



No. S126583
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 GREAT BASIN GOLD LTD.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) TUESDAY, THE 16TH DAY
MADAM JUSTICE FITZPATRICK) OF OCTOBER, 2012

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia, on the 16th day of October, 2012; AND ON HEARING Peter J. Reardon and Jennifer L. Cockbill, counsel for the Petitioner, and those other counsel listed on **Schedule "A"** hereto AND UPON READING the material filed and pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 and amendments (the "CCAA"), the *British Columbia Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS THAT:

SERVICE

1. The time for service of the Notice of Application and the 4th Affidavit of Susan Taylor dated October 15, 2012 herein be and is hereby abridged and that the Notice of Application is

properly returnable today and service thereof upon any person other than those on the Service List be and is hereby dispensed with.

EXTENSION OF STAY

2. The stay of proceedings provided for in the Order of this Court made herein on September 19, 2012 (the "Initial Order") is hereby extended to 11:59 p.m. on October 31, 2012 or such later date as this Honourable Court may subsequently order.

SETTLEMENT

3. The Petitioner is hereby authorized and directed to enter into an agreement with Credit Suisse AG as agent for itself and Standard Chartered Bank (the "Burnstone Lenders") and each of the members of the ad hoc group of debentureholders pursuant to the trust indenture dated November 19, 2009 as amended (the "Ad Hoc Committee"), Great Basin Gold Inc., and Southgold Exploration (Pty) Ltd. substantially on the terms, and subject to the conditions, set forth in the Term Sheet dated October 12, 2012 (the "Settlement Term Sheet") attached as Exhibit "A" to the 4th Affidavit of Susan Taylor sworn herein on October 15, 2012. The Petitioner and Computershare Trust Company of Canada (the "Trustee") are hereby authorized to enter into such agreements as are required by and on the terms and conditions contemplated by and substantially consistent with the Settlement Term Sheet.

INITIAL ORDER AMENDMENTS

4. Paragraph 37 of the Initial Order is deleted and the following substituted in its place:

"37. The Term Sheet, the Settlement Term Sheet (as defined by the Order of this Court made on October 16, 2012) and the DIP Credit Agreement and all of their terms and conditions, including the terms and conditions in respect of the Emergency Burnstone Advance referred to in the Term Sheet and the Settlement Term Sheet are hereby approved. The Petitioner is hereby authorized and directed to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Term

Sheet and the Settlement Term Sheet, or as may be reasonably required by the DIP Lenders and the members of the Ad Hoc Committee (as defined by the Order of this Court made on October 16, 2012) pursuant to the terms thereof. The Petitioner is hereby authorized and empowered to take all necessary corporate steps and to exercise all powers as shareholder of its subsidiaries to give effect to the terms and conditions of the Term Sheet, the Settlement Term Sheet, the DIP Credit Agreement and the Definitive Documents, including without limitation capitalizing intercompany loans owed to it by its wholly-owned direct US subsidiary Great Basin Gold Inc. ("US Holdco"), authorizing or permitting US Holdco to execute a guarantee and security in favour of the Existing Lenders in relation to the existing obligations under the Existing Burnstone Loan (as defined in the First Affidavit) and a guarantee and security in favour of the Trustee in relation to the existing obligations of the Petitioner in relation to the Trust Indenture dated November 19, 2009 as amended (the "Trust Indenture"). The Petitioner is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lenders and under and pursuant to the Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order. For greater certainty, the Petitioner is hereby authorized and directed to pay the fees to the DIP Agent and the DIP Lenders in connection with the DIP Loan Facility and to pay the account of Canadian, U.S. and South African counsel to the DIP Agent and the DIP Lenders in accordance with the Term Sheet and the reasonable and documented legal fees, disbursements and related taxes of counsel for the Ad Hoc Committee as provided in the Settlement Term Sheet."

5. Paragraph 46 of the Initial Order is deleted and the following substituted in its place:

"46. The Administration Charge, the Director's Charge, the Term Sheet, the Settlement Term Sheet, the DIP Credit Agreement, the Definitive Documents and the DIP Lenders' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges

(collectively, the "Chargees") and/or the DIP Lenders shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statute; or (d) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Petitioner; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Term Sheet, the Settlement Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Petitioner of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioner entering into the Term Sheet, the Settlement Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Petitioner pursuant to this Order, the Term Sheet, the Settlement Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law."

