



This is the 2nd Affidavit
of Peter D. Gibson in this case and it was
made on January 10, 2013

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

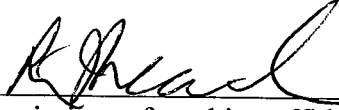
AFFIDAVIT

I, PETER D. GIBSON of Suite 1680 – 400 Burrard Street, Vancouver, British Columbia, MAKE
OATH AND SAY AS FOLLOWS:

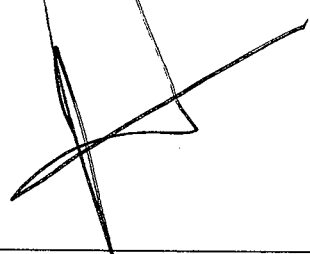
1. I am the Chief Financial Officer of the Petitioner, Great Basin Gold Ltd. (hereinafter referred to as the “Company” or the “Petitioner”), and as such have personal knowledge of the facts and matters hereinafter deposed to, except where stated to be upon information and belief and whereso stated, I verily believe the same to be true.
2. I am authorized by the Company to make this Affidavit.
3. I am advised by Peter J. Reardon of McMillan LLP, counsel for the Petitioner, and verily believe, that the DIP Amending Term Sheet attached as Exhibit “B” to my 1st Affidavit sworn herein on January 9, 2013 and the Hollister Amending Term Sheet attached as Exhibit “C” to my 1st Affidavit sworn herein were not the versions of those documents that were intended to be attached as Exhibits to my Affidavit. It was intended that a later version of each term sheet would be exhibited to the Affidavit.

4. Attached hereto as Exhibits "A" and "B" are copies of later versions of the DIP Amending Term Sheet and the Hollister Amending Term Sheet. The Term Sheets are expected to be substantially in these forms, however, additional changes may be required to finalize them. These Term Sheets remain subject to the Lenders' Credit Committee approval.

SWORN BEFORE ME at the City of
Vancouver, British Columbia, this 10th
day of January, 2013.




A commissioner for taking affidavits
for British Columbia



PETER D. GIBSON

Peter J. Reardon
Barrister and Solicitor
McMillan LLP
1500-1055 West Georgia Street
PO Box 11117
Vancouver, BC V6E 4N7
1 604.688.9111
1 604.685.7084

This is Exhibit "A" referred to in the
affidavit of PETER GIBSON
sworn before me at VANCOUVER, BC
this 10th day of JANUARY 2013


A Commissioner for taking affidavits
Within British Columbia

GREAT BASIN GOLD AND SUBSIDIARIES
AMENDED DEBTOR-IN-POSSESSION CREDIT FACILITY
TERM SHEET
FINANCING TERMS AND CONDITIONS

This summary of proposed terms and conditions (this "Term Sheet") does not represent or constitute any commitment to underwrite, arrange, place or provide any financing, or otherwise to extend any credit or make loans to, or on behalf of, Great Basin Gold Ltd. or any of its respective affiliates or any other person, or enter into negotiations with respect to any of the foregoing. This summary of proposed terms and conditions is not intended as a comprehensive statement of all of the terms and conditions of any financing or extension of credit or loans that may be made under the facilities described herein. Any such financing or extension of credit or loans is subject to satisfactory completion of due diligence, negotiation of documentation, approval by credit committees and senior management, execution of definitive legal documents and delivery of legal opinions, and subject to such other consents and approvals as are determined to be necessary by the DIP Lenders (as defined below) and their respective affiliates and each other entity providing financing, making loans or otherwise extending credit.

