Court File No. 2023 01G

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF

RAMBLER METALS AND MINING CANADA LIMITED, RAMBLER METALS AND MINING, plc, RAMBLER MINES LIMITED AND 1948565 ONTARIO INC.

PRE-FILING REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED IN ITS CAPACITY AS PROPOSED MONITOR

February 23, 2023

Grant Thornton Limited,
Proposed Monitor

200 King Street West, Floor 11,
Toronto, Ontario
M5H 3T4

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INTRODUCTION

1. Grant Thornton Limited ("**GTL**" or the "**Proposed Monitor**") has been informed that Rambler Metals and Mining Canada Limited ("**Rambler Canada**"), Rambler Metals and Mining plc ("**Rambler UK**"), Rambler Mines Limited ("**Rambler Mines**"), and 1948565 Ontario Inc. ("**1948**") (collectively, the "**Rambler Group**" or the "**Applicants**") intend to make an application under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an initial order (the "**Proposed Initial Order**") granting, *inter alia*, a stay of proceedings in favour of the Applicants (the "**Stay Period**") and appointing GTL as monitor (in such capacity, the "**Monitor**"). The proceedings to be commenced by the Applicants under the CCAA will be referred to herein as the "**CCAA Proceedings**".

2. This pre-filing report of the Proposed Monitor (the "**Pre-filing Report**") has been prepared to provide information to this Court for its consideration in respect of the relief sought by the Applicants in the Proposed Initial Order.

3. The Proposed Monitor understands that the Applicants will be seeking a further order (the "**Proposed Amended and Restated Initial Order"**) at a subsequent hearing, to be scheduled with the supervising judge prior to the expiry of the Stay Period, granting certain broader relief. If appointed, the Monitor intends to file a further report in advance of that hearing to provide information on the relief sought in the Proposed Amended and Restated Initial Order.

PURPOSE OF THE PRE-FILING REPORT

4. The purpose of this report (the "**Pre-Filing Report**") is to inform the Court as to the following:

   (a) The qualifications of GTL to act as Monitor and an overview of the involvement to date of GTL with the Applicants;

   (b) The business and affairs of the Applicants and the causes of their financial difficulty and insolvency;

   (c) The details of the Rambler Group's assets and liabilities including the charges, security interests and encumbrances registered against the Rambler Group;

(d) The Applicants' weekly cash flow forecast for the period of February 20, 2023, to May 19, 2023 (the "**February 20 Forecast**");

(e) The Applicants' request and the Proposed Monitor's recommendation thereon, for:

   i. Approval of the Debtor-in-Possession ("**DIP**") Facility Loan Agreement (the "**DIP Financing Agreement**") dated February 23, 2023, between the Applicants, as borrower and RMM Debt Limited Partnership, by its General Partner, RMM General Partner Inc. (in such capacity, the "**DIP Lender**") pursuant to which the DIP Lender has agreed to advance up to USD$5.0 million (the "**DIP Facility**") to the Applicants, subject to the terms and conditions of the DIP Financing Agreement; and,

   ii. A priority charge in favour of the DIP Lender on the assets, properties and undertakings of the Applicants in order to secure the obligations under the DIP Financing Agreement (the "**DIP Lender's Charge**").

(f) The Applicants' request for approval of a charge in the amount of CAD$250,000 (the "**Administration Charge**") securing the fees and expenses of the Monitor, legal counsel to the Monitor (the "**Monitor's Counsel**"), legal counsel of the Applicants (the "**Applicants' Counsel**") and legal counsel to the Applicants' directors and officers, and the Proposed Monitor's recommendation thereon; and,

(g) The Applicants' request for approval of a charge in the amount of USD$650,000 (the "**Directors' Charge**") securing the indemnification by the Applicants of its directors and officers against the obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the CCAA Proceedings, except to the extent that, with respect to any individual, the obligation or liability was incurred as a result of the individual's gross negligence or willful misconduct, and the Proposed Monitor's recommendation thereon.

