

This is the 1st affidavit
of Michael Procyk in this case
and was made on June 15, 2023

No. S-228723
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF PURE GOLD
MINING INC.

PETITIONER

AFFIDAVIT

I, Michael Procyk, of 1 Procyk Road, Red Lake, Ontario, Mine General Manager,
AFFIRM THAT:

1. I am the Mine General Manager at Pure Gold Mining Inc. ("**Pure Gold**"). I therefore have personal knowledge of the matters herein after deposed, except where stated to be based on information and belief, and where so stated I do verily believe the same to be true.
2. I am authorized by Pure Gold to make this affidavit on its behalf.
3. I make this affidavit in support of an application brought by ("**Sprott Corp**"), the security agent to Sprott Private Resource Lending II (Collector), LP ("**Sprott LP**"), and Sprott Resource Lending II (CO), Inc. ("**Sprott Lending**") (Sprott Corp, Sprott LP, and Sprott Lending, collectively, "**Sprott**") for, among other things, an Order for determining the priority of Sprott against various alleged lien holders.

Background of the Mine Project

4. The Pure Gold Red Lake Gold Project (the “**Mine Project**”) is a mine project covering more than 4,600 hectares in the Red Lake gold camp of Northwestern Ontario.
5. The Mine Project is centred around the historical “**Madsen Mine**”, which is an underground gold mine approximately 7 kilometres southwest of Red Lake. The mine was discovered in the 1930s, and shortly thereafter, a two-compartment shaft was sunk to a depth of 167 metres on what is now referred to as the No. 1 mine. Since the 1930s, ownership of the Madsen Mine changed hands a number of times. Between the 1930s and 2000, significant development of the mine itself took place, including: sinking a second shaft in the Austin Zone (known as the No. 2 shaft); constructing a large concrete headframe in the No. 2 shaft; enlarging the No. 2 shaft to 5 compartments; deepening the No. 2 shaft to its present depth of 1270 metres; and installing two friction hoists in the No. 2 shaft.
6. Before Pure Gold’s operation, the last time that the Madsen Mine operated was from 1995 to approximately 2000. The mine closed around 2000, was permitted to flood, and the openings to the surface were temporarily closed. Pure Gold then purchased the Madsen Mine in 2014.
7. On August 7, 2019, Pure Gold announced that it would start to develop and operate the Mine Project. Shortly after, around October of 2019, I joined Pure Gold to assist with the development and operation of the Madsen Mine.
8. Around August-October of 2019, the major infrastructure of the mine itself was in place. The mine had been pumped down to below 4 Level. The existing infrastructure included the No. 2 shaft, West Portal, a mill head frame, existing tailings dam, the apex office structure was in place, the west portal was constructed, and the major roadway infrastructure was in place.
9. The infrastructure that required work prior to the Mine Project being operational again was to upgrade the existing mill, by stripping it and refurbishing it to a brand new mill.

Personal Experience Working on the Mine Project and the areas surrounding the Mine Project and the Madsen Mine

10. I have over 29 years of experience working on and around the mining lands related to the Mine Project, including at the historical Madsen Mine. I started my career in mining in March of 1994 as a miner at the Madsen Mine, working as a track drift miner, shaft rehab, and sub-drift work. I then worked for other mining companies for over 20 years in the Red Lake mining district, where I worked on the Madsen Mine and surrounding mines in a variety of roles.
11. I joined Pure Gold on October 2019 as Underground General Forman related to the Mine Project. In my role I was the in-between mining manager, where I reported to the mining manager and was the direct manager of the front-line supervisors and crew. My role was to ensure overall safety of mining activities, to develop mining procedures, to hire crews, and to oversee mining methods.
12. In November of 2021, I moved into the role of Underground Mine Manager with Pure Gold, where my duties were to ensure underground mining activities complies with all regulations and company polies, to assist with the development of production targets, monitor production results, review mining methods, and engage in other management duties as required.
13. My current role as Mine General Manager with Pure Gold includes leading the safety and operations of the mine, managing the mine site team to improve mine performance, and developing and managing the performance strategies of the mine as a business.
14. Attached as **Exhibit "A"** is a copy of my resume.

The Lien Claimants

15. There are four entities that have filed liens related to these proceedings with respect to work at the Mine Project, being Nuna Logistics Limited ("**Nuna**"), SCR Mining and Tunneling L.P. ("**SCR**"), Veolia Water Technologies ("**Veolia**"), and Epiroc Canada Inc. ("**Epiroc**").
16. Pure Gold continued to pay SCR, Nuna, Veolia, and Epiroc in accordance with usual payment practices until October 31, 2022, when the CCAA proceedings commenced

- 4 -

and precluded Pure Gold from paying the pre-filing amounts owing to its creditors, including SCR, Epiroc, Veolia, and Nuna.

