

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.**

Applicant

MOTION RECORD OF THE APPLICANT

(Returnable May 29, 2023)

May 19, 2023

BENNETT JONES LLP
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**ONTARIO
SUPERIOR COURT OF JUSTICE
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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.**

Applicant

**NOTICE OF MOTION
(Returnable May 29, 2023)**

Magna Gold Corp. ("**Magna**" or the "**Applicant**"), will make a motion before the Honourable Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on May 29, 2023, at 10:00 a.m. or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard by videoconference as a result of the COVID-19 pandemic, the details of which will be provided by the Court.

THE MOTION IS FOR:

1. An Order (the "**Amended and Restated Initial Order**") substantially in the form of the draft order attached at Tab "3" of this Motion Record which, among other things, amends the Securities Relief (as defined below) and an Order (the "**Stay Extension Order**") substantially in the form of the draft order attached at Tab "5" of this Motion Record which, among other things, extends the Stay of Proceedings until and including November 15, 2023 (the "**Stay Extension**").
2. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

Background and Overview

3. Magna was incorporated on January 9, 2018 pursuant to the provisions of the *Business Corporations Act* (Ontario) and has its registered head office located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

4. Magna holds a 99.9% interest in Minera Magna, S.A. de C.V. ("**Minera Magna**") and a 100.0% interest in 2660170 Ontario Ltd ("**266**"). Minera Magna holds a 99.9% interest in Molimentales del Noroeste, S.A. de C.V ("**Molimentales**") and 266 holds a 99.9% interest in LM Mining Corp, S.A. de C.V.

5. Prior to the Initial Order, the Applicant was a reporting issuer trading in the provinces of Ontario, Alberta and British Columbia with its common shares listed on the NEX Board of the TSX Venture Exchange ("**TSXV**"). The Applicant is also listed on the OTC Pink with the trading symbol MGLQF.

6. Substantially all of the Magna Group's assets are located outside of Canada. The Magna Group's principal projects¹ are:

- (a) the San Francisco Project;
- (b) the Mercedes Project; and
- (c) the Margarita Project.

7. On February 24, 2023, Molimentales filed a bankruptcy request (the "**Molimentales Request**") before the Common Correspondence Office of the District Courts in Subject of Commercial Bankruptcies located in Mexico City. On March 2, 2023, the Molimentales Request was admitted for processing and certain preemptory protective relief was obtained.

8. On March 3, 2023, the Applicant commenced the Proposal Proceedings by filing the NOI. In light of the expected duration of the Molimentales Proceedings, on March 27, 2023, the

¹ The principal projects each have technical reports that are NI 43-101 compliant.

Applicant sought, and this Court granted, an initial order under the CCAA (the "**Initial Order**") which, among other things:

- (a) declared that the Applicant was an entity to which the CCAA applies;
- (b) authorized the continuation of the Proposal Proceedings under the CCAA;
- (c) appointed KSV Restructuring Inc. ("**KSV**") as an officer of this Court to monitor the assets, business and affairs of the Applicant (in such capacity, the "**Monitor**");
- (d) provided for a Stay of Proceedings until and including April 6, 2023;
- (e) granted the Administration Charge and Directors' Charge over the Property;
- (f) authorized the decision by the Applicant to incur no further expenses in relation to any filings and disclosures that may be required by any federal, provincial or other laws respecting securities or capital markets in Canada or the United States (the "**Securities Relief**"); and
- (g) relieved the Applicant of any obligation to call and hold its AGM until further Order of the Court (the "**AGM Relief**").

9. Following the Initial Order, the Applicant issued a press release advising of, among other things, the Stay of Proceedings, the Securities Relief and the AGM Relief (the "**Initial Order Press Release**"). Additionally, the Applicant advised that, as a result of the Initial Order, the TSXV had suspended the trading of its common shares on the NEX Board.

10. On April 4, 2023, the Court granted an order (the "**April 4 Order**") extending the Stay of Proceedings until and including June 2, 2023.

(i) *Molimentales Proceedings*

11. Since the April 4 Order, the Applicant has continued to work with its Canadian counsel, Bennett Jones LLP ("**Bennett Jones**"), Mexican counsel to Molimentales, the Monitor and the Monitor's counsel regarding, among other things, the status of the Molimentales Proceedings and funding matters.

12. On May 5, 2023, the Applicant was advised by Mexican counsel to Molimentales that the Mexican Court officially declared Molimentales under Concurso Mercantil, which has now advanced the Molimentales Proceedings to the conciliation phase.

(ii) The Ontario Securities Commission and the Securities Relief

13. On April 10, 2023 (the "**April 10 Email**"), counsel to the Ontario Securities Commission (the "**OSC**") sent an email to Bennett Jones advising that it had recently been retained and that the OSC had certain concerns with the Securities Relief obtained in the Initial Order.

14. The April 10 Email included precedent language and endorsements from recent CCAA matters dealing with the same issue.

15. On May 5, 2023, the Applicant received a Cease Trade Order from the OSC in light of the Applicant's decision not to make period disclosure as required by the *Securities Act*, R.S.O. 1990, c. S.5. in accordance with the Initial Order.

The Orders

(i) Amended and Restated Initial Order

16. As noted above, the April 10 Email advised Bennett Jones that the OSC had certain concerns with the Securities Relief obtained in the Initial Order.

17. Following discussions between counsel for the Applicant and the OSC, it was agreed that the Applicant would seek relief amending the Securities Relief on terms mutually acceptable. To that end, the Applicant is seeking the Amended and Restated Initial Order.

(ii) The Stay Extension Order

18. Since the granting of the April 4 Order, the Applicant has acted and continues to act in good faith and with due diligence to, among other things, stabilize its business and liaise with stakeholders. The Applicant has also taken certain steps to reduce overhead and conserve liquidity including by, among other things, terminating certain employees.

19. Consistent with the Applicant's stated intention at the outset of these proceedings, the Applicant is seeking the proposed Stay Extension so that it can maintain the status quo, continue

to monitor the Molimentales Proceedings and report to the Court in connection with same and continue to explore various strategic alternatives with a view to maximizing stakeholder value.

20. As disclosed in the revised cash flow forecast, the Applicant is expected to have sufficient liquidity to meet its ordinary course obligations without the need for debtor-in-possession financing through the proposed Stay Extension.

OTHER GROUNDS:

21. The provisions of the CCAA and the statutory, inherent and equitable jurisdiction of this Honourable Court;

22. Rules 1.04, 2.03, 3.02, 14.05(2), 16, 38 and 39 of the Ontario *Rules of Civil Procedure*, R.R.O 1990, Reg. 194, as amended and sections 106 and 137(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and

23. Such further and other grounds as counsel may advise and the Court may permit.

DOCUMENTARY EVIDENCE:

24. The following documentary evidence will be used at the hearing of the motion:

- (a) the Affidavit of Leslie Kapusianyk sworn May 18, 2023;
- (b) the First Report of the Monitor, to be filed; and
- (c) such further and other evidence as counsel may advise and the Court may permit.

May 19, 2023

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Lawyers for Applicant

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

NOTICE OF MOTION

BENNETT JONES LLP

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Suite 3400, P.O. Box 130
Toronto, Ontario
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Lawyers for the Applicant

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
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Applicant

**AFFIDAVIT OF LESLIE KAPUSIANYK
(Sworn May 18, 2023)**

I, Leslie Kapusianyk, of the City of Vancouver, in the Province of British Columbia,
MAKE OATH AND SAY:

1. I am the General Counsel and Corporate Secretary of Magna Gold Corp. ("**Magna**" or the "**Applicant**") and have been in this role since December, 2020. As such, I have personal knowledge of the Applicant and the matters to which I depose in this affidavit, unless otherwise indicated. Where I have relied on other sources for information, I have so stated and I believe them to be true.
2. I swear this affidavit in support of a motion for:
 - (a) an order (the "**Amended and Restated Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), which, among other things, amends the Securities Relief (as defined below); and
 - (b) an order (the "**Stay Extension Order**") which, among other things, extends the Stay of Proceedings until and including November 15, 2023 (the "**Stay Extension**").
3. All terms not otherwise defined herein have the meaning ascribed to them in, as applicable:
 - (i) the Amended and Restated Initial Order; and
 - (ii) my affidavit sworn March 20, 2023 (the

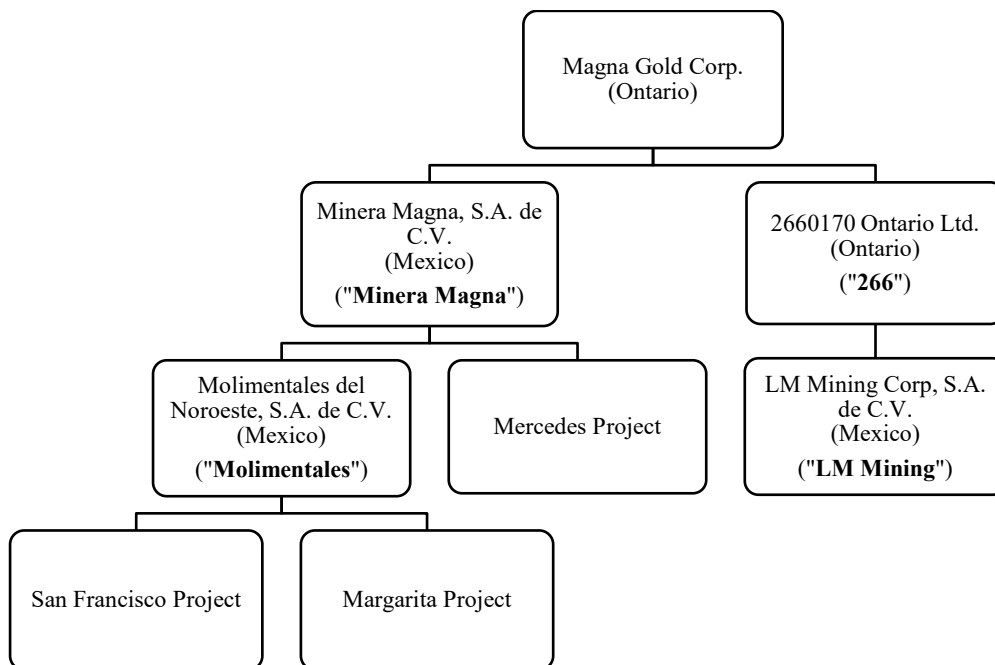
"**March 20 Affidavit**") in support of the Initial Order (as defined below), a copy of which is appended hereto as **Exhibit "A"** (without exhibits). The March 20 Affidavit was sworn in the Applicant's proceedings under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, commenced by the Applicant pursuant to a Notice of Intention to Make a Proposal (the "**NOI**"), filed on March 3, 2023 (the "**Proposal Proceedings**").

4. All references to currency in this affidavit are in Canadian dollars unless otherwise noted.

II. INTRODUCTION AND BACKGROUND

5. Magna was incorporated on January 9, 2018 pursuant to the provisions of the *Business Corporations Act* (Ontario) and has its registered head office located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

6. Magna holds a 99.9% interest in Minera Magna, S.A. de C.V. ("**Minera Magna**") and a 100.0% interest in 2660170 Ontario Ltd ("**266**"). Minera Magna holds a 99.9% interest in Molimentales del Noroeste, S.A. de C.V. ("**Molimentales**") and 266 holds a 99.9% interest in LM Mining Corp, S.A. de C.V.



7. Prior to the Initial Order, the Applicant was a reporting issuer trading in the provinces of Ontario, Alberta and British Columbia with its common shares listed on the NEX Board of the TSX Venture Exchange ("**TSXV**"). The Applicant is also listed on the OTC Pink with the trading symbol MGLQF.

8. Substantially all of the Magna Group's assets are located outside of Canada. The Magna Group's principal projects¹, each of which is described in more detail in the March 20 Affidavit, are:

- (a) the San Francisco Project;
- (b) the Mercedes Project; and
- (c) the Margarita Project.

9. On February 24, 2023, Molimentales filed a bankruptcy request (the "**Molimentales Request**") before the Common Correspondence Office of the District Courts in Subject of Commercial Bankruptcies located in Mexico City. On March 2, 2023, the Molimentales Request was admitted for processing and certain preemptory protective relief was obtained.

10. On March 3, 2023, the Applicant commenced the Proposal Proceedings by filing the NOI. In light of the expected duration of the Molimentales Proceedings, which is further discussed and detailed in the March 20 Affidavit, on March 27, 2023, the Applicant sought, and this Court granted, an initial order under the CCAA (the "**Initial Order**") which, among other things:

- (a) declared that the Applicant was an entity to which the CCAA applies;
- (b) authorized the continuation of the Proposal Proceedings under the CCAA;
- (c) appointed KSV Restructuring Inc. as an officer of this Court to monitor the assets, business and affairs of the Applicant (in such capacity, the "**Monitor**");
- (d) provided for a Stay of Proceedings until and including April 6, 2023;

¹ The principal projects each have technical reports that are NI 43-101 compliant.

- (e) granted the Administration Charge and Directors' Charge over the Property;
- (f) authorized the decision by the Applicant to incur no further expenses in relation to any filings and disclosures that may be required by any federal, provincial or other laws respecting securities or capital markets in Canada or the United States (the "**Securities Relief**"); and
- (g) relieved the Applicant of any obligation to call and hold its AGM until further Order of the Court (the "**AGM Relief**");

a copy of the Initial Order is attached hereto as **Exhibit "B"**.

11. Following the Initial Order, the Applicant issued a press release advising of, among other things, the Stay of Proceedings, the Securities Relief and the AGM Relief (the "**Initial Order Press Release**"). Additionally, the Applicant advised that, as a result of the Initial Order, the TSXV had suspended the trading of its common shares on the NEX Board. A copy of the Initial Order Press Release is attached hereto as **Exhibit "C"**.

12. On April 4, 2023, the Court granted an order (the "**April 4 Order**") extending the Stay of Proceedings until and including June 2, 2023. A copy of the April 4 Order is attached hereto as **Exhibit "D"**.

III. UPDATE

(i) *Molimentales Proceedings*

13. Since the April 4 Order, the Applicant has continued to liaise with its Canadian counsel, Bennett Jones LLP ("**Bennett Jones**"), Mexican counsel to Molimentales, the Monitor and the Monitor's counsel regarding, among other things, the status of the Molimentales Proceedings and funding matters.

14. On May 4, 2023, the Applicant was advised by Mexican counsel to Molimentales that the Mexican Court officially declared Molimentales under Concurso Mercantil, which has now advanced the Molimentales Proceedings to the conciliation phase. A copy of the declaration, as well as a translation, are attached hereto as **Exhibit "E"**.

15. Consistent with the Applicant's stated intention at the outset of these proceedings, the Applicant is seeking the proposed Stay Extension so that it can maintain the status quo, continue to monitor the Molimentales Proceedings and report to the Court in connection with same, and continue to explore various strategic alternatives with a view to maximizing stakeholder value.

(ii) The Ontario Securities Commission and the Securities Relief

16. I am advised by Sean Zweig, a Partner at Bennett Jones, that on April 10, 2023, counsel to the Ontario Securities Commission (the "**OSC**") sent an email (the "**April 10 Email**") to Bennett Jones advising that it had recently been retained and that the OSC had certain concerns with the language regarding the Securities Relief obtained in connection with the Initial Order.

17. Following discussion between counsel for the Applicant and the OSC, it was agreed that the Applicant would seek relief amending the Securities Relief on terms that I understand to be acceptable to the OSC. Accordingly, the Applicant is seeking the Amended and Restated Initial Order.

18. On May 5, 2023, the Applicant received a Cease Trade Order (the "**CTO**") from the OSC in light of the Applicant's decision not to make periodic disclosure as required by the *Securities Act*, R.S.O. 1990, c. S.5. in accordance with the Initial Order. A copy of the CTO is attached hereto as **Exhibit "F"**.

IV. CONCLUSION

19. Since the granting of the April 4 Order, the Applicant has acted and continues to act in good faith and with due diligence to, among other things, stabilize its business and liaise with stakeholders. The Applicant has also taken certain steps to reduce overhead and conserve liquidity including, among other things, by terminating certain employees.

20. As disclosed in the revised cash flow forecast (the "**Revised Cash Flow Forecast**"), the Applicant is expected to have sufficient liquidity to meet its ordinary course obligations without the need for debtor-in-possession financing through the proposed Stay Extension. I understand that the Monitor is supportive of the relief described herein and does not believe that any creditor will be materially prejudiced by the granting of the Amended and Restated Initial Order or the Stay

Extension Order. I understand that a copy of the Revised Cash Flow Forecast will be appended to the First Report of the Monitor, to be filed.

21. I swear this affidavit in support of the Amended and Restated Initial Order and the Stay Extension Order and for no other or improper purpose.

SWORN BEFORE ME over)
videoconference on this 18th day of May,)
2023. The affiant was located in the City of)
Vancouver, in the Province of British)
Columbia and the Commissioner was located)
in the City of Toronto, in the Province of)
Ontario. This affidavit was commissioned)
remotely as a result of COVID-19 and the)
declaration was administered in accordance)
with Ontario *Regulation 431/20*.)



AIDEN NELMS

A Commissioner for Oaths in and for the
Province of Ontario

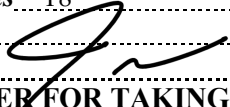

LESLIE KAPUSIANYK

This is Exhibit "A" *referred to in the*

affidavit of Leslie Kapusianyuk --

sworn before me, this 18th

day of May, 2023



.....
A COMMISSIONER FOR TAKING AFFIDAVITS

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST**

IN THE MATTER OF THE PROPOSAL OF MAGNA GOLD CORP.

**AFFIDAVIT OF LESLIE KAPUSIANYK
(Sworn March 20, 2023)**

I, Leslie Kapusianyuk, of the city of Vancouver, in the Province of British Columbia,
MAKE OATH AND SAY:

1. I am the General Counsel and Corporate Secretary of Magna Gold Corp. ("**Magna**" or the "**Applicant**") and have been in this role since December, 2020. As such, I have personal knowledge of the Applicant and the matters to which I depose in this affidavit, unless otherwise indicated. Where I have relied on other sources for information, I have so stated and I believe them to be true.

2. I swear this affidavit in support of an application for an order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), which, among other things:

- (a) declares that the Applicant is an entity to which the CCAA applies;
- (b) authorizes the continuation under the CCAA of the proceedings under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"),

commenced by Magna pursuant to a Notice of Intention to Make a Proposal (the "**NOI**") filed on March 3, 2023 (the "**Proposal Proceedings**");

- (c) appoints KSV Restructuring Inc. ("**KSV**") as an officer of this Court (in such capacity, the "**Proposed Monitor**") to monitor the assets, business and affairs of the Applicant (as appointed, the "**Monitor**");
- (d) stays, for an initial period of not more than ten (10) days (the "**Stay of Proceedings**"), all proceedings and remedies taken or that might be taken in respect of the Applicant, the Monitor or the Directors and Officers or affecting the Applicant's business or the Property (each as defined below), except with the written consent of the Applicant and the Monitor, or with leave of this Court;
- (e) grants the Administration Charge and Directors' Charge (each as defined below) over the Applicant's current and future assets, undertakings and property of every nature and kind whatsoever and wherever situated, including all proceeds thereof (collectively, the "**Property**");
- (f) authorizes the decision by the Applicant to incur no further expenses in relation to any filings and disclosures that may be required by any federal, provincial or other laws respecting securities or capital markets in Canada or the United States;
- (g) relieves Magna of any obligation to call and hold its annual general meeting of shareholders (each an "**AGM**") until further Order of the Court; and
- (h) approves the First Report of KSV in its capacity as proposal trustee in the Proposal Proceedings (in such capacity, the "**Proposal Trustee**") and the Report of the

Proposed Monitor, to be filed (the "**Report**"), and the activities of KSV described therein.

3. If the Initial Order is granted, the Applicant intends to return to Court within ten (10) days (the "**Comeback Hearing**") to seek approval of an Order, which, among other things, extends the Stay of Proceedings (the "**Stay Extension**").

4. All references to currency in this affidavit are in Canadian dollars unless otherwise noted.

I. OVERVIEW

5. Magna is a reporting issuer with its common shares now listed on: (i) the NEX Board of the TSXV with the trading symbol MGR.H; and (ii) OTC Pink with the trading symbol MGLQF.

6. Substantially all of Magna's value is derived through its equity interests in its direct and indirect subsidiaries (collectively, the "**Subsidiaries**", and together with Magna, the "**Magna Group**"). The Magna Group is a Mexico-focused mineral resource company engaged in the acquisition, exploration, development and operation of mineral properties.

7. Due to, among other things, the production of its operational projects, its cash position, forecast revenue, the COVID-19 pandemic and liquidity issues, the Magna Group has been unable to service its debt or meet certain of its other ordinary course obligations. As a result, and after careful consideration, on March 3, 2023 (the "**NOI Filing Date**"), Magna filed the NOI and initiated the Proposal Proceedings.

8. Concurrent with the NOI, Magna's indirect subsidiary, Molimentales (as defined below), filed an application (the "**Molimentales Application**") for restructuring and provisional creditor

protection before the Second District Court for Insolvency Matters (the "**Mexican Court**") located in Mexico City, Mexico (the "**Molimentales Proceedings**").

9. Given that a significant amount of Magna's value is its equity in Molimentales and it is expected that the Molimentales Proceedings will take in excess of six (6) months (as is further detailed below), Magna has determined that it would be appropriate to continue the Proposal Proceedings under the CCAA.