DIP Borrower	Great Basin Gold Ltd. (the " DIP Borrower ").
DIP Guarantors	Cross guarantees of the DIP Loan Facility by all DIP Borrower subsidiaries, including Rodeo Creek Gold Inc., Antler Peak Gold Inc., Great Basin Gold Inc. (" GBGI "), Southgold Exploration (Pty) Ltd. (" Southgold "), N5C Resources Inc., N6C Resources Inc., Great Basin Gold RSA (Pty) Ltd., and Puma Gold (Pty) Ltd. (collectively, the " DIP Guarantors ").
Administrative and Security Agent	Credit Suisse (the " DIP Agent ").
DIP Lenders	Credit Suisse AG (" Credit Suisse "), Standard Chartered Bank (" Standard Chartered "), and other lenders from time to time party to the DIP Loan Facility (as defined below) (the " DIP Lenders ," and together with the DIP Borrower, the DIP Guarantors, and the DIP Agent, the " Parties ").
DIP Credit Facility	The DIP Borrower, the DIP Agent, and the DIP Lenders are all parties to the DIP Credit Facility. The DIP Credit Facility, in its current form, committed the DIP Lenders to advance to the DIP Borrower up to \$35 million, the full amount of which commitment has been funded.
Amendment of DIP Credit Facility	The DIP Agent and the DIP Lenders have agreed to amend the DIP Credit Facility (as amended, the " Amended DIP Credit Facility ") to (i) increase the amount of the commitment thereunder from \$35 million to \$51 million; (ii) allocate the amount of the increased commitment (\$16 million) (the " New DIP Commitment ") between Credit Suisse and Standard Chartered on a 50/50 basis; (iii) permit the incurrence by Rodeo Creek Gold Inc. and Antler Peak Gold Inc. (the " Hollister Borrowers ") of new advances up to \$10 million under that certain Credit Agreement dated as of February 23, 2011 (as amended, supplemented or otherwise modified, the " Amended Hollister Credit Facility "); and (iv) confirm that any funds advanced (the " New DIP Advances ") under the New DIP Commitment and the Amended DIP Credit Facility shall have the benefit of the same DIP charge and priority as all other advances under the DIP Credit Facility.

Security and Priority	For avoidance of doubt, the Amended DIP Credit Facility shall remain, with respect to all assets of the DIP Borrower and GBGI a first-priority credit facility pursuant to that certain Second Amended and Restated Intercreditor Agreement, dated as of November 27, 2012 (as amended, supplemented or otherwise modified from time to time, the “ Intercreditor Agreement ”), subject to the claims and liens granted to the lenders (the “ Hollister Lenders ”) under the Amended Hollister Credit Facility and certain permitted priority payables.
Permitted Variance	The definition of Permitted Variance shall be amended as follows: “Permitted Variance” means: (a) in respect of the DIP Borrower, the total post-funding date disbursements through any week ending reporting period (excluding professional fees) will not exceed through that date the amount projected in the January 7 Forecast (as defined below) by more than US\$150,000; and (b) in respect of Southgold, the total post-funding date disbursements through any week-ending reporting period (excluding professional fees) will not exceed through that date 115% of the amount projected in the January 7 Forecast based on a cumulative 3-week rolling period.
Fees	An Upfront Fee of 2% of the amount of the New DIP Commitment, accrued upon closing, but not payable until repayment in full of the Amended DIP Credit Facility. For avoidance of doubt, the same Commitment Fee shall be payable with respect to the New DIP Commitment under the Amended DIP Credit Facility as was payable under the DIP Credit Facility (4% per annum, payable monthly in arrears calculated by reference to the New DIP Commitment only).
Interest Rate	For avoidance of doubt, the New DIP Advances shall bear interest at the same rate as all other advances under the DIP Credit Facility (LIBOR + 10%).
Use of Proceeds	General corporate purposes in accordance with the Approved Budget (defined below) subject to the Permitted Variance, including, without limitation: (a) to pay transaction costs, fees and expenses with respect to the Amended DIP Credit Facility and the DIP Borrower; and (b) to fund the operating expenses of the DIP Borrower, including for purposes of making advances to Southgold pursuant to that certain Intra-Group Loan Agreement dated as of October 3, 2012. For avoidance of doubt, none of the New DIP Advances may be used to fund the operating expenses of the Hollister Borrowers. For further avoidance of doubt, costs and expenses included in the Approved Budget, with the exception of restructuring-related professional fees, are operating expenses.
Required Closing	January [17], 2013
Availability	From closing (<i>i.e.</i> , the satisfaction/waiver of all conditions precedent to the first drawdown) to the earlier to occur of (a) April 30, 2013; or (b) termination or cancellation of the New DIP Commitment under the Amended DIP Credit Facility. If, at the DIP Lenders’ option, the maturity of the Amended DIP Credit Facility is extended, availability under the Amended DIP Credit Facility will be extended for a corresponding period.
Repayment	The Amended DIP Credit Facility must be repaid in full upon the earliest to occur of (i) maturity of the Amended DIP Facility; (ii) consummation of the sale directly or indirectly of all or substantially all the assets of the Burnstone Intragroup Borrower; or (iii) the occurrence of an event of default or breach of any material terms of the Amended DIP Credit Facility. The DIP Agent, for an on behalf of the DIP Lenders, acknowledges and confirms that it is not aware of any present event of default or breach of any material terms of the DIP Credit Facility which has not been cured or waived.
Maturity Date	The maturity of the Amended DIP Credit Facility (the “ DIP Maturity Date ”), which is currently scheduled to occur on April 2, 2013, will be extended to April 30, 2013. The