6. A new paragraph 4A is inserted immediately following paragraph 4 of the Initial Order to read:

“4A. The Petitioner is authorized and directed to consult with the members of the Ad Hoc Committee and their counsel who sign confidentiality agreements as reasonably practicable and before any material decisions or steps are made or taken in connection with this proceeding, the Business Rescue Proceeding in South Africa or any proposed restructuring or sale of any material assets of the Petitioner or any of its subsidiaries, including the development of any sales procedures or processes, subject to applicable securities law; **provided, however,** that the members of the Ad Hoc Committee, their representatives and their counsel shall have no consent or veto rights in respect of such decisions or steps by the Petitioner or its subsidiaries; **provided further, however,** nothing herein shall limit any party’s rights to seek relief or object to any relief sought in any court with respect thereto subject to Section 5(l) of the Settlement Term Sheet and the members of the Ad Hoc Committee reserve all rights at law in connection therewith.”

7. Paragraph 27 of the Initial Order is amending by adding us subparagraph (k) thereto:

“27. (k) to provide to the representatives of the Debenture Holders and their counsel who sign confidentiality agreements, all of the information that the Monitor deems appropriate, subject to applicable securities law.”

8. Paragraph 34 of the Initial Order is amended by changing the aggregate amount of the Administration Charge from \$2,400,000.00 to \$2,462,500.00 and by inserting "and counsel for the Ad Hoc Committee (Fraser Milner Casgrain LLP, Brown Rudnick LLP, Werkmens and Associates Ltd. And Fox Rothschild LLP) after the words "counsel to the Monitor" in the first line of paragraph 34 and after the words "to the DIP Lenders" in the 11th line of paragraph 34".

9. Paragraph 36 of the Initial Order as amended by the Order of the Court made September 27, 2012 (the "Unentered September 27th Order") is amended by adding after paragraph (a) thereof the following:

"(a.1) the existing paragraph (b) under the heading "Milestones" is deleted and a new paragraph (b) of the "Milestones" is inserted to read:

(b)(i) by no later than December 15, 2012 a preliminary plan for the repayment, refinancing or restructuring of all outstanding debts of Antler Peak and Rodeo Creek, acceptable to the DIP Lenders, shall have been delivered to the DIP Lenders;

(ii) by no later than January 15, 2013, the repayment, refinancing or restructuring of all outstanding debts of Antler Peak and Rodeo Creek shall have been effected (the "Repayment/Refinancing Milestone");

(iii) if the Repayment/Refinancing Milestone is not achieved, the Sale of the Hollister operations shall have been completed on or before March 15, 2013.

10. Paragraph 3 of the Unentered September 27th Order is deleted and the following substituted in its place;

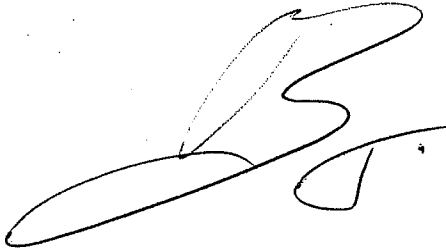
"3. The Petitioner take all reasonable steps to ensure any payment of the Advisory Fee and any payment under the CS Guarantee or the Computershare Guarantee (as defined in the Settlement Term Sheet) be held and not paid to Credit Suisse AG or to the Trustee without further Order of this Court following application on notice to interested parties.

11. The amendments to the Initial Order and any other Order provided for in paragraphs 4 to 10 herein shall only be effective after the Effective Date as provided in the Settlement Term Sheet. In addition, after the Effective Date, the Ad Hoc Committee shall file an Amended Response in which its contention that payments under the original GBGI Guarantee and with respect to the Advisory Fee as set out in the Term Sheet constituted payments of interest at a criminal rate is withdrawn.

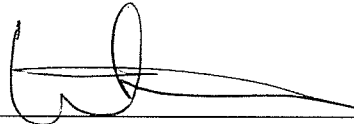
12. Approval as to form of this Order other than by counsel for the Petitioner is hereby dispensed with.



Signature of Peter J. Reardon
Counsel for the Petitioner



BY THE COURT



REGISTRAR

SCHEDULE "A"

APPEARANCE LIST

COUNSEL	APPEARING FOR:
Peter J. Reardon and Jennifer Cockbill	Great Basin Gold Ltd.
John Sandrelli, Cindy Cheuk and Ryan Jacobs (by telephone)	Ad Hoc Group of Convertible Debentureholders
John I. McLean, Q.C. and Alex MacFarlane (by telephone)	KPMG Inc.
Peter Rubin and Milly Chow (by telephone)	Credit Suisse AG