17. Each of these four entities filed affidavits attaching invoices and other materials which they say support their lien claim.
18. I have reviewed each of the affidavits provided by the four lien claimants as well as their attachments. In the following paragraphs I will comment on the affidavits and materials provided by each of the four lien claimants from my perspective as Mine Manager, including comments on the specific work outlined in their respective affidavits.

i. The Nuna Claim

19. Pure Gold entered into a Master Services Agreement with Nuna around May 1, 2022 (the “**Nuna MSA**”).
20. Nuna provided services to Pure Gold under various work orders from approximately November 2021, until October 2022. I held the position of Mine Manager at the Mine Project during this time, and therefore I interacted with Nuna.
21. Pure Gold contracted Nuna so that Nuna would use its equipment and labourers to:
 - (a) haul waste and ore between specified locations on the Mine Project lands;
 - (b) crush ore; and
 - (c) ultimately dump the waste and ore at specified locations on the Mine Project lands.
22. These services are normal operational services, where Nuna charges the owner of the mine for tonnes of waste hauled and dumped, as well as for the use of equipment and laborers to operate that equipment.
23. Nuna used its own equipment, or its subcontractors equipment, in order to perform the services under the Nuna MSA. None of the equipment was integral to the building structure or was fixed to the land.

- 5 -

24. All of the equipment remained Nuna's property and all of the equipment is mobile, including the ore crusher.
25. I reviewed the invoices attached in the affidavit of Miles Safranovich. Based on my review, the services that Nuna describes in their invoices are for hourly rates charged to rent and operate equipment to crush and haul ore, which is part of the operation of the mine. The invoices also relate to demobilization costs.
26. Demobilization in this context means that Nuna removed their equipment from site, including Nuna's Seacans, mobile vehicles and equipment, parts, and handheld equipment. Nuna demobilized and were off-site in a matter of hours when Pure Gold told them that the mine was ceasing full operations and going on "care and maintenance", which was on or about October 24, 2022.
27. None of the work provided by Nuna (including that described in the invoices attached to the affidavit of Mr. Safranovich) created any structures on the mine lands. All of the services were part of the normal operations of the Mine Project within the already existing structure.
28. There has never been any expectation placed upon Pure Gold to holdback funds in relation to Nuna's work at the mine. Nuna never took the position it had any lien or holdback rights until after the Mine Project was insolvent and Pure Gold filed these CCAA proceedings. This is because the work done by Nuna was entirely operational in nature and provided no improvements to the land. Nuna's work also had no particular completion or end date.
29. Attached as **Exhibit "B"** is a copy of my notes that detail each of the services or supplies Nuna rendered under the invoices Nuna indicate support its lien claim.
30. As of today's date, all of Nuna's equipment is removed from Mine Project lands, and Pure Gold did not purchase any of this equipment.

ii. The SCR Claim

31. Around June of 2022, SCR submitted a proposal to Pure Gold to rent mining equipment and provide miners to operate that equipment on the Mine Project (the "**SCR Proposal**").

- 6 -

32. Following the SCR Proposal, Pure Gold executed various purchase orders with SCR for renting drilling equipment and hiring miners to operate underground mining equipment (the “**SCR POs**”). The miners worked mostly in the sill areas for the underground mine. They did not work on the main ramp areas, or in areas that were a part of the main infrastructure such as the pumping station and the fixed vent fan location.
33. SCR provided these services to Pure Gold under the SCR POs from approximately September 2022, until October or early November 2022. I held the position of Mine Manager at the Mine Project during this time, and therefore oversaw all of the work performed by SCR under the SCR POs.
34. SCR used its own equipment to perform these services, including the equipment that Pure Gold rented from SCR. All of the equipment was portable, and I understand SCR remained the owner of all of the equipment. None of the work provided by SCR created any structures on the mine lands. All of the SCR services were part of the normal operations of the Mine Project within the already existing structure.
35. I reviewed the invoices attached in the affidavit of Jorge Bedoya. Based on my review, the services that SCR describes in their invoices are for labour costs, labourer travel and accommodation costs, equipment rental costs, and materials related to operating its equipment.
36. Attached as **Exhibit “C”** is a copy of my notes that detail each of the services or supplies SCR rendered.
37. There has never been any expectation placed upon Pure Gold to holdback funds in connection to work done by SCR. This is because the work done by SCR was entirely operational (labour supplied and rental), was not related to any improvement to the land, and it had no particular completion date.

iii. The Epiroc Claim

38. Pure Gold and Epiroc entered into two Service Provider Agreements (the “**Epiroc SPAs**”). Under each of the Epiroc SPAs, Epiroc provided one fulltime dayshift Product Support Technician, starting on January 1 and August 25, 2021 (respectively) to December 31, 2022. The technicians’ responsibilities included servicing Epiroc brand mining equipment and providing technical assistance when required. All of the Epiroc

- 7 -

equipment was used in normal mining operations and was portable, and Epiroc leased some of this equipment to Pure Gold.

