



No. VLC-S-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

FIFTH REPORT OF KSV RESTRUCTURING INC.
AS MONITOR

May 5, 2023

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1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) issued by the Supreme Court of British Columbia (the “**Court**”) on October 31, 2022, as amended and restated by further order made on November 9, 2022 (the “**ARIO**”), Pure Gold Mining Inc. (the “**Company**”) was granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. (“**KSV**”) was appointed monitor of the Company (in such capacity, the “**Monitor**”).
2. The principal purpose of these CCAA proceedings at this time is to facilitate the continued operation of the Mine (as defined below) on a care and maintenance basis with financing provided by the Interim Lender (as defined below), while the Company works to complete a sale of its shares to West Red Lake Gold Mines Ltd. (“**WRLG**”) (the “**WRLG Transaction**”), a transaction that was identified through a Court-supervised sale and investment solicitation process (“**SISP**”) that was approved earlier in these proceedings.
3. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Company and its directors and officers (the “**Initial Stay**”) from October 31, 2022 to and including November 10, 2022 (the “**Initial Stay Period**”);
 - b) approved an interim financing loan facility (the “**Interim Financing Facility**”) in the maximum principal amount of US\$10 million to be made available by Sprott Private Resource Lending II (Collector), LP (“**Sprott**” or the “**Interim Lender**”), pursuant to a term sheet dated October 30, 2022, but limited borrowings by the Company thereunder to US\$2 million;
 - c) granted charges on all of the Company’s current and future assets, property and undertakings (collectively, the “**Property**”) having the following priorities:
 - i. a charge in the amount of \$750,000 to secure the fees and disbursements of the Company’s legal counsel and the Monitor and its legal counsel (the “**Administration Charge**”);
 - ii. a charge in the amount of \$650,000 in favour of the Company’s directors and officers to secure the Company’s indemnity obligations to such persons (the “**D&O Charge**”); and
 - iii. a charge in favour of the Interim Lender to secure the Company’s obligations to the Interim Lender in respect of advances made under the Interim Financing Facility (the “**Interim Lender’s Charge**”).
4. Pursuant to the terms of the ARIO, *inter alia*, the Court:
 - a) extended the Initial Stay Period to January 27, 2023 (the “**Stay Period**”);
 - b) increased the amount of authorized borrowings under the Interim Financing Facility from US\$2 million to US\$10 million;

- c) approved a key employee retention plan (“**KERP**”) and granted a corresponding charge in the maximum amount of \$750,000 (the “**KERP Charge**”) as security for amounts payable to certain of the Company’s employees under the KERP (the “**KERP Employees**”), which charge ranks behind the Administration Charge, D&O Charge and the Interim Lender’s Charge;
 - d) approved the SISP;
 - e) approved an agreement dated November 1, 2022 (the “**Sales Agent Agreement**”) between the Company and National Bank Financial Inc. (“**NBF**”) in respect of NBF’s engagement as sales agent to carry out the SISP (in such capacity, the “**Sales Agent**”); and
 - f) granted a charge on the Property as security for the Sales Agent’s fees under the Sales Agent Agreement (the “**Sales Agent Charge**”), which charge ranks behind the Administration Charge, D&O Charge, Interim Lender’s Charge and KERP Charge.
- 5. Pursuant to a Court order dated January 23, 2023, the Stay Period was extended from January 27, 2023 to March 10, 2023.
 - 6. Pursuant to a Court order dated March 7, 2023: (a) the Stay Period was extended from March 10, 2023 to May 12, 2023; and (b) the amount of authorized borrowings under the Interim Financing Facility was increased from US\$10 million to US\$15 million.
 - 7. Pursuant to a Court order dated March 30, 2023: (a) Jonathan Singh was appointed the Company’s Chief Administrative Officer (the “**CAO**”), which followed the resignation of the Company’s board of directors; and (b) a site employee retention plan (the “**SERP**”)¹ for the Company’s remaining site employees was approved, including a charge of up to \$2.2 million to secure the Company’s obligations under the SERP (the “**SERP Charge**”). The SERP Charge ranks *pari passu* with the KERP Charge.

