

COURT FILE NO.: 2101-05160
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE RECEIVERSHIP
OF AUVERT MINING GROUP INC.

PLAINTIFF POLARIS FINANCIAL MANAGEMENT
LIMITED

DEFENDANT AUVERT MINING GROUP INC.

APPLICANT BDO CANADA LIMITED, in its capacity as receiver of the assets,
undertakings and properties of AUVERT MINING GROUP INC.

DOCUMENT APPLICATION – DISCHARGE OF RECEIVER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Cassels Brock & Blackwell LLP
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File No.: 28677-35

Attention: Jeffrey Oliver / Kamryn Wiest

NOTICE TO THE RESPONDENTS: See Service List attached hereto as Schedule "A"

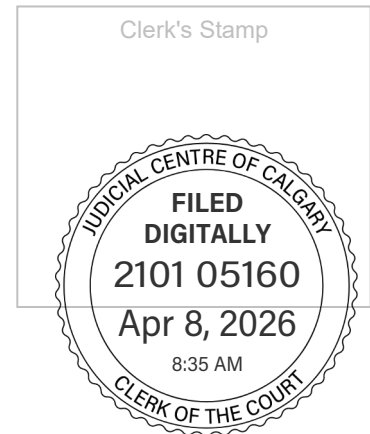
This application is made against you. You are a respondent.

You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

Date: **April 8, 2026**
Time: **2:00 P.M.**
Where: **Calgary Courts Centre, Calgary, AB (via Webex)**
Before Whom: **The Honourable Justice B. B. Johnston**

Go to the end of this document to see what else you can do and when you must do it.



Remedy claimed or sought:

1. BDO Canada Limited ("**BDO**") in its capacity as receiver (in such capacity, the "**Receiver**") of the assets, undertakings and property of AuVert Mining Group Inc. ("**AuVert**" or the "**Company**") seeks the following:
 - (a) an order substantially in the form of Schedule "B" attached hereto (the "**Discharge Order**"):
 - (i) if necessary, abridging the time for service of this Application and supporting the Second Report of the Receiver dated April 2, 2026 (the "**Second Report**") and declaring service to be good and sufficient;
 - (ii) approving and ratifying the activities of the Receiver, including the Second Report and the statement of receipts and disbursements set out in the Second Report;
 - (iii) approving the accounts of the Receiver and its Canadian legal counsel, Cassels Brock & Blackwell LLP ("**Cassels**") for professional fees and disbursements, as set out in the Second Report, for the fee period from August 11, 2023 to March 31, 2026 (the "**Fee Period**"), and the accounts of the Receiver's Colombian legal counsel, Philippi, Prietocarrizosa, Ferrero DU & Uria ("**PPU**"), for the fee period from August 11, 2023 to December 31, 2024, without the necessity of a formal passing of their accounts;
 - (iv) approving the accounts of Hidvegi & Betancourt Consultores S.A.S. (the "**Foreign Representative**") for professional fees and disbursements, as set out in the Second Report without the necessity of a formal passing of its accounts;
 - (v) approving the Receiver's statement of receipts and disbursements from August 16, 2023 to March 31, 2026 (the "**SRD**");
 - (vi) authorizing the Receiver to release or destroy any physical books and records (the "**Records**") of the Company that the Receiver may have in its possession on 30 days' notice;
 - (vii) discharging the Receiver as the court-appointed receiver and manager of the assets, undertakings and properties of the Company and declaring that the Receiver has satisfied its obligations under and pursuant to the terms of the receivership order granted by this Honorable Court on October 3, 2022 (the "**Receivership Order**"), up to and including the date hereof;

- (viii) discharging Hidvegi & Betancourt Consultores S.A.S as Foreign Representative and declaring that the Foreign Receiver has satisfied its obligations under and pursuant to the terms of the order granted by this Honourable Court on August 28, 2023 (the "**Foreign Representative Order**"), up to and including the date hereof;
 - (ix) declaring that the Receiver and Foreign Representative are not liable for any act or omission on its part, including without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except the usual exclusions, and declaring that any claims against the Receiver and Foreign Representative in connection with the performance of its duties are stayed, extinguished and forever barred; and
- (b) such further and other relief as this Honourable Court deems just.
2. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Second Report.