39. Distinct from the Epiroc SPAs, Epiroc also provided a variety of other services for Pure Gold from approximately November of 2019, until October of 2022. All of these services related to leasing, servicing, and repairing portable mining equipment used for the normal mining operations.
40. I held the position of Mine Manager at the Mine Project during this time, and therefore oversaw all of the work performed by Epiroc.
41. The variety of services Epiroc provided - aside from the Epiroc SPAs - are set out immediately below.
 - (a) Pure Gold contracted Epiroc to repair a Drifters, which is a part of mobile equipment used in mining to drill into rock. Epiroc owned some of the Drifters and rented it to Pure Gold with respect to the Mine Project.
 - (b) Pure Gold and Epiroc entered into a lease agreement on November 17, 2021, under which Pure Gold leased from Epiroc Minetruck MT2010 for a period of twelve months. This Minetruck was used for hauling mine materials, such as ore and waste, underground.
 - (c) Pure Gold and Epiroc entered into a LOS Remote Care Program on September 21, 2022, under which Epiroc supplied Pure Gold with two LOS Remote Operator Units for use at the Mine Project, for no cost to Pure Gold. Pure Gold would only pay Epiroc for repair and maintenance for the remotes, unless Pure Gold chose to keep the remotes at the end of the agreement, which it did not.
42. I reviewed the invoices attached in the affidavit of Raluca Pop. Based on my review, the services that Epiroc describes in their invoices are for hourly rates for the supply of two Product Support Technicians (under the Epiroc SPAs), repair costs for various mobile equipment, charges for leasing specific mobile equipment, and the purchase of various consumable materials, like bits and steel.

- 8 -

43. None of the work provided by Epiroc created any structures on the mine lands. All of the services were used for the normal operations of the Mine Project within the already existing structure.
44. Attached as **Exhibit "D"** is a copy of my notes that detail each of the services or supplies Epiroc rendered.
45. There has never been any expectation placed upon Pure Gold to holdback funds for Epiroc. This is because the work done by Epiroc has been entirely operational was not related to any improvement to the land, and it had no particular completion date.

iv. The Veolia Claim


46. Around March of 2020, Veolia submitted a proposal to Pure Gold that stated Veolia would design, fabricate, supply, and transport a mobile water treatment facility to the Mine Project lands (the "**Veolia WTF Agreement**").
47. Related to the Veolia WTF Agreement, Pure Gold placed a number of purchase orders with Veolia for services related to the installation of the mobile water treatment facility (the "**Veolia POs**").
48. Veolia began services under the Veolia WTF Agreement and the Veolia POs around March of 2020. I held the position of Mine Manager at the Mine Project during this time, and therefore I was aware of the work performed by Veolia under these various agreements.
49. Under the Veolia WTF Agreement and the Veolia POs, Pure Gold contracted Veolia to design, supply, and transport to the Mine Project lands a temporary and mobile water treatment facility (the "**Mobile WTF**") for use at the Mine Project.
50. The Mobile WTF is largely portable and is not integral to the structure of the Mine Project or the lands. It was designed to be pre-mounted as much as possible, and can be demobilized and removed off the lands. Essentially, it is mounted on a number of tractor trailers and a couple of seacans.
51. Attached as **Exhibit "E"** are images that I took on June 12, 2023, of the Mobile WTF.