TERMS OF REFERENCE

5. In preparing this Pre-Filing Report, the Proposed Monitor has relied upon unaudited internal financial statements, certain other financial information and financial projections of the Company, discussions with the management of the Company ("**Management**") and its legal advisors Stewart McKelvey ("**SM**"), and discussions with the NewGen Lenders

and their legal advisors SkyLaw LLP ("**SkyLaw**") (collectively, the "**Information**"). While the Proposed Monitor reviewed the Information for reasonableness and believes that the information herein provides a fair summary of the transactions as reflected in the documents of the Company, the Proposed Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Canadian Generally Accepted Auditing Standards.

6. Some of the information used in preparing this Pre-Filing Report consists of financial projections, including the February 20 Forecast. The Proposed Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Applicants' actual results may vary from the February 20 Forecast, even if the Hypothetical and Probable Assumptions (defined below) contained therein materialize, and the variations could be significant.

7. In the course of its mandate, the Proposed Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Applicants and its Management, within the context in which such Information was presented. To date, nothing has come to the Proposed Monitor's attention that would cause it to question the reasonableness of these assumptions. The Proposed Monitor has requested that Management, bring to its attention any significant matters which were not addressed in the course of the Proposed Monitor's specific inquiries. Accordingly, this Pre-Filing Report is based solely on the information (financial or otherwise) made available to the Proposed Monitor by the Applicants and its Management.

8. This Pre-Filing Report has been prepared for the use of this Court and the Applicants' stakeholders as general information relating to the Applicants and to assist the Court in determining whether to grant the relief sought by the Applicants. Accordingly, the reader is cautioned that this Pre-Filing Report may not be appropriate for any other purpose. The Proposed Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Pre-Filing Report contrary to the provisions of this paragraph.

9. Unless otherwise stated, all monetary amounts contained herein are expressed in US Dollars. Capitalized terms not otherwise defined herein have the meaning given to them in the Affidavit of Toby Bradbury, Chief Executive Officer of Rambler Canada, and also

the President, Chief Executive Officer, and a director of Rambler UK and also the Chief Executive Officer of 1948 and Rambler Mines, sworn February 22 , 2023, sworn in support of the Initial Application (the "**Bradbury Affidavit**").

QUALIFICATIONS TO ACT AS MONITOR

10. GTL is a licensed insolvency trustee within the meaning of section 2(1) of the *Bankruptcy and Insolvency Act* (Canada). In addition, GTL is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA.

11. GTL has consented to act as Monitor should the Court grant the Applicants' request for relief in the CCAA Proceedings. A copy of the Proposed Monitor's consent to act is attached hereto as **Appendix "A"**.

12. The senior GTL representative with carriage of these matters is an experienced Chartered Insolvency and Restructuring Professional and a Licensed Insolvency Trustee, who has acted in restructurings and CCAA matters across various provinces in Canada. GTL and its affiliates also have extensive experience in the mining industry.

INVOLVEMENT TO DATE OF GTL WITH THE APPLICANTS

13. GTL was originally engaged as financial advisor to the Applicants and has been active in providing assistance and advice to Rambler Canada from that time. GTL's role as financial advisor was to provide financial, strategic and restructuring advice and, if necessary, to assist Rambler Canada in preparing for a filing for a restructuring proceeding such as under the CCAA. Notwithstanding the same, GTL did not take any steps that would bring consideration as GTL controlling and/or managing the Applicants' operations.

14. GTL has provided no accounting or auditing advice to the Applicants. Fees payable to GTL pursuant to the GTL Engagement Letter are based on hours worked multiplied by normal hourly rates. GTL is not entitled to any success-based or other contingency-based fee.

THE APPLICANTS' BUSINESS & AFFAIRS AND CAUSES OF INSOLVENCY AND RAMBLER GROUP'S ASSETS AND LIABILITIES

15. The business and affairs of the Applicants and the causes of their insolvency are described in the Bradbury Affidavit. The Proposed Monitor has reviewed the Bradbury Affidavit and discussed the business and affairs of the Applicants and causes of its insolvency with Management and is of the view that based on the Information provided the Bradbury Affidavit provides a fair summary thereof.