Grounds for making this application:

Background

3. AuVert is an Alberta corporation that was in the business of mining stream beds for mineral deposits, otherwise known as alluvial mining.
4. On October 3, 2022 (the "**Date of Appointment**"), on application by Polaris Financial Management Limited ("**Polaris**"), the Court granted the Receivership Order appointing BDO as Receiver of the assets, property and undertakings of the Company (the "**Property**").
5. The Receiver is aware of three primary classes of assets which compromise the Property:
- (a) Shares held by the Company in Ulloa Recursos Naturales S.A.S. and AuVert Colombia S.A.S ("**AuVert Colombia**");
 - (b) certain equipment purchased by the Company that has been integrated into the main processing plant of AuVert Colombia (the "**P200 Equipment**"); and
 - (c) ancillary equipment purchased by the Company which was on consignment with a third-party for sale in Canada (the "**Ancillary Equipment**").
6. At the Date of Appointment, there were three pieces of Ancillary Equipment located in British Columbia. Two of three pieces were sold as follows:

- (a) a Haver & Boeker deck rinse screen for gross proceeds of \$18,800 after commission; and
 - (b) an Orival self-cleaning water filter for gross proceeds of \$8,000 after commission.
7. The remaining piece of Ancillary Equipment was listed for \$7,400 and has not generated any offers to date. Accordingly, the Receiver intends to assign its interest in the remaining Ancillary Equipment in accordance with paragraph 3(k) of the Receivership Order or otherwise abandon its interest in it in accordance with paragraph 3(b) of the Receivership Order.
8. In respect of AuVert Colombia and the P200 Equipment, the Receiver sought and the Court granted the Foreign Representative Order on August 28, 2023, which, among other things:
- (a) authorized the Foreign Representative to act as the Foreign Representative in respect of the Receivership Proceedings for the purposes of having the Receivership Proceedings recognized in Colombia;
 - (b) authorized the Foreign Representative to apply for foreign recognition and approval of the Receivership Proceedings in Colombia, and for assistance in carrying out the terms of any orders granted in these Receivership Proceedings outside of Canada ("**Foreign Receivership Proceedings**");
 - (c) requested that the Superintendencia de Sociedades in Colombia, in its capacity as an insolvency court (the "**Colombian Insolvency Court**"), recognize the Foreign Representative as the "foreign representative" and grant the Foreign Representative status to participate in any "foreign proceeding"; and
 - (d) the Receiver, on behalf of the Foreign Representative, shall pass the Foreign Representative's fees from time to time, and for this purpose, the Foreign Representative's fees are hereby referred to a judge of the Commercial List of the Alberta Court of King's Bench.

Foreign Receivership Proceedings

9. The Receivership Proceedings were recognized by the Colombian Insolvency Court on May 23, 2024.
10. The purpose of the Foreign Receivership Proceedings was, among other things, to facilitate the management and sale of the P200 Equipment located in Colombia, which was expected to constitute the primary source of funds available for repayment to the Company's creditors.

11. Pursuant to the Foreign Representative Order, the Foreign Representative's activities to date have included:
 - (a) filing a petition with the Colombian Insolvency Court to recognize the Foreign Receivership Proceedings;
 - (b) recognizing the Company's ownership in its' equipment located in Colombia and administering these assets; and
 - (c) protecting the Company's Colombia assets from seizure or forfeit by the creditors of its Colombian subsidiaries.

12. Notwithstanding the foregoing, no substantive steps, other than the above, were taken in the Foreign Receivership Proceedings. This is primarily due to the anticipated costs and the absence of available funding in the receivership. In particular, the P200 Equipment is in a very remote and difficult-to-access location, with any potential realization possibly being subject to certain other security interests or claims. Accordingly, realizing against the P200 Equipment would require significant additional expenditures, with no assurance of recovery, and the parties funding the proceedings have elected not to move forward with further funding.