52. Before Veolia transported the Mobile WTF to the Mine Project lands, Pure Gold was responsible for preparing all infrastructure for the Mobile WTF to be placed on. Pure Gold prepared the site and the infrastructure, which included leveling the site to create the foundation for the Mobile WTF's placement, and creating all necessary foundations to install, connect, and operate the Mobile WTF.
53. Pure Gold installed one of the necessary foundations, which was the installation of a temporary tent that would cover the Mobile WTF. These types of tents are often used at mine sites. The tent material is fairly solid, similar to the strength of aluminum, and made of very durable material. The tent can be taken down or moved as required quite easily.
54. Attached as **Exhibit "F"** are images that I took on June 13, 2023, of the temporary tent structure over the Mobile WTF.
55. The Veolia WTF Agreement set out a contract price of \$4,886,572.00, including tax. To date, Pure Gold has paid Veolia over \$9,360,276.35 with respect to the Mobile WTF. Accordingly, Pure Gold has long ago completed any payments owing under the Veolia WTF Agreement and the Veolia POs.
56. The work on the Mobile WTF was complete in or about May 2020. The work since then has been operational in nature including labour to maintain the Mobile WTF, to rent the Mobile WTF itself and for supply of parts and inventory for the operation and maintenance of the Mobile WTF.
57. Eventually, the Veolia WTF Agreement specifies that Veolia will demobilize. Demobilize in this context means that Veolia would demobilize the Mobile WTF by dismantling and removing all temporary facilities and construction equipment from the Mine Project lands, to leave the grounds in a clean and orderly fashion.
58. Pure Gold also contracts Veolia to provide ongoing services relating to the operation of the Mobile WTF, including the rental of all or substantially all of the water treatment plant equipment to Pure Gold and maintenance of such equipment (the "**WTP Rental Agreement**").
59. Finally, Pure Gold also purchases the necessary parts and chemicals to operate the Mobile WTF through Veolia. Pure Gold has expressed concern that it has been

overcharged by Veolia for the supply of parts inventory and chemicals and would prefer to obtain it directly rather than via Veolia.

- 60. I reviewed the invoices attached in the affidavit of David Oliphant. Based on my review, the services that Veolia describes in their invoices are for equipment rental under the WTP Rental Agreement, operational labour support of the Mobile WTF, accommodation costs for the labourers, and the purchase of parts inventory and chemicals used to treat water in the Mobile WTF via Veolia.
- 61. Attached as **Exhibit "G"** is a copy of my notes that detail each of the services or supplies Veolia rendered for the invoices they have taken the position were lienable.
- 62. Veolia never took the position it had any lien or holdback rights until after the Mine Project was insolvent and Pure Gold filed these CCAA proceedings. This is because the work on the Mobile WTF was complete around May 2020 and Pure Gold has now paid almost twice the original contract price for the Mobile WTF. Further, following the installation of the Mobile WTF, the work done by Veolia has been entirely operational (rental, maintenance, labour and supply of inventory).
- 63. Even if there was somehow a holdback requirement placed upon Pure Gold by Veolia, I am not clear how it could be determined how much it should be or when the hold back could be released since the current operational work being done by Veolia has no set value or end date.

AFFIRMED BEFORE ME, via)
 videoconference, at the City of Toronto in)
 the Province of Ontario, this 15th day of)
 June, 2023 (O. Reg. 431/20))
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DocuSigned by:


 A Commissioner for taking Affidavits for
 Ontario.

Emma Cosgrave
 LSO #74965Q



MICHAEL PROCYK

This is **Exhibit "A"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

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A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q

MICHAEL PROCYK

1 Procyk Road, PO Box 1100, Red Lake, Ontario, P0V 2M0 · 807-728-5054

m.b.procyk@gmail.com · <https://www.linkedin.com/in/michael-procyk-25b32115b/> ·

Reliable Manager eager to apply exceptional team leadership and delegation to a Mine Manager role. Adept at monitoring adherence to safety guidelines and company requirements. Experienced in team management and tracking of all types of production criteria at Pure Gold and the mining industry in general.

EXPERIENCE

MARCH 2023 – PRESENT

MGM

- Reported to the VP Operations at Pure Gold Mine in Madsen, ON.
- Responsible for the safe production of all site activities
- Drive safety and accountability through all levels of the workforce
- Responsible for initial hiring, ordering equipment, developing standard procedures relevant to site, and mentoring Supervisors.
- Implement cost reduction in development and maintenance

NOVEMBER 2021- MARCH 2023

UNDERGROUND MINE MANAGER, PURE GOLD MINING LTD.

- Reported to the Mine General Manager at Pure Gold Mine in Madsen, ON.
- Appointed Acting Mine General Manager when Mine General Manager was off site.
- Responsible for the safe production of all underground development, including shaft dewatering.
- Drive safety and accountability through all levels of the workforce
- Responsible for initial hiring, ordering equipment, developing standard procedures relevant to site, and mentoring Supervisors.
- Responsible for the Mobile Maintenance Department.
- Implement cost reduction in development and maintenance
-

RESPONSIBLE FOR DAY-TO-DAY MANAGEMENT OF ONSITE CONTRACTOR.

