Upon final determination of the Administrative Reserve Costs in accordance with the terms of the Purchase Agreements, the Monitor shall instruct BLG to pay:
 - (i) the Administrative Reserve Costs from the Administrative Reserve Fund; and
 - (ii) the difference between the Estimated Administrative Reserve Costs less the Administrative Reserve Costs, if any, to the Agent.
- (c) In the event the Administrative Reserve Costs are greater than the Estimated Administrative Reserve Costs, the Agent shall pay to the Monitor the difference no later than five business days after the final determination of the Administrative Reserve Costs in accordance with the Purchase Agreements.

**ARTICLE 9
RELEASES**

9.1 Plan Releases

- (a) At the Effective Time, Energold shall be released and discharged from any and all demands, claims, liabilities, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, applications, counterclaims, suits, sums of money, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Affected Noteholder, to the extent of their Affected Noteholder Claim, may be entitled to assert, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Effective Time arising out of or in connection with the Notes or the Plan, and all such Claims shall be forever waived and released (other than the right to enforce Energold's obligations under the Plan or any related document), all to the full extent permitted by Applicable Law, save and except any gross negligence or wilful misconduct, provided that nothing herein shall release or discharge any of the Energold Group from any Excluded Claims.
- (b) At the Effective Time, the Petitioners' legal counsel, the Financial Advisor, the Monitor, the Agent and their respective subsidiaries and affiliates and each of their respective shareholders, partners, officers, directors, current and former employees, financial advisors, legal counsel and agents (being referred to individually as a "**Third Party Released Party**") are hereby released and discharged from any and all demands, claims, liabilities, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, actions, applications, counterclaims, suits, sums of money, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Implementation Date arising out of or in connection with the Affected Noteholder Claims or the Plan, and any Claims, and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce the Monitor's or the Agent's obligations under the Plan or any related document), all to the full extent permitted by Applicable Law save and except any gross negligence or wilful misconduct on the part of the Third Party Released Party, provided that nothing herein shall release or discharge any Third Party Released Party if such Third Party Released Party is judged by the express terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct.

- (c) The Sanction Order will enjoin the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged, compromised or terminated pursuant to the Plan.

9.2 Timing of Releases and Injunctions

All releases and injunctions set forth in this Article 9 shall become effective on the Implementation Date.

9.3 Knowledge of Claims

Each Person to which Section 9.1 hereof applies shall be deemed to have granted the releases set forth in Section 9.1 notwithstanding that it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such party expressly waives any and all rights that it may have under any applicable law which would limit the effect of such releases to those Claims or causes of action known or suspected to exist at the time of the granting of the release.

ARTICLE 10 COURT SANCTION, CONDITIONS PRECEDENT AND IMPLEMENTATION

10.1 Application for Sanction Order

If this Plan is approved by the Required Majority, the Agent shall apply for the Sanction Order on the date set out in the Meeting Order or such later date as the Court may set.

10.2 Vesting Orders

The Agent shall apply for the order(s) vesting the Purchased Assets in the Agent or Canadian Holdco, as applicable (the "Vesting Orders") at the same time the application is made for the Sanction Order.

10.3 Conditions to the Implementation Date

The implementation of this Plan shall be conditional upon the fulfillment, satisfaction or waiver (to the extent permitted by Section 10.4 hereof) of the following conditions:

- (a) the Plan shall have been approved by the Required Majority;
- (b) the DIP Loan shall be fully repaid;
- (c) the Court shall have granted the Sanction Order the operation and effect of which shall not have been stayed, reversed or amended and in the event of an appeal or application for leave to appeal, final determination shall have been made by the appellate court;
- (d) the Court shall have granted the Vesting Orders the operation and effect of which shall not have been stayed, reversed or amended and in the event of an appeal or application for leave to appeal, final determination shall have been made by the appellate court;
- (e) the Administrative Reserve shall have been funded by the Agent;
- (f) the Priority Claim Reserve shall have been funded by the Petitioners; and

- (g) the Implementation Date shall have occurred no later than the Outside Date.

10.4 Waiver of Conditions

The Agent and the Petitioners, in consultation with the Monitor, may agree at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such terms as such parties may agree to.

10.5 Implementation Provisions

If the conditions contained in Section 10.3 are not satisfied or waived (to the extent permitted under Section 10.4) by the Outside Date, unless the Petitioners, in consultation with the Monitor, and the Agent, agree in writing to extend such period, this Plan and the Sanction Order shall cease to have any further force or effect and will not be binding on any Person.

10.6 Monitor's Certificate of Plan Implementation

Upon written notice from the Petitioners and the Agent (or counsel on their behalf) to the Monitor that the conditions to Plan implementation set out in Section 10.3, have been satisfied or waived, the Monitor shall, as soon as possible following receipt of such written notice, deliver to the Petitioners and file with the Court, a certificate substantially in the form attached hereto as **Schedule "E"** (the "**Monitor's Certificate**") which states that all conditions precedent set out in Section 10.3 have been satisfied or waived and that Implementation Date (which shall be set out on the certificate) has occurred.

ARTICLE 11 GENERAL

11.1 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

11.2 Non-Consummation

If the Implementation Date does not occur on or before the Outside Date (as the same may be extended in accordance with the terms hereof), or if this Plan is otherwise withdrawn in accordance with its terms:

- (a) this Plan shall be null and void in all respects; and
- (b) nothing contained in this Plan, and no acts taken in preparation for consummation of this Plan, shall:
 - (i) constitute or be deemed to constitute a waiver or release of any Claims by or against the Petitioners, their respective successors or any other Person;
 - (ii) prejudice in any manner the rights of the Petitioners, their respective successors or any other Person in any further proceedings involving the Petitioners or their respective successors; or

- (iii) constitute an admission of any sort by the Petitioners, their respective successors or any other Person.