1.1 Purposes of this Report

- 1. The purposes of this report (the “**Report**”) are to:
 - a) provide the Court with an update on recent developments concerning the Company, including a potential transaction with WRLG, which is subject to Court approval;
 - b) summarize a proposed claims process to solicit, identify and adjudicate any post-filing claims against the Company’s directors and officers (the “**D&O Claims Process**”);

¹ The Company paid the first instalment under the SERP of approximately \$594,000 on or around April 30, 2023.

- c) report on the Company's updated cash flow projection for the period May 1 to June 16, 2023 (the "**Cash Flow Forecast**");
- d) discuss the rationale for extending the Stay Period from May 12 to June 16, 2023; and
- e) provide the Monitor's recommendations in respect of the Company's applications for orders:
 - approving the D&O Claims Process (the "**D&O Claims Process Order**"); and
 - extending the Stay Period from May 12 to June 16, 2023.

1.2 Restrictions

1. In preparing this Report, the Monitor has relied upon the Company's unaudited financial information, books and records, information available in the public domain and discussions with the Company's management, the CAO and legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Company's Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon the Company's assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. The Company is a British Columbia corporation principally engaged in the acquisition, exploration, development and operation of Canadian precious metal properties, or interests in companies controlling mineral properties, which feature high metal grades, meaningful size and access to existing infrastructure.

2. Prior to the commencement of these proceedings, the Company's shares were traded on the TSX Venture Exchange under the symbol PGM and on the London Stock Exchange ("LSE") under the symbol PUR. On October 31, 2022, the TSX Venture Exchange (the "TSXV") advised the Company that trading of the Company's common shares would be transferred to the NEX Board of the TSXV effective at the opening of the market on November 2, 2022. The trading symbol for the Company changed from PGM to PGM.H at that time. On January 13, 2023, the Company commenced a process to have its shares delisted from the LSE. On March 21, 2023, TSXV halted the trading of the Company's shares pending TSXV's review of the Company's compliance with exchange requirements.
3. The Company's principal business is the operation of its mine, which is located on approximately 4,600 hectares in the Red Lake mining district of Northwestern Ontario, just east of the Manitoba border (the "Mine"). The Mine's infrastructure includes two ramps that provide access from surface, an ore processing facility with design capacity of 800 tonnes of ore per day and tailings and rock storage facilities.
4. Effective October 24, 2022, the Company suspended active mining operations and placed the Mine on care and maintenance with a materially reduced workforce. The Mine is expected to remain on care and maintenance throughout these proceedings.
5. Prior to placing the Mine on care and maintenance on October 24, 2022, the Company had approximately 271 employees. The Company presently has 38 employees. The Company's workforce is not unionized and the Company does not maintain any registered pension plans.
6. The commencement of these proceedings by the Company was supported by Sprott, its major secured creditor, which is owed in excess of \$133 million before post-filing advances under the Interim Financing Facility, which total US\$12.75 million as at the date of this Report, plus interest and costs which continue to accrue.
7. KSV's pre-filing report dated October 30, 2022 (the "Pre-Filing Report"), the Monitor's prior reports filed in these proceedings and the Company's affidavits provide additional background information concerning the Company and these proceedings. Court materials filed in these proceedings are available on the Monitor's case website at <https://www.ksvadvisory.com/experience/case/pure-gold->.