OCTOBER 2019 – NOVEMBER 2021

MINE GENERAL FOREMAN, PURE GOLD MINING LTD.

- Reported to the Mine Manager at Pure Gold Mine in Madsen, ON.
- Appointed Acting Mine Manager when Mine Manager was off site.
- Responsible for the safe production of all underground development, including shaft dewatering.

- Responsible for initial hiring, ordering equipment, developing standard procedures relevant to site, and mentoring Supervisors.
- Responsible for day-to-day management of onsite contractor.

OCTOBER 2005 – OCTOBER 2019**MINER 1, GOLDCORP INC.**

- Reported to the General Foreman at the Campbell Mine in Balmertown, ON.
- Appointed as a Step-in Coach for excellence, working one-on-one with Supervisors to enhance accountability, reporting findings and recommendations to the Mine General Manager.
- Responsible for various underground operations roles and activities including jumbo operator, track drifting, lateral development, rehab development, and Maclean bolting.

OCTOBER 2000 – MAY 2005**MINER, PLACER DOME INC.**

- Reported to the Underground Supervisor at the Campbell Mine in Balmertown, ON.
- Responsible for various underground operations roles and activities, including jumbo operator, track drifting, lateral development, rehab development, and Maclean bolting.

MAY 2000 – OCTOBER 2000**MINER, DUMAS CONTRACTING**

- Reported to the Underground Supervisor at the Campbell Mine in Balmertown, ON.
- Responsible for various underground operations roles and activities, including jumbo operator, jackleg development including mucking with a cavo.

SEPTEMBER 1999 – MAY 2000**SHAFT MINER/MINER, DYNATEC MINING CONTRACTORS**

- Reported to the Shaft Supervisor at the Dickenson Mine in Balmertown, ON.
- Responsible for various underground operations roles and activities, including track development, shaft maintenance, and slinging equipment down the shaft.

MAY 1998 – SEPTEMBER 1999**SHAFT MINER/MINER, CENTAUR MINING**

- Reported to the Underground Supervisor at the Madsen Mine, in Madsen, ON.
- Responsible for various underground operations roles and activities, including track development, lateral development, cage tending, shaft maintenance, sling equipment, and skipping.

OCTOBER 1996 – FEBRUARY 1998**SHAFT MINER/MINER, MADSEN GOLD CORP**

- Reported to the Underground Supervisor at the Madsen Mine, in Madsen, ON.
- Responsible for various underground operations roles and activities, including track development, lateral development, cage tending, shaft maintenance, sling equipment, and skipping.

JANUARY 1995 – MAY 1996**DRILL HELPER, MORISSETTE DIAMOND DRILLING**

- Reported to the Lead Driller at the Dickenson Mine, in Balmertown, ON.
- Responsible for helping the driller execute safe drilling and core extraction.

SKILLS

- Microsoft Suite (Word, Excel, Powerpoint).
- Mine Rescue Management Course.
- See attached documents for all underground qualifications.

**Appendix A – Job Description
Underground Mine Manager****Duties and Responsibilities:**

- Ensures underground mining activities are conducted in accordance with the Occupational Health and Safety Act (Ontario) and Regulations and environmental standards
- Complies with all safety requirements and observes all company policy and procedures
- Assists with the development of production targets and ensure production targets are met or exceeded
- Develops schedules, budgets and LOM and ensures these are controlled and managed effectively
- Monitors production results on a progressive basis and prepare monthly progress and variance reports
- Maintains effective working relationships with Contractors, Suppliers, and Service Providers, and ensures adherence to contractual requirements
- Develops a sense of continuous improvement and ensures appropriate training programs are in place to meet safety and production requirements
- Maintains knowledge of current statutory requirements and industry best practices and ensures compliance at all times
- Interphases with other managers and superintendents as part of the management team
- Reviews mining methods and implements optimization programs where appropriate
- Manages manpower levels to achieve planned results
- Manages the U/G mining team and develops goals and objectives for direct reports and monitors and assesses their performance
- Other duties and may be required

Appendix A – Job Description Interim Mine General Manger

Duties and Responsibilities:

- Leads the safety and operational excellence culture of the mine
- Communicate the corporate vision and strategy to the mine site team
- Manages P&L and evaluates options for increased profitability and improving mine performance
- Executes business strategy at optimal cost and productivity without compromising long term growth ie reserves
- Establishes relevant operational performance metrics and processes
- Manages the strategic advantage of the business into the future
- Ensures performance is delivered across the business
- Prioritizes resources for optimal utilization
- Ensures that safety strategy is implemented as a value of the operation
- Determines sustainability strategy integrating community and the mine in a value adding manner
- Develops and achieves annual budget
- Develop a business case for capital projects managing benefits vs costs
- Builds strong working relationships with each team member both on site and within Pure Gold Mining
- Builds the image of the operation by developing good external strategic partnerships
- Directs organization energy toward achieving business results and reinforces values
- Leads the development of people
- Ensures leadership bench strength now and into the future
- Ensures top performance is delivered by every team member
- Other duties as may be required