11.3 Modification of Plan

- (a) The Agent reserves the right to amend, restate, modify and/or supplement this Plan at any time and from time to time, provided that (except as provided in subsection (c) below) any such amendment, restatement, modification or supplement must be contained in a written document that is:
 - (i) filed with the Court and, if made following the Creditors' Meeting, approved by the Court; and
 - (ii) approved by the Monitor and communicated to the Affected Noteholders in the manner required by the Court (if so required):
 - (A) if made prior to or at the Creditors' Meeting:
 - (I) the Chair (as defined in the Meeting Order) shall communicate the details of any such amendment, restatement, modification and/or supplement to Affected Noteholders and other Persons present at the Creditors' Meeting prior to any vote being taken at the Creditors' Meeting;
 - (II) the Agent shall provide notice to the service list of any such amendment, restatement, modification and/or supplement and shall file a copy thereof with the Court forthwith and in any event prior to the Court hearing in respect of the Sanction Order; and
 - (III) the Monitor shall post an electronic copy of such amendment, restatement, modification and/or supplement on the Monitor's Website forthwith and in any event prior to the Court hearing in respect of the Sanction Order;
 - (B) if made following the Creditors' Meeting:
 - (I) the Agent shall provide notice to the service list of any such amendment, restatement, modification and/or supplement and shall file a copy thereof with the Court;
 - (II) the Monitor shall post an electronic copy of such amendment, restatement, modification and/or supplement on the Monitor's Website; and
 - (III) such amendment, restatement, modification and/or supplement shall require the approval of the Court following notice to the service list.
- (b) Any amendment, modification or supplement to this Plan may be proposed by the Petitioners with the consent of the Monitor and the Agent at any time prior to or at the

Creditors' Meeting, with or without any prior notice or communication (other than as may be required under the Initial Order), and if so proposed and affected at the Creditors' Meeting, shall become part of this Plan for all purposes.

- (c) Any amendment, modification or supplement to this Plan may be made following the Creditors' Meeting by the Petitioners, with the consent of the Monitor, without requiring filing with, or approval of, the Court, provided that it concerns a matter which is of an administrative nature and is required to better give effect to the implementation of this Plan and is not adverse to the financial or economic interests of any of the Consenting Parties or any Affected Noteholders.

11.4 Severability of Plan Provisions

If, prior to the Effective Time, any term or provision of this Plan is held by the Court to be invalid, void or unenforceable, at the request of the Agent, the Court shall have the power to either:

- (a) sever such term or provision from the balance of this Plan and provide the Agent with the option to proceed with the implementation of the balance of this Plan as of and with effect from the Effective Time; or
- (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted.

Notwithstanding any such holding, alteration or interpretation, and provided that this Plan is implemented, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

11.5 Preservation of Rights of Action

Except as otherwise provided in this Plan, the Sanction Order, the Vesting Orders or any Order of the Court, or in any contract, instrument, release, indenture or other agreement entered into in connection with this Plan, following the Implementation Date, the Petitioners will retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all claims, rights or causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Petitioners may hold against any Person or entity without further approval of the Court.

11.6 Responsibilities of Monitor

The Monitor is acting and will continue to act in all respects in its capacity as Monitor in the CCAA Proceedings with respect to the Petitioners and not in its personal or corporate capacity, and shall have no liability in connection with the implementation of this Plan, including without limitation with respect to making distributions pursuant to and in accordance with the Plan, the establishment and administration of the Administrative Reserve and the Priority Claim Reserve (and in each case, any adjustments with respect to same) or the timing or sequence of the plan transaction steps, in each case save and except for gross negligence and wilful misconduct. The Monitor shall not be responsible or liable whatsoever for any obligations of the Petitioners. The Monitor shall at all times have the powers and protections granted to it by the Plan, the CCAA, the Initial Order, the Meeting Order, and any other Order made in the CCAA Proceedings.

11.7 Different Capacities

Persons who are affected by the Plan may be affected in more than one capacity. Unless expressly provided herein to the contrary, a Person will be entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not affect such Person in any other capacity, unless expressly agreed by a Person in writing or unless its Claims overlap or are otherwise duplicative.

11.8 Notices

Any notice or other communication to be delivered hereunder must be in writing and refer to this Plan and may, as hereinafter provided, be made or given by personal delivery, ordinary mail, email or by facsimile addressed to each of the respective Parties as follows:

(a) **the Petitioners**

1100 – 543 Granville Street
Vancouver, British Columbia
V6C 1X8

Attention: Mark Berger
Email: mberger@ppllc.com

with a required copy (which shall not be deemed notice) to:

Borden Ladner Gervais LLP
1200 Waterfront Centre
200 Burrard Street
Vancouver, British Columbia
V7X 1T2

Attention: Lisa Hiebert / Ryan Laity
Email: lhiebert@blg.com / rlaity@blg.com

(b) **The Monitor**

FTI Consulting Canada Inc.
Suite 15-131
555 Burrard Street
Vancouver, British Columbia
V7X 1M8

Attention: Craig Munro / Tom Powell
Email: craig.munro@fticonsulting.com / tom.powell@fticonsulting.com

with a required copy (which shall not be deemed notice) to:

Cassels Brock & Blackwell LLP
2200-885 West Georgia Street
Vancouver, British Columbia
V6C 3E8

Attention: Mary Buttery, Q.C. / Lance Williams
Email: mbuttery@cassels.com / lwilliams@cassels.com

(c) **If to the Agent**

Extract Capital
379 West Broadway, Suite 423
New York, NY 10012

Attention: Darin Milmeister
Email: darin@extractcapital.com

with a required copy (which shall not be deemed notice) to:

Clark Wilson LLP
900-885 West Georgia Street
Vancouver, British Columbia
V6C 3H1

Attention: Christopher Ramsay / Katie Mak
Email: cramsay@cwilson.com / kmak@cwilson.com

or to such other address as any Party may from time to time notify the others in accordance with this section. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or emailing, provided that such day in either event is a Business Day and the communication is so delivered, faxed or emailed before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

11.9 Paramountcy

From and after the Effective Time, any conflict between:

- (a) this Plan; and
- (b) the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, note, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between any Person and the Petitioners and/or the Transferred Subsidiaries as at the Implementation Date, will be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order, which shall take precedence and priority.