DIP Maturity Date may, in the sole discretion of the DIP Agent and the DIP Lenders, be extended by up to three one-month extensions, in each case subject to an extension fee of 1% of the amount outstanding under the Amended DIP Credit Facility (each, a “**DIP Maturity Extension Fee**”). DIP Maturity Extension Fees shall be accrued upon extension of maturity, but not payable until repayment in full of the Amended DIP Credit Facility.

Drawdowns

For avoidance of doubt, drawdowns with respect to the New DIP Commitments under the Amended DIP Credit Facility shall only occur on a weekly basis in accordance with the Approved Budget including the Permitted Variance. The DIP Agent, for and on behalf of the DIP Lenders, acknowledges and confirms that the 13-Week Forecast (as defined below) delivered by the Borrower as at January 7, 2013 (the “**January 7 Forecast**”) shall be deemed to be the Approved Budget for the initial drawdown request.

Payments

For avoidance of doubt, the same mandatory prepayment, voluntary prepayment, and restricted payment terms and conditions shall apply to the New DIP Advances under the Amended DIP Credit Facility as applied to advances under the DIP Credit Facility.

Conditions to Borrowing

For avoidance of doubt, the same conditions precedent to borrowing shall apply under the Amended DIP Credit Facility as applied under the DIP Credit Facility. In addition, the following additional conditions precedent shall apply to New DIP Advances under the Amended DIP Credit Facility:

(a) as to the initial drawdown request, execution and delivery by the DIP Borrowers and DIP Guarantors of documentation (including with respect to security, collateral, and related matters) reflecting the amendments memorialized in this Term Sheet;

(b) as to the initial drawdown request, (i) an agreement with Red Kite with respect to its claims and the DIP Borrower’s Tanzanian assets satisfactory in all material respects to the DIP Agent, which agreement shall provide for (A) either the payment in full by the Hollister Borrowers or the Hollister Guarantors of, or the forbearance by Red Kite with respect to, all amounts payable to Red Kite (the “**Red Kite Receivable**”); and (B) the issuance by Rodeo to GBG Rusaf Gold Ltd. (“**Rusaf**”) of a promissory note (the “**Rodeo Note**”) in the amount of the Red Kite Receivable in exchange for the Red Kite Receivable; (ii) an agreement between the DIP Borrower, Rodeo, and Rusaf and the DIP Lenders providing for (A) the Rodeo Note to be secured by liens that are junior to the liens granted to the Hollister Lenders under the Amended Hollister Credit Facility and to the DIP Lenders under the Amended DIP Credit Facility, but senior to the liens granted under the Amended DIP Credit Facility to secure the obligations of the DIP Guarantors; (B) the transfer to the extent permissible under applicable law, either by way of a dividend or payment on an intercompany receivable, by Rusaf of the Rodeo Note to the DIP Borrower; and (C) the delivery of a contractual undertaking by the DIP Borrower to immediately apply any payments received on the Rodeo Note to repay any amounts outstanding under the Amended DIP Credit Facility; and (iii) confirmation by the DIP Agent that it is satisfied in all material respects with the structure for the use of the proceeds of any sale of the DIP Borrower’s Tanzanian assets. For the avoidance of doubt, the foregoing provisions pertaining to the Rodeo Note shall apply only if the Shanta Transactions (as defined in the Red Kite Restructuring Agreement) are completed and the Boulder Share (as defined in the Red Kite Restructuring Agreement) purchase is not rescinded. The DIP Agent, for and on behalf of the DIP Lenders, acknowledges and confirms that the Restructuring Agreement substantially in the form as attached to the motion seeking approval of the Red Kite transaction filed with the Supreme Court of British Columbia, Vancouver Registry (the “**CCAA Court**”) is satisfactory to meet the condition set forth in sub-paragraph (i) of this