16. Similarly, the assets and liabilities of the Rambler Group, including the charges, security interests and encumbrances registered against the Rambler Group are also described in the Bradbury Affidavit.

17. The Proposed Monitor has reviewed the 2022 internal financial statements of the Applicants' and note that as of December 31, 2022, the Applicants' consolidated earnings before interest, depreciation and amortization was a loss of approximately USD$5.75 million. In addition, as outlined in the Bradbury Affidavit, as of December 31, 2022, the total assets equaled USD$5.3 million versus total current liabilities of USD$39.5 million. The Proposed Monitor is of the view that the Applicants are insolvent, and it is necessary for these CCAA Proceedings to assist the Applicants' in their restructuring.

CASH FLOW FORECAST

18. The Company, with assistance from the Proposed Monitor, prepared a cash flow forecast, attached hereto as **Appendix "B"** (the "**February 20 Forecast**"), which covers the period from February 20, 2023 to May 19, 2023 (the "**Cash Flow Period**"). The February 20 Forecast was prepared on the assumption that the Applicants' mining operations will continue in the ordinary course.

19. The Cash Flow Forecast has been prepared by Management using probable and hypothetical assumptions set out therein (the "**Probable and Hypothetical Assumptions**").

20. The Proposed Monitor has reviewed the February 20 Forecast to the standard required of a Court-appointed Monitor by s. 23(1)(b) of the CCAA. The Proposed Monitor's review of the February 20 Forecast consisted of inquiries, analytical procedures, and discussions

related to information supplied to the Proposed Monitor by Management of the Company. Since the Probable and Hypothetical Assumptions need not be supported, the Proposed Monitor's procedures with respect to same were limited to evaluating whether they were consistent with the purpose of the February 20 Forecast. The Proposed Monitor has also reviewed the support provided by the Company for the Probable and Hypothetical Assumptions and the preparation and presentation of the February 20 Forecast. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

(a) the Probable and Hypothetical Assumptions are not consistent with the purpose of the February 20 Forecast;

(b) as at the date of this Pre-Filing Report, the Probable and Hypothetical Assumptions developed by Management are not suitably supported and consistent with the Company's plans or do not provide a reasonable basis for the February 20 Forecast, given the Probable and Hypothetical Assumptions; or

(c) the February 20 Forecast does not reflect the Probable and Hypothetical Assumptions.

21. The Company's cash position at the commencement of the CCAA Proceedings is approximately USD$502,000. The February 20 Forecast estimates the Company will require incremental advances under the DIP Facility of approximately USD$3.31 million to fund its cash shortfall during the Cash Flow Period. The Company is projecting total disbursements of approximately USD$17.80 million.

22. The Proposed Monitor makes the following general comments on the February 20 Forecast:

(a) cash receipts arise from the collection of sales of the Company commensurate with the level of expenses being incurred for operations;

(b) cash disbursements appear to be consistent with the level of operations recently being experienced and as contemplated by Management;

(c) the February 20 Forecast contemplates paying employee wage and other employee obligations as well as related source deductions in the ordinary course;

(d) the February Forecast contemplates paying vendors in accordance with existing and/or modified credit terms;

(e) disbursements include fees and interest that relate to the DIP Facility; and,

(f) disbursements include forecast payments to the Applicants' legal counsel, the Monitor and its legal counsel, agent to the DIP Lender and legal counsel to the DIP Lender.

23. Since the February 20 Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the Probable and Hypothetical Assumptions occur, and the variations may be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the February 20 Forecast will be achieved. The Proposed Monitor expresses no opinion or other form of assurance with respect to the accuracy or completeness of any financial information presented in this Pre-Filing report or relied upon by the Proposed Monitor in preparing this Pre-Filing Report.