II. BACKGROUND

10. Magna was incorporated on January 9, 2018 pursuant to the provisions of the *Business Corporations Act* (Ontario) and has its registered head office located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1 (the "**Registered Head Office**"). The directors and officers of Magna (collectively, the "**Directors and Officers**") are as follows:

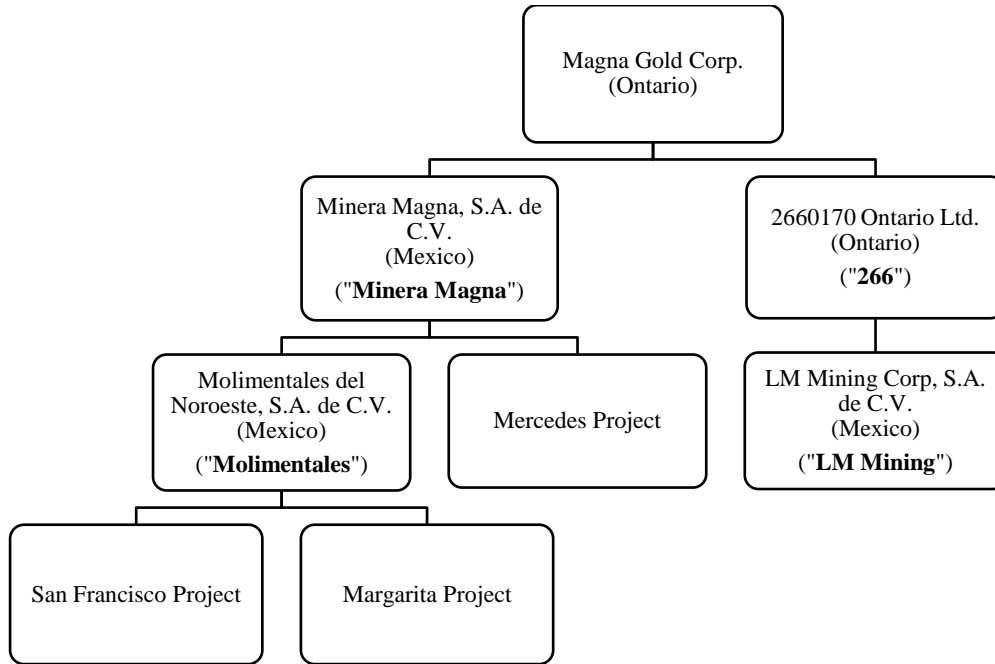
- (a) Francisco Arturo Bonillas Zepeda – President, Chief Executive Officer and Director;
- (b) Colin Sutherland – Chief Financial Officer and Director;
- (c) Miguel Bonilla – Chief Operating Officer and Director;
- (d) Alexander Peter Tsakumis – Director;
- (e) Laura Cristina Diaz Nieves – Director;
- (f) Amandip Singh – Vice President Corporate Development;
- (g) Leslie Kapusianyuk – General Counsel and Corporate Secretary; and

(h) Parviz Farsangi – Chair of the Board and Director.

The corporate profile report for Magna is attached hereto as **Exhibit "A"**.

11. Prior to the NOI and the Proposal Proceedings, which are discussed in greater detail below, Magna was a reporting issuer trading in the provinces of Ontario, Alberta and British Columbia with its common shares listed on the TSX Venture Exchange ("**TSXV**"). As a result of the NOI and the Proposal Proceedings, the trading of Magna's common shares was transferred to the NEX Board of the TSXV effective at the opening of market on March 8, 2023, and the trading symbol changed from MGR to MGR.H. Magna is also listed on the OTC Pink with the trading symbol MGLQF.

12. Magna holds a 99.9% interest in Minera Magna, S.A. de C.V. ("**Minera Magna**") and a 100.0% interest in 2660170 Ontario Ltd ("**266**"). Minera Magna holds a 99.9% interest in Molimentales del Noroeste, S.A. de C.V ("**Molimentales**") and 266 holds a 99.9% interest in LM Mining Corp, S.A. de C.V ("**LM Mining**"). A copy of the Magna Group's current corporate structure is attached hereto as **Exhibit "B"** and is reproduced below for ease of reference.



13. Substantially all of the Magna Group's assets are located outside of Canada. The Magna Group's principal projects¹ are its 100% interests in:

- (a) the San Francisco Project;
- (b) the Mercedes Project; and
- (c) the Margarita Project (each as defined and discussed further below).

A. Employees

14. Magna currently employs five (5) people (collectively, the "**Employees**"). The Employees and their titles are set out in the chart below:

Employee Name	Title
Colin Sutherland	Chief Financial Officer

¹ The principal projects each have technical reports that are NI 43-101 compliant.

Leslie Kapusianyuk	General Counsel and Corporate Secretary
Amandip Singh	Vice President of Corporate Development
Gregory Barbier	Vice President of Finance
Mark Owen	Controller

15. The aggregate bi-monthly payroll for Magna is approximately \$39,000 and is administered through Ceridian. As of March 16, 2023, Magna has an accrued vacation pay liability of approximately \$109,000.

16. While Magna has a relatively small number of employees, the Magna Group has approximately 124 full-time employees. Magna also relies on a variety of consultants and contractors to carry out a number of its activities and, in particular, to carry out project development activities and to supervise work programs on its mineral properties.

B. Owned and Leased Real Property

17. Magna does not own or lease any real property.

18. Magna's Registered Head Office is located at the offices of DSA Corporate Services Inc. who acts as its corporate secretary provider and also stores its books and records. Magna is also party to a Virtual Office Agreement with RGN Management Limited Partnership, a Regus workshare entity, whereby Magna has, subject to certain terms and conditions, access to office space at 666 Burrard Street – Suite 500, Vancouver, British Columbia, V6C 3P6.

C. Cash Management, Credit Cards and Funding

19. Magna maintains two (2) bank accounts – one (1) Canadian dollar account and one (1) United States dollar account, each with Royal Bank of Canada. Magna does not have any corporate credit cards.

20. Magna's cash management system is managed out of Canada. While the Magna Group generates some operating cash flow from mining activities, the Magna Group was highly dependent on its ability to raise money through the capital markets. The funds raised were typically loaned to the Subsidiaries to fund operations. Monies were then transferred up from Molimentales to Magna as and when needed as repayment of intercompany loans.

21. On February 24, 2023, in advance of the Proposal Proceedings, Magna entered into a Funding Agreement with Molimentales (the "**Funding Agreement**"). Pursuant to the terms of the Funding Agreement, Molimentales agreed to fund all reasonable operating costs of Magna including, without limitation, the Canadian Insolvency Fees and Expenses (as defined in the Funding Agreement) and all employee and consultant related expenses,² as consideration for the continuation of the Services (as defined in the Funding Agreement). Accordingly, Magna expects to be funded during this proceeding by Molimentales.

III. MAGNA'S BUSINESS INTERESTS

22. As previously noted, substantially all of the Magna Group's assets are located outside of Canada with its principal projects being: (i) the San Francisco Project; (ii) the Mercedes Project; and (iii) the Margarita Project. The San Francisco Project is a producing property, while the

² These expenses include, without limitation, wages, vacation pay and benefits.

Mercedes Project and the Margarita Project are in the exploration and development stage. In addition to the foregoing projects, Magna has certain additional mineral projects that are, for the most part, in the exploration phase and subject to option agreements.

A. The San Francisco Project

23. On May 6, 2020, Magna closed the acquisition of Molimentales pursuant to a definitive share purchase agreement dated March 5, 2020, as amended April 24, 2020 between Timmins GoldCorp Mexico S.A. de C.V. and Magna. Molimentales owns a 100% interest in 13 mineral concessions along with the surrounding mineral concessions (the "**San Francisco Project**"). All of the concessions of the San Francisco Project are contiguous and each varies in size for a total property area of 33,667.72 hectares. All concessions of the San Francisco Project are subject to a bi-annual fee and the filing of reports in May of each year covering the work accomplished on the property between January and December of the preceding year.

24. The operation is comprised of two (2) previously mined open pits (San Francisco and La Chicharra) with heap leach processing facilities and associated infrastructure. The San Francisco Project is located in the north central portion of the Mexican state of Sonora, which borders on the American state of Arizona, and is approximately 150 kilometres north of the city of Hermosillo, the capital of Sonora.

B. The Mercedes Project

25. On June 6, 2019, Magna completed its qualifying transaction consisting of an option agreement dated September 25, 2018, pursuant to which Magna acquired an option to acquire a 100% undivided interest in two (2) mining claims (the "**Mercedes Project**") located in the

municipality of Yécora, Sonora, Mexico. The Mercedes Project consists of two (2) contiguous claims covering an aggregate area of approximately 345 hectares.

26. In consideration of the grant of the option agreement, Magna is agreed to: (i) pay to the optionor an aggregate of US\$1,340,000 plus VAT of 16%, paid in instalments up to forty-eight months, with the last instalment being US\$750,000; (ii) issue to the optionor a 3% NSR royalty, capped at US\$3,500,000 and subject to the right of Magna to acquire all 3% of the NSR at a price of US\$500,000 per percentage point, within the first three (3) years of commercial production of the Mercedes Project; and (iii) issue 2,442,105 common shares valued at US\$584,000. The common shares were issued on June 6, 2019.

27. As at March 16, 2023, Magna had paid US\$440,000 of the US\$1,340,000.

C. The Margarita Project

28. On November 17, 2020, Magna and Molimentales closed the acquisition of the option to acquire a 100% undivided interest in two (2) mineral concessions (the "**Margarita Project**") pursuant to a definitive option acquisition agreement with Sable Resources Ltd. ("**Sable**") and Exploraciones Sable, S. de R.L. de C.V., a wholly-owned subsidiary of Sable.

29. The Margarita Project covers 125.625 hectares and is located within the Municipality of Satevó, in Northern México, in the South-central part of the State of Chihuahua. The Margarita Project is located within the Sierra Madre Gold Belt 88 kilometres south of the state capital of Chihuahua in the Municipality of Satevo, State of Chihuahua, Mexico.

D. Additional Mineral Projects

30. On August 16, 2019, Magna completed the acquisition of the Las Marias project (the "**Las Marias Project**") and the Las Cabanas project (the "**Las Cabanas Project**"). The Las Marias Project consists of seven (7) mineral concessions covering 646 hectares adjacent to the Mercedes Project and the Las Cabanas Project consists of two (2) claims covering 248 hectares located approximately 10 kilometres southwest of the Mercedes Project.

31. On January 6, 2020, Magna entered into an exploration and option agreement (the "**San Judas Option Agreement**") pursuant to which Magna was granted an option (the "**San Judas Option**") to acquire a 100% undivided interest in two (2) mining claims (the "**San Judas Project**") for a five (5) year period. The San Judas Project consists of two (2) contiguous mining claims covering an aggregate area of approximately 2,806 hectares located in the municipality of Trincheras, Sonora, Mexico. In consideration of the grant of the San Judas Option, Magna is to: (i) pay to the optionors of the San Judas Project an aggregate of US\$1,680,000 plus VAT of 16%, paid in installments commencing on the effective date of the agreement and ending on the 60th month from the effective date; and (ii) grant to the optionors of the San Judas Project a 1.5% NSR royalty, which is capped at US\$1,500,000 and subject to the right of Magna to buy back the entire NSR royalty at a price of US\$500,000 per 0.5% at any time. As at March 16, 2023, Magna had made cash payments in the amount of US\$100,000 plus VAT under the San Judas Option Agreement.

32. On August 3, 2020, Magna entered into an option agreement (the "**Los Muertos Option Agreement**") pursuant to which Magna was granted an option to acquire a 100% undivided interest in the Los Muertos silver-gold project (the "**Los Muertos Project**") located in the

municipality of La Colorada, Sonora, Mexico. The Los Muertos Project is comprised of two (2) mineral concessions, covering 1,756 hectares. Under the terms of the Los Muertos Option Agreement, Magna can earn a 100% undivided interest in the Los Muertos Project by paying an aggregate amount of US\$425,000 plus VAT in five (5) annual installments commencing on August 3, 2020 and ending on August 3, 2024. As at March 16, 2023, Magna had made cash payments in the amount of US\$75,000 plus VAT under the Los Muertos Option Agreement.

33. On September 8, 2020, Magna entered into an exploration and option agreement (the "**La Fortuna Option Agreement**") pursuant to which Magna was granted an option to acquire a 100% undivided interest in three (3) mining claims (the "**La Fortuna Project**") for a four (4) year period. The La Fortuna Project consists of three (3) contiguous mining claims covering an aggregate area of approximately 196 hectares located approximately 150 kilometres east from the Sonora State capital, Hermosillo. Under the terms of the La Fortuna Option Agreement, Magna can earn a 100% undivided interest in the La Fortuna Project by paying an aggregate amount of US\$480,000 plus VAT in four (4) annual installments ending on September 8, 2024. As at March 16, 2023, Magna had made cash payments in the amount of US\$65,000 plus VAT under the La Fortuna Option Agreement.

IV. THE PROPOSAL PROCEEDINGS

34. Due to, among other things, the production of its operational projects, its cash position, forecast revenue, the COVID-19 pandemic and liquidity issues, the Magna Group has been unable to service its debt or meet certain of its other ordinary course obligations. As a result, and after careful consideration, on March 3, 2023, Magna filed the NOI and initiated the Proposal Proceedings. A copy of Magna's certification of filing the NOI is attached hereto as **Exhibit "C"**.

35. Concurrent with the NOI, Magna's indirect subsidiary Molimentales filed the Molimentales Application for restructuring and provisional creditor protection before the Mexican Court located in Mexico City, Mexico.

36. Magna's decision to file the NOI and initiate the Proposal Proceedings, as opposed to seeking relief under the CCAA from the outset, was driven in large part by timing requirements and interplay between Canadian and Mexican creditor relief laws and the need for immediate relief for Magna following the successful admission of the Molimentales Application in the Mexican Court. I understand from Vicente Bañuelos of Clyde & Co., Mexican counsel to Molimentales, that the Molimentales Proceedings are expected to last longer than six (6) months.

37. Since the commencement of the Proposal Proceedings, Magna, with the assistance of the Proposal Trustee, has been working diligently to, among other things, maintain the stability of its operating businesses, manage its relationships with key stakeholders, liaise with the TSXV, and comply with its obligations under the BIA. I understand that the Proposal Trustee will be filing the Report, which will further detail the activities of Magna and of the Proposal Trustee since the commencement of the Proposal Proceedings.

V. FINANCIAL POSITION OF THE APPLICANT

38. A copy of Magna's internally prepared unaudited balance sheet as at February 28, 2023 is attached hereto as **Exhibit "D"**.

A. Assets

39. As at February 28, 2023, Magna had total assets with a book value of approximately \$37.4 million. Magna's primary assets, as of February 28, 2023 comprised of the following:

Asset Type	Value
Current Assets: \$78,185	
Cash	\$12,201
VAT receivable	\$2,175
Prepaid expenses	\$63,809
Non-Current Assets: \$37,316,202	
Intercompany receivables	\$14,949,519
Investment in subsidiaries	\$22,366,683
Total	\$37,394,387

B. Liabilities

40. As at February 28, 2023, Magna had total liabilities of approximately \$11.8 million, consisting of the following:

Liability Type	Value
Current Liabilities: \$10,970,768	
Accounts payables	\$795,377
Accrued liabilities	\$494,723
Debentures	\$10,000,000
Debentures, transaction costs	\$(319,332)
Non-Current Liabilities: \$796,954	
Intercompany payables	\$796,954
Total	\$11,767,722

41. While the book value of Magna's assets exceeds the book value of its liabilities, the realizable value of the assets will only be known following the Molimentales Proceedings.

C. Secured Obligations

42. Attached hereto as **Exhibit "E"** are results from searches conducted against the Applicant under the *Personal Property Security Act*, R.S.O. 1990, c. P. 10, as amended on March 14, 2023 and under the *Personal Property Security Act* [RSBC 1996] Chapter 359 on March 17, 2023 (together, the "**March 2023 PPSA Results**"). Pursuant to the March 2023 PPSA Results, there are currently no registrations against the Applicant.

D. Convertible Debenture Financing with Delbrook Capital Advisors Inc.

43. On August 19, 2021, Magna closed an offering of convertible debentures (the "**Convertible Debentures**") for gross proceeds of \$10,000,000 (the "**Offering**") pursuant to two (2) Convertible Debenture Certificates (together, the "**Convertible Debenture Certificates**"). Pursuant to the Offering, Magna sold \$10,000,000 aggregate principal amount of the Convertible Debentures to funds managed by Delbrook Capital Advisors Inc. ("**Delbrook**"), a shareholder of Magna. Copies of the Convertible Debenture Certificates are attached hereto as **Exhibit "F"** and **Exhibit "G"**.

44. The Convertible Debentures are unsecured obligations that mature on August 19, 2023 (the "**Delbrook Maturity Date**"). The Convertible Debentures were to bear interest at a rate of 8.5% per annum until the security contemplated under the Convertible Debentures is delivered to the holders, at which time the Convertible Debentures would bear interest at a rate of 6.5% per annum – as of the date of this affidavit, the security has not been delivered to Delbrook.

45. The principal amount of the Convertible Debentures is convertible into common shares of Magna at the election of the holder at any time prior to the close of business on the last business day immediately preceding the Delbrook Maturity Date at a strike price of \$1.25, subject to adjustment in certain events. The interest on the Convertible Debentures is convertible, at the election of the holder, into Magna common shares.

46. Until the commencement of the Proposal Proceedings, Magna was making timely interest payments as required under the Convertible Debenture Certificates.

E. Other Unsecured Obligations and Claims

47. Along with the indebtedness described above, additional known unsecured creditors include:

- (a) *Third Party Suppliers* –Magna relies on a number of third party vendors and service provides, including professional advisors. Currently, Magna owes approximately \$855,000 in connection with same; and
- (b) *Employee Liabilities* – as discussed above, Magna's aggregate bi-monthly payroll is approximately \$39,000. In addition to its bi-monthly payroll obligations, Magna currently owes payroll arrears in the amount of approximately \$51,000 and, as of March 16, 2023, has an accrued vacation pay liability of approximately \$109,900.

VI. CONTINUATION OF THE PROPOSAL PROCEEDINGS UNDER THE CCAA

48. As previously noted, given Magna's urgent need for creditor protection to coordinate between Canadian and Mexican creditor relief laws, filing the NOI was determined to be the best

alternative in the circumstances. To permit the Applicant's business to continue operating as a going-concern and to protect whatever equity Magna may have which will only be known once the Molimentales Proceedings are advanced, the Applicant is now seeking the breathing space, flexibility and stability afforded by the CCAA. To this end, the Initial Order contemplates the continuation of the Proposal Proceedings under the CCAA pursuant to section 11.6 of the CCAA.

49. Pursuant to the BIA, under the Proposal Proceedings, Magna is required to make a proposal that is acceptable to its creditors within six (6) months of the filing of the NOI Filing Date. Given, among other things, the need to continue ordinary course operations, the expected duration of the Molimentales Proceedings (as is further discussed in paragraph 36 of this affidavit), and the uncertainty as to the value of Magna until those proceedings are advanced, it is expected that Magna will require more than six (6) months to develop its restructuring.

50. Absent a continuation of the Proposal Proceedings under the CCAA, a deemed bankruptcy would likely result which would be detrimental to Magna's creditors and other stakeholders.

51. With the benefit of the flexibility, stability and breathing space provided by the CCAA and the oversight and assistance of the Monitor, the Applicant intends to, among other things:

- (a) continue to operate its business in the ordinary course;
- (b) monitor and update the Court on the progress of the Molimentales Proceedings;
- (c) develop a go-forward business plan for the benefit of Magna's creditors and other stakeholders; and

- (d) evaluate the viability of presenting a plan of compromise or arrangement to the Applicant's creditors within the proposed CCAA proceedings.

52. I am advised that the Proposed Monitor supports the Applicant's application to continue the Proposal Proceedings under the CCAA.

VII. RELIEF SOUGHT

A. Stay of Proceedings

53. As set out above, Magna's liquidity constraints make it vulnerable to potential enforcement action from its creditors and it is currently unable to satisfy its obligations as they become due. Accordingly, the Applicant requires the Stay of Proceedings to maintain the *status quo* and thereby protect the value of its business. It would be detrimental to the Applicant's business if proceedings were commenced or continued or rights and remedies were executed against it. Absent the Stay of Proceedings, the Applicant will not be able to continue to operate its business.

54. The breathing room afforded by the Stay of Proceedings will permit the Applicant to continue to operate as a going-concern with minimal disruption to its ordinary course business operations. Additionally, the Applicant will be able to monitor the Molimentales Proceedings and explore various strategic alternatives with a view to maximizing stakeholder value.

55. In light of the foregoing, the Stay of Proceedings is in the best interests of the Applicant and its stakeholders. I understand that the Proposed Monitor believes that the Stay of Proceedings is appropriate in the circumstances.

B. Proposed Monitor

56. The proposed Initial Order contemplates that KSV will act as Monitor in the Applicant's proposed CCAA proceedings. I understand that KSV has consented to act as Monitor of the Applicant in the CCAA proceedings if the proposed Initial Order is granted. KSV is currently acting as Proposal Trustee in the Proposal Proceedings and, as such, is best suited and equipped to act as Monitor.

57. I understand that a copy of KSV's consent to act as Monitor will be attached to the Report to be filed separately with the Court.

C. Administration Charge

58. The proposed Initial Order provides for a Court-ordered priority charge over the Property in favour of the Monitor, as well the Monitor's and the Applicant's counsel, to secure payment of their respective fees and disbursements incurred in connection with services rendered in respect of the Applicant up to a maximum amount of \$300,000 (the "**Administration Charge**"). The Administration Charge is proposed to rank ahead of and have priority over the Directors' Charge.

59. The Applicant requires the expertise, knowledge and continued participation of the proposed beneficiaries of the Administration Charge during the pendency of the proposed CCAA proceedings in order to complete a successful restructuring. It is contemplated that each of the beneficiaries of the Administration Charge will:

- (a) have distinct roles in the Applicant's restructuring;
- (b) have extensive involvement throughout the proposed CCAA proceedings;

- (c) continue to contribute to the restructuring of Magna; and
- (d) ensure that there is no unnecessary duplication of roles among parties.