paragraph and that the conditions set forth in sub-paragraphs (ii) and (iii) of this paragraph will be addressed in separate documentation among the Parties;

(c) as to the initial drawdown request for the benefit of Southgold, approval of the Exchange Control Department of the South African Reserve Bank for Southgold's incurrence of additional debt with respect to the New DIP Commitment;

(d) as to all drawdown requests, receipt of the Approved Budget and such other information as may be reasonably requested by the DIP Agent or any DIP Lender;

(e) as to all drawdown requests, achievement of the Milestones (as defined below and as applicable based upon timing of the draw request).

Cash Flow Forecast

For avoidance of doubt, the same Approved Budget requirements that apply to drawdown requests under the DIP Credit Facility shall apply to drawdown requests as to the New DIP Commitment under the Amended DIP Credit Facility. On or prior to January 10, 2013, and on the fourth business day of each week thereafter, the DIP Borrowers shall prepare and deliver to the DIP Agent (for distribution to the DIP Lenders), a cash flow forecast for the DIP Borrowers and DIP Guarantors for either the period through May 31, 2013, or the 13-week period following delivery of such forecast, whichever is longer (the "13-Week Forecast"), in a form and with detail reasonably acceptable to the DIP Agent and reflecting, in separate tabulations with a weekly reconciliation and a monthly roll forward, the DIP Borrowers' good faith projections of all cash receipts and disbursements in connection with the operation of their respective businesses, which 13-Week Forecast shall be approved or objected to by the DIP Lenders on or before the Tuesday of the following week (if and as approved, the "Approved Budget"). The DIP Borrowers shall not pay any expenses other than the itemized amounts set forth in the Approved Budget including the Permitted Variance unless the DIP Agent consents to such non-conforming payment in writing.

Events of Default

For avoidance of doubt, the same events of default shall apply under the Amended DIP Credit Facility as applied under the DIP Credit Facility other than Section 23.5 (Cross Default), which shall be modified to provide that a default by Southgold under the Burnstone Credit Facility (as defined in the DIP Credit Facility) or the Amended DIP Facility shall not terminate the DIP Borrower's ability to request New DIP Advances under the New DIP Commitment for the benefit of solely the DIP Borrower in accordance with the Approved Budget. For greater certainty, a default by Southgold under the Burnstone Credit Facility or the Amended DIP Credit Facility, including with respect to the Milestones, shall not be a default for the DIP Borrower with respect to borrowing requests for the benefit of solely the DIP Borrower.

**Covenants
Representations,
and Warranties**

For avoidance of doubt, the same covenants, representations, and warranties shall apply under the Amended DIP Credit Facility as applied under the DIP Credit Facility.

**CCAA Court
Approval**

The amendment of the DIP Credit Facility reflected herein shall be subject to the approval of the Supreme Court of British Columbia, Vancouver Registry (the "CCAA Court").

Milestones

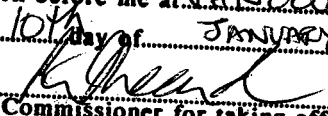
Achievement of the following milestones (the "Milestones") on or before the following dates, except as agreed to in writing by the DIP Borrowers and the DIP Agent:

(a) On or prior to January 18, 2013, receipt of pre-bid letters for the Burnstone assets, as contemplated by the Burnstone sale process;