11.10 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan without any further act or formality, each of the Persons named or referred to in, or subject to, this Plan will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may

reasonably be required by any of them to carry out the full intent and meaning of this Plan and to give effect to the transactions contemplated herein.

Dated this ♦ day of December, 2019.

SCHEDULE A

PURCHASED SHARES

LATIN AMERICA UNIT

Issuer / Transferred Subsidiary	Jurisdiction of Incorporation or Formation	Applicable Vendor	Number and Class of Shares	Certificate No. (if applicable)	Percentage of Total Issued and Outstanding Shares of Issuer
Omniterra International Drilling Inc.	British Columbia	Energold Drilling Corp.	50 Class B Common Shares	B-1 (under the Issuer's former corporate name, Kluane International Drilling Inc.)	
E. Drilling de Nicaragua S.A.	Nicaragua	Energold Drilling Corp	98 Acciones Comunes y Nominativas	1	
Energold Argentina S.A.	Buenos Aires, Argentina	Energold Drilling Corp.	1,998 Acciones Ordinarias	1	
Energold de Colombia S.A.S.	Bogotá, Columbia	Energold Drilling Corp.	3,308,875 Acciones Ordinarias	DEFINITIVO No. 001	
Energold de Colombia S.A.S.	Bogotá, Columbia	Energold Drilling Corp.	428,125 Acciones Ordinarias	DEFINITIVO No. 002	
Energold de Colombia S.A.S.	Bogotá, Columbia	Energold Drilling Corp.	5,000 Acciones Ordinarias	DEFINITIVO No. 003	
Energold de México, S.A. de C.V.	México	Energold Drilling Corp.	49,999 acciones comunes, ordinarias, nominativas, Serie "A"	No. 1 C.F. "A"	
Energold de México, S.A. de C.V.	México	Energold Drilling Corp.	1,596,102 acciones comunes, ordinarias, nominativas, Serie B"	No. 1 C.V. "B"	
OroEnergy S.A.	Chile	Energold Drilling Corp.	99 Common Shares		
Energold Drilling Dominicana S.R.L.	Dominican Republic	Energold Drilling Corp.	49,999 Cuotas		

BDI UNIT

Issuer / Transferred Subsidiary	Jurisdiction of Incorporation or Formation	Applicable Vendor	Number and Class of Shares	Certificate No. (if applicable)	Percentage of Total Issued and Outstanding Shares of

						Issuer
Bertram Drilling, Inc.	Wyoming	Bertram Drilling Corp.	500 shares without par value	5		
Bertram Drilling, Inc.	Wyoming	Bertram Drilling Corp.	190 shares without par value	6		
Bertram Drilling, Inc.	Wyoming	Bertram Drilling Corp.	1,000 shares of non-cumulative non-voting preferred stock without par value	9		
Bertram Drilling, Inc.	Wyoming	Bertram Drilling Corp.	381 shares of non-cumulative non-voting preferred stock without par value	10		

EMEA UNIT

Issuer / Transferred Subsidiary	Jurisdiction of Incorporation or Formation	Applicable Vendor	Number and Class of Shares	Certificate No. (if applicable)	Percentage of Total Issued and Outstanding Shares of Issuer
E Global Drilling Corp.	Barbados	Energold Drilling Corp.	100 Common Shares	1	
E Global Drilling Corp.	Barbados	Energold Drilling Corp.	1,500,000 Common Shares	2	
E Global Drilling Corp.	Barbados	Energold Drilling Corp.	10,080,000 Common Shares	3	
E Global Drilling Corp.	Barbados	Energold Drilling Corp.	5,813,313 Common Shares	4	
E Global Drilling Corp.	Barbados	Energold Drilling Corp.	2,000,000 Common Shares	5	

SCHEDULE B

CROS-MAN ASSETS

SCHEDULE C

RESIDUAL ASSETS

- Cash balance of CAD\$[♦] and US\$[♦] held by Energold Drilling Corp, Bertram Drilling Corp and [♦]
- Accounts Receivable from third parties held by Energold Drilling Corp, Bertram Drilling Corp, and [♦]
- Publicly listed shares of the following:
 - Impact Silver
 - Avrupa Minerals
 - Everton Resources
 - Pinestar Gold
 - Voyageur Minerals
 - Nortec
 - Candente Copper
- Warrants of the following:
 - Candente Copper
 - Nortec
 - Voyageur Minerals
 - Avrupa Minerals
- Note with a principal amount of 3.1 million British pounds by Dando Drilling International
- Inventory and PP&E held by Energold Drilling Corp
- Trademark, IP, rights, and licences held by Energold Drilling Corp
- Inventory held by Energold Drilling Corp
- Inventory and PP&E held by EGD Services Ltd.
- Real estate held by Bertram Drilling Corp
- Choses in actions and other intangibles of Energold, Cros-Man and Bertram Drilling Corp.
- Secured Rescue Note from Energold de Mexico, S.A. de C.V. to Energold
- Any and all other assets of any kind held by the debtors and guarantors under the Note Purchase Agreement

SCHEDULE D

DEFINITIONS

"Administration Charge" has the meaning ascribed to that term in the Initial Order;

"Administrative Reserve" means a Cash reserve, in the amount of the Estimated Administrative Reserve Costs to be deposited by the Agent into the Administrative Reserve Account for the purpose of paying the Administrative Reserve Costs;