60. The quantum of the Administration Charge was determined by the Applicant, with the assistance of the Proposed Monitor. I believe that the Administration Charge is fair and reasonable in the circumstances. I understand that the Proposed Monitor is also of the view that the Administration Charge is fair and reasonable.

D. Directors' Charge

61. The success of the Applicant's restructuring will only be possible with the continued participation of the Directors and Officers. The Directors and Officers have specialized expertise and significant knowledge that cannot be easily replaced, making them essential to the viability of the Applicant's business and the preservation of its value.

62. I am advised by Sean Zweig of Bennett Jones LLP, counsel to the Applicant, and do verily believe that, in certain circumstances, directors and officers can be held liable for the obligations of a company, including obligations of a company owing to government entities, such as unremitted excise, sales, goods and services, and harmonized sales taxes. The Directors and Officers are beneficiaries under a liability insurance policy maintained by Magna, however, I understand that these types of policies have various exceptions, exclusions and carve-outs and that they may not provide sufficient coverage against the potential liability that the Directors and Officers could incur in connection with the proposed CCAA proceedings.

63. The Directors and Officers have expressed their desire for certainty with respect to their potential personal liability if they are to continue in their current capacities in the proposed CCAA

proceedings. Given the potential liabilities and the uncertainty surrounding available indemnities and insurance, the proposed Initial Order contemplates a priority charge over the Property in favour of the Directors and Officers up to a maximum amount of \$300,000 (the "**Directors' Charge**"). The Directors' Charge would serve as security for the indemnification obligations and potential liabilities the Directors and Officers will face in the CCAA proceedings.

64. The Applicant believes that the Directors' Charge is fair and reasonable in the circumstances. I understand that the Proposed Monitor is supportive of the Directors' Charge and its quantum.

E. Relief from Certain Securities Filing Requirements and in Respect of the AGM

65. As previously discussed in paragraph 11 of this affidavit, Magna is a reporting issuer with its common shares previously listed on the TSXV. Following the NOI, Magna's common shares were transferred to the NEX Board of the TSXV effective at the opening of market on March 8, 2023 and the trading symbol was changed from MGR to MGR.H. Magna also trades on the OTC Pink with the trading symbol MGLQF.

66. Given Magna's significant liquidity constraints, Magna has determined that directing further time and resources to securities reporting is not appropriate or practical at this time. Accordingly, Magna is seeking relief authorizing its decision to incur no further expenses in relation to any filings, disclosures, core or non-core documents, restatements, amendments to existing filings, press releases, financial reporting or any other actions that may be required by any federal, provincial or other law respecting securities or capital markets in Canada or the United States and other rules and policies of the TSXV, NEX Board or OTC Pink.

67. Additionally, the Applicant believes it would be a distraction and unnecessary expense for it to hold an AGM in the circumstances where it is subject to creditor protection. As a result, the Applicant is also seeking to be relieved of any obligation to call and hold an AGM until further Order of this Court.

68. I understand that the Proposed Monitor will post all Court materials, which will include Magna's cash flow projections and variance analyses, such that shareholders and other stakeholders will still have an uninterrupted access to, among other things, the Applicant's operational and financial information. This information will be made accessible at the following URL: <https://www.ksvadvisory.com/experience/case/magnagold>.

F. Cash Flow Forecast

69. With the assistance of the Proposed Monitor, the Applicant has conducted a cash flow analysis to determine the amount required to finance its ordinary course business operations, assuming the Initial Order is granted, over the 13-week period from March 13, 2023 to June 2, 2023 (the "**Cash Flow Forecast**"). I understand that the Cash Flow Forecast will be attached to the Report.

70. The Cash Flow Forecast demonstrates that if the relief sought under the proposed Initial Order is granted, the Applicant is expected to have sufficient liquidity to meet its ordinary course obligations over the initial period of these proposed CCAA proceedings without the need for debtor-in-possession financing.

71. If the Court is inclined to grant the proposed Initial Order, the Cash Flow Forecast also demonstrates that the Applicant is expected to have sufficient liquidity to meet its ordinary course


obligations without the need for debtor-in-possession financing through the proposed Stay Extension. As previously noted, the relief in connection with the Stay Extension will be sought at the Comeback Hearing.

VIII. CONCLUSION

72. In light of the Applicant's financial circumstances and the ongoing Molimentales Proceedings, I believe that the relief sought pursuant to the Initial Order is reasonable and appropriate in the circumstances. The proposed CCAA proceedings are the only viable means of restructuring the Applicant's business for the benefit of their stakeholders and the relief sought in the Initial Order is limited to what is reasonably necessary to stabilize the Applicant's business.

73. I swear this affidavit in support of the Initial Order and for no other or improper purpose.

SWORN BEFORE ME over)
videoconference on this 20th day of March,)
2023. The affiant was located in the City of)
Scottsdale, in the State of Arizona and the)
Commissioner was located in the City of)
Toronto, in the Province of Ontario. This)
affidavit was commissioned remotely as a)
result of COVID-19 and the declaration was)
administered in accordance with Ontario)
Regulation 431/20.)



AIDEN NELMS

A Commissioner for Oaths in and for the Province of Ontario

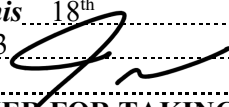

LESLIE KAPUSIANYK

This is Exhibit "B" *referred to in the*

affidavit of Leslie Kapusianyuk --

sworn before me, this 18th

day of May, 2023

A handwritten signature in black ink, appearing to be "J. N.", is written over the signature line of the affidavit text.

.....
A COMMISSIONER FOR TAKING AFFIDAVITS



Court File No.:CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) MONDAY, THE 27th
JUSTICE MCEWEN) DAY OF MARCH, 2023
)

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.**

Applicant

INITIAL ORDER

THIS APPLICATION, made by Magna Gold Corp. ("**Magna**" or the "**Applicant**") for an initial order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day via video conference.

ON READING the affidavit of Leslie Kapusianyk sworn March 20, 2023 and the exhibits thereto (the "**Kapusianyk Affidavit**"), the First Report of the Proposal Trustee and the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") in its capacity as the proposed Monitor of the Applicant (the "**Report**"), filed, and the appendices thereto, and the consent of KSV to act as the monitor of the Applicant (in such capacity, the "**Monitor**"), and on being advised that there are no secured creditors who are likely to be affected by the charges created herein, and on hearing the submissions of counsel for the Applicant and the Monitor, no one else appearing although duly served as appears from the affidavit of service of Aiden Nelms sworn March 20, 2023;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application, the Application Record and the Report is hereby abridged, to the extent necessary, and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

CONTINUANCE UNDER THE CCAA

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.
3. **THIS COURT ORDERS AND DECLARES** that the proposal proceedings (the "**Proposal Proceedings**") of Magna bearing Estate/Court File No.: 31-2917856 commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended (the "**BIA**"), are hereby taken up and continued under the CCAA and that, as of the date hereof, the provisions of Part III of the BIA shall have no further application to Magna, save that any and all steps, agreements and procedures validly taken, done or entered into by Magna during the Proposal Proceedings shall remain valid and binding, notwithstanding the commencement of the CCAA proceedings.
4. **THIS COURT ORDERS** that, for clarity, Magna shall not be deemed to have made an assignment based on its failure to file a proposal with the official receiver notwithstanding s. 50.4(8) of the BIA.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or

employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize its existing cash management system currently in place as described in the Kapusianyuk Affidavit or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

8. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses and satisfy the following obligations, whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, commissions, compensation, employee benefits, pension contributions, vacation pay and expenses (including, without limitation, payroll and benefits processing and servicing expenses) payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out

the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order; and
- (c) any payment referred to in paragraphs 9(a) or 9(b) of this Order that: (i) was incurred during the Proposal Proceedings or that pertains to such a period; or (ii) pertains to the period prior to the commencement of the Proposal Proceedings if, in the opinion of the Applicant and with the consent of the Monitor, the supplier of the applicable good or service is critical to the Business and the ongoing operations of the Applicant.

10. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date that the Proposal Proceedings commenced, or where such Sales Taxes were accrued or collected prior to such date but not required to be remitted until on or after such date; and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or pursuant to this Order, or any other Order of this Court.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$250,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing or restructuring of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including April 6, 2023, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

15. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant (in each case whether written or oral), except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

16. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or

services, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefits services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

17. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before or arises after the date the Proposal Proceedings commenced and that relates to any obligation of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

19. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

20. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the indemnity provided in paragraph 19 of this Order. The Directors' Charge shall have the priority set out in paragraphs 35 and 37 herein.

21. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 19 of this Order.

APPOINTMENT OF MONITOR

22. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the its cash flow statements;
- (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

24. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

27. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges and whether incurred prior to, on or after the date hereof, by the Applicant as part of

the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant in accordance with the payment terms agreed to with such professionals.

29. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings and the Proposal Proceedings. The Administration Charge shall have the priority set out in paragraphs 35 and 37 hereof.

DISCHARGE OF KSV AS PROPOSAL TRUSTEE AND APPROVAL OF REPORT

31. **THIS COURT ORDERS** that the Proposal Trustee shall be discharged as proposal trustee of Magna, provided however that KSV shall continue to have the benefit of all protections and stays of proceedings in favour of KSV, in its capacity as proposal trustee of Magna.

32. **THIS COURT ORDERS AND DECLARES** that KSV is hereby released and discharged from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting in its capacity as Proposal Trustee for Magna. Without limiting the generality of the foregoing, KSV is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the Proposal Proceedings for Magna.

33. **THIS COURT ORDERS** that the Report and the activities of KSV, as described in the Report, be and are hereby approved; provided, however that only KSV, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

34. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee and its counsel, as set out in the Report, be and are hereby approved.

VALIDITY AND PRIORITY OF THE CHARGES CREATED BY THIS ORDER

35. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**"), shall be as follows:

First – Administration Charge up to the maximum amount of \$300,000.00; and

Second – Directors' Charge up to the maximum amount of \$300,000.00.

36. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

37. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

38. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtain the prior written consent of the Monitor and the beneficiaries of the applicable Charges (collectively, the "**Chargees**"), or further Order of this Court.

39. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any

negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which the Applicant is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SECURITIES MATTERS

40. **THIS COURT ORDERS** that the decision by Magna to incur no further expenses in relation to any filings, disclosures, core or non-core documents, restatements, amendments to existing filings, press releases or any other actions (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada or the United States, or by the rules and regulations of a stock exchange, including without limitation, the *Securities Act* (Ontario) and comparable statutes enacted by other provinces of Canada, the *Securities Act of 1933* (United States) and the *Securities Exchange Act of 1934* (United States) and comparable statutes enacted by individual states of the United States, the TSXV Exchange Corporate Finance Manual and other rules, regulations and policies of the TSX Venture Exchange, the NEX Board or OTC Pink (collectively, the "**Securities Provisions**"), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of Magna failing to make any Securities Filings required by the Securities Provisions.

41. **THIS COURT ORDERS** that none of the directors, officers, employees and other representatives of the Applicant, the Monitor and its directors, officers, employees and representatives, shall have any personal liability for any failure by Magna to make any Securities Filings required by the Securities Provisions.

42. **THIS COURT ORDERS** that Magna be and is hereby relieved of any obligation to call and hold an annual meeting of its shareholders until further Order of this Court.

SERVICE AND NOTICE

43. **THIS COURT ORDERS** that the Monitor's obligations under Section 23(1)(a) of the CCAA and the regulations made thereunder are hereby dispensed with.

44. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/Toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that the Case Website established in connection with the Proposal Proceedings and referenced at the URL which follows shall constitute the Case Website for these CCAA proceedings in accordance with the Protocol: <https://www.ksvadvisory.com/experience/case/magnagold> (the "**Website**").

45. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these CCAA proceedings (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Website, provided that the Monitor shall have no liability in respect of the accuracy of, or the timeliness or making any changes to, the Service List.

46. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile or other electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof; (b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered; and (c) if sent by ordinary mail, on the third business day after mailing.

47. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

48. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or for advice and directions concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Mexico or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and

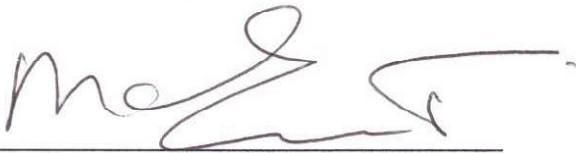
their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other Person(s) likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided, however, that the Chargees shall be entitled to rely on this Order as issued and entered and on the Charges with respect to any fees and disbursements incurred until the date this Order may be amended, varied or stayed.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order.

54. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.



A handwritten signature in dark ink, appearing to be 'M. J. ...', is written above a horizontal line.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

INITIAL ORDER

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4
Sean Zweig (LSO# 573071)
Aiden Nelms (LSO# 74170S)

Tel: 416-777-6254
Fax: 416-863-1716

Lawyers for the Applicant

This is Exhibit "C" *referred to in the*

affidavit of Leslie Kapusianyuk --

sworn before me, this 18th

day of May, 2023

.....

.....
A COMMISSIONER FOR TAKING AFFIDAVITS

Magna Gold Obtains Initial Order under Companies' Creditors Arrangement Act (Canada)



NEWS PROVIDED BY
Magna Gold Corp. →
Mar 27, 2023, 17:32 ET

TORONTO, March 27, 2023 /CNW/ - Magna Gold Corp. (NEX: MGR.H) (OTCPINK: MGLQF) ("**Magna Gold**", and together with its direct and indirect subsidiaries, "**Magna**" or the "**Company**") announces that it was granted an initial order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on application by Magna Gold seeking court protection from its creditors to allow it to restructure its business and property as a going concern. The Initial Order, among other things, (i) provides for a stay of all proceedings in favour of Magna Gold, staying creditors from enforcing their claims until April 4, 2023 (which date can be extended by further Order of the Court); (ii) continues, under the CCAA, the proceedings under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), commenced by Magna Gold pursuant to a Notice of Intention to Make a Proposal (the "**NOI**") filed on March 3, 2023; (iii) authorizes the decision by Magna Gold to incur no further expenses in relation to any filings and disclosures that may be required by any federal, provincial or other laws respecting securities or capital markets in Canada or the United States; and (iv) relieves Magna Gold of any obligation to call and hold its annual general meeting of shareholders until further Order of the Court.

Pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor in the CCAA proceedings and will assist Magna Gold with, among other things, (i) continuing to operate its business in the ordinary course, (ii) monitoring and updating the Court on the progress of the proceedings relating to the application for restructuring and provisional creditor protection by Molimentales del Noroeste, S.A. de C.V ("**Molimentales**"), Magna Gold's indirect subsidiary, before the Second District Court for Insolvency Matters located in Mexico City, Mexico, (iii) developing a forward-looking business plan for the benefit of Magna Gold's creditors and other stakeholders, and (iv) evaluating the viability of presenting a plan of compromise or arrangement to Magna Gold's creditors within the proposed CCAA proceedings, all under the supervision of the Court. Importantly, management of Magna Gold remains responsible for the day-to-day operations.

As a result of the foregoing, the TSX Venture Exchange (the "**TSXV**") has advised Magna Gold that the trading of Magna Gold's common shares (the "**Common Shares**") on the NEX Board of the TSXV has been suspended. Effective March 8, 2023, the Common Shares were transferred to the NEX in connection with Magna Gold filing the NOI under the BIA as described in Magna Gold's news release dated March 3, 2023.

About Magna Gold Corp.

Magna is a Mexico focused gold and silver production company engaged in acquiring, exploring, developing and operating quality precious metals properties in Mexico. It is committed to advancing its 100% owned flagship San Francisco Mine, its Margarita Silver Project and other highly prospective mineral properties located in Sonora and in Chihuahua. The primary strength of the Company is the team of highly experienced mining professionals with a proven track record of developing properties in Mexico from discovery to production. Magna employs community members and services in its operations.

ON BEHALF OF THE BOARD OF DIRECTORS

Arturo Bonillas

President and CEO

For further information, please visit the Company's SEDAR profile at www.sedar.com or the Company's corporate website at www.magnagoldcorp.com or contact us at telephone +52 (662) 310 0326, email info@magnagoldcorp.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements

This news release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will" or "plans". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the intention to restructure the affairs of Magna Gold and Molimentales, the Company's objectives, goals or future plans, exploration results, shareholder value expectations, exploration and mine development plans (including mine plan optimization and value creating initiatives involving non-core assets), production (including gold production expectations and guidance), processing and mining expectations (including statements regarding reduction and resumption of mining operations), cost and cash flow expectations, and payables reduction. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, the inability of Magna Gold and/or Molimentales to restructure their affairs, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or ☞

other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital, operating and reclamation costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, risks related to the effects of COVID-19 on the Company; and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

SOURCE Magna Gold Corp.

This is Exhibit "D" *referred to in the*

affidavit of Leslie Kapusianyuk --

sworn before me, this 18th

day of May, 2023

.....
A COMMISSIONER FOR TAKING AFFIDAVITS



Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE MCEWEN)
)
)

TUESDAY, THE 4th
DAY OF APRIL, 2023

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.**

Applicant

STAY EXTENSION ORDER

THIS APPLICATION, made by Magna Gold Corp. ("**Magna**" or the "**Applicant**") for an order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day via video conference.

ON READING the affidavit of Leslie Kapusianyk sworn March 30, 2023 and the exhibits thereto, the First Report of the Proposal Trustee and the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") in its capacity as the proposed Monitor of the Applicant dated March 21, 2023, and the appendices thereto, and on hearing the submissions of counsel for the Applicant and KSV in its capacity as monitor (in such capacity, the "**Monitor**"), no one else appearing although duly served as appears from the affidavits of service of Aiden Nelms sworn and filed;

EXTENSION OF THE STAY PERIOD

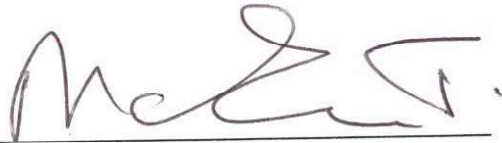
1. **THIS COURT ORDERS** that the Stay Period (as defined in the Initial Order dated March 27, 2023) be and is hereby extended until and including June 2, 2023.

GENERAL

2. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Mexico or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

3. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

4. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order.



A handwritten signature in black ink, appearing to be 'M. J. S.', is written above a horizontal line.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

STAY EXTENSION ORDER

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M5X 1A4

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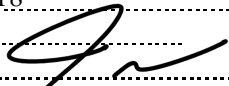
Lawyers for the Applicant

This is Exhibit "E" *referred to in the*

affidavit of Leslie Kapusianyuk --

sworn before me, this 18th

day of May, 2023

A handwritten signature in black ink, appearing to be the name of the commissioner, written over the signature line.

.....
A COMMISSIONER FOR TAKING AFFIDAVITS



d) Los títulos valores para los cuales se registren regularmente operaciones de compra y venta en los mercados relevantes, que pudieran ser vendidos en un plazo máximo de treinta días hábiles bancarios, cuya valuación a la fecha de la presentación de la demanda o solicitud sea conocida. El dictamen del visitador y las opiniones de expertos que en su caso ofrezcan las partes, deberán referirse expresamente a los supuestos establecidos en las fracciones anteriores.

El dictamen del visitador y las opiniones de expertos que en su caso ofrezcan las partes, deberán referirse expresamente a los supuestos establecidos en las fracciones anteriores.”

En el caso concreto, la comerciante **Molimentales del Noroeste, Sociedad Anónima de Capital Variable**, por conducto de su administrador único y apoderado general para pleitos y cobranzas **Juan Carlos Montagner Gálvez**, sostiene que incumplió generalizadamente en el pago de sus obligaciones aduciendo esencialmente lo siguiente:

Que la comerciante **Molimentales del Noreste, Sociedad Anónima de Capital Variable**, se constituyó el **veintiuno de agosto de dos mil seis**, modalidad que se encuentra reconocida en la fracción IV del artículo 1° de la Ley General de Sociedades Mercantiles.

Que desde su constitución la comerciante operó exitosamente en México, generando cientos de empleos, contribuyendo al desarrollo económico del país.

Con la irrupción de la pandemia ocasionada por el SARS-CoV-2 (COVID-19) el sector minero fue de los más afectados, lo cual se reflejó en el estado crítico de la industria derivando en el incumplimiento de contratos y la falta de pagos.