- (b) On or prior to January 25, 2013, draft Sale and Purchase Agreement (the “**Hollister SPA**”) and bidding procedures (the “**Hollister Bidding Procedures**”) with respect to the Hollister assets to be made available in the DIP Borrower’s data room;
- (c) On or prior to February 15, 2013, receipt of binding offers and markups of the Hollister SPA and the Hollister Bidding Procedures from prospective stalking horse bidders for the Hollister assets;
- (d) On or prior to March 7, 2013, approval of the Hollister SPA and the Hollister Bidding Procedures by the CCAA Court;
- (e) On or prior to March 29, 2013, the receipt of binding offers for the Burnstone assets as contemplated by the Burnstone sale process;
- (f) On or prior to April 12, 2013, the receipt of final bids for the Hollister assets;
- (g) On or prior to April 15, 2013, auction to identify successful bid for Hollister assets to be held;
- (h) On or prior to April 19, 2013, the issuance of an order by the CCAA Court approving the successful bid for the Hollister assets selected at the auction (the “**Sale Approval Order**”);
- (i) Closing of the sale of the Hollister assets shall occur not more than thirty (30) days after issuance of the Sale Approval Order; and
- (j) On or prior to May 31, 2013, the Business Rescue Practitioner shall have filed its business rescue plan in the Business Rescue Proceeding.

**Amendment of
Term Sheet**

During the period between approval by the CCAA Court of this Term Sheet and the execution of definitive documentation, this Term Sheet may be amended upon written consent of the Parties and KPMG Inc. as the Monitor appointed in the proceedings before the CCAA Court, without further order of the CCAA Court.

This is Exhibit " B " referred to in the
 affidavit of PETER GIBSON
 sworn before me at VANCOUVER, BC
 this 10th day of JANUARY 2013

 A Commissioner for taking affidavits
 Within British Columbia

GREAT BASIN GOLD AND SUBSIDIARIES
AMENDED HOLLISTER CREDIT FACILITY
TERM SHEET
FINANCING TERMS AND CONDITIONS

This summary of proposed terms and conditions (this “Term Sheet”) does not represent or constitute any commitment to underwrite, arrange, place or provide any financing, or otherwise to extend any credit or make loans to, or on behalf of, Rodeo Creek Gold Inc., Antler Peak Gold Inc. or any of their respective affiliates or any other person, or enter into negotiations with respect to any of the foregoing. This summary of proposed terms and conditions is not intended as a comprehensive statement of all of the terms and conditions of any financing or extension of credit or loans that may be made under the facilities described herein. Any such financing or extension of credit or loans is subject to satisfactory completion of due diligence, negotiation of documentation, approval by credit committees and senior management, execution of definitive legal documents and delivery of legal opinions, and subject to such other consents and approvals as are determined to be necessary by the Hollister Lenders (as defined below) and their respective affiliates and each other entity providing financing, making loans or otherwise extending credit.

Hollister Borrowers	Rodeo Creek Gold Inc. (“ Rodeo ”) and Antler Peak Gold Inc. (“ Antler ,” and together with Rodeo, the “ Hollister Borrowers ”).
Administrative and Collateral Agent	Credit Suisse AG (in such capacity, the “ Hollister Agent ”).
Hollister Lenders	Credit Suisse AG (“ Credit Suisse ”), Caterpillar Financial Services Corporation, FBN Bank (UK) Ltd., and other lenders from time to time party to the Hollister Credit Facility (as defined below) (the “ Hollister Lenders ”).
Guarantors	Great Basin Gold Ltd. (“ GBGL ”), Great Basin Gold Inc. (“ GBGI ”), Hollister Venture Corp., and Touchstone Resources Company (collectively, the “ Hollister Guarantors ”) guarantee the obligations of the Hollister Borrowers with respect to the Hollister Credit Facility.
Credit Facility	The Hollister Borrowers, the Hollister Agent, and the Hollister Lenders are all parties to that certain Credit Agreement dated as of February 23, 2011 (as amended, supplemented or otherwise modified, the “ Hollister Credit Facility ”). The Hollister Credit Facility, in its current form, committed the Lenders to advance to the Hollister Borrowers up to \$70 million, the full amount of which commitment has been drawn and a portion of which advances has been repaid.
Amendment of Hollister Credit Facility	The Hollister Borrowers, the Hollister Agent, and the Hollister Lenders (collectively, the “ Parties ”) have agreed to amend the Hollister Credit Facility (as amended, the “ Amended Hollister Credit Facility ”) to (i) increase the amount of the commitment thereunder from \$70 million to \$80 million; (ii) provide for allocation among the Hollister Lenders of the full amount of the increased commitment (\$10 million) (the “ New Hollister Commitment ”); and (iii) confirm that any funds advanced (the “ New Hollister Advances ”) under the New Hollister Commitment and the Amended Hollister Credit Facility shall be advanced on a <i>pari passu</i> basis with all other advances under the Hollister Credit Facility.