24. The February 20 Forecast has been prepared solely for the purposes described in Note 1 on the face of the February 20 Forecast and readers are cautioned that it may not be appropriate for other purposes.

PROPOSED DEBTOR-IN-POSSESSION FINANCING

25. Unless otherwise defined, capitalized terms used in this section of this Pre-Filing Report are as defined in the DIP Financing Agreement. A copy of the DIP Financing Agreement is attached as Appendix 15 to the Bradbury Affidavit.

26. The DIP Facility is summarized below:

a) Loan Amount: a maximum of USD$5.0 million, of which USD$2.0 million would be advanced on the granting of the Proposed Initial Order (the "**Initial Advance**"). Thereafter, draws of not more than USD$500,000 against the approved cash flow budget may be made. The receipt and disbursement of funds will be approved by the Monitor;

b) Repayments: the DIP Facility will be serviced by payments of interest-only during the term. Any proceeds arising from (i) any disposition or other transaction involving the collateral subject to the Security including, without limitation, any refinancing thereof and including the Non-Core Assets; and (ii) any insurance proceeds in respect of any of the collateral subject to the Security shall, unless otherwise agreed to by the DIP Lender in its sole and absolute discretion, be applied to the repayment of all amounts outstanding under the DIP Facility including, without limitation, principal, interest and fees and any such repayment shall permanently reduce the Maximum Amount available under the DIP Facility;

c) Termination: The maturity of the DIP Facility shall be the earliest of: 8 months from the date of the approval of the DIP Financing Agreement; the date the stay of proceedings expires in the CCAA Proceeding without extension, 10 days following written notice being provided by the DIP Lender to the Applicants of an event of default, the effective date of any plan of arrangement of compromise under the CCAA Proceedings, the closing of a purchase and sale of all or substantially all of the assets or shares of the Applicants, the refinancing of the DIP Facility upon prior written consent of the DIP Lender and the Applicants, the termination or conversion of the CCAA Proceedings or payment in full of the obligations under the DIP Facility;

d) Interest Rate: 17% per annum, payable monthly;

e) Standby Fee: any unutilized portion of the DIP Facility will bear a utilization fee of 2.5% per annum;

f) Expenses: The Applicants' will pay all reasonable costs incurred by the DIP Lender, directly or indirectly, including, without limitation, expenses of legal counsel, due diligence, appraisals, and any other reasonable expenses incurred in conjunction with preparing the DIP Financing Agreement documents.

g) Security: all draws on the DIP Facility shall be secured by the DIP Lender's Charge, subject only to the Administration Charge (defined herein), that shall not be greater in total of CAD$1.35 million;

h) Conditions: key conditions, which are further detailed in the DIP Facility Agreement, include; among other things:

    i. execution of the DIP Financing Agreement and other reasonably required transaction documents, in form and substance satisfactory to the DIP Lender;

ii. issuance of the Proposed Initial Order, or a revised Proposed Initial Order (and any other required order in the Proceeding), satisfactory in form and substance to the DIP Lender, approving and authorizing the DIP Facility and DIP Lender's Charge;

iii. there will be no appeals, injunctions or other legal impediments relating to the completion of the DIP Facility or pending litigation seeking to restrain or prohibit the completion of the DIP Financing Agreement;

iv. verification of title/ownership of all corporate assets;

v. the DIP Lender shall have been named as mortgagee and additional insured and first loss payee on the Applicants' property and casualty insurance policies, including, but not limited to, insurance with respect to any real property subject to the Security;

vi. the Applicant will have provided an up to date list of owned equipment, along with evidence of title as necessary, to the satisfaction of the DIP Lender;

vii. an up to date organizational chart for the Applicants and Guarantors confirming shareholder ownership and collateral ownership;

viii. an up to date Officer's Certificates, for the Applicants and Guarantors; and

ix. provision of a forward-looking 13-week rolling cash flow forecast, as well as any other required financial due diligence information, to the satisfaction of the DIP Lender, such to constitute the cash flow budget to be approved by the DIP Lender for the CCAA Proceeding and thereafter to be updated monthly in consultation with the Monitor at each disbursement.