Que la exploración y exportación de la veta de las concesiones mineras ha sido infructuosa, y que para



114	ALS INDTECH, S.A. DE C.V. LUIS ORCI 541 Colonia CHOYAL HERMOSILLO SONORA C. P. 83191 MÉXICO
115	COVORO MINING SOLUTIONS MEXICANA, S. DE R.L. DE C.V. BLVD. MIGUEL DE CERVANTES SAAVEDRA 251 Colonia GRANADA MIGUEL HIDALGO CIUDAD DE MÉXICO C. P. 06002 MÉXICO
116	AGEOMMINING, S.A. DE C.V. CALLE SONORA 85 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
117	BENTLEY SYSTEMS DE MEXICO, S.A. DE C.V. AV. INSURGENTES SUR 1106 Colonia NOCHEBUENA BENITO JUAREZ CIUDAD DE MÉXICO C. P. 06002 MÉXICO
118	DRONEDEPLOY, INC. MARKET ST 548 34583 SAN FRANCISCO CALIFORNIA ESTADOS UNIDOS
119	BUREAU VERITAS COMMODITIES AND TRADE ,INC DALLAS TEXAS 847921 ESTADOS UNIDOS
120	AMERIMEX TECNOLOGIAS, S.A. DE C.V. AV. SIGLO XXI 432 Colonia EJIDO LO DE JUAREZ IRAPUATO GUANAJUATO C. P. 36501 MÉXICO
121	CIRCULO LLANTERO S.A DE C.V VERACRUZ SN Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
122	COPIADORAS Y SERVICIOS DE SONORA S.A. DE C.V. BLVD. LUIS DONALDO COLOSIO 286 Colonia LOS PRADOS DEL CENTENARIO HERMOSILLO SONORA C. P. 83191 MÉXICO
123	GRUAS Y DESARROLLOS TECNICOS S.A DE C.V 17 DE JULIO L35 M31 Colonia NUEVO CANANEA CANANEA SONORA C. P. 84621 MÉXICO
124	HIDROGAS DE AGUA PRIETA S.A. CARRETERA INTERNACIONAL KM 164.5 Colonia KENNEDY SANTA ANA SONORA C. P. 84604 MÉXICO
125	INFRA, S.A DE C.V. CARRETERA A BAHIA DE KINO KM 8.5 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MÉXICO
126	INGENIERIA, DIBUJO Y GEOLOGIA, S.A. DE C. V. AGUASCALIENTES 67 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
127	LATINOX S.A DE C.V MICHOACAN 231 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
128	MANTENIMIENTO ELECTROMECHANICO INSTRIAL DEL PACIFICO SA DE MICHOACAN 370 Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO
129	SERVI-EQUIPOS DE SOLDADURA S.A. DE C.V. PERIFERICO NORTE 563 Colonia CHOYAL HERMOSILLO SONORA C. P. 83191 MÉXICO
130	TELEFONOS DE MEXICO SAB DE C.V FERROCARRIL S/N Colonia CENTRO SANTA ANA SONORA C. P. 84604 MÉXICO
131	TORNILLOS Y MANGUERAS DE SONORA S.A DE C. V. PERIFERICO NTE ENTRE OLIVARES Y MANUEL I. LOAIZA 458 Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO
132	YADIRA SOTO SUAREZ CARRETERA INTERNACIONAL 900 Colonia CARRETERA SANTA ANA SONORA C. P. 84162 MÉXICO

152	OCOTILLO DESARROLLOS INDUSTRIALES Y EXTRACTIVOS S.A. DE C.V. BLVD. NAVARRETE 112 Colonia VALLE VERDE HERMOSILLO SONORA C. P. 83191 MÉXICO
153	COMPANIA HOTELERA LUCERNA, S.A. DE C. V. BLVD. PASEO RIO SONORA NORTE 98 Colonia PROYECTO RIO SONORA HERMOSILLO SONORA C. P. 83191 MEXICO
154	ASOCIACION DE MINEROS DE SONORA, A.C. CALLE 20 DE NOVIEMBRE 103 Colonia 5 DE MAYO HERMOSILLO SONORA C. P. 83191 MEXICO
155	AXA SEGUROS, S.A. DE C. V. PERIFERICO SUR 3325 PISO 11 Colonia COL. SAN JERONIMO ACULCO 10400 CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001
156	ELIAS GOMEZ RETES AV. OTHON ALMADA 333 Colonia COL. BALDERRAMA HERMOSILLO SONORA C. P. 83191 MÉXICO
157	INMOBILIARIA CANORAS, S.A. DE C.V. PERIFERICO PONIENTE Y AVE. NOROESTE Colonia COL. LAS PALMAS HERMOSILLO SONORA C. P. 83191 MÉXICO
158	INSETEC, S.A. DE C. V. SAN MIGUEL DE HORCASITAS 2 Colonia RESIDENCIAL DE ANZA HERMOSILLO SONORA C P. 83191 MÉXICO
159	OSCAR OMAR SANCHEZ VALDEZ PASEO DE LA CAPILLA 27 Colonia HERMOSILLO SONORA C. P. MÉXICO
160	RADIOMOVIL DIPSA, S.A. DE C.V. BLVD. ROSALES 86 Colonia COL. CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
161	VSH VIGILANCIA Y PROTECCION, S.A. DE C. V. BOULEVARD MORELOS LOCAL 19 Colonia EL DORADO HERMOSILLO SONORA C. P. 83191 MÉXICO
162	DESARROLLO COMERCIAL DEL NOROESTE,S.A. DE C.V. BLVD. LUIS ENCINAS 476 Colonia LOS NARANJOS HERMOSILLO SONORA C. P. 83191 MÉXICO
163	CASA MYERS, S.A. DE C.V. CALLE GAMMA 11376 Colonia COMPLEJO INDUSTRIAL CHIAHUAHUA CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
164	RECONSTRUCCIONES ELECTRICAS DE MONTERREY,S.A. DE C.V. AVE. PEQUEÑA PROPIEDAD 1530 Colonia ASCENCION CHIHUAHUA C. P. 31820 MÉXICO
165	TELEFONIA POR CABLE,S.A. DE C.V AVENIDA LAZARO CARDENAS Colonia GUADALAJARA JALISCO C. P. MÉXICO
166	COMISION NACIONAL DEL AGUA PASEO CULTURA, CENTRO DE GOBIERNO, EDIFICIO MEXICO Colonia VILLA DE SERIS HERMOSILLO SONORA C. P. 83191 MÉXICO
167	CAMARA NACIONAL DE LA INDUSTRIA DE TRANSFORMACION BLVD. LUIS ENCINAS 460 Colonia LOS NARANJOS HERMOSILLO SONORA C. P. 83191 MEXICO
168	EDGARDO CHAVARIN GUTIERREZ DOCTOR FRANCISCO LANS PERÉZ 514 Colonia MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
169	TOCO TOPOGRAFIA,S. DE R.L. DE C.V. MORENO Y MARTIRES DE 1906 1906 Colonia LOS ARCOS SANTA ANA SONORA C. P. 84604 MÉXICO
170	MS CENTRAL DE DISTRIBUCIONES,S.A. DE C.V. BLVD, GARCIA MORALES 883 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MÉXICO



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FORMA B-2

209	GUILLERMO FLORENZANI VALDERRAMA GUADALUPE J. BUNGAMBILIAS Colonia JARDENES DE CHAPALITA ZAPOPAN JALISCO C.P. 45011 MÉXICO
210	CRISTABEL MEZA PESQUEIRA ABASOLO Colonia BELLA VISTA SANTA ANA SONORA C. P. 84604 MÉXICO
211	GERARDO GONZALEZ MEZA HOFFMAN FILADELFIA 22 Colonia NAPOLES CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
212	RAMON ENRIQUE HOLGUIN CHAVEZ TAJITOS 95 Colonia SAN LUIS HERMOSILLO SONORA C. P. 83191 MÉXICO
213	AMERICAN ROLLER, S.A. DE C.V. QUETZAL 25 Colonia GRANJAS LOMAS DE GUADALUPE CUAUTILÁN IZCALLI MÉXICO C.P. 54701 MÉXICO
214	GEOSINTETICOS ORIGO, S.A. DE C.V. CALLEJON 1RO DE ENERO 5 Colonia SANTA MARIA TONANITLA TONANITLA MÉXICO C. P. 55762 MÉXICO
215	ALFONSO R. BOURS, S.A. DE C.V. BLVD. ENRIQUE MAZON LOPEZ 428 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MEXICO
216	CFE SUMINISTRADOR DE SERVICIOS BASICOS AV. PASEO DE LA REFORMA 164 Colonia JUÁREZ CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
217	BAO INGENIERIA Y SERVICIOS, S.A. DE C.V. CARRETERA BAHIA KINO KM 14 1443 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MEXICO
218	SISA&AUT, S.A. DE C.V. CARRETERA A LA COLORADA KM 3 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
219	ADRIAN ALEJANDRO BALLESTEROS NORIEGA ARROYO CUCHUJAQUI 61 Colonia RIO GRANDE HERMOSILLO SONORA C P. 83191 MÉXICO
220	SALUD INDUSTRIAL Y EMPRESARIAL MEXICANA, S.A. DE C. V. BLVD, MUSARO 75 B Colonia TERRANOVA HERMOSILLO SONORA C. P. 83191 MÉXICO
221	ISRAEL MEDELLIN DUARTE COBACHI 287 Colonia HEBERTO CASTILLO HERMOSILLO SONORA C. P. 83191 MÉXICO
222	ANGELICA ALFARO GONZALEZ AVENIDA PUEBLO DE ALAMOS 132 Colonia INSURGENTES HERMOSILLO SONORA C. P. 83191 MÉXICO
223	OPERADORA DIQUI, S.A.P.I DE C.V. BOULEVARD JESUS GARCIA MORALES 567 Colonia EL LLANO HERMOSILLO SONORA C. P. 83191 MEXICO
224	TOTAL PLAY TELECOMUNICACIONES, S.A.P.I DE C.V. PERIFERICO SUR 4119 TORRE A PISO 7 Colonia TLALPAN CIUDAD DE MÉXICO C. P. MEXICO
225	CORPORATIVO ENERVISION, S.A.P.I. DE C. V. BLVD, RODRIGUEZ 43 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
226	ARIEL FLORES MEXIA JUAN JOSE AGUIRRE 333 A Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MEXICO
227	CLAUDIO PEREZ GRIJALVA AV. LOPEZ ALVAREZ 60 Colonia LUIS DONALDO COLOSIO HERMOSILLO SONORA C. P. 83191 MÉXICO

ADRIANA OTERO TERRAZAS
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247	TECNICAIA, S.A. DE C.V. ALBERTO GUTIERREZ 207 Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MEXICO
248	GRUPO MINERO PLASTIEMPAQ, S.A. DE C.V. NAYARIT 206 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
249	DIAZLAB LABORATORIOS CLINICOS, S.A. DE C.V. ZACATECAS 73 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
250	CAMIONES Y TRACTOCAMIONES DE SONORA, S.A. DE C.V. MANUEL J. CLOUTHIER 174 Colonia ADOLFO DE LA HUERTA HERMOSILLO SONORA C. P. 83191 MÉXICO
251	FRANCISCO JAVIER MADRID REA CALLE ARBOL DE OLMEDILLA 14 Colonia URBI ALAMEDA LOS FRESNOS RESIDENCIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
252	YONKE SAN MARCOS, S.A. DE C.V. SAN ANTONIO 12628 Colonia LAS ANIMAS CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
253	RS&COM INSTALACIONES Y SUMINISTROS, S.A. DE C.V. SEXTA 4 PRIMERA CERRADA Colonia HERMOSILLO SONORA C. P. 83191 MÉXICO
254	MATATIAS, S.A.P.I DE C.V. GRAL. JOSE MARIA YAÑEZ 79 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
255	INDUSTRIAS MONTILLA, S.A. DE C.V. AV. SILVESTRE TERRAZAS 10801 Colonia HIDALGO CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
256	CONSTRUCCIONES MAREVA DEL OCCIDENTE, S.A. DE C. V AV. LOPEZ MATEOS SUR 5060 INT 2A Colonia MIGUEL DE LA MADRID HURTADO ZAPOPAN JALISCO C. P. 45011 MÉXICO
257	REPRESENTACIONES Y EQUIPAMIENTOS DE SONORA, S.A. DE C.V. AV. DE LAS MANZAS 5 LOTE 7 Colonia PERISUR HERMOSILLO SONORA C. P. 83191 MÉXICO
258	CAMARA DE COMERCIO SERVICIOS Y TURISMO DE HERMOSILLO GASTON MADRID 31 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
259	KORN FERRY MEXICO, S.C. CALLE PRADO SUR 274 Colonia LOMAS DE CHAPULTEPEC CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
260	ROMAIN INDUSTRIAL S.A. DE C.V. PEDRO DE GANTE Colonia SAN JUAN HERMOSILLO SONORA C. P. 83191 MÉXICO
261	PROPAMIN, S.A. DE C.V. AV. FRANCISCO PIZARRO 896 Colonia CAMINO REAL HERMOSILLO SONORA C. P. 83191 MÉXICO
262	SOLUCIONES Y DESARROLLOS MONTECH, S.A.S. DE C.V. GARMENDIA 202 B Colonia CENTRO NORTE HERMOSILLO SONORA C. P. 83191 MÉXICO
263	VICTOR MANUEL LOPEZ ROBLES OTHON ALMADA 119 Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MEXICO
264	ROMAN DURAZO MORENO CALLE PALO ALTO 55 Colonia FCO. EUSEBIO KINO ISSSTESON HERMOSILLO SONORA C.P. 83191 MEXICO
265	GU DISTRIBUIDOR Y FABRICANTE TEXTIL, S.A. DE C.V. 265 CALLE HERIBERTO AJA 59 Colonia HERMOSILLO CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO





PODER JUDICIAL DE LA FEDERACIÓN

EVIDENCIA CRIPTOGRÁFICA - TRANSACCIÓN

Archivo Firmado:

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Autoridad Certificadora:

Autoridad Certificadora Intermedia del Consejo de la Judicatura Federal

Firmante(s): 2

FIRMANTE				
Nombre:	ADRIANA QUERO TERRAZAS	Validez:	BIEN	Vigente
FIRMA				
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Emisor del respondedor:	Autoridad Certificadora Intermedia del Consejo de la Judicatura Federal			
Número de serie:	70.6a.66.20.63.6a.66.03			
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Emisor del certificado TSP:	Autoridad Certificadora Intermedia del Consejo de la Judicatura Federal			
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PODER JUDICIAL DE LA FEDERACIÓN

FIRMANTE				
Nombre:	Saúl Martínez Lira	Validez:	BIEN	Vigente
FIRMA				
No. serie:	70.6a.66.20.63.6a.66.00.00.00.00.00.00.00.00.01.a0.28	Revocación:	Bien	No revocado
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Emisor del respondedor:	Autoridad Certificadora Intermedia del Consejo de la Judicatura Federal			
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Emisor del certificado TSP:	Autoridad Certificadora Intermedia del Consejo de la Judicatura Federal			
Identificador de la respuesta TSP:	69414705			
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Mexico City, May 3rd, 2023.

SEEN, in order to resolve the proceedings of the commercial bankruptcy trial **8/2023-III**, filed by the merchant **Molimentales del Noroeste, Sociedad Anónima de Capital Variable**, represented by its sole administrator and general attorney for lawsuits and collections, **Juan Carlos Montagner Gálvez**; to determine the admissibility or inadmissibility of the request for declaration of commercial bankruptcy during the conciliation stage; and,

SOLVING:

FIRST. Filing of bankruptcy request. By a document filed on **February 24th, 2023**, before the Common Correspondence Office of the District Courts in Subject of Commercial Bankruptcies, located in Mexico City and having jurisdiction throughout all the Mexican Republic, and which was assigned to this judicial court, **Juan Carlos Montagner Gálvez**, as the sole administrator and general attorney for lawsuits and collections of **Molimentales del Noroeste, Sociedad Anónima de Capital Variable**, requested the declaration of commercial bankruptcy of his represented company, during the **Conciliation** stage.

SECOND. Admission. By an order dated **March 2nd, 2023**, the commercial bankruptcy request filed by **Juan Carlos Montagner Gálvez**, as the sole administrator and general attorney for lawsuits and collections of **Molimentales del Noroeste, Sociedad Anónima de Capital Variable**, was admitted for processing, several precautionary measures were ordered, a letter was sent to the Federal Institute of Specialists in Commercial Bankruptcies to appoint a visitor.

As well, in compliance with the provisions of articles 24 and 29 of the Law of Commercial Bankruptcies, a letter was sent to various tax authorities and the merchant was required to guarantee the visitor's fees for an amount equivalent to one thousand five hundred days of the current general minimum wage in Mexico City (pages 440 to 446, volume I).

THIRD. Procedure. In the order of **March 10, 2023**, the merchant was considered, through its sole administrator and general attorney for litigation and collections, as guaranteeing the fees of the visitor. Through an order of March 13, 2023, the Director General of the Federal Institute of Specialists in Commercial Bankruptcies was considered to have designated **José Ramón Amador Rivera** as visitor for this bankruptcy proceeding. On the following day, this specialist appeared in the present procedure, and the persons he designated as assistants in the exercise of his functions were authorized.

On March 31, 2023, the designated visitor ensured his correct performance by showing the corresponding bond policy.

FOURTH. Visit Order. In the order of **March 14, 2023**, considering that this case resulted from a request for commercial bankruptcy by the merchant itself, a visit order was issued to the merchant with effects of a mandate, which began **on March 17 of this year** and concluded **on March 28**. The visitor duly recorded the facts relating to the purpose of the visit in the minutes. However, through an order of April 4, 2023, the visitor was requested to submit various duly completed formats.

In the order of **April 12, 2023**, the request was deemed fulfilled, and the reasoned and circumstantial opinion of the visitor was presented for the merchant's consideration, who was given the opportunity to make arguments. Through a letter with folio **3397**, and agreed in the order of **April 19 of this year**, the merchant made the arguments it deemed pertinent.

CONSIDERATIONS:

FIRST. Jurisdiction. This Court is competent to know the present case in accordance with the provisions of Articles 104, section II of the Political Constitution of the United Mexican States, 49 and 59, section II, of the Organic Law of the Federal Judiciary; 17 of the Bankruptcy Law, as well as General Agreement 4/2022, of the Plenary of the Federal Judiciary Council, relating to the creation, designation and initiation of functions of the First and Second District Courts in Bankruptcy Area, as well as their jurisdiction, territorial jurisdiction, domicile, shift rules, system of receipt and distribution of cases; to the common correspondence office that will provide them with service; and which reforms the similar 3/2013, relating to the determination of the number and territorial limits of the judicial circuits in which the Mexican Republic is divided; and to the number, territorial jurisdiction and specialization by subject matter of the Circuit Courts and the District Courts.

SECOND. Legitimation of the merchant. The legitimacy of the applicant for the declaration of commercial bankruptcy to initiate this procedure is proven in the file in accordance with the provisions of Articles 4, section II, 9, section I and 20 of the Commercial Bankruptcy Law, which establish that commercial bankruptcy can be initiated by legal entities that have the status of merchant in accordance with the Commercial Code, since in this case **Molimentales del Noroeste, Variable Capital Stock Corporation**, proved such status [as a merchant] with the notarial instrument eighty-one thousand five hundred sixty-three (81,563) passed before Notary Public number 79, in Mexico City.

Therefore, the type and form of the applicant's incorporation imply its status as a merchant in accordance with Article 3, section II of the Commercial Code, which establishes that companies established in accordance with commercial laws are considered merchants. In turn, Article 1 of the General Law of Commercial Companies recognizes the type of company adopted by the applicant [variable capital stock corporation] as a commercial company, while Article 4 of the same law expresses that companies constituted in any of the forms recognized in Article 1 of the law are considered commercial. Additionally, Article 12, third paragraph, of the Securities Market Law, in relation to Article 88 of the General Law of Commercial Companies, establishes that the company will be formed freely. Furthermore, Article 20 of the Commercial Bankruptcy Law provides that a

merchant who considers that they have incurred in generalized non-compliance with their obligations, in accordance with any of the assumptions established in Article 10 of that regulation, may request that they be declared in commercial bankruptcy, as was done in this case.

On the other hand, the promoting party proves that through the ordinary and extraordinary general assembly of shareholders held on February 9, 2023, which was protocolized in the public deed eighty-one thousand six hundred five (81,605), passed before Notary Public number seventy-nine, in Mexico City, it was expressly approved that the company should submit a request for commercial bankruptcy, and if necessary, that it be opened in the conciliation stage, thus complying with the provisions of section VII of Article 20 of the Commercial Bankruptcy Law, as with this documentary evidence, the agreements of the necessary corporate acts to request the commercial bankruptcy in question are clearly demonstrated, that is, the intention of the partners in this regard is indisputable.

The documents to which full probative value is granted in accordance with the provisions of Articles 1237 and 1292 of the Commercial Code, applied suppletorily to the Commercial Bankruptcy Law, by express provision of its section 8, demonstrate the status of the applicant as a merchant.

Therefore, **it is clear that the legitimacy of the merchant** to request the commercial bankruptcy in question in the conciliation stage is demonstrated.

THIRD. Study of the declaration of commercial bankruptcy in the conciliation stage. The Law of Commercial Bankruptcies, which was published in the Official Gazette of the Federation on May 12th, two thousand, and entered into force on the day following its publication, decreed the abrogation of the Law on Bankruptcy and Suspension of Payments.

As a historical framework, we have that the Bankruptcy Law was issued with the purpose of seeking the rehabilitation of companies that, due to their economic and financial problems, incurred in the widespread non-compliance with their liquid and enforceable obligations. In case this objective was not achieved, the company was declared bankrupt and its alienation proceeded; however, said regulatory body established poorly suitable mechanisms to determine whether the merchant should be declared in one legal status or the other.

From the statement of reasons of the Law of Commercial Bankruptcies, it can be inferred that the primary objectives of the legislator are:

The preservation of the company by providing the relevant regulations. This protects the employment of its human elements, avoids the negative economic repercussion produced by the loss of a company that provides goods and services to society, and recovers the entrepreneurial effort that such company represented for its owner.

Carry out the orderly liquidation procedure of the company, maximizing the product of the alienation and granting equitable treatment to the merchant and its creditors, for which, even, rules are established that allow preserving the economic value of the company or the goods or rights that make it up, in case the preservation of the company is not possible.

Likewise, the criterion prevails in the sense that bankruptcy is not an economic phenomenon that only interests individuals, but it is of vital importance for the State, since it concerns its economy, with which social peace is possible, and at the labor level, it combats unemployment; hence, the State has the need to preserve the business sector and seek support regarding its liquidity and solvency, as an object of public interest, which is inferred from article one of the Bankruptcy Law.

The above, because by preserving companies, the State also protects the employment of its human elements and avoids the negative economic repercussion produced by the loss of a company that provides goods and services to society. Negative consequences that could even affect those companies with which it could maintain business relations; therefore, it is reiterated, the primary objective enshrined in Article 1 of the Law on the matter is to preserve companies whose viability may be affected by the non-payment of their obligations.