3.0 Update on SISP and WRLG Transaction

1. As detailed in prior reports filed by the Monitor, the SISP contemplates the following milestones and timelines:

Milestone	Deadline
SISP Commencement Date	November 10, 2022
Deadline (the "LOI Deadline") for submission of Letter(s) of Intent ("LOIs")	December 19, 2022
Final Bid Process Commencement Date	December 20, 2022
Final Bid Deadline	February 6, 2023
Final Agreement Deadline	February 21, 2023
Outside Closing Date	March 10, 2023

2. As no acceptable bids were submitted by the LOI Deadline, the parties agreed that Sprott would communicate directly with Potential Bidders regarding a transaction concerning the Company and/or its assets, whether in the context of the SISP or otherwise. Sprott has been doing so. In the context of any such discussions, Sprott remains bound by the confidentiality provisions of the SISP, including specifically paragraph 13 thereof, which provides that Sprott shall keep confidential the names, details, and all other non-public information related to the SISP and any other information provided to it and marked as confidential.
3. In the context of Sprott's communications with Potential Bidders, WRLG emerged as a potential purchaser, performed diligence and submitted a binding offer dated April 10, 2023, subject to finalizing a definitive Share Purchase Agreement on terms and conditions satisfactory to WRLG, the Company and Sprott.
4. The WRLG Transaction contemplates that WRLG will, subject to Court approval and certain other conditions precedent, acquire all issued and outstanding shares of the Company. WRLG has agreed to pay \$6.5 million in cash, issue 28.46 million common shares and grant a 1.0% secured Net Smelter Royalty on the Madsen Gold Project as consideration, as well as make up to US\$10 million in deferred consideration payments. On April 17, 2023, the Company issued a press release in respect of the WRLG Transaction, a copy of which is attached as Appendix "A".
5. As at the date of this Report, the Company, WRLG, the Monitor and their respective legal counsel are working to finalize the definitive documentation required to seek Court approval of the WRLG Transaction, including a Share Purchase Agreement and the form of Reverse Vesting Order to be sought from this Court. The Company expects to bring an application for approval of the WRLG Transaction in the coming weeks, subject to the Court's availability.

4.0 D&O Claims Process²

1. **The following section provides an overview of the D&O Claims Process. All interested parties are strongly encouraged to read the proposed D&O Claims Process Order as full details of the D&O Claims Process are provided therein. The information contained in this section is provided in summary format only.**
2. In order to make distributions to creditors on a timely basis, the Monitor supports the Company's application to commence the D&O Claims Process at this time. The D&O Claims Process is in respect of any post-filing claims against the Company's Directors and Officers. The most likely claims in this regard are for unpaid wages and sales taxes that accrued following the making of the Initial Order. The Monitor is not aware of any such claim given that all post-filing wages and other amounts that may give rise to director obligations have been paid in the normal course since these proceedings commenced.

² Unless otherwise defined, capitalized terms in this section of the Report have the meaning provided to them in the proposed D&O Claims Process Order.

4.1 Claims Bar Date

1. All claimants making post-filing D&O Claims will be required to file claims with the Monitor by June 12, 2023 by 4:00 p.m. (Pacific Time) (the “Claims Bar Date”).
2. Any claimant that does not file a claim by the Claims Bar Date will, *inter alia*: (i) be prohibited from enforcing any such claim and not be permitted to vote and/or participate in any distributions authorized by the Court in these proceedings.
3. The Monitor believes the Claims Bar Date provides claimants sufficient time to evaluate and submit any post-filing claim they may have against the Company’s Directors and Officers. The proposed D&O Claims Process Order also provides the Monitor with the flexibility to revise the timelines without further Court order, should it believe an extension to the Claims Bar Date or other timelines is necessary in the circumstances.

4.2 Notice

1. In order to notify claimants about the D&O Claims Process, the Company and/or the Monitor will:
 - a) publish a press release about the D&O Claims Process on the Company’s website and on SEDAR;
 - b) publish a notice about the D&O Claims Process in the Northern Miner, being a publication widely followed by the mining community, including in the location of the Mine;
 - c) post a notice about the D&O Claims Process on the Monitor’s case website; and
 - d) serve notice of the D&O Claims Process Order on the Service List in these proceedings.
2. The Monitor believes that the notice provisions set out above are reasonable in order to identify any potential claimants with D&O Claims.

