



This is the 1st affidavit
of Kim Wales in this case
and was made on August 22, 2024

No. S243645
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 THE PLAN OF COMPROMISE AND ARRANGEMENT OF INCA
ONE GOLD CORP.

AFFIDAVIT

I, Kim Wales, with a service address of 300 Park Avenue, New York, New York,
investment advisor, AFFIRM THAT:

1. I am the Founder & Chief Executive Officer of CrowdBureau® Corporation, an asset & risk management firm. I am an author of the book "Peer to Peer Lending and Equity based Crowdfunding: A Guide to the New Capital Markets for Job Creators, Investors and Entrepreneurs © ABC CLIO Praeger/ Bloomsbury. I am also: (i) an adjunct professor in Economics at the Colin Powell School for Civic and Global Leadership teaching a course in Entrepreneurship: Women and Diversity at the City College of New York (CUNY); (ii) a certified National Association Corporate Director (NACD) serving as an independent director on public and private boards including current Board Member of the Foundation at City College; and a member of the Heritage Foundation Securities Regulation Working Group; (iii) a Former board member of Investors Bancorp (NYSE: ISBC); (iv) a member of the Zahn Innovation Center Board of Advisors; (v) a Board Member of The City College Center for the Arts and City College Fund; and (vi) a member of the Nasdaq Board of Excellence and a candidate at the New York Stock Exchange Board Services.
2. I have 2 decades of experience in banking and financial services and am a pioneer in securities-based crowdfunding (equity and debt) under the USA Jumpstart Our Business Startups Act, 2012. This work included over 100 citations in the final rules for Titles II,


III, and IV for the Securities and Exchange Commission and FINRA. Further, my work contributed to the European Commission (Green Paper), the Ontario Securities Commission, the Taiwan Financial Supervisory Commission, the Australian Stock Exchange, Bermuda Monetary Authority and other State and federal government agencies as related to equity and debt based crowdfunding frameworks, rules and regulations.

3. I am an associate of Robert Seguin ("**Mr. Seguin**"), the President and Chief Executive Officer of Westmount Capital ("**Westmount**"). I had the original mandate to raise capital for Inca One Gold as of the first week of April 2024. Given Mr. Seguin's and Westmount's expertise in the gold sector along with capital raising, Mr. Seguin agreed to partner with me in my efforts to raise capital for Inca One Gold Corp. ("**Inca One**"). As such, I have knowledge of the matters hereinafter deposed to save and except where stated to be on information provided to me, in which case I believe the same to be true.
4. I swear this Affidavit in support of Inca One's Application to extend the Stay Period (as defined in the Second Amended and Restated Initial Order dated July 25, 2024) and to provide additional context regarding Westmount's efforts to finalize funding for the Replacement Financing (as defined in the Affidavit of Edward Kelly Affirmed on July 18, 2024).
5. As of the date of the Affidavit, these efforts have included the following:
 - a. Between August 12-16, 2024, Westmount reached out to approximately 131 potential investors, which include family offices, high net worth individuals and investors with significant experience investing in the mining and precious metals space. Of these 131 potential investors, 21 replies were received and 8 indicated that they had an interest in participating in the Replacement Financing, but required additional time to conduct diligence and solidify their commitment. On August 20, 2024, a call was convened between 3 potential investors with an interest in the Replacement Financing and senior management of Inca One.
 - b. Separate and apart from the direct efforts of Westmount and Mr. Seguin, between August 8-16, 2024, I personally reached out to 11 potential investors, which include

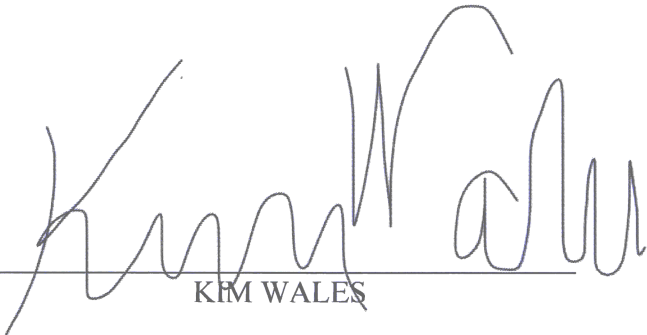
family offices, high net worth individuals and investors with significant interest investing in the mining and precious metals space. Of these 11 potential investors, 5 expressed an interest in participating in the Replacement Financing but required additional time to conduct diligence and solidify their commitment.