However, it should be clarified that the economic repercussion that may be caused to other companies or individuals with whom the merchant maintains business relations would be nothing more than a consequence of its widespread non-payment of that; hence, for the declaration of commercial bankruptcy, it is not an essential requirement that the company that is said to be "bankrupt" necessarily maintain business relations with other legal entities, or that only those with whom that relationship is maintained can demand the bankruptcy, because it is insisted that the principle of public interest enshrined in the aforementioned paragraph is the preservation of the commercial company and to prevent the widespread non-payment of obligations:

"Article 9. A Merchant who generally fails to meet their obligations will be declared in commercial bankruptcy. It shall be understood that a Merchant generally fails to meet their obligations when:

- I. The Merchant requests their declaration in commercial bankruptcy and falls within any of the cases provided for in fractions I or II of the following article; [...]."*

"Article 10. For the purposes of this Law, the general failure to meet the obligations of a Merchant referred to in the previous article consists of the failure to meet payment obligations to two or more distinct creditors, under the following conditions:

- I. Those past-due obligations referred to in the previous paragraph must represent thirty-five percent or more of all obligations due from the Merchant as of the date of the demand or request for bankruptcy, and have been past due for at least thirty days; and*
- II. The Merchant does not have assets listed in the following paragraph to meet at least eighty percent of their past-due obligations as of the date of the demand or request. The assets to be considered for the purposes of section II of this article shall be:*

- a) Cash on hand and deposits on demand;*
- b) Term deposits and investments whose maturity date is no later than ninety calendar days after the date of the demand or request;*
- c) Customers and accounts receivable whose maturity date is no later than ninety calendar days after the date of the demand or request; and*
- d) Securities for which purchase and sale transactions are regularly recorded in relevant markets, which could be sold within a maximum period of thirty business days and whose valuation as of the date of the demand or request is known.*

The report of the auditor and the opinions of experts that the parties may offer, where appropriate, must expressly refer to the assumptions established in the preceding sections."

In the specific case, the merchant **Molimentales del Noroeste, Sociedad Anónima de Capital Variable**, through its sole administrator and general representative for litigation and collections, **Juan Carlos Montagner Gálvez**, argues that it generally failed to pay its obligations, essentially claiming the following:

The merchant **Molimentales del Noreste, Sociedad Anónima de Capital Variable**, was established on **August 21, 2006**, a modality recognized in section IV of article 1 of the General Law of Mercantile Companies.

From its establishment, the merchant operated successfully in Mexico, generating hundreds of jobs and contributing to the country's economic development. With the emergence of the COVID-19 pandemic caused by the SARS-CoV-2 virus, the mining sector was one of the most affected, which was reflected in the critical state of the industry resulting in contract breaches and lack of payments.

The exploration and exportation of the mining concessions' vein has been unsuccessful, and to continue with the operation, the merchant requested loans for millions of dollars as working capital, leading to financial problems.

Despite taking actions to solve the liquidity problem, such as recovering accounts receivable, expediting judicial procedures, and obtaining loans, the merchant has become insolvent and incapable of fulfilling its payment obligations.

The merchant states that it incurred generally in breach of its obligations, in terms of the provisions of sections I and II of article 10 of the Law of Mercantile Bankruptcies. It proved this by exhibiting the expert opinion issued by **Antonio Alberto Villarruel Briones** and attaching the documentary evidence.

From the examination of the evidence offered by the merchant, valued in terms of articles 1205 and 1292, it is concluded that the facts contained in its request, consisting essentially of its general failure to pay its obligations, were proved with the documents that were attached to it, in compliance with article 20 of the Law of Mercantile Bankruptcies, contained in the aforementioned annexes.

Having stated the above, it must be said that the report issued by the visitor of the Federal Institute of Specialists in Mercantile Bankruptcies, which enjoys full probative value in accordance with the provisions of article 1301 of the Commercial Code of supplementary application, because in its preparation, the visitor followed the guidelines established by the Law of Mercantile Bankruptcies. The visitor reviewed the information and documentation provided by the merchant, as indicated in the visit order, for the period marked therein, took into consideration the facts raised in the request, and also stated the data by which he reached the result and satisfied the requirements established in the formats ordered by the Law of Mercantile Bankruptcies. It follows that the merchant has:

1. Payment obligations that are at least thirty days overdue as of the date of application and that correspond to two hundred sixty-one (261) different creditors (total of section 1) amounted to **\$884,947,080.94 (eight hundred eighty-four million nine hundred forty-seven thousand eighty pesos 94/100 national currency)**.
2. Payment obligations that are less than thirty days overdue as of the date of application (total of section 2), amounting to **\$15,798,330.83 (fifteen million seven hundred ninety-eight thousand three hundred thirty pesos 83/100 national currency)**.
3. Total payment obligations overdue as of the date of application (section A = 1+2), amounting to **\$900,745,411.77 (nine hundred million seven hundred forty-five thousand four hundred eleven pesos 77/100 national currency)**.
4. Payment obligations not overdue as of the date of application (total of section 3), amounting to **\$18,045,189.89 (eighteen million forty-five thousand one hundred eighty-nine pesos 89/100 national currency)**.
5. Total payment obligations owed by the merchant, both overdue and not overdue [B = A+3], amounting to **\$918,790,601.66 (nine hundred eighteen million seven hundred ninety thousand six hundred one pesos 66/100 national currency)**.
6. Total liquid assets available to address at least eighty percent of overdue payment obligations as of the application date (total of section 4), amounting to **\$6,265,492.00 (six million two hundred sixty-five thousand four hundred ninety-two pesos 00/100 national currency)**.
7. Percentage of payment obligations that are at least thirty days overdue / Total payment obligations owed by the merchant, both overdue and not overdue (1+B), amounting to **96.32%**.
8. Percentage of total assets available to address payment obligations overdue as of the application date / Total payment obligations overdue as of the application date (4+A), amounting to **0.70%**.

As a consequence of the above, the same report concludes that based on the information and documents presented to the inspector during the visit, the merchant DID fall under the hypotheses of fractions I and II, Article 10 of the Law of Commercial Insolvency.

Accordingly, this judicial body considers that the applicant for the bankruptcy proceedings has generally failed to fulfill its payment obligations to two or more different creditors, in this case, two hundred and sixty-one (261) creditors, in addition to meeting the requirements of fractions I and II,

Article 10 of the Law of Commercial Insolvency, i.e., the merchant has generally failed to fulfill its payment obligations to more than two creditors that have been overdue for at least thirty days as of the date of the bankruptcy application, which represents 96.32% of its overdue and non-overdue payment obligations, which is higher than the 35% required by fraction I. Furthermore, it is noted that the merchant does not have sufficient assets to address at least 80% of its overdue payment obligations as of the date of the application, since its liquid assets represent only 0.70% of its total overdue payment obligations, which is less than the 80% specified in the invoked provision. This is sufficient to demonstrate the assumptions.

Taking the above into account, the request for a commercial bankruptcy declaration filed by **Molimentales del Noreste, Sociedad Anónima de Capital Variable**, is **DECLARED FOUNDED**, with the opening of the conciliation stage and the consequences of such declaration described below.

FOURTH. Consequences of the declaration of commercial bankruptcy in the conciliation stage.

Given the above, it is ordered:

- I. Molimentales del Noroeste, Sociedad Anónima de Capital Variable, with its address at Boulevard Solidaridad, number 335-A, Colonia 3, Las Palmas, C.P. 83270, Hermosillo Sonora, is declared in commercial bankruptcy. Based on articles 43, section V, and 145 of the Law on Commercial Bankruptcy, the conciliation stage is opened for one hundred and eighty-five natural days, counted from the day on which the determination is published in the Official Gazette of the Federation.
- II. Based on section X of article 43 and 112 of the Law on Commercial Bankruptcy, regarding retroaction, which aims to prevent and, if necessary, declare the ineffectiveness of fraudulent acts or maneuvers made by the trader to escape from the responsibility that follows from the widespread cessation of payments, August 6, 2022 is designated as such, as it is two hundred and seventy days prior to the date on which this resolution is issued.
- III. Based on article 47 of the Law on Commercial Bankruptcy, this sentence has the effect of securing whoever is responsible for the administration of the trader, for the sole purpose of not being able to leave the place of their domicile without leaving, by means of a general or special mandate with powers for acts of ownership, acts of administration, and for litigation and collections, an adequately instructed and expended attorney, as well as prohibiting the trader from carrying out operations of alienation or encumbrance of the main assets of their company and from making transfers of resources or values in favor of third parties.
- IV. In accordance with article 43, section IV, of the Law on Commercial Bankruptcy, an official letter is sent to the Federal Institute of Specialists in Commercial Bankruptcies, and it is required to designate a conciliator within a period of five days, through the previously established random procedure. In the meantime, the

administrators, managers, and dependents of the trader will have the obligations of depositaries regarding the assets and rights that make up the mass.

The conciliator designated by the Federal Institute of Specialists in Commercial Bankruptcies is ordered to:

- a) Based on section XI of article 43, in relation to 45 of the Law on Commercial Bankruptcy, within the five days following their designation, process the publication once of an extract of this sentence in the Official Gazette of the Federation and in one of the newspapers with the greatest circulation in Mexico City, as indicated by the specialist; for which, the edicts containing said extract, as well as the corresponding official letters, are ordered to be prepared from now on and made available to them.
- b) Based on section XII of article 43, in relation to numeral 45 of the Law on Commercial Bankruptcy, the conciliator is ordered to, within the five days following their designation, request the registration of this resolution in the Public Registry of Property and Commerce of Mexico City, as well as in the places where the applicant's addresses are located, as well as in all those where they have an agenda or registered branch and where they have assets subject to registration.

To this end, certified copies are ordered to be issued, as well as the necessary documents, dispatches, and exhortations, which once prepared, shall be made available.

- c) The conciliator is ordered to initiate the recognition of credits procedure and to determine them ex officio in accordance with Articles 121 and 123 of the Law on Commercial Bankruptcy, preparing the provisional list of credits against the applicant merchant, without consolidation of assets, in the respective format, specifying the amount, degree, and priority that corresponds, based on, among other sources, the accounting of the same and other documents that allow the determination of its liabilities; in the information that the merchant herself and her staff are obliged to provide, as well as, where appropriate, in the recognition requests presented to her.
- V. Based on Section VI, Article 43 of the Law on Commercial Bankruptcy, the applicant is ordered to immediately make available to the conciliator, for supervision according to his function, the books, records, and other documents of the applicant merchant, as well as the resources necessary to cover the publications and registration expenses provided for in the applicable law.
 - VI. Pursuant to Section VII, Article 43 of the Law on Commercial Bankruptcy, the applicant is ordered to allow the conciliator and, where appropriate and procedural

opportunity, the appointed interveners to carry out the activities inherent to their positions.

VII. Based on section VIII of article 43 of the Law of Commercial Insolvency, the applicant is ordered to suspend payment of debts contracted prior to the date on which this resolution of commercial insolvency takes effect, except for those that are essential for the ordinary operation of the company, including any credit essential for the ordinary operation of the merchants and the necessary liquidity during the processing of the commercial insolvency, with respect to which the applicant must inform this District Court within seventy-two hours of their occurrence.

VIII. Based on section IX of article 43 of the Law of Commercial Insolvency, it is ordered that during the conciliation stage, all orders of seizure or execution against the assets and rights of the merchant be suspended, with the exceptions referred to in article 65 of the aforementioned law.

Notwithstanding the above, actions brought and lawsuits filed by the applicant merchant and those brought and filed against her, which are pending at the time of the judgment and which have a patrimonial content, shall not be consolidated into the insolvency proceedings, but shall be continued by the merchant under the supervision of the conciliator, for which purpose the debtor shall inform the conciliator of the existence of such proceedings, the day after she becomes aware of her appointment, as provided for in article 84 of the Law of Commercial Insolvency.

IX. In accordance with section XIV of article 43 of the Law of Commercial Insolvency, it is notified to the creditors residing in Mexico that those who so wish must submit their requests for recognition of credit to the conciliator at the address he indicates for the fulfillment of his obligations, in the format, with the content and within the deadlines set forth in articles 122 and 125 of the aforementioned legislation.

Creditors residing abroad may submit such requests, if it is in their interest, to the person, place, and in the manner indicated, with the initial deadline extended to forty-five natural days in accordance with article 291 of the Law of Commercial Insolvency.

X. In accordance with section I of article 89 of the Law of Commercial Insolvency, debts owed by the debtor that lack real guarantees shall cease to accrue interest as of the date of this resolution; if they were not originally denominated in UDIs, they shall be converted to said unit after conversion to the national currency of those that are denominated in foreign currency; the exchange rate and equivalence of said units shall be determined by the Bank of Mexico as of the date of this resolution.

On the other hand, based on section III of the same article, debts with real guarantees, regardless of whether it was initially agreed that their payment would be in Mexico or abroad, shall be maintained in the currency or unit in which they are denominated and shall only accrue the ordinary interest stipulated in the contracts, up to the value of the assets that guarantee them.

- XI. Without exhausting the procedure for the recognition, ranking, and priority of credits, interested parties are notified that from the report issued by the inspector, it appears that the creditors designated in section 4 of the inspector's report are creditors of the merchant, that is, they are as follows:

No.	Name and address of the Creditor
1	APPLIED DE MEXICO, S.A. DE C.V. SILVESTRE TERRAZAS 8816, Colonia SECTOR 12 CHIHUAHUA CHIHUAHUA C.P. 31001 MÉXICO
2	DINAMICA INDUSTRIAL DEL NOROESTE, S.A. de C.V. TABASCO 286 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191, MÉXICO
3	PERKIN ELMER DE MÉXICO, S.A. MACEDONIO ALCALA 54 Colonia GUADALUPE INN, CIUDAD DE MÉXICO C.P. 01001, MÉXICO
4	PROVEEDORA DE FUNDENTES Y MINERALES, S.A. DE C.V. ALDAMA 152 Colonia SAN BENITO HERMOSILLO SONORA C.P. 83191 MÉXICO
5	PROVEEDORA DE LABORATORIOS DEL NOROESTE, S.A. DE C.V. PRIV. QUINTA DE MONTEVERDE 276 Colonia FRACC. REFORMA NORTE HERMOSILLO SONORA C.P. 83191 MÉXICO
6	RECUBRIMIENTOS, PRODUCTOS Y SERVICIOS INDUSTRIALES, SA DE BACOBAMPO 1424 Colonia SAHUARO FINAL HERMOSILLO SONORA C. P. 83191 MÉXICO

7	REFACCIONES,EQUIPOS Y SERVICIOS INDUSTRIALES S.A DE C.V CARRETERA A SAHUARIPA 465 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P 83191 MÉXICO
8	RYBALSA LAGUNA S.A DE C.V AVE. JUAREZ ORIENTE 2198 Colonia CENTRO TORREÓN COAHUILA DE ZARAGOZA C. P. 27001 MÉXICO
9	SONORA NATURALS S.A DE C.V ASTEROIDES 23 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C: P. 83191 MÉXICO
10	METSO OUTOTEC MEXICO S.A. DE C.V. BLVD. VILLAS DE IRAPUATO 1596 LOCAL 14 Colonia EJIDO IRAPUATO IRAPUATO GUANAJUATO C. P. 36501 MÉXICO
11	PRECISION GPS S.A. DE C.V. REYES 126 E Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
12	LYM SERVICIOS MAR DE CORTEZ S. DE R.L. PERIFERICO SUR 799 Colonia COLONIA GRIEGA HERMOSILLO SONORA C. P. 83191 MÉXICO
13	DUFIL S.A DE C.V REP. DE BOLIVIA 521 Colonia PANAMERICANA CHIHUAHUA CHIHUAHUA C. P. 31001 MEXICO
14	GLOBEXPLORE DRILLING, S.A DE C.V. BLVD. ENRIQUE MAZON Colonia LA VICTORIA HERMOSILLO SONORA C. P. 83191 MÉXICO
15	GALAZ YAMAZAKI RUIZ URQUIZA, S.C. PASEO DE LA REFORMA 489 PISO 6 Colonia CUAUHEMOC DELEGACION CUAUHEMOC CIUDAD DE MEXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
16	ELECTRO CONTROLES DEL NOROESTE S.A DE C.V BOULEVARD PASEO RIO SONORA 69 Colonia PROYECTO RIO SONORA HERMOSILLO SONORA C. P. 83191 MÉXICO
17	SANDVIK MINING AND CONSTRUCTION DE MEXICO, S.A. DE C.V. PERIFERICO SUR PARQUE TECNOLOGICO II 7980 Colonia SANTA MARIA TEQUEPEXPAN SAN PEDRO TLAQUEPAQUE JALISCO C. P, 45501 MÉXICO
18	PETIMEX S.A DE C.V NORTE 2 LOTE 8 2 Colonia MANZANA II TIZAYUCA HIDALGO C. P. 43801 MÉXICO

19	CALHIDRA DE SONORA, S.A DE C.V. CARRETERA A SAHUARIPA KM 5.5 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
20	PEAL MEXICO S.A. DE C.V. ENRIQUE GARCIA SANCHEZ Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
21	ELASTOMEX, S.A. DE C.V. CALLE 6 DE NOVIEMBRE 2 Colonia HIDALGO DEL PARRAL CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
22	INSPECTORATE DE MEXICO, S.A. DE C.V. AVE. DEL PUENTE 145 Colonia LAS AMERICAS COATZACUALCOS VERACRUZ C. P. 96401 MÉXICO
23	CONSTRUCCIONES CIHUACOATL, S.A. DE C.V. GARDENIA ORIENTE FINAL SN Colonia QUINTA EMILIA HERMOSILLO SONORA C. P. 83191 MÉXICO
24	AGGREGATE AND MINING SUPPLIES DE MEXICO, S.A. DE C.V. SALVATIERRA 1062 Colonia PLAN DE GUANAJUATO IRAPUATO GUANAJUATO C. P. 36501 MÉXICO
25	INTERNACIONAL DE BANDAS Y SERVICIOS SA DE CV AVE. DE LAS INDUSTRIAS 6504 Colonia ALMACENES INDUSTRIALES CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
26	AQUAFIM SA DE CV VERACRUZ PONIENTE Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
27	EMPRESAS MATCO, S.A. DE C.V. BLVD. JESUS GARCIA MORALES 765 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MÉXICO
28	LEDOUX & COMPANY ALFRED AVENUE 359 TEANECK NEW JERSEY 07666 ESTADOS UNIDOS
29	PROFLUX S.A. DE C.V. CALLE G 522 INT 3 Colonia PARQUE INDUSTRIAL ALMACENTRO APODACA NUEVO LEON C. P. 66601 MÉXICO
30	HIDROSISTEMAS BAJA S DE RL DE CV DEL RIO 3495 Colonia HACIENDA DEL RIO MEXICALI BAJA CALIFORNIA C. P. 21101 MÉXICO

31	SVC EQUIPOS Y REFACCIONES PARA LA INDUSTRIA S DE RL DE CV HACIENDA DE CORTES 7B 7 B Colonia LAS HACIENDAS NOGALES SONORA C. P. 84001 MEXICO
32	ENDRESS HAUSER MEXICO,S.A. DE C.V. FERNANDO MONTES DE OCA 3ER PISO EDIF. A 21 Colonia SAN NICOLAS TLALNEPANTLA DE BAZ MEXICO C. P. 54001 MEXICO
33	ALS CHEMEX DE MEXICO, S.A. DE C.V. IGNACIO SALAZAR 688 Colonia LOS VIÑEDOS HERMOSILLO SONORA C. P. 83191 MEXICO
34	BARMEX, S.A, DE C.V. CDA. DE CEDRO 509 Colonia ATLAMPA CUAUHTÉMOC CIUDAD DE MEXICO C. P. 06002 MEXICO
35	BANDAS TRANSPORTADORAS INDUSTRIALES,S.A. DE C.V. FELIX GALVAN ORIENTE Colonia PEÑA GUERRA SAN NICOLÁS DE LOS GARZA NUEVO LEON C. P. 66451 MEXICO
36	PROVEEDORA DE SEGURIDAD INDUSTRIAL DE CHIHUAHUA,S.A. DE C.V. PERIFERICO DE LA JUVENTUD Colonia CHIHUAHUA CHIHUAHUA
37	CARSALAB,S.A, DE C.V. BLVD CAMINO DEL SERI Colonia VILLAS DEL PRADO HERMOSILLO SONORA C. P. 83191 MEXICO
38	CASA VALDIVIA, S.A. DE C.V. ENRIQUE GARCIA SANCHEZ Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MEXICO
39	VICSA MINING SUPPLY,S.A. DE C.V. REVOLUCION Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MEXICO
40	RODAMIENTOS Y ACCESORIOS,S.A. DE C.V. NAYARIT Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MEXICO
41	ACEROS Y VALVULAS DEL NORTE,S.A. DE C.V. RAUL CABALLERO ESCAMILLA 1904 Colonia ANDRES CABALLERO GENERAL ESCOBEDO NUEVO LEON C. P. 66066 MEXICO
42	JENSEN CONSULTING AND INSPECTIONS ADMIRAL RD. 13717 RIVERTON UTAH 84096 ESTADOS UNIDOS
43	ASESORIA EN SISTEMAS DE COMPUTO EMPRESARIALES,S.A. DE C.V AVE. LAS PALMAS 602 Colonia ARBIDE LEON GUANAJUATO C. P. 37001 MEXICO
44	INDUSTRIAL COM,S.A. DE C.V. CALLE DE LA PLATA Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MEXICO