4.3 Adjudication of Claims

1. The Monitor, in consultation with the Company, and, as the Monitor may deem appropriate, any Director or Officer against whom a claim is asserted (or their counsel), will either:
 - a) accept the Claim in its entirety;
 - b) revise the amount, secured status or priority of the Claim for voting and/or distribution purposes; or
 - c) disallow the Claim in its entirety for voting and/or distribution purposes.
2. If a decision is made to revise or reject a Claim, the Monitor will send a Notice of Revision or Disallowance (“**NORD**”) to the claimant by no later than 30 business days following the Claims Bar Date.

3. Any claimant who intends to dispute a NORD must:
 - a) within 10 business days after the date on which the claimant is deemed to have received such NORD or such other date as may be agreed to by the Monitor, deliver to the Monitor a Notice of Dispute of Revision or Disallowance (“**Notice of Dispute**”); and
 - b) within 15 business days after the date of delivery of the applicable NORD, or such other date as may be agreed to by the Monitor in consultation with the Company, or this Court may order, file and serve on the Company, the Monitor and the applicable Director or Officer, a Notice of Application seeking to appeal the NORD, along with all supporting affidavit material. Any appeal from a NORD shall proceed as a hearing *de novo*, and the parties may adduce evidence in respect of the Claim not previously included in connection with Director/Officer Claim Form or in connection with the corresponding NORD.
4. The D&O Claims Process Order contemplates the possibility of the Monitor or the Company seeking an additional order from the Court authorizing the appointment of one or more claims officers to adjudicate disputed claims, in the event that the Monitor or the Company consider that to be appropriate.
5. Any Claimant that is sent a NORD and does not file a Notice of Dispute within the prescribed time period will be deemed to have accepted the amount and determination as set out in the NORD and such Claimant will have no further right to dispute same.
6. The Monitor believes the adjudication provisions in the proposed D&O Claims Process Order are reasonable and consistent with claims processes approved by this Court in other CCAA proceedings and will provide for an efficient mechanism to resolve any D&O Claims that may be filed.

5.0 Cash Flow Forecast

1. The Cash Flow Forecast for the period May 1 to June 16, 2023 and the Company’s statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached hereto as Appendix “B”.
2. The Cash Flow Forecast reflects that the Company does not require an increase in the maximum amount it can borrow under the Interim Financing Facility during the proposed extension of the Stay Period.
3. Based on the Monitor’s review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor’s statutory report on the Cash Flow Forecast is attached hereto as Appendix “C”.

6.0 Stay Extension

1. The Stay currently expires on May 12, 2023. The Company is seeking an extension of the Stay Period until June 16, 2023.
2. The Monitor supports the extension request for the following reasons, among others:
 - a) the Company is acting in good faith and with due diligence to advance its restructuring;
 - b) an extension of the Stay Period will allow the Company and WRLG to advance negotiations of definitive documentation in respect of the WRLG Transaction;
 - c) an extension will provide the Company, with the assistance of the Monitor, the time necessary to administer the D&O Claims Process;
 - d) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted;
 - e) the Interim Lender is supportive of the extension being sought; and
 - f) the Company is projected to have sufficient liquidity to fund its operations and the costs of these proceedings until June 16, 2023, as reflected in the Cash Flow Forecast.

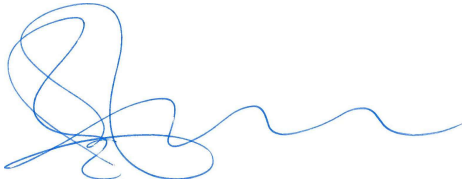
7.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the relief sought by the Company.

* * *

All of which is respectfully submitted,

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS CCAA MONITOR OF PURE GOLD MINING INC.
AND NOT IN ITS PERSONAL CAPACITY**



Per: Robert Kofman, President

Appendix “A”



PureGold to be Acquired by West Red Lake Gold Mines Ltd.