"Administrative Reserve Account" means a segregated interest-bearing trust account established by BLG to hold the Administrative Reserve;

"Administrative Reserve Costs" means the reasonable fees and disbursements of the Monitor, the CRO, counsel to the Monitor and counsel to the Petitioners which are related to the CCAA Proceedings as secured by the Administration Charge;

"Affected Noteholder Claim" means the proportionate amount of the Claim of a Noteholder to the Credit Bid Amount;

"Affected Noteholder Class" means the creditors holding Affected Noteholder Claims;

"Affected Noteholder Pro Rata Share" means, in respect of any Affected Noteholder Claim, the proportionate share of the Affected Noteholder Claim held by it of all Affected Noteholder Claims held by all Affected Noteholders;

"Agent" has the meaning ascribed to that term in the Recitals;

"Amended and Restated Guarantee" means the amended and restated Transferred Subsidiaries Guarantee;

"Applicable Law" means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter, including, where appropriate, any interpretation of the Law (or any part thereof) by any Person, court or tribunal having jurisdiction over it, or charged with its administration or interpretation;

"Bertram" has the meaning ascribed to that term in the Recitals;

"BLG" means Borden Ladner Gervais LLP, legal counsel to the Petitioners and the Energold Group;

"Business Day" means any day, other than a Saturday, or a Sunday or a statutory or civic holiday, on which banks are generally open for business in Vancouver, British Columbia;

"Cash" means cash, certificates of deposit, bank deposits, commercial paper, treasury bills and other cash equivalents;

"Canadian Holdco" means the Canadian corporation the formation of which is described in Section 8.2;

"CCAA" has the meaning ascribed to that term in the Recitals;

“CAA Proceedings” means the proceedings commenced by the Petitioners under the CCA as contemplated by the Initial Order;

“Charges” has the meaning ascribed to that term in the Initial Order;

“Claim” means:

- (a) any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against any of the Petitioners, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever of any of the Petitioners, and any interest accrued thereon or costs payable in respect thereof, in existence on the Filing Date, or which is based on an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any claim arising from or caused by the termination, disclaimer, rescission, assignment or repudiation by any of the Petitioners of any contract, lease or other agreement, whether written or oral, any claim made or asserted against any of the Petitioners through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, and including any other claims that would have been claims provable in bankruptcy had any of the Petitioners become bankrupt on the Filing Date; and
- (b) any right or claim of any Person against any of the Petitioners in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any of the Petitioners to such Person arising out of the restructuring, disclaimer, rescission, termination or breach by any of the Petitioners on or after the Filing Date of any contract, lease, warranty obligation or other agreement whether written or oral;

“Court” has the meaning ascribed to that term in the Recitals;

“Credit Bid” means the winning bid of the Agent on behalf of the Noteholders pursuant to the SSP.

“Credit Bid Amount” means has the meaning ascribed to that term in the Recitals;

“Creditors’ Meeting” means the meeting or meetings of the Affected Noteholders called for the purpose of considering and voting in respect of this Plan as described in the Meeting Order;

“CRO” has the meaning ascribed to that term in the Initial Order;

"Cros-Man" has the meaning ascribed to that term in the Recitals;

"Cros-Man Assets" has the meaning ascribed to that term in the Recitals;

"Cros-Man Asset Purchase Agreement" has the meaning ascribed to that term in the Recitals;

"Crown" means Her Majesty in right of Canada or a province of Canada;

"Crown Priority Claim" means any Claim of the Crown, for all amounts that were outstanding at the Filing Date and are of a kind that could be subject to a demand under:

- (a) subsection 224(1.2) of the ITA;
- (b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, an employee's premium, or employer's premium, as defined in the Employment Insurance Act, or a premium under Part VII.1 of that Act and of any related interest, penalties or other amounts;
- (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;

"D&O Charge" has the meaning ascribed to it in the Initial Order;

"DIP Loan" means the amounts advanced and outstanding under the credit facility from Energold DIP Lender, LLC to the Petitioners pursuant to the Initial Order;

"Director" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or de facto director of any of the Petitioners;

"EDC" has the meaning ascribed to that term in the Recitals;

"Effective Time" means 12:01 a.m. on the Implementation Date (or such other time as the Petitioners, the Monitor and the Agent may agree);

"Employee Priority Claims" means, with respect to current or former employees of the Petitioners, the following claims:

- (a) Claims of the Petitioners' employees and former employees equal to the amounts that such employees and former employees would have been qualified to receive under

paragraph 136(1)(d) of the *Bankruptcy and Insolvency Act* (Canada) if the Petitioners had become bankrupt on the Filing Date; and

- (b) Claims of the Petitioners' employees and former employees for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the date of the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the Petitioners' business during the same period;

"Energold" has the meaning ascribed to that term in the Recitals;

"Energold Group" has the meaning ascribed to that term in the Recitals;

"Estimated Administrative Reserve Costs" means the Petitioners' good faith best estimate, based on a detailed calculation of the Administrative Reserve Costs in accordance with the terms of the Purchase Agreements.