45	ALLIANZ MEXICO S.A. BLVD. MANUEL AVILA CAMACHO Colonia LOMAS DE BARRILACO CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
46	PRYDISA,S.A. DE C.V. AVE. ORTIZ MENA Colonia CENTRO HIDALGO DEL PARRAL CHIHUAHUA C. P. 33801 MÉXICO
47	PROVEEDORA DE SEGURIDAD INDUSTRIAL DEL GOLFO,S.A. DE C.V. 47 BLVD. ADOLFO LOPEZ MATEOS Colonia UNIVERSIDAD PONIENTE TAMPICO TAMAULIPAS C. P. 89001 MÉXICO
48	GLOBAL VOIP DE MEXICO,S.A. DE C.V. CONSTITUYENTES Colonia LEY 57 HERMOSILLO SONORA C. P. 83191 MÉXICO
49	INTERNATIONAL DIRECTIONAL SERVICES DE MEXICO,S.A. DE C. V. BLVD. DE LOS SERIS 133 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
50	CONSTRUMAC SAPI DE CV SAN JOSE DE LOS LEONES Colonia SAN FRANCISCO CUAUTLALPAN NAUCALPAN DE JUAREZ MÉXICO C. P. 53001 MÉXICO
51	PRICEWATERHOUSECOOPERS,S.C. BLVD. SOLIDARIDAD PISO 5 Colonia PASEO DEL SOL HERMOSILLO SONORA C. P. 83191 MÉXICO
52	EQUIPOS Y EXPLOSIVOS DEL NORESTE,S.A. DE C.V. 7MA. PRIVADA DE YAÑEZ Colonia MODELO HERMOSILLO SONORA
53	IMPORTACIONES ESPECIALIZADAS POLIDEUCO,S.A. DE C.V. BLVD. SOLIDARIDAD Colonia FUENTES DEL MEZQUITAL HERMOSILLO SONORA C. P. 83191 MÉXICO
54	SION SUPPLY S. DE R.L. DE C. V. JORGE CAMPOS 212 Colonia DEPORTIVA 1A SECCION ZINACANTEPEC MÉXICO C.P. 51351 MÉXICO
55	BC WIRE ROPE HERMOSILLO S.A. DE C.V. DE LOS TARAHUMARAS Colonia PARQUE INDISTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
56	CRIBAS Y PRODUCTOS METALICOS SA DE CV AVE. FUTURO NOGALAR 7 Colonia FRACC. INDUSTRIAL NOGALAR SAN NICOLAS DE LOS GARZA NUEVO LEON C. P. 66451 MÉXICO

57	L&H SERVICIOS MINEROS MEXICO,S.A. DE C. V. PUERTECITOS Colonia MINERA CANANEA SONORA C. P. 84621, MÉXICO
58	TSI ARYL,S DE RL DE CV BLVD. PASEO RIO SONORA NORTE Colonia PASEO RIO SONORA HERMOSILLO SONORA C. P. 83191 MÉXICO
59	HIDROFLUIDOS SA DE CV PASEO DE LA REFORMA 6628 Colonia CAMPESTRE MEDEROS MONTERREY NUEVO LEON C. P. 64008 MÉXICO
60	WINNEMUCCA CHEMICALS SA DE CV AV. PASEO DE LA REFORMA 505 Colonia CUAUHEMOC CIUDAD DE MÉXICO CIUDAD DE MEXICO C. P. 01001 MÉXICO
61	BINASA HERMOSILLO S DE RL DE CV BLVD LUIS ENCINAS Colonia PIMENTEL HERMOSILLO SONORA C. P. 83191 MÉXICO
62	GEM DISTRIBUIDORA S.A. DE C.V. TAMPICO 42 PISO 3 Colonia PARQUE INDUSTRIAL CUAUHTÉMOC CIUDAD DE MÉXICO C.P. 06002 MÉXICO
63	IDEAS CONSTRUCTIVAS DEL NOROESTE S.A. DE C.V. JOSE MARIA MENDOZA Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO
64	AUSTIN BACIS S.A. DE C.V. DOMICILIO CONOCIDO Colonia DINAMITA GÓMEZ PALACIO DURANGO C. P. 35001 MÉXICO
65	INDEPENDENT MINING CONSULTANTS INC EAST GAS ROAD 3560 TUCSON TUCSON ARIZONA 85714 ESTADOS UNIDOS
66	MICON INTERNATIONAL LIMITED BAY STREET 601 90 ONTARIO TORONTO TORONTO M5R 2A5 CANADA
67	GEO DIGITAL IMAGING DE MEXICO S.A DE C.V. DR. PALIZA 94 Colonia CENTENARIO HERMOSILLO SONORA C. P. 83191 MÉXICO
68	PLASTIMARMOL S.A. DE C.V. CARRETERA HERMOSILLO-NOGALES Colonia LA VICTORIA HERMOSILLO SONORA C. P. 83191 MEXICO
69	SOLUCIONES AMBIENTALES INTEGRALES S.A. DE C.V. CALVARIO Colonia TLALPAN CENTRO CIUDAD DE MÉXICO CIUDAD DE MÉXICO C.P. 01001 MÉXICO
70	PRONET SERVICIOS TI S DE RL DE CV CARLOS CATUREGLI 219 B Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO

71	<p>COMERCIALIZADORA MINERA DEL NORTE, SA DE CV</p> <p>71 H. COLEGIO MILITAR 2000 Colonia LAS FUENTES PIEDAS NEGRAS COAHUILA DE ZARAGOZA C. P. 26001 MEXICO</p>
72	<p>FLUIDOS INDUSTRIALES MEXICANOS S.A. DE C.V.</p> <p>AVE. TECNOLOGICO 483 Colonia MONTERREY TECHNOLOGIC PARK CIÉNEGA DE FLORES NUEVO LEON C. P. 65551 MÉXICO</p>
73	<p>ZONGE INTERNATIONAL INC</p> <p>N DODGE BLVD 3475 TUCSON ARIZONA 85701 ESTADOS UNIDOS</p>
74	<p>SRP QUIMICOS S.A. DE C.V.</p> <p>GENERAL PIÑA Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO</p>
75	<p>ELECTRICA A B S.A. DE C.V.</p> <p>DR. ROBERTO MICHEL Colonia SAN CARLOS GUADALAJARA JALISCO C. P. 44101 MÉXICO</p>
76	<p>FILTRANTES Y REFACCIONES INDUSTRIALES S.A. DE C.V.</p> <p>CALLE TRES ANEGAS 435 BIS Colonia NUEVA INDUSTRIAL VALLEJO GUSTAVO A MADERO CIUDAD DE MÉXICO C. P. 06002 MÉXICO</p>
77	<p>SIDNEY W. FRENCH, S.A. DE C.V.</p> <p>AV.MORELOS ORIENTE Colonia CENTRO TORREÓN COAHUILA DE ZARAGOZA C. P. 27001</p>
78	<p>SOLENI TECHNOLOGIES MEXICO, S. DE R.L. DE C.V.</p> <p>SARA 4553 Colonia GUADALUPE TEPEYAC CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO</p>
79	<p>ELECTRO METALIC SOLUTIONS, S.A. DE C.V.</p> <p>DEL PLOMO 50 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO</p>
80	<p>TECHFLOW, S.A. DE C.V.</p> <p>AV. H COLEGIO MILITAR 2000 F Colonia LAS FUENTES PIEDRAS NEGRAS COAHUILA DE ZARAGOZA C. P. 26001 MÉXICO</p>
81	<p>Q3 ELECTROMECHANICOS, S.A. DE C.V.</p> <p>BLVD. DE LOS SERIS 9 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO</p>
82	<p>HEXAGON MINING INC.</p> <p>EAST CONGRESS ST 40 SUITE 300 TUCSON ARIZONA 85701 ESTADOS UNIDOS</p>
83	<p>GROUNDPROBE NORTH AMERICA LLC</p> <p>W. MAJESTIC PARKWAY 2470 SIUTE 120 TUCSON ARIZONA 85701 ESTADOS UNIDOS</p>

84	AGILENT TECHNOLOGIES MEXICO, S. DE R.L. DE C.V. INSURGENTES SUR 1602 Colonia CREDITO CONSTRUCTOR CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
85	SARA IDALIA CANCHOLA REYES AVE. EDUARDO W. VILLA 57 Colonia BUGAMBILIAS HERMOSILLO SONORA C. P. 83191 MÉXICO
86	PROMININ, S. DE R.L. DE C.V. CAMPECHE Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
87	PROCESS FACTOR MEXICO, S.A. DE C.V. AVENIDA ONCE 135 Colonia PRADOS DEL SOL HERMOSILLO SONORA C. P. 83191 MEXICO
88	DISTRIBUCIONES KINO, S.A. DE C. V. MARIANO ESCOBEDO 58 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
89	SOLUCIONES INTEGRALES PARA TRITURACION, S.A. DE C.V. AV. PERIFERICO SUR 7800 Colonia SANTA MARIA TEQUEPEXPAN SAN PEDRO TLAQUEPAQUE JALISCO C. P. 45501 MÉXICO
90	DISTRIBUIDORA DE BALEROS DEL SURESTE, S.A. DE C.V. CALLE 37 464 A Colonia CENTRO MÉRIDA YUCATÁN C. P. 97002 MÉXICO
91	VIKOSOL SOLUCIONES INFORMATICAS, S.A. DE C.V. CALZADA DE LAS BRUJAS 192 Colonia EX HACIENDA COAPA TLALPAN CIUDAD DE MÉXICO C. P. 06002 MÉXICO
92	CYPLUS IDESA, SAPI DE CV BOSQUE DE RADIATAS 34 Colonia BOSQUES DE LAS LOMAS CUAJIMALPA DE MORELOS CIUDAD DE MÉXICO C. P. 06002 MÉXICO
93	DISTRIBUIDORA ELECTRICA DIAZ ARMENTA, S.A. DE C.V. CALLE 6 Colonia COMERCIAL SAN LUIS RIO COLORADO SONORA C. P. 83401 MÉXICO
94	A.M. KING INDUSTRIES, INC. FEATHER RIVER BOULEVARD 2875 OROVILLE CALIFORNIA 95966 ESTADOS UNIDOS
95	MULTISYNERGY, S.A. DE C.V. GARCIA SALINAS 6300 Colonia ROMA IV CHIHUAHUA CHIHUAHUA C.P. 31001 MÉXICO
96	RINHO MINING SOLUTIONS, S.A. DE C.V. CALLE BUENOS AIRES 738 Colonia LATINOAMERICANA SALTILLO COAHUILA DE ZARAGOZA C. P. 25001 MÉXICO

97	EXPLOSIVOS DEL PITIC, S.A. DE C.V. AV. MORELOS OTE 187 Colonia CENTRO TORREON COAHUILA DE ZARAGOZA C. P. 27001 MÉXICO
98	TODODREN, S.A. DE C. V HECTOR CABALLERO 200 Colonia VALLE DE HUINALA IV APODACA NUEVO LEON C. P. 66601 MÉXICO
99	IMPLEMENTOS MINEROS, S.A. DE C.V. AV. MORELOS OTE 187 Colonia CENTRO TORREÓN COAHUILA DE ZARAGOZA C. P. 27001 MÉXICO
100	REMOGAL TEGNOLOGIA INTEGRAL ENERGETICA, S.A. DE C.V. GANDARA 61 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
101	GEOSITE TECHNOLOGIES, S.A. DE C. V. BLVD. ENRIQUE MAZON 915 Colonia LA VICTORIA HERMOSILLO SONORA C. P. 83191 MÉXICO
102	KAESER COMPRESORES DE MEXICO, S. DE R.L. DE C.V CALLE 2 123 Colonia PARQUE INDUSTRIAL JURICA QUERÉTARO QUERÉTARO C. P. 76022 MÉXICO
103	GRUPO MEXICANO DE SEGUROS, S.A.DE C.V. CALLE TECOYOTITLA 412 Colonia EXHACIENDA DE GUADALUPE CHIMALISTAC ALVARO OBREGÓN CIUDAD DE MÉXICO C. P. 01401
104	ARAS TRACTOPARTS, S.A. DE C.V. AV. LOMBARDO TOLEDANO 9802 Colonia AEROPUERTO CHIHUAHUA CHIHUAHUA C. P. 31001 MEXICO
105	CWP EZFE SERVICIOS DE CONSTRUCCION Y TRITURACION, S.A.DE C.V. CUERNAVACA 22 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
106	AGREGADOS Y ADITIVOS DEL SOL, S. EN N.C. DE C.V. BLVD. LUIS DONALDO COLOSIO 671 120 Colonia SANTA FE HERMOSILLO SONORA C. P. 83191 MÉXICO
107	ATARFIL DE MEXICO, S.A. DE C. V. AVENIDA RIO CHURUBUSCO 601 PISO 14 Colonia CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
108	POWER TECH DE MEXICO, S. DE R.L. DE C.V. CALLE MUEBLES 257 A Colonia PARQUE INDUSTRIAL ORIENTE TORREÓN COAHUILA DE ZARAGOZA C. P. 27001 MÉXICO
109	3J COMERCIALIZADORA INDUSTRIAL DEL NOROESTE, S.A. DE C.V BLVD. GARCIA MORALES 9 9D Colonia EL LLANO HERMOSILLO SONORA C. P. 83191 MÉXICO

110	COMINVI SERVICIOS, S.A. DE C.V. PASEO DE LOS INSURGENTES 3356 P7 Colonia CUMBRES DEL CAMPESTRE LEON GUANAJUATO C. P. 37001 MÉXICO
111	GRUPO EMPRESARIAL PEIRSEN, S.A. DE C.V. CJON MACHACA 4 A Colonia VILLA HERMOSA HERMOSILLO SONORA C. P. 83191 MÉXICO
112	NUR PROJECT SOLUTIONS SZM, S.A. DE C.V. CALLE DE LOS PIMAS 91 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
113	EGA INDUSTRIAL ZONA DEL NORTE, S.A. DE C. V. IGNACIO ZARAGOZA 1800 Colonia CENTRO MAZATLÁN SINALOA C. P. 82001 MÉXICO
114	ALS INDTECH, S.A. DE C.V. LUIS ORCI 541 Colonia CHOYAL HERMOSILLO SONORA C. P. 83191 MÉXICO
115	COVORO MINING SOLUTIONS MEXICANA, S. DE R.L. DE C.V. BLVD. MIGUEL DE CERVANTES SAAVEDRA 251 Colonia GRANADA MIGUEL HIDALGO CIUDAD DE MÉXICO C. P. 06002 MÉXICO
116	AGEOMMINING, S.A. DE C.V. CALLE SONORA 85 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
117	BENTLEY SYSTEMS DE MEXICO, S.A. DE C.V. AV. INSURGENTES SUR 1106 Colonia NOCHEBUENA BENITO JUAREZ CIUDAD DE MÉXICO C. P. 06002 MÉXICO
118	DRONEDEPLOY, INC. MARKET ST 548 34583 SAN FRANCISCO CALIFORNIA ESTADOS UNIDOS
119	BUREAU VERITAS COMMODITIES AND TRADE ,INC DALLAS TEXAS 847921 ESTADOS UNIDOS
120	AMERIMEX TECNOLOGIAS, S.A. DE C.V. AV. SIGLO XXI 432 Colonia EJIDO LO DE JUAREZ IRAPUATO GUANAJUATO C. P. 36501 MÉXICO
121	CIRCULO LLANTERO S.A DE C.V VERACRUZ SN Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
122	COPIADORAS Y SERVICIOS DE SONORA S.A. DE C.V. BLVD. LUIS DONALDO COLOSIO 286 Colonia LOS PRADOS DEL CENTENARIO HERMOSILLO SONORA C. P. 83191 MÉXICO

123	GRUAS Y DESARROLLOS TECNICOS S.A DE C.V 17 DE JULIO L35 M31 Colonia NUEVO CANANEA CANANEA SONORA C. P. 84621 MÉXICO
124	HIDROGAS DE AGUA PRIETA S.A. CARRETERA INTERNACIONAL KM 164.5 Colonia KENNEDY SANTA ANA SONORA C. P. 84604 MÉXICO
125	INFRA, S.A DE C.V. CARRETERA A BAHIA DE KINO KM 8.5 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MÉXICO
126	INGENIERIA, DIBUJO Y GEOLOGIA, S.A. DE C. V. AGUASCALIENTES 67 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
127	LATINOX S.A DE C.V MICHOACAN 231 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
128	MANTENIMIENTO ELECTROMECHANICO INSTRIAL DEL PACIFICO SA DE MICHOACAN 370 Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO
129	SERVI-EQUIPOS DE SOLDADURA S.A. DE C.V. PERIFERICO NORTE 563 Colonia CHOYAL HERMOSILLO SONORA C. P. 83191 MÉXICO
130	TELEFONOS DE MEXICO SAB DE C.V FERROCARRIL S/N Colonia CENTRO SANTA ANA SONORA C. P. 84604 MÉXICO
131	TORNILLOS Y MANGUERAS DE SONORA S.A DE C. V. PERIFERICO NTE ENTRE OLIVARES Y MANUEL I. LOAIZA 458 Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO
132	YADIRA SOTO SUAREZ CARRETERA INTERNACIONAL 900 Colonia CARRETERA SANTA ANA SONORA C. P. 84162 MÉXICO
133	DISTRIBUIDORA MEGAMAK S.A DE C.V. BLVD. GARCIA MORALES 543 Colonia EL LLANO HERMOSILLO SONORA C. P. 83191 MÉXICO
134	LDM, S.A. DE C.V. BLVD. XOLOTL 13 Colonia COLONIA GIRASOLES HERMOSILLO SONORA C. P. 83191 MEXICO
135	SEÑALAMIENTOS Y EQUIPOS INDUSTRIALES SA DE CV EDUARDO W VILLA 497 Colonia EL CHOYAL HERMOSILLO SONORA C. P. 83191 MÉXICO
136	MARIO MORENO NUÑEZ AVE. JOSE MARIA MORELOS 700 Colonia SANTA ANA SONORA C. P. 84604 MÉXICO

137	DEX DEL NOROESTE S.A DE C.V AGUASCALIENTES 217 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
138	GASERVICIO EL LLANO S.A DE C.V. CARR. ESQ. S/NOMBRE ESTACION LLANO CARR. KM 15 Colonia ESTACION LLANO SANTA ANA SONORA C. P. 84604 MÉXICO
139	CONDUCCIONES Y ACCESORIOS DEL NOROESTE SA DE CV CARLOS QUINTERO ARCE 251 Colonia EL LLANO HERMOSILLO SONORA C. P. 83191 MEXICO
140	ANALITICA DEL NOROESTE S.A. DE C.V. LUIS DONALDO COLOSIO 707 Colonia LAS QUINTAS HERMOSILLO SONORA C. P. 83191 MÉXICO
141	COMERCIALIZADORA SANITARIA SA DE CV WOOLKFOLK Y GUERRERO Colonia SAN FELIPE MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
142	ASESORES EN PLANEACION Y PROYECTOS INTEGRALES S.A. DE C. V. PASEO DEL LAGO 13 Colonia HERMOSILLO SONORA C. P. MÉXICO
143	KALISCH FIERRO Y ACERO, S.A. DE C.V. AVE. SONORA NORTE 145 Colonia INDUSTRIAL CABORCA SONORA C. P. 83601 MÉXICO
144	CABORCA AUTOMOTRIZ, S.A. DE C. V. ALVARO OBREGON 2790 Colonia EL GRECO KALITEA NOGALES SONORA C. P. 84001 MÉXICO
145	JOSE ANTONIO GUTIERREZ DAVILA CARRETERA KINO KM 16 Colonia EL LLANO HERMOSILLO SONORA C. P. 83191 MÉXICO
146	INGENIERIA Y PROCESOS MINEROS ESPECIALIZADOS INPROMINE, S.A. DE C.V. COMONFORT 62 Colonia CENTENARIO HERMOSILLO SONORA C. P. 83191 MÉXICO
147	JETZABEL DE NAZARET WOOLFKOLK ESPINOZA NIÑOS HEROES 500 A Colonia FATIMA MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
148	ENRIQUE MONREAL PEÑA CARLOS BALDERRAMA 100 Colonia SONACER HERMOSILLO SONORA C. P. 83191 MÉXICO
149	KINO LABORATORIOS, S.A. DE C.V. HERODOTO 74 Colonia LOMAS DEL SOL HERMOSILLO SONORA C. P. 83191 MÉXICO
150	MARIA TERESA TREJO TRASVIÑA FERROCARRIL SUR Colonia EST. LLANO ESTACION LLANO SONORA C. P. 84604 MÉXICO

151	GONZALEZ R. AUTOMOTRIZ, S.A. DE C.V. BLVD. LUIS ENCINAS Y REFORMA Colonia VALLE HERMOSO HERMOSILLO SONORA C. P. 83191 MÉXICO
152	OCOTILLO DESARROLLOS INDUSTRIALES Y EXTRACTIVOS S.A. DE C.V. BLVD. NAVARRETE 112 Colonia VALLE VERDE HERMOSILLO SONORA C. P. 83191 MÉXICO
153	COMPANIA HOTELERA LUCERNA, S.A. DE C. V. BLVD. PASEO RIO SONORA NORTE 98 Colonia PROYECTO RIO SONORA HERMOSILLO SONORA C. P. 83191 MEXICO
154	ASOCIACION DE MINEROS DE SONORA, A.C. CALLE 20 DE NOVIEMBRE 103 Colonia 5 DE MAYO HERMOSILLO SONORA C. P. 83191 MEXICO
155	AXA SEGUROS, S.A. DE C. V. PERIFERICO SUR 3325 PISO 11 Colonia COL. SAN JERONIMO ACULCO 10400 CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001
156	ELIAS GOMEZ RETES AV. OTHON ALMADA 333 Colonia COL. BALDERRAMA HERMOSILLO SONORA C. P. 83191 MÉXICO
157	INMOBILIARIA CANORAS, S.A. DE C.V. PERIFERICO PONIENTE Y AVE. NOROESTE Colonia COL. LAS PALMAS HERMOSILLO SONORA C. P. 83191 MÉXICO
158	INSETEC, S.A. DE C. V. SAN MIGUEL DE HORCASITAS 2 Colonia RESIDENCIAL DE ANZA HERMOSILLO SONORA C P. 83191 MÉXICO
159	OSCAR OMAR SANCHEZ VALDEZ PASEO DE LA CAPILLA 27 Colonia HERMOSILLO SONORA C. P. MÉXICO
160	RADIOMOVIL DIPSA, S.A. DE C.V. BLVD. ROSALES 86 Colonia COL. CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
161	VSH VIGILANCIA Y PROTECCION, S.A. DE C. V. BOULEVARD MORELOS LOCAL 19 Colonia EL DORADO HERMOSILLO SONORA C. P. 83191 MÉXICO
162	DESARROLLO COMERCIAL DEL NOROESTE,S.A. DE C.V. BLVD. LUIS ENCINAS 476 Colonia LOS NARANJOS HERMOSILLO SONORA C. P. 83191 MÉXICO
163	CASA MYERS, S.A. DE C.V. CALLE GAMMA 11376 Colonia COMPLEJO INDUSTRIAL CHIAHUAHUA CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
164	RECONSTRUCCIONES ELECTRICAS DE MONTERREY,S.A. DE C.V. AVE. PEQUEÑA PROPIEDAD 1530 Colonia ASCENCION CHIHUAHUA C. P. 31820 MÉXICO