This is **Exhibit "B"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

DocuSigned by:

Emma Cosgrave

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A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q

Nuna Statement of Account

| Vendor ID | Vendor Name | Voucher Number | Document Type | Document Date | Document Number | Document Amount | Current Trx Amount | Details of Services or Supplies Rendered |
|-----------|----------------------------|----------------|---------------|---------------|-----------------|---------------------|--------------------|---|
| NUMPAR | Nuna Logistics Partnership | 00036732 | Invoice | 6/14/2022 | 0729 | 546,102.16000 | 403,044.52 | Time & Material crushing and Hauling May 2022 |
| NUMPAR | Nuna Logistics Partnership | 00037399 | Invoice | 7/7/2022 | 0743 | 490,058.41000 | 490,058.41 | Time & Material crushing & hauling June 2022 |
| NUMPAR | Nuna Logistics Partnership | 00037402 | Invoice | 7/7/2022 | 0744 | 89,229.57000 | 89,229.57 | Time & Material crushing and Hauling, site repairs, waste dump services June 2022 |
| NUMPAR | Nuna Logistics Partnership | 00038736 | Invoice | 7/31/2022 | 0756 | 667,232.49000 | 667,232.49 | Time & Material crushing and Hauling July 2022 |
| NUMPAR | Nuna Logistics Partnership | 00038737 | Invoice | 7/31/2022 | 0757 | 60,516.38000 | 60,516.38 | Time & Material crushing and Hauling client specific onboarding July 2022 |
| NUMPAR | Nuna Logistics Partnership | | Invoice | 9/23/2022 | 771A | 78,557.60000 | 78,557.60 | Demobilization Aug 2022, 4x 40T truck, 349 Excavator, 844/988 Loader |
| NUMPAR | Nuna Logistics Partnership | | Invoice | 9/23/2022 | 771B | 69,907.56000 | 69,907.56 | Demobilization Aug 2022, 2x 30T truck, 330 Excavator, 966 Loader, excavator Buckets |
| NUMPAR | Nuna Logistics Partnership | 00040265 | Invoice | 8/31/2022 | 0777 | 630,538.43000 | 630,538.43 | Time & Material crushing and Hauling Aug 2022, credits applied from May, June, July |
| NUMPAR | Nuna Logistics Partnership | 00040266 | Invoice | 8/31/2022 | 0778 | 47,264.19000 | 47,264.19 | Time & Material crushing and Hauling Aug 2022 - site fueling, waste dump/transfer pad services, |
| NUMPAR | Nuna Logistics Partnership | 00041390 | Invoice | 10/6/2022 | 0795 | 662,390.45000 | 662,390.45 | Time & Material crushing & hauling Sept 2022 |
| NUMPAR | Nuna Logistics Partnership | 00041391 | Invoice | 10/6/2022 | 0796 | 24,551.98000 | 24,551.98 | Time & Material crushing and Hauling Sept 22 site fueling, site repairs, waste dump services |
| NUMPAR | Nuna Logistics Partnership | 00041654 | Invoice | 10/25/2022 | 0806 | 499,381.10000 | 499,381.10 | Time & Material crushing and Hauling Oct 2022 |
| NUMPAR | Nuna Logistics Partnership | 00041655 | Invoice | 10/25/2022 | 0807 | 26,069.24000 | 26,069.24 | Time & Material crushing and Hauling Oct 22 site fueling, waste dump services |
| NUMPAR | Nuna Logistics Partnership | 00041656 | Invoice | 10/31/2022 | 0817 | 84,750.00000 | 84,750.00 | Demobilization Oct 2022 |
| | | | | | | <u>3,833,491.92</u> | | |

Balance per Nuna Statement of Account 3,833,491.92

Difference 0.00

This is **Exhibit "C"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

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Emma Cosgrave

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A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q