27. It is contemplated that the DIP Lender would be granted a Court-ordered charge over all of the Applicants' property, up to a maximum amount of USD$5.00 million, to secure amounts owing by the Applicants' pursuant to the DIP Financing Agreement (the "**DIP Charge**"). The DIP Charge will only secure obligations in respect of the above and will not secure any other obligation under the DIP Facility. The DIP Charge will not secure any obligation that existed prior to the Proposed Initial Order.

28. When reviewing the reasonableness of the DIP Financing Agreement, the Proposed Monitor considered the factors set out in Section 11.2 of the CCAA and notes the following:

a) the Applicants have a critical and immediate need for interim financing. Without access to the DIP Facility, the Applicants will be unable to maintain their operations and advance the restructuring process. The DIP Lender's Charge will allow the Applicants to continue to operate;

b) the Proposed Monitor believes that approval of the DIP Facility is in the best interests of the Applicants' stakeholders and will advance the Applicants' restructuring process. The Proposed Monitor does not believe that creditors of the Applicants will be prejudiced as a result of the approval of the DIP Facility – to the contrary, they will benefit from it as it will allow the business to continue to operate, which will enhance value versus the alternative, which is the discontinuation of operations and the potential liquidation of the Applicants' assets;

c) the Proposed Monitor reviewed another DIP term sheet that was offered to the Applicants but notes that the terms were inferior to that of the DIP Financing Agreement being sought for approval;

d) on the application for the Proposed Initial Order, the Applicants are seeking approval to borrow, only the amounts funded under the Initial Advance, which are those amounts required to sustain the business until the Comeback Motion;

e) based on the Proposed Monitor's review, the cost of the proposed DIP Facility is within the ranges of similar facilities approved by the Court and other Canadian courts in CCAA proceedings, especially given the recent increases in interest rates.

29. Based on the foregoing, the Proposed Monitor believes that the terms of the DIP Facility are reasonable in the circumstances.

PROPOSED COURT ORDERED CHARGES

30. The Proposed Initial Order provides for three charges that rank as follows:

(a) first – the Administration Charge;

(b) second – the DIP Charge; and,

(c) third – the Directors' Charge.

(collectively, the “**Charges**”). The Proposed Initial Order states that the Charges are to rank ahead of all security, interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (the “**Encumbrances**”) in favour of any Person (as defined in the Proposed Initial Order), however does not prime any secured creditor not served with the initial application.

ADMINISTRATION CHARGE

31. The Proposed Initial Order contemplates the Monitor, the Monitor’s Counsel and the Company’s counsel, be granted a Court-ordered charge on the assets of Company as security for professional fees and disbursements relating to services rendered in respect of the Company (whether incurred prior to or after the commencement of the CCAA proceedings) at the standard rates and charges in an amount not to exceed CAD$250,000 (the “**Administration Charge**”).

32. The Administration Charge threshold has been established based on the various professionals’ previous history and experience with restructurings of similar magnitude and complexity. If an Initial Order under the CCAA is granted, the Proposed Monitor believes that the proposed Administration Charge is required and reasonable in the circumstances.

DIP CHARGE

33. It is a condition of the DIP Facility that it be secured by a charge over the assets of the Applicants.

34. Based on discussions with Noteholders and reviewing the Applicants’ information, the Proposed Monitor is of the view that the DIP Charge is reasonable and appropriate in the circumstances.

DIRECTORS’ CHARGE

35. The Proposed Initial Order contemplates, that a Directors’ Charge in the amount of USD$650,000 be granted in favour of the beneficiaries being the directors and officers of Rambler Canada. It is the Proposed Monitor’s view that the continued support and service of the directors and officers during the CCAA Proceedings would be beneficial to the Applicants’ efforts to preserve value and maximize recoveries for stakeholders. The

Proposed Monitor has been informed that the directors and officer of Rambler Canada will not continue to serve unless the Directors' Charge is granted.