April 17, 2023

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

VANCOUVER, B.C. – Pure Gold Mining Inc. (NEX:PGM.H) (the “**Company**”) announces that it has entered into a binding letter agreement with West Red Lake Gold Mines Ltd. (“**West Red Lake**” or “**WRLG**”) (TSXV: WRLG, OTC: WRLGF) and Sprott Resource Lending Corp. (“**Sprott**”), whereby WRLG will, subject to certain conditions precedent, acquire all of the issued and outstanding shares of the Company (the “**Acquisition**”),

subject to approval of the British Columbia Supreme Court (the “**Court**”) in the Company’s ongoing proceedings pursuant to the *Companies Creditors Arrangement Act* (the “**CCAA Proceedings**”).

WRLG has agreed to pay C\$6.5 million in cash, issue 28.46 million common shares and grant a 1.0% secured Net Smelter Royalty (“**NSR**”) on the Madsen Gold Project as consideration for the Acquisition, as well as make up to US\$10.0 million in deferred consideration payments. The share and NSR consideration is expected to accrue to Sprott as a fund managed by Sprott is the senior secured lender to the Company. In addition, US\$10.0 million in deferred consideration is payable upon a change of control of WRLG with WRLG having the right to pay down any part of the deferred consideration prior to any change of control. In conjunction with the Acquisition, WRLG has entered into an engagement letter with Canaccord Genuity in respect of a “bought-deal” private placement of subscription receipts for gross proceeds of C\$20,000,050 and an underwriter’s option of C\$5,000,100.

Closing of the Acquisition will be subject to several conditions precedent, including the negotiation and execution of a definitive agreement for the Acquisition by no later than May 1, 2023, Court approval of the Transaction, including the grant of a reverse vesting order from the Court, WRLG shareholder approval, and all requisite regulatory approvals, including the approval of the TSX Venture Exchange.

About Pure Gold Mining Inc.

The Company is a Canadian gold mining company with a mine (the “**Mine**”) located in Red Lake, Ontario, Canada. The Company owns and operates the Company’s Mine, which began gold production in 2021 after the successful construction of an 800 tpd underground mine and processing facility. The Company’s Mine is centered on a forty-seven square kilometre property with significant discovery potential.

Additional information about the Company and its activities may be found on the Company’s website at www.puregoldmining.ca and under the Company’s profile at www.sedar.com

ON BEHALF OF THE COMPANY

“Jonathan Singh”

Jonathan Singh, Chief Administrative Officer

Neither 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.

All statements in this press release, other than statements of historical fact, are “forward-looking information” with respect to the Company within the meaning of applicable securities laws, including, but not limited to statements relating to the expected terms, timing and completion of the Acquisition, the negotiation and execution of a definitive agreement, the receipt of the reverse vesting order from the Court, and the receipt of all necessary approvals including WRLG shareholder and TSXV approval. Forward-looking information is often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”,

“continue”, “planned”, “expect”, “project”, “predict”, “potential”, “targeting”, “intends”, “believe”, “potential”, and similar expressions, or describes a “goal”, or variation of such words and phrases or state that certain actions, events or results “may”, “should”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future prices of gold and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to the CCAA proceedings and the impact of the same on the Company’s operations; completing the Acquisition and the timing thereof; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration and development activities generally; delays in permitting; possible claims against the Company; the timing of future economic studies; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration as well as those factors discussed in the Annual Information Form of the Company dated March 30, 2022 in the section entitled “Risk Factors”, under the Company’s SEDAR profile at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. 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 unless required by law.

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Appendix “B”