SCR Statement of Account

| Vendor ID | Voucher Number | Document Type | Document Date | Document Number | Document Amount | Current Trx Amount | Details of Services or Supplies Rendered |
|--------------------------------------|----------------|---------------|---------------|-----------------|-----------------|--------------------|---|
| SCRTUN | 00043249 | Invoice | 11/22/2022 | 909 | \$ 251,044.13 | 251,044.13 | Mining Support for sill development, flights, accommodation and wage for August, September, and October |
| SCRTUN | 00043250 | Invoice | 11/11/2022 | 908 | \$ 45,808.43 | 45,808.43 | Long Hole Driller Rental, Long Hole driller flights, accommodation and wage for October |
| SCRTUN | 00043251 | Invoice | 9/27/2022 | 822 | \$ 116,803.63 | 116,803.63 | Long Hole Driller Rental, Long Hole driller flights, accommodation and wage for Aug |
| | | | | | | <u>413,656.19</u> | |
| Balance per SCR Statement of Account | | | | | | <u>413,656.19</u> | |
| Difference | | | | | | <u>0.00</u> | |

This is **Exhibit "D"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

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A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q

Epiroc Statement of Account


| Vendor Voucher N° | Document Type | Document Date | Document Number | Document Am | Current Trx Amount | Details of Services or Supplies Rendered |
|---------------------|---------------|---------------|-----------------|---------------|--------------------|---|
| EPIROC 00042998 | Invoice | 10/18/2022 | 221027481 | \$ 64,537.23 | \$ 64,537.23 | reman transmission and core - DT06 haul truck |
| EPIROC 00041411 | Invoice | 10/21/2022 | 221028188 | \$ 514.43 | \$ 514.43 | 3 Water filters scoops |
| EPIROC 00043021 | Invoice | 8/26/2022 | 222002024 | \$ 17,422.70 | \$ 17,422.70 | Bits of steel |
| EPIROC 00043019 | Invoice | 9/29/2022 | 222002176 | \$ 6,801.28 | \$ 6,801.28 | Bits of steel |
| EPIROC 00042998 | Invoice | 9/21/2022 | 222002554 | \$ 116,998.75 | \$ 116,998.75 | LS UG drill labour supervision 642hours, subsistence, accomodations |
| EPIROC 00041411 | Invoice | 9/22/2022 | 222002762 | \$ 18,682.32 | \$ 18,682.32 | bit reconditioning, reasmer reconditioning |
| EPIROC 00043021 | Invoice | 9/27/2022 | 222002763 | \$ 129,332.43 | \$ 129,332.43 | bits of steel |
| EPIROC 00043019 | Invoice | 6/23/2022 | 222002866 | \$ 7,644.70 | \$ 7,644.70 | drifter drill repair - rock drill |
| EPIROC 00043022 | Invoice | 10/5/2022 | 222003038 | \$ 103,984.28 | \$ 103,984.28 | LS UG drill labour supervision 564 hours, subsistence, accomodations, flights |
| EPIROC 00040581 | Invoice | 9/19/2022 | 222003405 | \$ 8,823.48 | \$ 8,823.48 | repair & return of ST7 remote |
| EPIROC 00043058 | Invoice | 8/31/2022 | 222003419 | \$ 143,200.45 | \$ 143,200.45 | bits hole openers, shank adapter |
| EPIROC 00041063 | Invoice | 9/1/2022 | 222003421 | \$ 13,822.75 | \$ 13,822.75 | bit reconditioning, reasmer reconditioning |
| EPIROC 00041219 | Invoice | 9/28/2022 | 222003427 | \$ 55,876.24 | \$ 55,876.24 | LS UG drill labour supervision 300 hours, subsistence, accomodations |
| EPIROC 00040488 | Invoice | 10/26/2022 | 222003492 | \$ 83,001.43 | \$ 69,719.02 | bits & steel |
| EPIROC 00043020 | Invoice | 10/26/2022 | 222003493 | \$ 13,282.40 | \$ 13,282.40 | bits & steel |
| | Invoice | 9/1/2022 | 223000162 | \$ 25,979.83 | \$ 25,979.83 | rental charge for MT2010 - 1 month Aug 30 to Sept 29, 2022 - DT04 haul truck |
| | Invoice | 10/3/2022 | 223000222 | \$ 25,979.83 | \$ 25,979.83 | rental charge for MT2010 - 1 month Sept 30 to Oct 29, 2022 - DT04 Haul truck |
| | | | | \$ 835,884.53 | \$ 822,602.12 | |

Balance per Epiroc Statement of Account \$ 822,602.12

Difference \$ -

This is **Exhibit "E"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

DocuSigned by:


7826BA94D9D3413

A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q











VEOLIA

Mobile Water Services
Service mobile de traitement

1-844-737-8989

METAL PRECIPITATION REACTOR (RX)

RX DISCHARGE TO ACTIFLO →

RX-125/250-01-T

RH7389N

KING

TT
23:39



This is **Exhibit "F"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

DocuSigned by:

Emma Cosgrave

7826BA94D9D3413...