Security and Priority	For avoidance of doubt, the Amended Hollister Credit Facility shall remain, with respect to all assets of the Hollister Borrowers and the Hollister Guarantors, a first-priority, senior facility, which, by virtue of that certain Second Amended and Restated Intercreditor Agreement, dated as of November 27, 2012 (as amended, supplemented or otherwise modified from time to time, the “ Intercreditor Agreement ”), has priority over all other debt obligations of the Hollister Borrowers and the Hollister Guarantors, including, without limitation, (a) that certain Debtor-In-Possession Loan Facility Agreement dated as of October 3, 2012, among, among others, GBGL, as borrower, and Credit Suisse AG and Standard Chartered Bank, as lenders (the “ DIP Lenders ”) (as amended, supplemented or otherwise modified, the “ DIP Credit Facility ”); (b) that certain Revised Term Facility Agreement dated as of December 5, 2011 among, among others, Great Basin Gold Ltd., as borrower, and Credit Suisse AG and Standard Chartered Bank, as lenders (as amended, supplemented or otherwise modified, the “ Burnstone Credit Facility ”); and (c) the 8.00% senior unsecured convertible debentures under the trust indenture dated November 19, 2009 between, <i>inter alia</i> , GBGL and Computershare Trust Company of Canada.
Fees	An Upfront Fee of 2% of the amount of the New Hollister Commitment, accrued upon closing, but not payable until repayment in full of the Amended Hollister Credit Facility. For avoidance of doubt, the same Commitment Fee shall be payable with respect to the New Hollister Commitment under the Amended Hollister Credit Facility as was payable under the Hollister Credit Facility (1.25% per annum, payable monthly in arrears calculated by reference to the New Hollister Commitment only).
Interest Rate	For avoidance of doubt, the New Hollister Advances shall bear interest at the same rate as all other advances under the Hollister Credit Facility (LIBOR + 3.75%).
Use of Proceeds	General corporate purposes in accordance with the Approved Budget (defined below) subject to the Permitted Variance, including, without limitation: (a) to pay transaction costs, fees and expenses with respect to the Amended Hollister Credit Facility and the Hollister Borrowers; and (b) to provide working capital and to pay the operating expenses of the Hollister Borrowers. For the avoidance of doubt, costs and expenses included in the Approved Budget, with the exception of restructuring-related professional fees, are operating expenses.
Permitted Variance	“Permitted Variance” means the total post-funding date disbursements (excluding professional fees) through any week-ending reporting period will not exceed through that date the amount projected in the January 7 Forecast by more than US\$500,000.
Required Closing	January [17], 2013
Availability	From closing (<i>i.e.</i> , the satisfaction/waiver of all conditions precedent to the first drawdown) to the earlier of (a) April 30, 2013; or (b) termination or cancellation of the New Hollister Commitment under the Amended Hollister Credit Facility; <u>provided that if</u> at the DIP Lenders’ option, the maturity of the Amended DIP Credit Facility is extended, availability under the Amended Hollister Credit Facility will be extended for a corresponding period. Drawdowns under the New Hollister Commitment shall be available (a) in the amount of \$7 million up to and including March 31, 2013; and (b) in the amount of \$3 million after March 31, 2013.
Repayment	The Amended Hollister Credit Facility must be repaid in full upon the earliest to occur of (i) maturity of the Amended Hollister Credit Facility; (ii) maturity of the Amended DIP Credit Facility (as defined below), as the same may be extended in the sole discretion of the DIP Lenders; (iii) consummation of the sale directly or indirectly of all or substantially all the assets of the Hollister Borrowers; or (iv) the occurrence of an event of default or breach of any material terms of the Amended Hollister Credit Facility.