36. The quantum of the proposed Directors' Charge is based on estimated amounts for which directors could potentially have statutory personal liability that could be outstanding during the first pay period within the CCAA Proceedings being: wages, salaries and applicable withholdings, benefits and accrued vacation pay.

37. The Proposed Monitor notes that the directors and officers will only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any existing insurance policy, or to the extent that such coverage is insufficient to pay amounts for which the directors and officers are entitled to be indemnified pursuant to the provisions of the Proposed Initial Order.

38. Accordingly, the Proposed Monitor respectfully recommends that the Applicants' request for the Directors' Charge be granted by this Court.

COMPANY'S REQUEST OF PRE-FILING PAYMENTS

39. The Applicants are seeking the Court's approval to make pre-filing payments ("**Pre-Filing Payments**"), and in each case with the consent of the Monitor, in such capacity, and only to suppliers that are deemed critical to the Applicants' ongoing business operation and which are required to preserve the value of the Applicants' business (the "**Critical Suppliers**").

40. The Proposed Monitor is supportive of the Applicants' request considering the nature and location of the Applicants' suppliers and where such flexibility may be required in order to maintain operations and the opportunity to complete a future sale transaction.

NEED FOR A STAY OF PROCEEDINGS AND THE CCAA PROCEEDINGS

41. The Applicants have a viable business; however, its constraints as outlined in the Bradbury Affidavit has caused significant financial strain. The proposed CCAA Proceedings, including the stay of proceedings and DIP Facility, will allow the Applicants to continue its operations whilst concurrently seeking potential financing or equity investment, or a sale of the business, through a court-approved sale and investment

solicitation process, that will be described in detail at the Comeback Hearing, which is in the interests of the Applicants and its stakeholders.

42. For the reasons set out in this Pre-Filing Report, the Proposed Monitor is of the view that the relief requested by the Applicants is reasonable and respectfully recommends that this Court make the Order granting the Applicants' requested relief.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 23rd day of February 2023.

GRANT THORNTON LIMITED,
SOLELY IN ITS CAPACITY AS PROPOSED MONITOR
OF THE APPLICANTS, AND NOT IN ITS CORPORATE OR PERSONAL CAPACITY

Per: ______________________________

Jonathan Krieger, CPA, CA, CIRP, LIT

Senior Vice-President

APPENDIX A

2023 01G

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of Rambler Metals and Mining Canada Limited, Rambler Metals and Mining plc, Rambler Mines Limited, and 1948565 Ontario Inc.

AND IN THE MATTER OF the *Companies' Creditors Arrangement Act,* R.S.C. 1985, C. c-36, as amended ("**CCAA**")

CONSENT TO ACT

Grant Thornton Limited consents to act as an officer of this Court and to act as Monitor of Rambler Metals and Mining Canada Limited, Rambler Metals and Mining plc, Rambler Mines Limited, and 1948565 Ontario Inc., pursuant to any order made by this Court under the *Companies Creditors Arrangement Act.*

Dated at Halifax, Nova Scotia, this 21st day of February, 2023.

GRANT THORNTON LIMITED

Per: ______________________________
Name: Phil Clarke
Title: ~~Partner~~ Senior Vice President

APPENDIX B

Rambler Metals & Mining Canada Limited
13 Week Cash Flow Projection - Operating
Beginning the week of February 20, 2023