"Excise Tax Act" means the *Excise Tax Act*, R.S.C. 1985, c.E-15, as amended and any regulations thereunder;

"Excluded Claim"

- (a) any Claims secured by any of the Charges;
- (b) any Claims that cannot be compromised pursuant to subsection 19(2) of the CCAA;
- (c) all Secured Priority Claims;
- (d) all Unaffected Noteholder Claims;
- (e) all unsecured Claims against the Petitioners;
- (f) any Priority Claims;
- (g) any Post-Filing Claims; and
- (h) any Claim entitled to the benefit of any applicable insurance policy, excluding any such Claim or portion thereof that is directly recoverable as against an Applicant;

"Excluded Creditor" means a Person who has an Excluded Claim, but only in respect of and to the extent of such Excluded Claim;

"Filing Date" means September 13, 2019;

"Financial Advisor" has the meaning ascribed to that term in the Recitals;

"Financial Advisor Charge" has the meaning ascribed to that term in the Initial Order;

"FTI" has the meaning ascribed to that term in the Recitals;

“Governmental Entity” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity:

- (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
- (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“Implementation Date” means the Business Day on which this Plan becomes effective, which shall be the day indicated on the certificate which the Monitor has filed with the Court contemplated in Section 10.7 hereof;

“Initial Order” has the meaning ascribed to that term in the Recitals;

“Intercompany Working Capital Obligations” means any obligations by any of the Energold Group against any of the other Energold Group in relation to accounts receivable and accounts payable listed in the respective company’s books and records as of the date of the Initial Order, exclusive of the obligations by Energold against Energold de Mexico, S.A. de C.V. pursuant to the Secured Rescue Note.

“Interim Lender’s Charge” has the meaning ascribed to that term in the Initial Order;

“ITA” means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.), as amended and any regulations thereunder;

“Law” means any law, statute, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law whether in Canada or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity;

“Meeting Order” means the Order of the Court dated ♦, 2019 in connection with the CCAA Proceedings;

“Monitor” has the meaning ascribed to that term in the Recitals;

“Monitor’s Certificate” has the meaning ascribed to that term in section 10.7 hereof;

“Monitor’s Website” means <http://cfcanda.fticonsulting.com/energold/>;

“Notes” means the convertible secured notes issued pursuant to the Note Purchase Agreement, which are each, for the avoidance of doubt, severable and constitute its own Claim;

“Noteholder” means a holder of Notes, including any beneficial or entitlement holder of Notes holding such Notes in a securities account with a depository participant or other securities intermediary;

“Note Purchase Agreement” means the note purchase agreement dated as of June 15, 2017 among the Noteholders, Energold, as issuer and certain other entities of the Energold Group, as guarantors;

“Officer” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or de facto officer of any of the Petitioners;

“Omniterra” has the meaning ascribed to that term in the Recitals;

"Order" means any order of the Court in the CCAA Proceedings;

"Outside Date" means February 28, 2020 (or such other date as the Agent, Petitioners and the Monitor may agree);

"Person" is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Governmental Entity or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

"Petitioners" has the meaning ascribed to that term in the Recitals;

"Plan" means this Plan of Compromise and Arrangement and any amendments, restatements, modifications or supplements hereto made from time to time in accordance with the terms hereof or made at the direction of the Court in the Sanction Order or otherwise;

"Post-Filing Claim" means any claims against any of the Petitioners that arose from the provision of authorized goods and services provided or otherwise incurred on or after the Filing Date in the ordinary course of business;

"Priority Claim" means a Crown Priority Claim or an Employee Priority Claim;

"Priority Claim Reserve" means a Cash reserve, equal to the amount of the Priority Claims, to be deposited by the Petitioners into the Priority Claim Reserve Account for the purpose of paying the Priority Claims;

"Priority Claim Reserve Account" means a segregated interest-bearing trust account established by the Monitor to hold the Priority Claim Reserve;

"Purchase Agreements" has the meaning ascribed to that term in the Recitals;

"Purchased Assets" has the meaning ascribed to that term in the Recitals;

"Purchased Shares" has the meaning ascribed to that term in the Recitals;

"Released Claims" means the matters that are subject to release and discharge pursuant to section 9.1;

"Required Majority" means a majority in number of Affected Noteholders representing at least two thirds in dollar value of the Affected Noteholder Claims of Affected Noteholders who actually vote (in person or by Proxy) at the Creditors' Meeting;

"Residual Assets" has the meaning ascribed to that term in the Recitals;

"Sales Process Order" has the meaning ascribed to that term in the Recitals;

"Sanction Order" has the meaning ascribed to that term in section 10.2;

"Section 5.1(2) Director/Officer Claims" means any Director/Officer Claims that may not be compromised pursuant to section 5.1(2) of the CCAA;

"Secured Priority Claims" means the secured Claims against the Energold Group, or any of the, that have priority over the Claim of the Noteholders and/or the Agent;

“Secured Rescue Note” means ♦.

“Share Purchase Agreements” has the meaning ascribed to that term in the Recitals;

“SSP” has the meaning ascribed to that term in the Recitals;

“Tax” or **“Taxes”** means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions;

“Tax Claim” means any Claim by a Taxing Authority against the Petitioners regarding any Taxes in respect of any taxation year or period;

“Taxing Authority” means any of Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, any municipality of Canada, the Canada Revenue Agency, the Canada Border Services Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof and any Canadian or foreign government, regulatory authority, government department, agency, commission, bureau, minister, court, tribunal or body or regulation making entity exercising taxing authority or power;

“Third Party Released Parties” has the meaning ascribed to that term in section 9.1(a);

“Total Affected Noteholder Claims” has the meaning ascribed to that term in the Recitals;

“Transferred Subsidiaries” means Energold’s direct or indirect wholly-owned subsidiaries that are being vested in the Agent in accordance with the Vesting Orders;

“Transferred Subsidiaries Guarantee” means the guarantees given by the Transferred Subsidiaries pursuant to the Note Purchase Agreement;

“Unaffected Affected Noteholder Claims” means the Claims of the Noteholders for the balance owing to them by the Petitioners and the Transferred Subsidiaries under the Note Purchase Agreement and the Transferred Subsidiaries Guarantee. after applying a credit of the Credit Bid Amount, less the Estimated Priority Payment Amount.