- 6. Investors who expressed an interest in participating in the Replacement Financing received a number of documents, including: (a) a draft subscription agreement; (b) a draft cash flow forecast; (c) a teaser outlining the opportunity (the "**Teaser**"); and (d) a PowerPoint presentation describing Inca One's operations (the "**Operations Summary**"). Copies of the Teaser and Operations Summary are attached hereto as Exhibits "A" and "B", respectively.
- 7. Based on the feedback received from investors interested in participating in the Replacement Financing, I understand that investors require additional time to conduct diligence before committing to the Replacement Financing. If Inca One's request to extend the Stay of Proceedings were be granted, I expect that would afford investors the additional time required to confirm their commitment to the Replacement Financing.

SWORN BEFORE ME over videoconference on this 22nd day of August, 2024 in accordance with Ontario Regulation 431/20. The affiant was located in the City of New York, in the State of New York and the Commissioner was located in the City of Toronto, in the Province of Ontario.

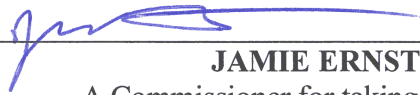


 JAMIE ERNST
 A Commissioner for taking Affidavits
 in and for the Province of Ontario.
 (#88724A Ontario)



 KIM WALES

THIS IS **EXHIBIT "A"** REFERRED TO IN THE
AFFIDAVIT OF KIM WALES SWORN BEFORE ME
THIS 22ND DAY OF AUGUST, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

INCA ONE GOLD CORP – INFORMATION SUMMARY

Corporate Overview

- Inca One Gold Corp. (“**Inca One**”, or the “**Company**”) is an operator of two fully integrated gold mineral processing facilities in Peru and has been in commercial production since 2015
- The Company targets its services to the permitted artisanal and small-scale mining sector (“**ASM**”), processing gold mill feed into gold doré and refined gold. The Company’s total production capacity of 450 tonnes per day (“**TPD**”) is distributed between its two CIP processing facilities, namely Chala One and Kori One.
- All mining partners and suppliers are vetted and accredited.
- At ~37% of their nameplate total capacity (production of 168 TPD), the company had gold production of ~21,500 oz, and had sales of US\$42.3M in FY2024
- Only plants in the world approved by the Swiss Better Gold Initiative. Also accredited by Planet Gold.

FINANCING REQUEST

The Company is seeking up to **US\$25M** in debt financing for (i) working capital for its two processing facilities and (ii) to refinance existing indebtedness

Key Credit Highlights

Strong Asset Base & Recovery Value	<ul style="list-style-type: none"> • Inca One has second-highest built out gold ore processing capacity in Peru • Movable Inventory is managed by a third-party as described below
Compelling Production Expansion Opportunity	<ul style="list-style-type: none"> • Additional capital will allow the company to increase production throughput capacity from ~37% to 100% (168 TPD to 450 TPD). • This represents an opportunity to ramp up production to 93,000 Au oz/year by increasing throughput and gold grade to 0.7oz/t, in line with industry peers and without further capex. • Increased throughput will include purchasing more from existing mining partners and opening up new regions of Peru. New mining partners have been identified and will have to meet our rigorous onboarding process to become accredited.
Compelling Sector Tailwinds for Artisanal Mining	<ul style="list-style-type: none"> • Mining is a dominant sector of Peru’s economy and ASM accounts for 22% of its gold exports. • The number of active artisanal miners in Peru was +21k in 2023. Inca purchased from 343. • Growth in the sector represents an opportunity for Inca One to expand its customer base and operate at full capacity by onboarding and helping mining partners achieve accreditation from the Swiss Better Gold Initiative, which provides incentives to miners.
Robust Financials & De-Levering	<ul style="list-style-type: none"> • Robust EBITDA generation profile, with visible path to margin expansion and achieving full production capacity • Robust free cash flow generation to support growth plan and de-levering
Experienced Management Team	<ul style="list-style-type: none"> • Tenured management team, with +45 years of combined experience in the mining industry. • Local Peruvian team which has excellent expertise and track record in the gold ore processing space and best in class contractors for security and ESG.
Company Creditors Arrangement Act (CCAA)	<ul style="list-style-type: none"> • CCAA gives Inca One, Canadian court protection from existing creditors and allows for a comprehensive restructuring of its balance sheet. • Allows the Company to emerge from CCAA with a court-approved business plan and an opportunity for new investors to participate in the Company’s built-in upside potential.