165	TELEFONIA POR CABLE,S.A. DE C.V. AVENIDA LAZARO CARDENAS Colonia GUADALAJARA JALISCO C. P. MÉXICO
166	COMISION NACIONAL DEL AGUA PASEO CULTURA, CENTRO DE GOBIERNO, EDIFICIO MEXICO Colonia VILLA DE SERIS HERMOSILLO SONORA C. P. 83191 MÉXICO
167	CAMARA NACIONAL DE LA INDUSTRIA DE TRANSFORMACION BLVD. LUIS ENCINAS 460 Colonia LOS NARANJOS HERMOSILLO SONORA C. P. 83191 MEXICO
168	EDGARDO CHAVARIN GUTIERREZ DOCTOR FRANCISCO LANS PERÉZ 514 Colonia MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
169	TOCO TOPOGRAFIA,S. DE R.L. DE C.V. MORENO Y MARTIRES DE 1906 1906 Colonia LOS ARCOS SANTA ANA SONORA C. P. 84604 MÉXICO
170	MS CENTRAL DE DISTRIBUCIONES,S.A. DE C.V. BLVD. GARCIA MORALES 883 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MÉXICO
171	RAMON HEBERTO MARTINEZ DURAN AVENIDA SERNA Colonia SAN ISIDRO SANTA ANA SONORA C. P. 84604 MÉXICO
172	HERRAMIENTAS Y SERVICIOS DE OBREGON,S.A. DE C. V. DOCTOR NORMAN E BOURLAUG SUR 2605 Colonia MUNICIPIO LIBRE CIUDAD OBREGON SONORA C. P. 85001 MÉXICO
173	SERVICIOS MINEROS DE INSPECCIONES Y ENSAYOS,S.A. DE C.V. ADOLFO AYMES Colonia TORREÓN COAHUILA DE ZARAGOZA C. P. MÉXICO
174	VIRGINIO SALGADO TERAN CDA. TETZICOTLA Colonia SANTA CECILIA TEPETLAPA CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
175	SILVIA ELSA ROMERO DOMINGUEZ JOSE SOTERO CASTAÑEDA 2822 Colonia CUAUHTÉMOC CIUDAD DE MÉXICO C. P. 06002 MEXICO
176	ALVA FLERIDA PALAZUELOS RAMIREZ WOOLFOLK Colonia SAN FELIPE MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
177	CONSTRUCCIONES MAREVA,S.A. DE C.V. BLVD. VILLA DE PARRAS Colonia FRACC. VILLA DE PARRAS HERMOSILLO SONORA C. P. 83191 MÉXICO
178	SANTIAGO VALDEZ FAVELA LUIS BARRAGAN Colonia LAS LOMAS HERMOSILLO SONORA C. P. 83191 MÉXICO

179	AGLE, S.A. DE C.V. BLVD JIQUILPAN Colonia SCALLY LOS MOCHIS SINALOA C. P. 81201 MEXICO
180	VSH PROTECCION.S A. DE C.V. BLVD. MORELOS LOCAL 19 Colonia EL DORADO HERMOSILLO SONORA C. P. 83191 MÉXICO
181	JULIO CESAR MACHICHE GARCIA CERRADA BAENA Colonia CERRADA BAENA CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
182	COLEGIO DE CONTADORES PUBLICOS DE SONORA A.C. CHICAGO ESQ. CON DETROIT Colonia VILLA SOL HERMOSILLO SONORA C. P. 83191 MÉXICO
183	MIGUEL ANGEL CARDENAS MOLINA SIMON BLEY Colonia OLIVARES HERMOSILLO SONORA C. P. 83191 MÉXICO
184	CAMARA DE COMERCIO DEL CANADA EN MEXICO AC BLVD. MANUEL AVILA CAMACHO Colonia POLANCO CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
185	ELIZABETH MENDIVIL OCHOA MARIANO MATAMOROS Colonia ESTACION LLANO SANTA ANA SONORA C. P. 84604 MÉXICO
186	SABEL TORRES VASQUEZ CALLE 5 DE MAYO Colonia V8 SANTA ANA SONORA C. P. 84604 MÉXICO
187	NRW CHEMIE MEXICANA S DE RL DE CV CALLE DE LOS ASTEROIDES Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
188	MARIA GLORIA GARCIA VELAZCO NINOS HEROES Colonia EL MIRASOL MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
189	PLASTICOS DEL DESIERTO S.A. DE C.V. DE LA PLATA Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MEXICO
190	GENESIA PUBLICIDAD,S.C. AGUSCALIENTES Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
191	GRUAS MANIOBRAS Y SERVICIOS SA DE CV TARAHUMARAS Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
192	CENTRO EMPRESARIAL DEL NORTE DE SONORA BLVD. QUIROGA Colonia REAL DE QUIROGA HERMOSILLO SONORA C. P. 83191 MÉXICO

193	REYDESEL CABRERA LABORIN LUIS DONALDO COLOSIO Colonia SAN MARTIN MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
194	MARIA ISABEL VALENZUELA MOROYOQUI JACINTO LOPEZ MORENO Colonia FATIMA SANTA ANA SONORA C. P. 84604 MÉXICO
195	MANUEL HUMBERTO SALAZAR AHUMADA MARIANO MATAMOROS Colonia ESTACION LLANO SANTA ANA SONORA C. P. 84604 MÉXICO
196	MONTAJES Y MAQUINADOS TORAGUICO S.A. DE C.V. PRIV VILLA CROATA Colonia SAN JOSE DE LAS MINITAS HERMOSILLO SONORA C. P. 83191 MÉXICO
197	MAQUINAS DE MEDICION POR COORDENADAS SA DE CV BLVD. SOLIDARIDAD Colonia SAHUARO INDECO HERMOSILLO SONORA C. P. 83191 MÉXICO
198	REBECA DURAN MARTINEZ ZAPOTECAS Colonia UNION TOLUCA MÉXICO C: P. 50091 MÉXICO
199	EDENRED MEXICO S.A. DE C.V. LAGO RODOLFO Colonia GRANADA CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
200	FRANCISCA IRENE DENTON RAMIREZ CARRETERA INTERNACIONAL SUR Colonia EL SASABE MAGDALENA DE KINO SONORA C. P. 84162 MÉXICO
201	CHIBUPA MAQUINARIA S.A DE CV BLVD. GARCIA MORALES Colonia QUINTA EMILIA HERMOSILLO SONORA C. P. 83191 MÉXICO
202	RECONSTRUCTORA ALPHA S.A. DE C. V. AV. INDUSTRIAS Colonia INDUSTRIAL NOMBRE DE DIOS CHIHUAHUA CHIHUAHUA C. P. 31001 MEXICO
203	YOVANA LARISSA OCHOA SINOHUI AVE. ARTICULO 70 Colonia SANTA ANA SONORA C. P. MÉXICO
204	LABORATORIO TECNOLOGICO DE METALURGIA LTM, S.A. DE C.V CARRETERA A TECORIPA KM 3.5 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
205	MARIA ANGELICA FELIX LUQUE. CONOCIDO Colonia EL CLARO SANTA ANA SONORA C. P. 84604 MÉXICO
206	MYECOGA S DE RL DE CV ROBERTO ROMERO Colonia JESUS GARCIA HERMOSILLO SONORA C. P. 83191 MEXICO

207	HERIBERTO JIMENEZ BURGOS IGNACIO PESQUEIRA Colonia V 8 SANTA ANA SONORA C. P. 84604 MEXICO
208	TRAVESIAS MUNDIALES DE MEXICO SA DE CV BLVD. NAVARRETE Colonia SANTA FE HERMOSILLO SONORA C. P. 83191 MÉXICO
209	GUILLERMO FLORENZANI VALDERRAMA GUADALUPE J. BUNGAMBILIAS Colonia JARDENES DE CHAPALITA ZAPOPAN JALISCO C.P. 45011 MÉXICO
210	CRISTABEL MEZA PESQUEIRA ABASOLO Colonia BELLA VISTA SANTA ANA SONORA C. P. 84604 MÉXICO
211	GERARDO GONZALEZ MEZA HOFFMAN FILADELFIA 22 Colonia NAPOLES CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
212	RAMON ENRIQUE HOLGUIN CHAVEZ TAJITOS 95 Colonia SAN LUIS HERMOSILLO SONORA C. P. 83191 MÉXICO
213	AMERICAN ROLLER, S.A. DE C.V. QUETZAL 25 Colonia GRANJAS LOMAS DE GUADALUPE CUAUTITLÁN IZCALLI MÉXICO C.P. 54701 MÉXICO
214	GEOSINTETICOS ORIGO, S.A. DE C.V. CALLEJON 1RO DE ENERO 5 Colonia SANTA MARIA TONANITLA TONANITLA MÉXICO C. P. 55762 MÉXICO
215	ALFONSO R. BOURS, S.A. DE C.V. BLVD. ENRIQUE MAZON LOPEZ 428 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MEXICO
216	CFE SUMINISTRADOR DE SERVICIOS BASICOS AV. PASEO DE LA REFORMA 164 Colonia JUÁREZ CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
217	BAO INGENIERIA Y SERVICIOS, S.A. DE C.V. CARRETERA BAHIA KINO KM 14 1443 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MEXICO
218	SISA&AUT, S.A. DE C.V. CARRETERA A LA COLORADA KM 3 Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
219	ADRIAN ALEJANDRO BALLESTEROS NORIEGA ARROYO CUCHUJAQUI 61 Colonia RIO GRANDE HERMOSILLO SONORA C P. 83191 MÉXICO

220	SALUD INDUSTRIAL Y EMPRESARIAL MEXICANA, S.A. DE C. V. BLVD, MUSARO 75 B Colonia TERRANOVA HERMOSILLO SONORA C. P. 83191 MÉXICO
221	ISRAEL MEDELLIN DUARTE COBACHI 287 Colonia HEBERTO CASTILLO HERMOSILLO SONORA C. P. 83191 MÉXICO
222	ANGELICA ALFARO GONZALEZ AVENIDA PUEBLO DE ALAMOS 132 Colonia INSURGENTES HERMOSILLO SONORA C. P. 83191 MÉXICO
223	OPERADORA DIQUI, S.A.P.I DE C.V. BOULEVARD JESUS GARCIA MORALES 567 Colonia EL LLANO HERMOSILLO SONORA C. P. 83191 MEXICO
224	TOTAL PLAY TELECOMUNICACIONES, S.A.P.I DE C.V. PERIFERICO SUR 4119 TORRE A PISO 7 Colonia TLALPAN CIUDAD DE MÉXICO C. P. MEXICO
225	CORPORATIVO ENERVISION, S.A.P.I. DE C. V. BLVD, RODRIGUEZ 43 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
226	ARIEL FLORES MEXIA JUAN JOSE AGUIRRE 333 A Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MEXICO
227	CLAUDIO PEREZ GRIJALVA AV. LOPEZ ALVAREZ 60 Colonia LUIS DONALDO COLOSIO HERMOSILLO SONORA C. P. 83191 MÉXICO
228	ASIA MAQUINARIA DE MEXICO, S.A. DE C.V. CARRETERA CULIACAN-EL DORADO KM 7 Colonia CULIACÁN SINALOA C. P. 80001 MÉXICO
229	SOLDADURAS ESPECIALIZADAS DE SONORA, S.A. DE C.V. ENRIQUE QUIJADA 669 Colonia SAHUARO HERMOSILLO SONORA C. P. 83191 MÉXICO
230	VAESYCO INDUSTRIAL Y MINERO, S.A. DE C. V. DE LOS ACEBOS 25 Colonia ARANDAÑOS RESIDENCIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
231	PCD TECNOLOGIA, S.A. DE C.V. LOPEZ DEL CASTILLO 1024 Colonia EL CORTIJO HERMOSILLO SONORA C. P. 83191 MÉXICO
232	FILYREF, S.A. DE C.V. PERIFERICO NORTE 404 Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MÉXICO
233	MOTEL VILLAS DE SANTA ANA, S.A. DE C.V. CARRETERA INTERNACIONAL 1204 Colonia LA LOMA SANTA ANA SONORA C. P. 84604 MÉXICO

234	MC TERRA EMPRENDIMIENTOS SUSTENTABLES, S.C. BLVD. JUSTO SIERRA 37 A Colonia CONSTITUCION HERMOSILLO SONORA C. P. 83191 MÉXICO
235	CAROLINA MONTIEL REYES GARMENDIA 137 Colonia HERMOSILLO SONORA C. P. MÉXICO
236	ENCLUG, S.A. DE C.V. MANUEL Z. CUBILLAS 52 A Colonia HERMOSILLO SONORA C. P. MÉXICO
237	PACIFICO FONDO EMPRESARIAL, S.A. DE C.V. BLVD. CANUTO IBARRA 600 Colonia JARDINES DEL COUNTRY LOS MOCHIS SINALOA C. P 81201 MÉXICO
238	LACOSI, S.A. DE C.V. AV. CAMPECHE 188 A Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
239	COMERCIAL SANITARIA DIVISION SERVICIOS, S.A.DE C.V. BLVD. LUIS ENCINAS 131 1 Colonia EL MARIACHI HERMOSILLO SONORA C. P. 83191 MÉXICO
240	ALS-INDEQUIM, S.A. DE C.V. LOMA DE LOS PINOS 5505 Colonia LA ESTANZUELA VIEJA MONTERREY NUEVO LEON C.P. 64008 MÉXICO
241	RECONSTRUCCIONES ELECTRICAS DE MOTORES INDUSTRIALES DE SONORA, S.A. DE C.V. CALLE HANGARES 10 Colonia LA MANGA HERMOSILLO SONORA C. P. 83191 MÉXICO
242	ALMA LORENIA VALENZUELA ROBLES CALLE SOSTENES ROCHA 1149 Colonia DUNAS HERMOSILLO SONORA C. P. 83191 MEXICO
243	LETYIREN, S.A. DE C.V. DEL PLANETARIO 47 A Colonia PARQUE INDUSTRIAL HERMOSILLO SONORA C. P. 83191 MEXICO
244	DISTRIBUIDORES DE HULES INDUSTRIALES, S.A. DE C.V. PRIVADA HURTADO 139 9-C Colonia QUINTA EMILIA HERMOSILLO SONORA C. P. 83191 MÉXICO
245	GUJA DISTRIBUIDORA, S.A. DE C.V. AV. NAYARIT 131 314 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
246	CONEXION PC, S.A. DE C.V. CONCEPCION L DE SORIA 52 LOCAL 9 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MEXICO

247	TECNICAIA, S.A. DE C.V. ALBERTO GUTIERREZ 207 Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MEXICO
248	GRUPO MINERO PLASTIEMPAQ, S.A. DE C.V. NAYARIT 206 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
249	DIAZLAB LABORATORIOS CLINICOS, S.A. DE C.V ZACATECAS 73 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
250	CAMIONES Y TRACTOCAMIONES DE SONORA, S.A. DE C.V. MANUEL J. CLOUTHIER 174 Colonia ADOLFO DE LA HUERTA HERMOSILLO SONORA C. P. 83191 MÉXICO
251	FRANCISCO JAVIER MADRID REA CALLE ARBOL DE OLMEDILLA 14 Colonia URBI ALAMEDA LOS FRESNOS RESIDENCIAL HERMOSILLO SONORA C. P. 83191 MÉXICO
252	YONKE SAN MARCOS, S.A. DE C.V. SAN ANTONIO 12628 Colonia LAS ANIMAS CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
253	RS&COM INSTALACIONES Y SUMINISTROS, S.A. DE C.V. SEXTA 4 PRIMERA CERRADA Colonia HERMOSILLO SONORA C. P. 83191 MÉXICO
254	MATATIAS, S.A.P.I DE C.V. GRAL. JOSE MARIA YAÑEZ 79 Colonia SAN BENITO HERMOSILLO SONORA C. P. 83191 MÉXICO
255	INDUSTRIAS MONTILLA, S.A. DE C.V. AV. SILVESTRE TERRAZAS 10801 Colonia HIDALGO CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
256	CONSTRUCCIONES MAREVA DEL OCCIDENTE, S.A. DE C. V AV. LOPEZ MATEOS SUR 5060 INT 2A Colonia MIGUEL DE LA MADRID HURTADO ZAPOPAN JALISCO C. P. 45011 MÉXICO
257	REPRESENTACIONES Y EQUIPAMIENTOS DE SONORA, S.A. DE C.V. AV. DE LAS MANZAS 5 LOTE 7 Colonia PERISUR HERMOSILLO SONORA C. P. 83191 MÉXICO
258	CAMARA DE COMERCIO SERVICIOS Y TURISMO DE HERMOSILLO GASTON MADRID 31 Colonia CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
259	KORN FERRY MEXICO, S.C. CALLE PRADO SUR 274 Colonia LOMAS DE CHAPULTEPEC CIUDAD DE MÉXICO CIUDAD DE MÉXICO C. P. 01001 MÉXICO
260	ROMAIN INDUSTRIAL S.A. DE C.V. PEDRO DE GANTE Colonia SAN JUAN HERMOSILLO SONORA C. P. 83191 MÉXICO

261	PROPAMIN, S.A. DE C.V. AV. FRANCISCO PIZARRO 896 Colonia CAMINO REAL HERMOSILLO SONORA C. P. 83191 MÉXICO
262	SOLUCIONES Y DESARROLLOS MONTECH, S.A.S. DE C.V. GARMENDIA 202 B Colonia CENTRO NORTE HERMOSILLO SONORA C. P. 83191 MÉXICO
263	VICTOR MANUEL LOPEZ ROBLES OTHON ALMADA 119 Colonia BALDERRAMA HERMOSILLO SONORA C. P. 83191 MEXICO
264	ROMAN DURAZO MORENO CALLE PALO ALTO 55 Colonia FCO. EUSEBIO KINO ISSSTESON HERMOSILLO SONORA C.P. 83191 MEXICO
265	GU DISTRIBUIDOR Y FABRICANTE TEXTIL, S.A. DE C.V. 265 CALLE HERIBERTO AJA 59 Colonia HERMOSILLO CENTRO HERMOSILLO SONORA C. P. 83191 MÉXICO
266	BHR QUERETARO, S. R.L. DE C.V. AV. BIRLAIN SHAFFLER TORRE 1 Colonia CENTRO SUR QUERÉTARO QUERETARO C. P.76022 MEXICO
267	MECHANICAL COMPONENTS, STRUCTURES AND AUTOMATIONS, S.A. DE C.V. BLVD. CAPOMO 19 Colonia NUEVO HERMOSILLO HERMOSILLO SONORA C. P. 83191 MEXICO
268	TYCON TUBERIAS Y CONEXIONES, S.A. DE C.V. AV. JOSE MARIA MORELOS 368 9 SUR Colonia N/E GÓMEZ PALACIO DURANGO C. P. 3500 MÉXICO
269	JUMA MINING AND CONSTRUCTION DE MEXICO, S.A. DE C.V. CALLE SAN ANTONIO 29 Colonia PALO VERDE HERMOSILLO SONORA C.P. 83191 MÉXICO
270	SERVINSUMOS INDUSTRIALES, S.A. DE C.V. VENADO BURA 4 Colonia NUEVO HERMOSILLO HERMOSILLO SONORA C. P. 83191 MÉXICO
271	GILBERTO PAREDES PERALTA AV. VILLASIS ORIENTE 15 Colonia PUERTA REAL RESIDENCIAL VI HERMOSILLO SONORA C. P. 83191 MÉXICO
272	IDINHA, S.A. DE C. V. AV. ELECTRICISTAS 34 A Colonia ADOLFO DE LA HUERTA HERMOSILLO SONORA C. P. 83191 MEXICO
273	GASES Y HERRAMIENTAS DEL PACIFICO, S. DE R.L. DE C.V. CALLE ABRAHAM ZAIED 123 Colonia LUIS DONALDO COLOSIO NOGALES SONORA C. P. 84001 MÉXICO

274	CARLOS OSVALDO SCHROEDER AGUIRRE CALLE PASCAL 4 Colonia LOMAS SECCION BONITA #2 HERMOSILLO SONORA C. P. 83191 MEXICO
275	FUTUFARMA, S.A. DE C. V. VICTORIA 413 ALTOS Colonia CENTRO CHIHUAHUA CHIHUAHUA C. P. 31001 MÉXICO
276	MANUELITA BALDERRAMA LOPEZ FELIX VILLA NVA 14 Colonia SAN JOSE DE BACUM SONORA C. P. 85001 MÉXICO
277	ROMAN ALBERTO ELIAS DEL RIO CAPOTE 6 Colonia MINERA SEC 2 CANANEA SONORA C. P. 84621 MÉXICO
278	SEGUROS EL POTOSI, S.A. AV. DR. MANUEL NAVA 200A INT 1 Colonia SAN LUIS POTOSI SAN LUIS POTOSI C. P. MÉXICO
279	LORICA, S.C. CALLE VARSOVIA 57 101 Colonia JUAREZ CUAHTEMOC CIUDAD DE MÉXICO C. P. 06600 MÉXICO
280	NOTARIA MUÑOZ QUINTAL Y ASOCIADOS BLVD. PASEO RIO SONORA SUR 205 201 Colonia PASEO RIO SONORA HERMOSILLO SONORA C. P. 83270 MEXICO
281	MINERIA MINEVAL SA DE CV BLVD. MORELOS 307 101 Colonia HERMOSILLO SONORA C. P. 83191 MEXICO

XII. Based on section XV of article 43 of the Law of Commercial Bankruptcies, a certified copy of this Judgment shall be issued at the expense of the party requesting it.