Pure Gold Mining Inc.
Weekly Cash Flow Projection
\$CAD thousands

<i>Week #</i>		27	28	29	30	31	32	33	
<i>Week Ending Date</i>	<i>Notes</i>	5-May-23	12-May-23	19-May-23	26-May-23	2-Jun-23	9-Jun-23	16-Jun-23	Total
Receipts									
DIP Advances		-	680	544	680	340	612	204	3,060
GST receivable	2	-	154	-	-	120	-	-	274
Total Receipts		-	834	544	680	460	612	204	3,334
Site-Related Disbursements									
Workforce Labour costs	3	(28)	(270)	-	(259)	-	(99)	(188)	(844)
Non-Labour Opex + Capex	4	(110)	(375)	(226)	(199)	(166)	(349)	(163)	(1,588)
Total Site Disbursements		(138)	(645)	(226)	(458)	(166)	(448)	(351)	(2,433)
Corporate Disbursements									
Professional Fees	5	-	(45)	(300)	-	-	-	(300)	(645)
Chief Administration Officer	6	-	(34)	-	-	-	(34)	-	(68)
SERP	7	(16)	-	-	-	-	-	-	(16)
Corporate G&A expense	8	(9)	(105)	-	(8)	(2)	(3)	(15)	(142)
DIP Interest	9	-	-	-	-	(239)	-	-	(239)
Total Corporate Disbursements		(26)	(184)	(300)	(8)	(241)	(37)	(315)	(1,110)
Contingency		(30)	(30)	(30)	(30)	(30)	(30)	(30)	(210)
Net Weekly Cash Flow		(194)	(25)	(12)	183	24	97	(492)	(419)
Cash Balance									
Opening Cash Balance		445	252	227	214	398	421	518	445
Net Cash Flow		(194)	(25)	(12)	183	24	97	(492)	(419)
Ending Cash Balance		252	227	214	398	421	518	26	26
DIP Balance, excluding interest		17,340	18,020	18,564	19,244	19,584	20,196	20,400	20,400
DIP Balance, excluding interest (\$USD)		12,750	13,250	13,650	14,150	14,400	14,850	15,000	15,000

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of the Company for the period May 1, 2023 to June 16, 2023 (the "Period") in respect of the proceedings under the *Companies' Creditors Arrangement Act* ("CCAA").

The cash flow projection has been prepared based on most probable assumptions.

Hypothetical Assumptions

None.

Probable Assumptions

2. Reflects HST/GST refunds for CCAA period operating expenses.
3. Reflects workforce labour for the current number of employees required for care and maintenance activities at the Company's PureGold Red Lake Mine.
4. Non-Labour Opex + Capex are based on the expenditures required for care and maintenance operations, including water treatment costs, environmental monitoring activities, property insurance, utilities, maintenance and supplies.
5. Professional fees include the fees and disbursements of the Company's legal counsel, the Interim Lender's legal counsel, the Monitor and the Monitor's legal counsel.
6. Represents the monthly cost of the Chief Administration Officer.
7. Represents the portion of the proposed Site Employee Retention Plan ("SERP") payable during the Period.
8. Corporate G&A expense includes monthly payroll for the Company's remaining employees, office rent, D&O and general liability insurance premiums and administration expenditures.
9. DIP Interest reflects interest payments under the Court-approved Interim Financing Facility.

IN THE SUPREME COURT OF BRITISH COLUMBIA
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
PURE GOLD MINING INC.

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of Pure Gold Mining Inc. (the "Company") have developed the assumptions and prepared the attached statement of projected cash flow as of the 3rd day of May, 2023 for the period May 1, 2023 to May June 16, 2023 ("Cash Flow"). All such assumptions are disclosed in the notes to the Cash Flow.

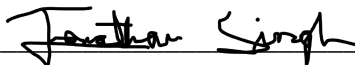
The probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual events will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1 using a set of probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Vancouver, British Columbia this 3rd day of May, 2023.

Pure Gold Mining Inc.



Per: Jonathan Singh, Chief Administrative Officer

Appendix “C”

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF
PURE GOLD MINING INC.**

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash-flow of Pure Gold Mining Inc. (the "Company"), as of the 3rd day of May, 2023, consists of a weekly projected cash flow statement for the period May 1, 2023 to June 16, 2023 ("Cash Flow") which has been prepared by the management of the Company for the purpose described in Note 1, using the probable assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Company. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Cash Flow; or
- b) the Cash Flow does not reflect the probable assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, Ontario this 3rd day of May, 2023.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS PROPOSED CCAA MONITOR OF
PURE GOLD MINING INC.
AND NOT IN ITS PERSONAL CAPACITY**