	[illegible]	20-Feb-23	27-Feb-23	6-Mar-23	13-Mar-23	20-Mar-23	27-Mar-23	3-Apr-23	10-Apr-23	17-Apr-23	24-Apr-23	1-May-23	8-May-23	15-May-23	
	Pre Filing	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	13 Week Total
Cu Tonnes		90	105	120	130	143	143	143	143	142	142	142	142	151	
Cash Receipts (USD)															
Collections			750,916	996,616	1,078,516	1,078,516	1,189,940	3,336,940	1,189,940	1,189,940	1,180,282	1,180,282	1,180,282	3,008,269	17,360,440
HST			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	-	-	750,916	996,616	1,078,516	1,078,516	1,189,940	3,336,940	1,189,940	1,189,940	1,180,282	1,180,282	1,180,282	3,008,269	17,360,440
Cash Disbursements (USD)															
Operational Stability Costs															
Mining		-	-	-	(188,889)	-	-	(59,259)	-	-	-	(118,519)	-	-	(366,667)
Mill		-	(110,512)	(110,512)	(110,512)	-	-	(110,512)	-	-	-	-	-	-	(442,048)
Maintenance		-	(100,040)	-	(100,040)		-	(100,040)	-	(100,040)	-	-	-	-	(400,161)
Critical Orders		(309,259)	-	-	-	-	-	-	-	-	-	-	-	-	(309,259)
Week one restart prepayments		(636,524)	-	-	-	-	-	-	-	-	-	-	-	-	(636,524)
NI 43 101		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational															
Mining		-	(149,891)	(161,891)	(161,891)	(228,427)	(228,427)	(228,427)	(228,427)	(238,325)	(238,325)	(238,325)	(238,325)	(260,606)	(2,601,285)
Mill		-	(50,155)	(50,155)	(50,155)	(71,680)	(71,680)	(71,680)	(71,680)	(70,642)	(70,642)	(70,642)	(70,642)	(71,929)	(791,683)
Labour		(439,906)	(422,222)	(222,222)	(333,333)	(222,222)	(444,444)	(223,111)	(333,333)	(222,222)	(481,481)	(311,111)	(370,370)	(222,222)	(4,248,203)
Fuel and Propane		-	(127,407)	(127,407)	(127,407)	(127,407)	(99,916)	(99,916)	(99,916)	(103,012)	(103,012)	(103,012)	(103,012)	(107,034)	(1,328,462)
Power		-	-	(193,737)	-	-	(211,905)	-	-	-	(223,148)	-	-	-	(628,790)
Transport		-	(102,316)	(102,316)	(102,316)	(124,002)	(124,002)	(124,002)	(124,002)	(123,911)	(123,911)	(123,911)	(123,911)	(124,745)	(1,423,344)
GYC		-	(99,996)	(99,996)	(99,996)	(114,697)	(114,697)	(114,697)	(114,697)	(113,952)	(113,952)	(113,952)	(113,952)	(120,778)	(1,335,363)
Administration		-	(20,000)	(20,000)	(20,000)	(20,000)	(47,809)	(47,809)	(47,809)	(54,059)	(54,059)	(54,059)	(54,059)	(50,309)	(489,972)
Insurance		-	-	-	-	-	-	(73,000)	(11,200)	-	-	-	(11,200)	-	(95,400)
Leases															
Leased Equipment Cost		-	-	(113,987)	-	(192,593)	-	-	(113,987)	-	(192,593)	-	(113,987)	-	(727,145)
Annual Leave Accrual		-	-		(227,273)	-	-	-	-	-	-	-	-	-	(227,273)
Funding Repayments															
Elemental Gold Stream		-	-	-	-	-	-	-	(68,484)	-	-	-	-	-	(68,484)
Professional Fees															
DIP Legal		(50,000)	-	-		(25,000)	-	-	-	-	-	-		(50,000)	(125,000)
Investment Banking Fees		-	-		-	(30,000)	-	-	(30,000)	-	-	-	-	(30,000)	(90,000)
Agent Fees			(6,000)	-	-	-	(6,000)	-	-	-	(6,000)	-	-	-	(18,000)
Directors' Counsel Fees		(25,000)	-	-	-	-	-	-	(25,000)	-	-	-	-	(25,000)	(75,000)
CCAA payments (New Gen/Sky Law)		(253,045)		-	-	-	-	-	-	-	-	-	-	-	(253,045)
Company Legal Fees		(80,000)	(35,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(335,000)
Monitor Costs and Legal Fees		(75,000)	(75,000)	(50,000)	(50,000)	(50,000)	(50,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(490,000)
CAPEX															
Sustaining Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
NI 43-101		-	-	-	-	-	-	-	-	-	-	-	-	-	
People Movers		-	(50,370)	-	(50,000)	-	(50,000)	-	(50,000)	-	(50,000)	-	-	(50,000)	(300,370)
Total Cash Disbursements	-	(1,868,734)	(1,348,910)	(1,272,224)	(1,641,813)	(1,226,028)	(1,468,881)	(1,292,454)	(1,358,535)	(1,066,164)	(1,697,123)	(1,173,531)	(1,239,458)	(1,152,623)	(17,806,477)
Net Cash Flow	-	(1,868,734)	(597,994)	(275,608)	(563,297)	(147,512)	(278,941)	2,044,486	(168,595)	123,776	(516,840)	6,752	(59,176)	1,855,647	(446,037)
Opening Cash (USD)	502,891	502,891	634,157	536,163	760,555	197,258	359,746	109,140	2,153,626	1,985,030	2,108,807	1,626,002	1,632,754	1,573,578	502,891
Debtor in Possession Financing (USD)	-	2,000,000	500,000	500,000	-	310,000	-	-	-	-	-	-	-	-	3,310,000
Debtor in Possession Interest and Standby fees (USD	-	-	-	-	-	-	28,335	-	-	-	34,036	-	-	-	62,371
Closing Cash (USD)	502,891	634,157	536,163	760,555	197,258	359,746	109,140	2,153,626	1,985,030	2,108,807	1,626,002	1,632,754	1,573,578	3,429,225	3,429,225