Therefore, and based on articles 10, 11, 20, and 339 of the Law of Commercial Bankruptcies, it is hereby declared:

SOLVED:

FIRST. The merchant **Molimentales del Noroeste, Sociedad Anónima de Capital Variable**, is declared in **MERCANTILE BANKRUPTCY**.

SECOND. Compliance shall be given to the points established in this judgment.

Notify personally the merchant and the examiner; and by official communication to the Federal Institute of Specialists in Mercantile Bankruptcy, tax authorities, and the Ministry of Labor and Social Welfare. The other parties shall be considered notified once the judgment is published in the Official Gazette of the Federation.

So ordered and electronically signed by Saul Martinez Lira, Second District Judge in Area of Mercantile Bankruptcy, residing in Mexico City and having jurisdiction throughout the Mexican Republic, before the secretary Adriana Quero Terrazas, with whom he acts and certifies.

On the same date, the secretary of the Second District Court in Area of Commercial Bankruptcy, located in Mexico City and with jurisdiction throughout the Mexican Republic, certifies that the account submission and the present agreement have been integrated into the electronic record that exists in the Comprehensive System for Monitoring Cases; likewise, that the corresponding electronic files fully coincide with these records. I attest to this.

Note. On this date, letter 1954, 1955, 1956, 1957, 1958, and 1959 are sent to the corresponding authority, notifying them of the preceding order. I attest.

This is Exhibit "F" *referred to in the*
affidavit of Leslie Kapusianyuk --
sworn before me, this 18th
day of May, 2023
.....
A COMMISSIONER FOR TAKING AFFIDAVITS



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 22nd Floor CP 55, 22e étage
20 Queen Street West 20, rue queen ouest
Toronto ON M5H 3S8 Toronto ON M5H 3S8

IN THE MATTER OF
MAGNA GOLD CORP. (the Issuer)

CEASE TRADE ORDER
Under the securities legislation of Ontario (Legislation)

Background

1. This is the order of the Ontario Securities Commission (the **Decision Maker**).
2. The Issuer has not filed the following periodic disclosure required by the Legislation:
 - audited annual financial statements for the year ended December 31, 2022;
 - management's discussion and analysis relating to the audited annual financial statements for the year ended December 31, 2022; and
 - certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.
3. As a result of this order, if the Issuer is a reporting issuer in a jurisdiction in which Multilateral Instrument 11-103 *Failure-to-File Cease Trade Orders in Multiple Jurisdictions* applies, a person or company must not trade in or purchase a security of the issuer in that jurisdiction, except in accordance with the conditions that are contained in this order, if any, for so long as this order remains in effect.
4. Further, this order takes automatic effect in each jurisdiction of Canada that has a statutory reciprocal order provision, subject to the terms of the local securities legislation.

Interpretation

Terms defined in the Legislation, National Instrument 14-101 *Definitions* or National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions* have the same meaning if used in this order, unless otherwise defined.

Order

5. The Decision Maker is satisfied that the decision concerning the cease trade meets the test set out in the Legislation to make this decision.
6. It is ordered under the Legislation that trading, whether direct or indirect, cease in respect of each security of the Issuer.
7. Despite this order a beneficial security holder of the Issuer who is not, and was not at the date of this order, an insider or control person of the Issuer, may sell securities of the Issuer acquired before the date of this order if both of the following apply:

- (a) the sale is made through a “foreign organized regulated market”, as defined in section 1.1 of the Universal Market Integrity Rules of the New Self-Regulatory Organization of Canada; and
- (b) the sale is made through an investment dealer registered in a jurisdiction of Canada in accordance with applicable securities legislation.

DATED at Toronto this 5th day of May, 2023.

Ontario Securities Commission

“Michael Balter”

Michael Balter
Manager
Corporate Finance Branch

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

**AFFIDAVIT OF LESLIE KAPUSIANYK
(Sworn May 18, 2023)**

BENNETT JONES LLP

One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Sean Zweig (LSO# 57307I)
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Fax: 416-863-1716

Lawyers for the Applicant

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) MONDAY, THE 29th
JUSTICE MCEWEN) DAY OF MAY, 2023
)

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.**

Applicant

**AMENDED AND RESTATED INITIAL ORDER
(amending the Initial Order dated March 27, 2023)**

THIS MOTION, made by Magna Gold Corp. ("**Magna**" or the "**Applicant**") for an Amended and Restated Initial Order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day via video conference.

ON READING the affidavit of Leslie Kapusianykh sworn March 20, 2023 and the exhibits thereto (the "**Kapusianykh Affidavit**"), the affidavit of Leslie Kapusianykh sworn May 18, 2023 and the exhibits thereto, the First Report of the Proposal Trustee and the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") in its capacity as the proposed Monitor of the Applicant (the "**Report**") dated March 21, 2023, and the appendices thereto, the First Report of KSV in its capacity as monitor (in such capacity, the "**Monitor**"), filed, the Initial Order granted by this Court on March 27, 2023 (the "**Initial Order**"), the consent of KSV to act as the Monitor, and such other materials filed in respect of this Motion, and on being advised that there are no secured creditors who are likely to be affected by the charges created herein, and on hearing the submissions of counsel for the Applicant and the Monitor, no one else appearing although duly served as appears from the affidavit of service of Aiden Nelms sworn and filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged, to the extent necessary, and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

CONTINUANCE UNDER THE CCAA

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

3. **THIS COURT ORDERS AND DECLARES** that the proposal proceedings (the "**Proposal Proceedings**") of Magna bearing Estate/Court File No.: 31-2917856 commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended (the "**BIA**"), are hereby taken up and continued under the CCAA and that, as of the date hereof, the provisions of Part III of the BIA shall have no further application to Magna, save that any and all steps, agreements and procedures validly taken, done or entered into by Magna during the Proposal Proceedings shall remain valid and binding, notwithstanding the commencement of the CCAA proceedings.

4. **THIS COURT ORDERS** that, for clarity, Magna shall not be deemed to have made an assignment based on its failure to file a proposal with the official receiver notwithstanding s. 50.4(8) of the BIA.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this

Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize its existing cash management system currently in place as described in the Kapusianyk Affidavit or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

8. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses and satisfy the following obligations, whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, commissions, compensation, employee benefits, pension contributions, vacation pay and expenses (including, without limitation, payroll and benefits processing and servicing expenses) payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order; and
- (c) any payment referred to in paragraphs 9(a) or 9(b) of this Order that: (i) was incurred during the Proposal Proceedings or that pertains to such a period; or (ii) pertains to the period prior to the commencement of the Proposal Proceedings if, in the opinion of the Applicant and with the consent of the Monitor, the supplier of the applicable good or service is critical to the Business and the ongoing operations of the Applicant.

10. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and

services by the Applicant, but only where such Sales Taxes are accrued or collected after the date that the Proposal Proceedings commenced, or where such Sales Taxes were accrued or collected prior to such date but not required to be remitted until on or after such date; and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or pursuant to this Order, or any other Order of this Court.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$250,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing or restructuring of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including April 6, 2023, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

15. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant (in each case whether written or oral), except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

16. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefits services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

17. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before or arises after the date the Proposal Proceedings commenced and that relates to any obligation of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

19. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

20. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the indemnity provided in paragraph 19 of this Order. The Directors' Charge shall have the priority set out in paragraphs 35 and 37 herein.

21. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 19 of this Order.

APPOINTMENT OF MONITOR

22. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the cash flow statements;
- (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

24. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

27. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded to the Monitor by the CCAA or any applicable legislation.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges and whether incurred prior to, on or after the date hereof, by the Applicant as part of

the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant in accordance with the payment terms agreed to with such professionals.

29. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose, the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings and the Proposal Proceedings. The Administration Charge shall have the priority set out in paragraphs 35 and 37 hereof.

DISCHARGE OF KSV AS PROPOSAL TRUSTEE AND APPROVAL OF REPORT

31. **THIS COURT ORDERS** that the Proposal Trustee shall be discharged as proposal trustee of Magna, provided however that KSV shall continue to have the benefit of all protections and stays of proceedings in favour of KSV, in its capacity as proposal trustee of Magna.

32. **THIS COURT ORDERS AND DECLARES** that KSV is hereby released and discharged from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting in its capacity as Proposal Trustee for Magna. Without limiting the generality of the foregoing, KSV is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the Proposal Proceedings for Magna.

33. **THIS COURT ORDERS** that the Report and the activities of KSV, as described in the Report, be and are hereby approved; provided, however that only KSV, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

34. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee and its counsel, as set out in the Report, be and are hereby approved.

VALIDITY AND PRIORITY OF THE CHARGES CREATED BY THIS ORDER

35. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**"), shall be as follows:

First – Administration Charge up to the maximum amount of \$300,000.00; and

Second – Directors' Charge up to the maximum amount of \$300,000.00.

36. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

37. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

38. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the applicable Charges (collectively, the "**Chargees**"), or further Order of this Court.

39. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any

negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which the Applicant is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SECURITIES MATTERS

40. **THIS COURT ORDERS** that the decision by Magna to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents and press releases (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada or the United States, or by the rules and regulations of a stock exchange, including without limitation, the *Securities Act* (Ontario) and comparable statutes enacted by other provinces of Canada, the *Securities Act of 1933* (United States) and the *Securities Exchange Act of 1934* (United States) and comparable statutes enacted by individual states of the United States, the TSXV Exchange Corporate Finance Manual and other rules, regulations and policies of the TSX Venture Exchange, the NEX Board or OTC Pink (collectively, the "**Securities Provisions**"), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of Magna failing to make any Securities Filings required by the Securities Provisions.

41. **THIS COURT ORDERS** that none of the directors, officers, employees and other representatives of the Applicant, the Monitor and its directors, officers, employees and representatives, shall have any personal liability for any failure by Magna to make any Securities Filings required by the Securities Provisions during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have against the directors, officers, employees and other representatives of the Applicant of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by Magna. For greater certainty, nothing in this order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the "**Regulators**") in the matter of regulating the conduct of market participants and to issue cease trade orders if and when required pursuant to applicable securities law. Further, nothing in this Order shall constitute or be construed as an admission by the Regulators that the court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Legislation.

42. **THIS COURT ORDERS** that Magna be and is hereby relieved of any obligation to call and hold an annual meeting of its shareholders until further Order of this Court.

SERVICE AND NOTICE

43. **THIS COURT ORDERS** that the Monitor's obligations under Section 23(1)(a) of the CCAA and the regulations made thereunder are hereby dispensed with.

44. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/Toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that the Case Website established in connection with the Proposal Proceedings and referenced at the URL which follows shall constitute the Case Website for these CCAA

proceedings in accordance with the Protocol:
<https://www.ksvadvisory.com/experience/case/magnagold> (the "**Website**").

45. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these CCAA proceedings (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Website, provided that the Monitor shall have no liability in respect of the accuracy of, or the timeliness or making any changes to the Service List.

46. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile or other electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof; (b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered; and (c) if sent by ordinary mail, on the third business day after mailing.

47. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

48. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or for advice and directions concerning the

discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Mexico or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other Person(s) likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided, however, that the Chargees shall be entitled to rely on this Order as issued and entered and on the Charges with respect to any fees and disbursements incurred until the date this Order may be amended, varied or stayed.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order.

54. **THIS COURT ORDERS** that the Initial order is hereby amended and restated pursuant to this Order, and this Order is effective from today's date and is enforceable without the need for entry and filing.

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

AMENDED AND RESTATED INITIAL ORDER

BENNETT JONES LLP

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Lawyers for the Applicant

TAB 4

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) MONDAY, THE ~~27~~29th
JUSTICE MCEWEN) DAY OF ~~MARCH~~MAY, 2023
)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.

Applicant

AMENDED AND RESTATED INITIAL ORDER
(amending the Initial Order dated March 27, 2023)

THIS ~~APPLICATION~~MOTION, made by Magna Gold Corp. ("Magna" or the "Applicant") for an ~~initial order~~Amended and Restated Initial Order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), was heard this day via video conference.

ON READING the affidavit of Leslie Kapusianyk sworn March 20, 2023 and the exhibits thereto (the "Kapusianyk Affidavit"), the affidavit of Leslie Kapusianyk sworn May 18, 2023 and the exhibits thereto, the First Report of the Proposal Trustee and the Pre-Filing Report of KSV Restructuring Inc. ("KSV") in its capacity as the proposed Monitor of the Applicant (the "Report"), ~~filed,~~ dated March 21, 2023, and the appendices thereto, ~~and the consent of KSV to act as the~~ the First Report of KSV in its capacity as monitor ~~of the Applicant~~ (in such capacity, the "Monitor"), filed, the Initial Order granted by this Court on March 27, 2023 (the "Initial Order"), and the consent of KSV to act as the Monitor, and such other materials filed in respect of this Motion, and on being advised that there are no secured creditors who are likely to be affected by the charges created herein, ~~and~~ on hearing the

submissions of counsel for the Applicant and the Monitor, no one else appearing although duly served as appears from the affidavit of service of Aiden Nelms sworn ~~March 20, 2023~~ and filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Application, the Application Record~~ Motion and the ~~Report~~ Motion Record is hereby abridged, to the extent necessary, and validated so that this ~~Application~~ Motion is properly returnable today and hereby dispenses with further service thereof.

CONTINUANCE UNDER THE CCAA

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

3. **THIS COURT ORDERS AND DECLARES** that the proposal proceedings (the "**Proposal Proceedings**") of Magna bearing Estate/Court File No.: 31-2917856 commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended (the "**BIA**"), are hereby taken up and continued under the CCAA and that, as of the date hereof, the provisions of Part III of the BIA shall have no further application to Magna, save that any and all steps, agreements and procedures validly taken, done or entered into by Magna during the Proposal Proceedings shall remain valid and binding, notwithstanding the commencement of the CCAA proceedings.

4. **THIS COURT ORDERS** that, for clarity, Magna shall not be deemed to have made an assignment based on its failure to file a proposal with the official receiver notwithstanding s. 50.4(8) of the BIA.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize its existing cash management system currently in place as described in the Kapusianyk Affidavit or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

8. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses and satisfy the following obligations, whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, commissions, compensation, employee benefits, pension contributions, vacation pay and expenses (including, without

limitation, payroll and benefits processing and servicing expenses) payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order; and
- (c) any payment referred to in paragraphs 9(a) or 9(b) of this Order that: (i) was incurred during the Proposal Proceedings or that pertains to such a period; or (ii) pertains to the period prior to the commencement of the Proposal Proceedings if, in the opinion of the Applicant and with the consent of the Monitor, the supplier of the applicable good or service is critical to the Business and the ongoing operations of the Applicant.

10. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date that the Proposal Proceedings commenced, or where such Sales Taxes were accrued or collected prior to such date but not required to be remitted until on or after such date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or pursuant to this Order, or any other Order of this Court.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$250,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing or restructuring of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including April 6, 2023, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and

suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

15. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant (in each case whether written or oral), except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

16. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefits services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

17. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before or arises after the date the Proposal Proceedings commenced and that relates to any obligation of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

19. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

20. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the indemnity provided in paragraph 19 of this Order. The Directors' Charge shall have the priority set out in paragraphs 35 and 37 herein.

21. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 19 of this Order.

APPOINTMENT OF MONITOR

22. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its preparation of the ~~its~~ cash flow statements;
- (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

24. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of

any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

27. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded to the Monitor by the CCAA or any applicable legislation.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges and whether incurred prior to, on or after the date hereof, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant in accordance with the payment terms agreed to with such professionals.

29. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose, the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount

of \$300,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings and the Proposal Proceedings. The Administration Charge shall have the priority set out in paragraphs 35 and 37 hereof.

DISCHARGE OF KSV AS PROPOSAL TRUSTEE AND APPROVAL OF REPORT

31. **THIS COURT ORDERS** that the Proposal Trustee shall be discharged as proposal trustee of Magna, provided however that KSV shall continue to have the benefit of all protections and stays of proceedings in favour of KSV, in its capacity as proposal trustee of Magna.

32. **THIS COURT ORDERS AND DECLARES** that KSV is hereby released and discharged from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting in its capacity as Proposal Trustee for Magna. Without limiting the generality of the foregoing, KSV is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the Proposal Proceedings for Magna.

33. **THIS COURT ORDERS** that the Report and the activities of KSV, as described in the Report, be and are hereby approved; provided, however that only KSV, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

34. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee and its counsel, as set out in the Report, be and are hereby approved.

VALIDITY AND PRIORITY OF THE CHARGES CREATED BY THIS ORDER

35. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**"), shall be as follows:

First – Administration Charge up to the maximum amount of \$300,000.00; and

Second – Directors' Charge up to the maximum amount of \$300,000.00.

36. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

37. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

38. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the applicable Charges (collectively, the "**Chargees**"), or further Order of this Court.

39. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which the Applicant is a party;

- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SECURITIES MATTERS

40. **THIS COURT ORDERS** that the decision by Magna to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, ~~restatements, amendments to existing filings,~~ and press releases ~~or any other actions~~ (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada or the United States, or by the rules and regulations of a stock exchange, including without limitation, the *Securities Act* (Ontario) and comparable statutes enacted by other provinces of Canada, the *Securities Act of 1933* (United States) and the *Securities Exchange Act of 1934* (United States) and comparable statutes enacted by individual states of the United States, the TSXV Exchange Corporate Finance Manual and other rules, regulations and policies of the TSX Venture Exchange, the NEX Board or OTC Pink (collectively, the "**Securities Provisions**"), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of Magna failing to make any Securities Filings required by the Securities Provisions.

41. **THIS COURT ORDERS** that none of the directors, officers, employees and other representatives of the Applicant, the Monitor and its directors, officers, employees and representatives, shall have any personal liability for any failure by Magna to make any Securities Filings required by the Securities Provisions during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any

action or exercising any discretion that it may have against the directors, officers, employees and other representatives of the Applicant of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by Magna. For greater certainty, nothing in this order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the “Regulators”) in the matter of regulating the conduct of market participants and to issue cease trade orders if and when required pursuant to applicable securities law. Further, nothing in this Order shall constitute or be construed as an admission by the Regulators that the court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Legislation.

42. **THIS COURT ORDERS** that Magna be and is hereby relieved of any obligation to call and hold an annual meeting of its shareholders until further Order of this Court.

SERVICE AND NOTICE

43. **THIS COURT ORDERS** that the Monitor's obligations under Section 23(1)(a) of the CCAA and the regulations made thereunder are hereby dispensed with.

44. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/Toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that the Case Website established in connection with the Proposal Proceedings and referenced at the URL which follows shall constitute the Case Website for these CCAA proceedings in accordance with the Protocol: <https://www.ksvadvisory.com/experience/case/magnagold> (the "**Website**").

45. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these CCAA proceedings (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Website, provided that the Monitor shall have no liability in respect of the accuracy of, or the timeliness or making any changes to, the Service List.

46. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile or other electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof; (b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered; and (c) if sent by ordinary mail, on the third business day after mailing.

47. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

48. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or for advice and directions concerning

the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Mexico or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other Person(s) likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided, however, that the Chargees shall be entitled to rely on this Order as issued and entered and on the Charges with respect to any fees and disbursements incurred until the date ~~e~~f this Order may be amended, varied or stayed.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order.

54. **THIS COURT ORDERS** that [the Initial order is hereby amended and restated pursuant to this Order, and](#) this Order is effective from today's date and is enforceable without the need for entry and filing.

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

AMENDED AND RESTATED INITIAL ORDER

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TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE MCEWEN)
)
MONDAY, THE 29th
DAY OF MAY, 2023

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MAGNA GOLD CORP.**

Applicant

STAY EXTENSION ORDER

THIS MOTION, made by Magna Gold Corp. ("**Magna**" or the "**Applicant**") for an order extending the Stay Period (as defined in the Amended and Restated Initial Order dated May 29, 2023) pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day via video conference.

ON READING the affidavit of Leslie Kapusianyk sworn May 18, 2023 and the exhibits thereto, the First Report of KSV Restructuring Inc. in its capacity as monitor of the Applicant (in such capacity, the "**Monitor**"), filed, and the appendices thereto, and on hearing the submissions of counsel for the Applicant, the Monitor and any other parties listed on the counsel slip, no one else appearing although duly served as appears from the affidavit of service of Aiden Nelms sworn and filed;

EXTENSION OF THE STAY PERIOD

1. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including November 15, 2023.

GENERAL

2. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Mexico or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

3. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

4. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order and is enforceable without the need for entry and filing.

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

STAY EXTENSION ORDER

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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MAGNA GOLD CORP.**

Court File No.: CV-23-00696874-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

**MOTION RECORD OF THE APPLICANT
(Returnable May 29, 2023)**

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