



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

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

NOTICE OF APPLICATION

Name of applicant: Pure Gold Mining Inc. ("Pure Gold")

To: The Service List

TAKE NOTICE that an application will be made by Pure Gold to the Honourable Justice Walker at 800 Smithe Street, Vancouver, British Columbia on June 15, 2023, at 3:15 p.m. for the order set out in Part 1 below.

Part 1: ORDER SOUGHT

1. Pure Gold seeks a Stay Extension Order, substantially in the form attached as **Schedule "A"**, extending the stay of proceedings in these *Companies' Creditors Arrangement Act* ("**CCAA**") proceedings from June 16, 2023, until June 23, 2023.
2. Pure Gold also seeks such other relief as counsel may advise and as this Court may deem appropriate.

Part 2: FACTUAL BASIS

The Need for a Stay Extension

3. Pure Gold was granted protection under the CCAA on October 31, 2022. Since that time it has been working diligently towards its restructuring goals, including with the assistance of its Court-approved "**Sales Agent**" and in consultation with KSV Restructuring Inc. (the "**Monitor**") and "**Sprott**", Pure Gold's senior secured lender, interim (DIP) lender in these proceedings, and largest creditor.
4. These efforts have cumulated in a transaction among certain parties including Pure Gold, West Red Lake Gold Mines Ltd. ("**WRLG**") and Sprott for the acquisition by WRLG of all of Pure Gold's issued and outstanding shares (the "**Transaction**"). The terms of the Transaction are

described in greater detail in Affidavit #2 of Jonathan Singh, dated May 18, 2023; the Share Purchase Agreement dated May 17, 2023 (the "SPA") attached to Affidavit #2 of Jonathan Singh; and the Sixth Report of the Monitor, dated May 19, 2023.

5. The Transaction was approved by this Court on May 29, 2023.
6. The SPA contemplates a target closing date for the Transaction of June 28, 2023 or such other date as the parties may mutually agree upon.
7. Pure Gold is currently working with WRLG, Sprott, the Monitor, and their advisors to close the Transaction. The parties anticipate that the Transaction will close this week or during the week of June 19, 2023. Pure Gold therefore seeks an extension of the stay of proceedings until June 23, 2023, to allow the Transaction to close.
8. Pure Gold is expected to have sufficient liquidity available through to June 23, 2023.

Part 3: LEGAL BASIS

The Stay of Proceedings Should be Extended

9. A stay of proceedings is the "central tool" by which this Court maintains the status quo for a debtor company, allowing it the necessary time, flexibility, and "breathing room" to carry out a supervised restructuring or organized sales process while continuing its ongoing operations.

1057863 B.C. Ltd. (Re), 2022 BCSC 876, paras. 31, 35 [1057863], citing Timminco Limited (Re), 2012 ONSC 2515, para. 15.

10. The baseline considerations and requirements for a stay extension are that a stay is "appropriate" and that the debtor company subject to the CCAA is acting in good faith and with due diligence.

CCAA, ss. 11.02(2)-(3).

11. In the present case, Pure Gold has been acting in good faith and with due diligence in these CCAA proceedings.

12. The proposed stay extension is necessary to maintain the status quo as Pure Gold pursues its restructuring efforts, most importantly the closing of the Transaction, for the benefit of its stakeholders.

13. The Monitor and Sprott are supportive of an extension of the stay of proceedings until June 23, 2023.

Part 4: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Jonathan Singh, made May 4, 2023;
2. Affidavit #2 of Jonathan Singh, made May 18, 2023;

3. Sixth Report of the Monitor, dated May 19, 2023; and
4. Such other and further materials as counsel for Pure Gold may advise.

Pure Gold estimates that the application will take 15 minutes.

This matter is not within the jurisdiction of a master. Justice Walker is seized of the matter.

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

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: June 13, 2023



Signature of Peter L. Rubin
Lawyer for Pure Gold Mining Inc.

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To be completed by the court only:

Order made

in the terms requested in paragraphs of Part 1 of this notice of application

with the following variations and additional terms:

Date: _____

Signature of Judge Master

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts

Schedule "A"

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ORDER MADE AFTER APPLICATION

BEFORE) THE HONOURABLE JUSTICE WALKER) June 15, 2023
))
))

ON THE APPLICATION of the petitioner, Pure Gold Mining Inc. ("**Pure Gold**") coming on for hearing at Vancouver, British Columbia on the 15th day of June 2023; AND ON HEARING Claire Hildebrand, counsel for Pure Gold, and those other counsel listed on Schedule "A" hereto; AND UPON READING the materials filed, including Affidavit #1 of Jonathan Singh, affirmed May 4, 2023, Affidavit #2 of Jonathan Singh, affirmed May 18, 2023, and the Sixth Report of KSV Restructuring Inc. (in its capacity as court-appointed monitor of Pure Gold) dated May 19, 2023; AND pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985 c. C-36, as amended, the British Columbia *Supreme Court Civil Rules*, and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES that:

1. The Stay Period (as defined in paragraph 13 of the Amended and Restated Initial Order of this Court pronounced on November 9, 2022) is hereby extended until and including June 23, 2023.

2. Endorsement of this Order by counsel appearing on this application other than counsel for Pure Gold is hereby dispensed with.

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

Signature of Claire Hildebrand
Lawyer for Pure Gold Mining Inc.

BY THE COURT.

Registrar

Schedule "A"

Counsel Name	Party Represented

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