“Unissued US LP Units” has the meaning ascribed to that term in Section 7.2(c);

“US LP” means the limited partnership organized under the laws of the State of Delaware within the United State of America which partnership units shall be held by the Affected Noteholders;

“US LP Agreement” means the US LP Agreement made between and among the partners, as the case may be, of US LP on the Implementation Date, substantially in the form set forth in the term sheet attached hereto as **Schedule “F”**;

“US LP Unitholder Information” means such information and documentation as the Agent and/or US LP may require from recipients of the US LP Units in order to comply with any anti-money laundering, know your client, proceeds of crime and other Laws applicable to the Agent and US LP, respectively, which shall be communicated to the Affected Noteholders by the Agent and/or the US LP.

“US LP Units” means the limited partnership units of US LP, each of which shall have the rights and restrictions attached as set out in the US LP Agreement;

“Vesting Orders” has the meaning ascribed to that term in section 10.3; and

“Withholding Obligation” means the amounts that any payor shall be entitled to deduct and withhold and remit from any distribution, payment or consideration otherwise payable to any Person pursuant to the Plan.

SCHEDULE E

FORM OF MONITOR'S PLAN IMPLEMENTATION DATE CERTIFICATE

No. S1910194
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA



PETITIONERS
(the "Petitioners")

MONITOR'S CERTIFICATE
(Plan Implementation)

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Order of the Honourable ◆ made in these proceedings on ◆ (the "Sanction Order").

Pursuant to paragraph ◆ of the Sanction Order, FTI Consulting Canada Inc. in its capacity as Court-appointed Monitor of the Petitioners (the "Monitor") delivers to the Petitioners this certificate and hereby certifies that it has been informed in writing by the Petitioners and the Agent that all of the conditions precedent set out in the Plan have been satisfied or waived, and that the Implementation Date has occurred and the Plan and the provisions of the Sanction Order which come into effect on the Implementation Date are effective in accordance with their respective terms. This Certificate will be filed with the Court and posted on the website maintained by the Monitor.

DATED at the City of Vancouver, in the Province of British Columbia, this ◆ day of ◆ at 10:00 a.m.

FTI CONSULTING CANADA INC., in its
capacity as Court-appointed Monitor of
the Petitioners and not in its personal
or corporate capacity

By:

Name:

Title:

**SCHEDULE F
FORM OF LP AGREEMENT**

SCHEDULE "C"

**NOTICE OF CREDITORS' MEETING AND SANCTION ORDER FOR AFFECTED
NOTEHOLDERS**

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

AND

IN THE MATTER OF ENERGOLD DRILLING CORP., CROS-MAN DIRECT
UNDERGROUND LTD., EGD SERVICES LTD., BERTRAM DRILLING CORP. AND
OMNITERRA INTERNATIONAL DRILLING INC.

**NOTICE OF CREDITORS' MEETING AND SANCTION ORDER
FOR AFFECTED NOTEHOLDERS**

TO: The Affected Noteholders of Energold Drilling Corp., Cros-Man Direct
Underground Ltd., EGD Services Ltd., Bertram Drilling Corp. and Omniterra
International Drilling Inc. (the "**Petitioners**")

NOTICE IS HEREBY GIVEN that a meeting of the Affected Noteholders will be held
on ♦ at ♦ am (Vancouver time) on ♦, 2020, at the offices of ♦ (the "**Creditors'
Meeting**") for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation,
a resolution (the "**Resolution**") approving the Plan of Compromise
and Arrangement of the Petitioners pursuant to the *Companies'
Creditors Arrangement Act* (Canada) (the "**CCAA**") and the *Business
Corporations Act*, S.B.C. 2002, C. 57 (the "**BCA**") dated ♦, 2019 (as
amended, restated, modified and/or supplemented from time to time in
accordance with the terms thereof, the "**Plan**"); and
2. to transact such other business as may properly come before either of
the Creditors' Meeting or any adjournment or postponement thereof.

The Creditors' Meeting is being held pursuant to an order (the "Meeting Order") of the British Columbia Supreme Court (the "Court") made on ◆, 2019.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan.

The Plan contemplates the compromise of Claims of the Affected Noteholders. Quorum for the Creditors' Meeting has been set by the Meeting Order as the presence, in person or by Proxy, at the Creditors' Meeting one Affected Noteholder.

In order for the Plan to be approved and binding in accordance with the CCAA and BCA, the Resolution must be approved by that number of Affected Noteholders representing at least a majority in number of the Affected Noteholder Claims, whose Affected Noteholder Claims represent at least two-thirds in value of the Affected Noteholders who validly vote (in person or by Proxy) on the Resolution at the Creditors' Meeting or were deemed to vote on the Resolution as provided for in the Meeting Order (the "**Required Majority**"). Each Affected Noteholder will be entitled to one vote at the Creditors' Meeting(s), which vote will have the value of such person's Affected Noteholder Claim as determined in accordance with the Meeting Order. If approved by the Required Majority, the Plan must also be sanctioned by the Court under the CCAA and the BCA. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Noteholders will then receive the treatment set forth in the Plan.

An Affected Noteholder may attend at the Creditors' Meeting(s) in person or may appoint another person as its proxyholder by inserting their name or the name of such person in the space provided in the form of Proxy provided to Affected Noteholders by the Agent, or by completing another valid form of Proxy.

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., ◆, Vancouver, British Columbia (Attention: ◆), e-mail: ◆@fticonsulting.com prior to the Proxy Deadline. Persons appointed as proxyholders need not be Affected Noteholders.

If an Affected Noteholder at the Creditors' Meeting specifies a choice with respect to voting on the Resolution on a Proxy, the Proxy will be voted in accordance with the specification so made. **In absence of such specification, a Proxy will be voted FOR the Resolution provided that the proxyholder does not otherwise exercise its right to vote at the Creditors' Meeting(s).**

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved by the Required Majority at the Creditors' Meeting, the Petitioners intend to bring an application before the Court on ◆ at ◆ a.m. (Vancouver time) or such later date as may be posted on the Monitor's website, at the Court located at 800 Smithe Street, Vancouver, British Columbia. The application will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such

sanction. Any Affected Noteholder that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least **[two (2)]** days before such Court hearing. Any Affected Noteholder that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least **[two (2)]** days before the date set for such hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained from the Monitor's website at [◆](#) (the "**Website**") together with copies of other materials related to this process.