Discharge of the Receiver and Foreign Representative

13. Since its appointment, the Receiver has endeavoured to perform its mandate as receiver under the Receivership Order.

14. The Receiver now seeks an order for discharge for the following reasons, among others:
 - (a) the Receiver lacks funding to continue to advance the Receivership Proceedings and Foreign Receivership Proceedings;
 - (b) the Receiver advised Polaris on February 9, 2026, of its intention to seek a discharge as Receiver and a conclusion of the proceedings, and Polaris indicated its support of this relief; and
 - (c) the Foreign Representative intends to terminate the Foreign Receivership Proceedings.

15. Upon the approval of the Discharge Order, the Receiver intends to file a discharge certificate with respect to all the remaining assets, properties and undertakings of the Company.

16. The Receiver has acted honestly and in good faith and has dealt with the property, assets, and undertakings and carried out the Receiver's mandate in a commercially reasonable manner.
17. The Receiver is not aware of any claims that have priority to the Receiver's Borrowing Charge. Given the lack of success of any realization process, there will be no distribution to any creditors.
18. Subject to the resolution of any outstanding funds, including the payment of all professional fees and disbursements and a distribution of net available funds (if any) on account of Receiver's Borrowings (as defined in the Receivership Order), the Receiver submits that there are no other matters outstanding preventing the discharge of the Receiver and that a discharge is appropriate.
19. As the Foreign Representative was appointed by this Court pursuant to the Foreign Representative Order, the Receiver also seeks the discharge of the Foreign Representative for the purpose of terminating the Foreign Receivership Proceedings.

Destruction of Records

20. In connection with its discharge, the Receiver seeks an order directing that the Receiver shall continue to hold any Records of the Company for a period of 30 days from the date a copy of the Discharge Order sought is posted to the Receiver's website for these proceedings, for any entitled party to claim possession and take transfer, and thereafter shall be entitled to destroy any of the Company's books and records remaining in the Receiver's possession or control.
21. The Receiver notes that the Records are minimal, are older records, and that the Records are of no use to the Receiver.

Professional Fees

22. The professional fees and disbursements of the Receiver for the Fee Period, total \$40,967.00 (plus GST).
23. The professional fees and disbursements of the Receiver's Canadian legal counsel, Cassels, for the Fee Period, total \$36,857.66 (plus GST).
24. The professional fees and disbursements of the Receiver's Colombian legal counsel, PPU, from August 11, 2023 to December 31, 2024, total \$22,528.18, inclusive of applicable sales tax.
25. The professional fees and disbursements of the Foreign Representative total \$8,589.75, inclusive of applicable sales tax.

26. Estimated professional fees of the Receiver, Cassels, PPU and the Foreign Representative required to complete the administration of the receivership (including unbilled work-in-progress to date), total approximately \$35,000, all excluding GST.
27. The professional fees incurred to date, and the estimate of professional fees to completion of the administration of the receivership, are reasonable, validly incurred and in accordance with the provisions of the Receivership Order.

Activities of the Receiver

28. The Receiver has acted diligently since its appointment and has undertaken those activities described in the Second Report, which actions are lawful, proper and consistent with the Receiver's powers and duties under the Receivership Order.
29. The receipts and disbursements of the Receiver as described in the Second Report are commensurate with the work performed, commercially fair and reasonable and should be approved.

Material or evidence to be relied on:

30. Receivership Order granted on October 3, 2022 by the Honourable Justice D.B. Nixon;
31. Order re Foreign Recognition of Proceedings, Fee Approval, etc. on August 28, 2023 by the Honorable Justice B. E. C. Romaine;
32. First Report of the Receiver dated August 21, 2023;
33. Second Report of the Receiver dated April 2, 2026; and
34. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

35. *Alberta Rules of Court*, Alta Reg 124/2010;
36. *Bankruptcy and Insolvency General Rules*, CRC, c 368; and
37. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

38. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3;
39. *Business Corporations Act*, RSA 2000, c B-9;

40. *Judicature Act*, RSA 2000, c J-2;
41. *Personal Property Security Act*, RSA 2000, c P-7; and
42. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

43. None.

How the application is proposed to be heard or considered:

44. Remotely, via Webex.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.