A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q









This is **Exhibit "G"** referred to in
the Affidavit of Michael Procyk sworn
before me at Toronto, Ontario on this the
15th day of June, 2023

DocuSigned by:

Emma Cosgrave

7820BA94D9D9413...

A Commissioner for taking Affidavits for
Ontario

Emma Cosgrave
LSO #74965Q

Veolia Statement of Account

| Vendor ID | Voucher Number | Document Type | Document Date | Document Number | Document Amount | Current Trx Amount | Details of Services or Supplies Rendered |
|---|----------------|---------------|---------------|-------------------|----------------------|--------------------|--|
| VEOLIA | 00043226 | Invoice | 1/31/2022 | 22002474 | \$ 47,722.76 | \$ 47,722.76 | Parts for WTP operation |
| VEOLIA | 00039962 | Invoice | 9/6/2022 | 22003896 RI 05000 | \$ 65,427.00 | \$ 47,100.37 | Heavy Metal Removal rental Sept 2 to Sept 29th 2022 |
| VEOLIA | 00039963 | Invoice | 9/6/2022 | 22003897 RI 05000 | \$ 57,065.00 | \$ 57,065.00 | Equipment Rental - first 2 months so 1 month ahead |
| VEOLIA | 00040724 | Invoice | 9/15/2022 | 22004106 RI 05000 | \$ 42,188.89 | \$ 42,188.89 | Hydrex 9555 38490 kg (chemical used to treat water) |
| VEOLIA | 00040725 | Invoice | 9/15/2022 | 22004108 RI 05000 | \$ 43,197.30 | \$ 43,197.30 | Hydrex 9555 39410 kg (chemical used to treat water) |
| VEOLIA | 00041260 | Invoice | 9/21/2022 | 22004273 RI 05000 | \$ 2,885.34 | \$ 2,885.34 | Sensor, salt bridge, freight (sensor to test water) |
| VEOLIA | 00041262 | Invoice | 10/6/2022 | 22004419 RI 05000 | \$ 1,518.08 | \$ 1,518.08 | stabcal ampule kit, parts (consumable Parts) |
| VEOLIA | 00042942 | Invoice | 10/12/2022 | 22000067 UC 05000 | \$ 9,746.25 | \$ 9,746.25 | Service contract July 13 to Oct 12, 2022 (operation support) |
| VEOLIA | 00041698 | Invoice | 10/17/2022 | 22004758 RI 05000 | \$ 2,183.16 | \$ 2,183.16 | 60 bags media microsand 13 (chemical used to treat water) |
| VEOLIA | 00043222 | Invoice | 10/18/2022 | 22004612 RI 05000 | \$ 65,427.00 | \$ 65,427.00 | Heavy Metal Removal rental Sept 30 to Oct 27th 2022 |
| VEOLIA | 00043239 | Invoice | 10/28/2022 | 22004776 RI 05000 | \$ 13,782.79 | \$ 13,782.79 | Filter Panel 50 (consumable Parts) |
| VEOLIA | 00041961 | Invoice | 11/1/2022 | 22004687 RI 05000 | \$ 104.66 | \$ 104.66 | 2 buffer soin (chemical used to test water) |
| VEOLIA | 00041652 | Invoice | 11/3/2022 | 22004893 RI 05000 | \$ 150,651.33 | \$ 150,651.33 | MBBR equipment (the performance guarantee for equipment installed pre-October 31st 5% hold back is approx. 133K) & tanks, valves |
| VEOLIA | 00041700 | Invoice | 11/3/2022 | 22004891 RI 05000 | \$ 3,992.79 | \$ 3,992.79 | gland, suction side liner (consumable Parts) |
| VEOLIA | 00043238 | Invoice | 11/11/2022 | 22004890 RI 05000 | \$ 25,642.49 | \$ 25,642.49 | Equipment rental Sept 1 - 28th - freight for Actiflow #1 unit return to Mexico |
| | | | | | <u>\$ 513,208.21</u> | | |
| Balance per Veolia Statement of Account | | | | | \$ 513,208.21 | | |
| Difference | | | | | \$ - | | |

No. S-228723
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS*
ACT, S.B.C. 2002, c. 57

AND

IN THE MATTER OF THE PLAN OF COMPROMISE AND
ARRANGEMENT OF PURE GOLD MINING INC.

PETITIONER

AFFIDAVIT

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 101992-00007

AGM/day