This Notice is given by the Petitioners pursuant to the Meeting Order. DATED this **◆**, 2019.

Schedule "D" FORM OF PROXY

PROXY AND INSTRUCTIONS
FOR AFFECTED NOTEHOLDERS IN THE MATTER OF THE PROPOSED
PLAN OF COMPROMISE AND ARRANGEMENT OF ENERGOLD DRILLING CORP.,
CROS-MAN DIRECT UNDERGROUND LTD., EGD SERVICES LTD., BERTRAM
DRILLING CORP. AND OMNITERRA INTERNATIONAL DRILLING INC.

MEETINGS OF AFFECTED NOTEHOLDERS

to be held pursuant to an Order of the British Columbia Supreme Court (the "**Court**") made on ♦, 2019 (the "**Meeting Order**") in connection with the Plan of Compromise and Arrangement of Energold Drilling Corp., Cros-Man Direct Underground Ltd., EGD Services Ltd., Bertram Drilling Corp. and Omniterra International Drilling Inc. (the "**Petitioners**") dated ♦, 2019 (as amended, restated, modified and/or supplemented from time to time, the "**Plan**")

on ♦ at ♦ p.m. (Vancouver time) at

♦

and at any adjournment, postponement or other rescheduling thereof (the "**Creditors' Meeting**")

PLEASE COMPLETE, SIGN AND DATE THIS PROXY AND RETURN IT TO THE MONITOR, FTI CONSULTING CANADA INC. BY 12:00 P.M. (VANCOUVER TIME) ON ♦, OR 24 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS) PRIOR TO ANY ADJOURNED, POSTPONED OR RESCHEDULED CREDITORS' MEETING (THE "**PROXY DEADLINE**"). PLEASE RETURN OR DEPOSIT YOUR ORIGINAL PROXY SO THAT IT IS ACTUALLY RECEIVED BY THE MONITOR OR THE CHAIR ON OR BEFORE THE PROXY DEADLINE.

Please use this Proxy form if you do not wish to attend the Creditors' Meeting(s) to vote in person but wish to appoint a proxyholder to attend the Creditors' Meeting(s), vote your Affected Noteholder Claim to accept or reject the Plan and otherwise act for and on your behalf at the Creditors' Meeting(s) and any adjournment(s), postponement(s) or rescheduling(s) thereof.

The Plan is included in the Information Package delivered by the Agent to all Affected Noteholders, copies of which you have received. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan.

You should review the Plan before you vote. In addition, on ♦, the Court issued the Meeting Order establishing certain procedures for the conduct of the Creditors' Meeting, a copy of which is included in the Information Package. The Meeting

Order contains important information regarding the voting process. Please read the Meeting Order and the instructions sent with this Proxy prior to submitting this Proxy.

If the Plan is approved by the Required Majority, is sanctioned by the Court and is implemented, it will be binding on you whether or not you vote.

APPOINTMENT OF PROXYHOLDER AND VOTE

By checking one of the two boxes below, the undersigned Affected Noteholder hereby revokes all proxies previously given and nominates, constitutes and appoints either (if no box is checked, the *Monitor will act as your proxyholder*):

- _____, or
- a representative of FTI Consulting Canada Inc. in its capacity as Monitor Energold Drilling Corp., Cros-Man Direct Underground Ltd., EGD Services Ltd., Bertram Drilling Corp. and Omniterra International Drilling Inc.

as proxyholder, with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the Creditors' Meeting and at adjournment(s), postponement(s) and rescheduling(s) thereof, and to vote the amount of the Affected Creditors Claim. Without limiting the generality of the power hereby conferred, the person named as proxyholder is specifically directed to vote as shown below. The person named as proxyholder is also directed to vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned with respect to any amendments or variations to the Plan and to any matters that may come before the applicable Creditors' Meeting(s) or at any adjournment, postponement or rescheduling thereof and to vote the amount of the Affected Noteholder Claim as follows (*mark only one*):

- Vote FOR the approval of the Plan, or
- Vote AGAINST the approval of the Plan

Please note that if no specification is made above, the Affected Noteholder will be deemed to have voted FOR approval of the Plan at the Creditors' Meeting(s) provided unless the Affected Noteholder otherwise exercises its right to vote at the Creditors' Meeting(s).

DATED at _____ this _____ day of _____, 20__

AFFECTED NOTEHOLDER'S SIGNATURE:

(Print Legal Name of Affected Noteholder)

(Print Legal Name of Assignee, if applicable)

(Signature of the Affected Noteholder/Assignee or an
Authorized Signing Officer of the Affected Noteholder/Assignee)

(Print Name and Title of Authorized Signing Officer of the
Affected Noteholder/Assignee, if applicable)

(Mailing Address of the Affected Noteholder/Assignee)

(Telephone Number and Email of the Affected Noteholder/Assignee or Authorized
Signing Officer of the Affected Noteholder/Assignee)

YOUR PROXY MUST BE RECEIVED BY THE MONITOR AT THE ADDRESS
LISTED BELOW OR BEFORE THE PROXY DEADLINE.

FTiconsulting CANADA INC.
MONITOR OF ENERGOLD DRILLING CORP., CROS-MAN DIRECT UNDERGROUND
LTD., EGD SERVICES LTD., BERTRAM DRILLING CORP. AND OMNITERRA
INTERNATIONAL DRILLING INC.



Attention: ◆

Email: ◆

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING
PROCEDURES, OR IF YOU NEED AN ADDITIONAL COPY OR ADDITIONAL
COPIES OF THE ENCLOSED MATERIALS, PLEASE CONTACT THE MONITOR AT
◆@fticonsulting.com OR VISIT THE MONITOR'S WEBSITE AT ◆.