Maturity Date The maturity of the Amended Hollister Credit Facility, may, in the sole discretion of the Hollister Agent, be extended by up to three one-month extensions, in each case subject to an extension fee of 1% of the amount outstanding under the Amended Hollister Credit Facility (each, a “**Hollister Maturity Extension Fee**”). Hollister Maturity Extension Fees shall be accrued upon extension of maturity, but not payable until repayment in full of the Amended Hollister Credit Facility.

Drawdowns Drawdowns with respect to the New Hollister Commitment under the Amended Hollister Credit Facility shall only occur on a weekly basis in accordance with the Approved Budget including the Permitted Variance. The Depositary Agreement shall be amended to conform the drawdown request procedures to those in effect with respect to the DIP Credit Facility. The Hollister Agent, for an on behalf of the Hollister Lenders, acknowledges and confirms that the 13-Week Forecast (as defined below) delivered by the Hollister Borrowers as at January 7, 2013 (the “**January 7 Forecast**”) shall be deemed to be the Approved Budget for the initial drawdown request.

Payments For avoidance of doubt, the same mandatory prepayment, voluntary prepayment, and restricted payment terms shall apply to the New Hollister Advances under the Amended Hollister Credit Facility as applied to advances under the Hollister Credit Facility

Conditions to Borrowing For avoidance of doubt, the same conditions precedent to borrowing shall apply under the Amended Hollister Credit Facility as applied under the Hollister Credit Facility. In addition, the following additional conditions precedent shall apply to New Hollister Advances under the Amended Hollister Credit Facility:

(a) as to the initial drawdown request, execution and delivery by the Hollister Borrowers and the Hollister Guarantors of documentation (including with respect to security, collateral and related matters) reflecting the amendments memorialized in this Term Sheet;

(b) as to the initial drawdown request, (i) an agreement with Red Kite with respect to its claims and GBGL’s Tanzanian assets satisfactory in all material respects to the Hollister Agent, which agreement shall provide for (A) either the payment in full by the Hollister Borrowers or the Hollister Guarantors of, or the forbearance by Red Kite with respect to, all amounts payable to Red Kite (the “**Red Kite Receivable**”); and (B) the issuance by Rodeo to GBG Rusaf Gold Ltd. (“**Rusaf**”) of a promissory note (the “**Rodeo Note**”) in the amount of the Red Kite Receivable in exchange for the Red Kite Receivable; (ii) an agreement between GBGL, Rodeo, and Rusaf and the Hollister Lenders providing for (A) the Rodeo Note to be secured by liens that are junior to the liens granted to the Hollister Lenders under the Amended Hollister Credit Facility and to the DIP Lenders under the Amended DIP Credit Facility, but senior to the liens granted under the Amended DIP Credit Facility to secure the obligations of the DIP Guarantors (as defined in the Amended DIP Credit Facility); (B) the transfer to the extent permissible under applicable law, either by way of a dividend or payment on an intercompany receivable, by Rusaf of the Rodeo Note to GBGL; and (C) the delivery of a contractual undertaking by GBGL to immediately apply any payments received on the Rodeo Note to repay any amounts outstanding under the Amended DIP Credit Facility; and (iii) confirmation by the Hollister Agent that it is satisfied in all material respects with the structure for the use of the proceeds of any sale of GBGL’s Tanzanian assets. For the avoidance of doubt, the foregoing provisions pertaining to the Rodeo Note shall apply only if the Shanta Transactions (as defined in the Red Kite Restructuring Agreement) are completed and the Boulder Share (as defined in the Red Kite Restructuring Agreement) purchase is not rescinded. The Hollister Agent, for and on behalf of the Hollister Lenders, acknowledges and confirms that the Restructuring Agreement substantially in the form as attached to the motion to approve the Red Kite transaction filed with the

Supreme Court of British Columbia, Vancouver Registry (the “**CCAA Court**”) is satisfactory to meet the condition set forth in sub-paragraph (i) of this paragraph and that the conditions set forth in sub-paragraphs (ii) and (iii) of this paragraph will be addressed in separate documentation among the Parties;

(c) as to all drawdown requests, receipt of the Approved Budget and such other information as may be reasonably requested by the Hollister Agent or any Hollister Lender; and

(d) as to all drawdown requests, achievement of the Milestones (as defined below and as applicable based upon timing of the draw request).