Security Available

- Lender Security: (i) Canadian General Security Agreement (GSA), (ii) a Peruvian security agreement over gold mill feed, loaded carbon in the plant and unsold gold doré (the “**Movable Inventory**”)
- Movable Inventories are secured via a structured framework that is used in-country by other multinationals like such as Glencore, Trafigura, etc.
- The inventory is managed by an independent trustee and controlled through the production process by a third party (such as Brinks or G4S) and is immediately available to secured lenders.



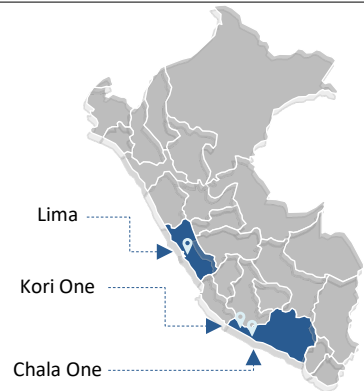
INCA ONE GOLD CORP – INFORMATION SUMMARY

La Fiduciaria (Peru)

Fiduciaria is a trustee that structures and manages trust contracts for many notable gold producers / processors.



Location



Competitive Advantage

Inca One

- ✓ Cost based on gold spot price
- ✓ No exploration, dev., or mining risk
- ✓ No end to mine life
- ✓ Generates cash flow quickly
- ✓ Exposure to higher gold prices
- ✓ Stable revenues in low priced markets
- ✓ Margins turnover every 45 days
- ✓ Generate dividends to shareholders faster
- ✓ Only plants in the world accredited by Swiss Better Gold Initiative. Allows traceability of gold and provides economic benefit to miners from major jewelers such as Cartier.

Traditional Gold Producer

- ✗ Costs based on AISC model
- ✗ Exploration, dev., and mining risk
- ✗ Long time to cash flow
- ✗ Exposure to gold price fluctuations
- ✗ Exposed to additional production risks: initial capital cost, expansion costs, cost overruns, operation cost pressures
- ✗ Continuing exploration and development cost



Processing Overview

Mineral Delivery	Artisanal miners deliver mineral to facilities
Measure & Test	Testing to determine grade and recovery
Purchase & Stockpile	Mineral purchased at discount to spot
Process Material	Mineral processed and gold inventory turns (3-4 weeks)
Harvest & Smelter	Carbon is harvested, gold/silver concentrated desorbed and smelted to doré
Sale & Export	Gold doré sold and exported to Europe

Chala One and Kori One Plants

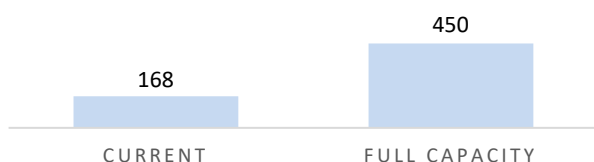


INCA ONE GOLD CORP – INFORMATION SUMMARY

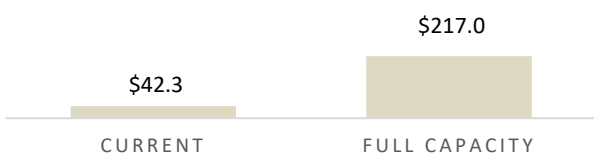
Financial Overview

Full Production Capacity is reached within 12 months

Ore Production (Tonnes Per Day)



Sales (US\$M)



EBITDA (US\$M)



Case Study – Dynacor

- Dynacor Group Inc., (“TSXV: DNG”) (Market Cap: C\$185M) is a competitive artisanal ore producer / processor located ~5 km from Inca One and utilizes the same security companies for gold movement with an expected processing capacity of 450 tpd.
- In 2018, Dynacor was in a similar situation as Inca One, whereby the company needed working capital to increase its ore production.
- Dynacor was able to source debt financing for their working capital needs, and subsequently increase their throughput to their current capacity of ~500 TPD.