INSTRUCTIONS FOR COMPLETION OF PROXY FOR AFFECTED NOTEHOLDERS

1. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan of Compromise and Arrangement of Energold Drilling Corp., Cros-Man Direct Underground Ltd., EGD Services Ltd., Bertram Drilling Corp. and Omniterra International Drilling Inc. (the "**Petitioners**") dated ♦ , 2019 (the "**Plan**"), a copy of which you have received.
2. The aggregate amount of your Claim in respect of which you are entitled to vote shall be your Affected Noteholder Claim, the amount as set out in the books and records of the Agent, in accordance with the Meeting Order.
4. Check the appropriate box to vote for or against the Plan. **If you do not check either box, you will be deemed to have voted FOR approval of the Plan provided you do not otherwise exercise your right to vote at the Creditors' Meeting(s).**
5. Each Affected Noteholder who has a right to vote at the Creditors' Meeting(s) has the right to appoint a person (who need not be an Affected Noteholder) to attend, act and vote for and on behalf of the Affected Noteholder and such right may be exercised by inserting in the space provided the name of the person to be appointed, or to select a representative of the Monitor as its proxyholder. If no proxyholder is selected, the Affected Noteholder will be deemed to have appointed any officer of FTI Consulting Canada Inc., in its capacity as Monitor, or such other person as FTI Consulting Canada Inc. may designate, as proxyholder of the Affected Noteholder, with power of substitution, to attend on behalf of and act for the Affected Noteholder at the applicable Creditors' Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling thereof.
6. Please read and follow these instructions carefully. Your completed Proxy must actually be received (i) by the Monitor at FTI Consulting Canada Inc., Monitor of Energold Drilling Corp., Cros-Man Direct Underground Ltd., EGD Services Ltd., Bertram Drilling Corp. and Omniterra International Drilling Inc. (Attention: ♦), e-mail: ♦@fticonsulting.com prior to 12:00 p.m. (Vancouver time) on ♦ or 24 hours (excluding Saturdays, Sundays and statutory holidays) which is the Proxy Deadline, prior to the time of any adjournment, postponement or rescheduling of the Creditors' Meeting(s) or (ii) by the Chair at the Creditors' Meeting(s) (or any adjournment, postponement or rescheduling thereof) immediately prior to the vote at the time specified by the Chair (the "**Proxy Deadline**"). If your Proxy is not received by the Proxy Deadline, unless such time is extended, your Proxy will not be counted.
7. Sign the Proxy - your original signature is required on the Proxy to appoint a proxyholder and vote at the Creditors' Meeting(s). If you are completing the

proxy as a duly authorized representative of a corporation or other entity, indicate your relationship with such corporation or other entity and the capacity in which you are signing, and if subsequently requested, provide proof of your authorization to so sign. In addition, please provide your name, mailing address, telephone number and email address.

8. If you need additional Proxies, please immediately contact the Monitor.
9. If multiple Proxies are received from the same person with respect to the same Claims prior to the Proxy Deadline, the latest dated, validly executed Proxy timely received will supersede and revoke any earlier received Proxy. However, if a holder of Affected Noteholder Claims casts Proxies received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies will not be counted. If a Proxy is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.
10. If an Affected Noteholder validly submits a Proxy to the Monitor and subsequently attends the Creditors' Meeting(s) and votes in person inconsistently, such Affected Noteholder's vote at the Creditors' Meeting(s) will supersede and revoke the earlier received Proxy.
11. Proxies may be accepted for purposes of an adjourned, postponed or other rescheduled Creditors' Meeting if received by the Monitor by the Proxy Deadline.
12. Any Proxy that is illegible or contains insufficient information to permit the identification of the claimant will not be counted.
13. After the Proxy Deadline, no Proxy may be withdrawn or modified, except by an Affected Noteholder voting in person at the Creditors' Meeting(s), without the prior consent of the Monitor, the Agent and the Petitioners.

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING PROCEDURES, OR IF YOU NEED AN ADDITIONAL COPY OR ADDITIONAL COPIES OF THE ENCLOSED MATERIALS, PLEASE CONTACT THE MONITOR AT ♦@fticonsulting.com OR VISIT THE MONITOR'S WEBSITE AT ♦.

Schedule "E"

FORM OF RESOLUTION

BE IT RESOLVED THAT:

1. The Plan of Compromise and Arrangement of Energold Drilling Corp., Cros-Man Direct Underground Ltd., EGD Services Ltd., Bertram Drilling Corp. and Omniterra International Drilling Inc. (the "**Companies**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) dated ♦, 2019 (the "**Plan**"), which Plan has been presented to this meeting (as such Plan may be amended, restated, supplemented and/or modified as provided for in the Plan), be and it is hereby accepted, approved, agreed to and authorized; and

2. Any one director or officer of each of the Companies be and is hereby authorized and directed, for and on behalf of the Companies (whether under its respective corporate seal or otherwise), to execute and deliver, or cause to be executed and delivered, any and all documents and instruments and to take or cause to be taken such other actions as he or she may deem necessary or desirable to implement this resolution and the matters authorized hereby, including the transactions required by the Plan, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of any such actions.

No. **S1910194**
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

AND

IN THE MATTER OF ENERGO GOLD DRILLING CORP.,
CROS-MAN DIRECT UNDERGROUND LTD., EGD
SERVICES LTD., BERTRAM DRILLING CORP. AND
OMNITERRA INTERNATIONAL DRILLING INC.

PETITIONERS

ORDER MADE AFTER APPLICATION

File No.: 49117-0001

Katie G. Mak
CLARK WILSON LLP
Barristers & Solicitors
900 – 885 West Georgia Street
Vancouver, BC, V6C 3H1
(604) 687-5700