Cash Flow Forecast

On or prior to January 10, 2013, and on the fourth business day of each week thereafter, the Hollister Borrowers shall prepare and deliver to the Hollister Agent (for distribution to the Hollister Lenders), a cash flow forecast for the Hollister Borrowers only for either the period through May 31, 2013, or the 13-week period following delivery of such forecast, whichever is longer (the “**13-Week Forecast**”), in a form and with detail reasonably acceptable to the Hollister Agent and reflecting, in separate tabulations with a weekly reconciliation and a monthly roll forward, the Hollister Borrowers’ good faith projections of all cash receipts and disbursements in connection with the operation of their respective businesses, which 13-Week Forecast shall be approved or objected to by the Hollister Lenders on or before the Tuesday of the following week (if and as approved, the “**Approved Budget**”). The Hollister Borrowers shall not pay any expenses other than the itemized amounts set forth in the Approved Budget including the Permitted Variance unless the Hollister Agent and the Hollister Lenders consent to such non-conforming payment in writing.

Events of Default

Events of Default under the Amended Hollister Credit Facility shall include, in addition to all Events of Default under the Hollister Credit Facility, a breach of covenant Event of Default for failure to achieve the Milestones (as defined below). The forbearance with respect to existing and new defaults under the Hollister Credit Facility, effectuated by Waiver No. 2 and Amendment No. 2 to the Credit Agreement and Waiver No. 1 and Amendment No. 1 to the Depositary Agreement, dated as of October 3, 2012, shall continue, but it shall not apply to compliance with the Milestones (as defined below). Failure by the Hollister Borrowers to achieve the Milestones (as applicable at a given date) shall permit the Hollister Agent and the Hollister Lenders to accelerate all obligations under the Amended Hollister Credit Facility, including with respect to both existing advances and New Hollister Advances. For greater certainty a default under the Amended DIP Credit Facility or the Burnstone Credit Facility shall not be an Event of Default under the Amended Hollister Credit Facility.

**Covenants
Representations,
and Warranties**

For avoidance of doubt, the same covenants, representations, and warranties shall apply under the Amended Hollister Credit Facility as applied under the Hollister Credit Facility.

**CCAA Court
Approval**

Certain aspects of the amendment of the Hollister Credit Facility reflected herein shall be subject to the approval of the CCAA Court.

Milestones

Achievement of the following milestones (the “**Milestones**”) on or before the following dates, except as agreed to in writing by the Hollister Borrowers and the Hollister Agent:

(a) On or prior to January 25, 2013, draft Sale and Purchase Agreement (the “**Hollister SPA**”) and bidding procedures (the “**Hollister Bidding Procedures**”) to be made available in GBGL’s data room;

- (b) On or prior to February 15, 2013, receipt of firm offers from stalking horse bidders and markups of SPA and Bidding Procedures from prospective bidders for the Hollister assets;
- (c) On or prior to March 7, 2013, approval of the Hollister SPA and the Hollister Bidding Procedures by CCAA Court;
- (d) On or prior to April 12, 2013, the receipt of final bids for the Hollister assets;
- (e) On or prior to April 15, 2013, auction to identify the successful bid for the Hollister assets is to be held;
- (f) On or prior to April 19, 2013, the issuance of an order by the CCAA Court approving the successful bid selected at the auction (the “**Sale Approval Order**”); and
- (g) Closing of the sale of the Hollister assets shall occur not more than thirty (30) days after issuance of the Sale Approval Order.

**Amendment of
Term Sheet**

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During the period between approval by the CCAA Court of this Term Sheet and the execution of definitive documentation, this Term Sheet may be amended upon written consent of the Parties, without further order of the CCAA Court.