US\$	2018	2022	2023
Sales	\$104.7M	\$197.5M	\$250.2M
EBITDA	\$10.5M	\$21.2M	\$25.5M
EPS	\$0.12	\$0.30	\$0.39

Auditors

- Inca One’s books are audited annually by globally recognized auditors:



Management & Board



Company Director

Name & Title

Experience

Edward Kelly
President, CEO and Director

- +20-year career in capital markets managing firms in the resources and technology industries
- Held senior management and directorship positions with companies on TSXV



Kevin Hart
CFO

- +20-year experience in the administration of TSX and NYSE listed mining companies, including development, construction and operational companies
- Formerly the Corporate Controller for Asanko Gold Inc. and Farallon Mining Ltd



Mark Wright
VP of Operations

- Trained research chemist and process engineer
- Experience in heavy industry, metal purification and extraction



Bruce Bragagnolo
Chairman of the Board

- Co-founder and former CEO of Mexico-based Timmins Gold Corp
- Co-founder and former CEO of Silvermex Resources, which he led to a \$120M sale



Rodney Stevens
Director

- CFA charter holder with +10-year experience in the capital markets
- Previously worked at Salman Partners and was recognized as a top-rated analyst for the metals and mining industry



THIS IS **EXHIBIT "B"** REFERRED TO IN THE
AFFIDAVIT OF KIM WALES SWORN BEFORE ME
THIS 22ND DAY OF AUGUST, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

INCA ONE GOLD CORP

June 2024



www.incaone.com



DISCLAIMER

Forward Looking Information

This presentation contains forward-looking statements which are not historical facts but instead address future events and conditions which by their very nature, involve inherent risks and uncertainties. Such information can generally be identified using forward-looking wording such as “may”, “expect”, “estimate”, “anticipate”, “intend”, “believe” “potential” and “continue” or the negative thereof or similar variations.

Forward-looking information in this presentation includes, but is not limited to, intended acquisitions, upgrades and production at milling facilities, financing plans, use of proceeds and estimated net income. Actual results in each case could differ materially from those currently anticipated in such statements due to factors such as: (i) fluctuation of mineral prices and exchange rates; (ii) change in market conditions; (iii) the fact that the Company’s development and factors affecting it may be very different from other companies; (iv) availability and quality of mill feed; (v) regulatory and political developments and (vi) future operational results may not be accurately predicted based historical results and on information to date.

Forward-looking statements and other information contained herein concerning the metals and mining industry and Inca One’s general expectations concerning the industry are based on estimates prepared by management using historical data from publicly available industry sources as well as from private sources, industry analysis and on assumptions based on data and knowledge of the industry which the Company believes to be reasonable. However, certain data is inherently imprecise. While Inca One is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors. There is no certainty the projections will be met.

Our forward-looking information is based on the beliefs, expectations and opinions of management on the date the statements are made. We do not assume any obligation to update forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic, political and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place under reliance on these forward-looking statements.

Future-Oriented Financial Information

In addition, this presentation contains future-oriented financial information (“FOFI”). The purpose of the FOFI is to provide prospective investors with information pertaining to the Company’s longer-term objectives. Readers should be cautioned that information may not be appropriate for other purposes.

Currency

Unless otherwise indicated, all dollar values herein are in US dollars





About Inca One



Overview

- gold producer operating two fully integrated, gold mineral processing facilities in Peru, namely Chala One and Kori One.
- one of only a few publicly-listed operators that has been in commercial production since 2015.
- servicing the permitted, artisanal and small-scale mining (ASM) sector, processing gold mill feed into gold doré and refined gold.
- total production capacity of 450 tonnes per day (“TPD”) ~40% of nameplate total capacity (current production of 180 TPD), the company had gold production of 24,579 oz and made record sales of US\$51.3M in CY2022
- No capex required to expand production.
- Significant ESG milestones completed towards responsible gold supply chain partnerships with:
 - UN backed PlanetGold Program
 - Swiss Better Gold Initiative.
- Entered the Responsible Minerals Initiative certification process.
- 343 ASM partners.

CY 2023 Key Statistics

450 TPD Full permitted capacity	146 TPD 32% average daily capacity	\$39 M Sales revenue	\$250+ M Historical sales
20,175 Oz Gold Produced	56,141 Tonnes purchased	53,524 Tonnes Milled	0.40 Oz / tonnes processed