Disclaimers:

1. This statement of projected cash flow of Rambler Metals & Mining Canada Limited (the "Company") is prepared by the debtor in accordance with s. 23(1)(b) of the *Companies Creditors' Arrangement Act* ("CCAA").
2. The Company has prepared this February 20 Forecast, on probable and hypothetical assumptions that reflect the Company's planned course of action for the period of 13 weeks. Management is of the opinion that, as at the date of filing the February 20 Forecast, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Company and that the assumptions used proved a reasonable basis for and are consistent with the purpose of this February 20 Forecast.
3. The February 20 Forecast has been prepared by the Company and has been reviewed by the Proposed Monitor. The Proposed Monitor has not verified or confirmed certain expenses incurred by the Company which are reflected in this February 20 Forecast.
4. The information contained in the February 20 Forecast is subject to changing assumptions and/or receipt of new or additional information; actual results may vary. This February 20 Forecast should not be used for any other purpose than its stated purpose, and creditors are cautioned that the information provided in the cash flow could vary based on changing future circumstances.

Notes:

1. The purpose of this February 20 Forecast is to estimate the liquidity requirement of the Company.
2. Forecast total cash receipts are based on management's expectations of shipments of copper pursuant to their off-take agreement with Transamine. Note that the assumed selling price of copper is $9,100/ton.
3. Forecast operational stability costs, include catchup costs for professional fees, supply expenses and operational expenses to transition the mine from its temporary warm idle back to operations. Furthermore, other repair and maintenance costs required to meet production targets.
4. Forecast operational costs primarily include site costs based on the forecast activity levels and known commitments and corporate G&A based on forecast head office operation costs.
5. As the Company intends to operate during the CCAA Proceedings as forecasted, lease payments will be maintained.
6. Professional Fees, include legal and financial advisors associate with the CCAA Proceedings and are based on estimates provided by the advisors.
7. CAPEX expenses have been kept minimal to focus on other areas of the mine to maintain operations.
8. Forecast DIP Financing are based on funding requirement and maintaining a minimum of $100,000 cash balance throughout the period

Wednesday, February 22, 2023

Rambler Metals & Mining Canada Limited

Per: [signature]
Celeste Van Tonder, Chief Financial Officer

Grant Thornton Limited, As Proposed Monitor

Per: [signature]
Jonathan Krieger, CPA, CA, CIRP, LIT, Senior Vice President