GENERAL GOLD RESOURCES INC.
(formerly, CellStop Systems Inc.)

CANADIAN SECURITIES EXCHANGE FORM 2A

LISTING STATEMENT

JANUARY 25, 2021

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Introduction

This Listing Statement (the "**Listing Statement**") is furnished in connection with the proposed listing by and on behalf of the management of General Gold Resources Inc. ("**GGR**" or the "**Company**").

Forward-Looking Statements

Certain statements in this Listing Statement may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Listing Statement, such statements use such words as "will", "may", "could", "intends", "potential", "plans", "believes", "expects", "projects", "estimates", "anticipates", "continue", "potential", "predicts" or "should" and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this Listing Statement. Forward-looking statements include, among others, statements with respect to:

- the Company's expected future losses and accumulated deficit levels;
- the requirement for, and the Company's ability to obtain future funding on favourable terms or at all;
- the Company's ability to satisfy the conditions in accordance with the Option Agreement;
- potential environmental issues and liabilities associated with exploration and development and mining activities;
- the Company's dependence on management;
- the Company's plans in respect of development and operations;
- the Company's risks associated with economic conditions; and
- the Company's conflicts of interest.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "*Risk Factors*". Although the forward-looking statements contained in this Listing Statement are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements and should not be unduly relied upon by investors. These forward-looking statements are made as of the date of this Listing Statement. A number of factors could cause actual events, performance or results, including those in respect of the foregoing items, to differ materially from the events, performance and results discussed in the forward-looking statements. Factors that could cause actual events, performance or results to differ materially from those set forth in the forward-looking statements include, but are not limited to:

- the extent of future losses;
- the ability to obtain the capital required to fund development and operations;
- the ability to capitalize on changes to the marketplace;
- the ability to comply with applicable governmental regulations and standards;

- the ability to attract and retain skilled and experienced personnel;
- the impact of changes in the business strategies and development priorities of strategic partners;
- stock market volatility;
- the ability to retain, explore or acquire property interests;
- other risks detailed from time-to-time in the Company's ongoing quarterly and annual filings with applicable securities regulators, and those which are discussed under the heading "*Risk Factors*".

Readers should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. Each of the forward-looking statements contained in this Listing Statement are expressly qualified by this cautionary statement. The Company expressly disclaims any obligation or responsibility to update the forward-looking statements in this Listing Statement except as otherwise required by applicable law.

Market and Industry Data

This Listing Statement includes market and industry data that has been obtained from third party sources, including the Technical Report. The Company believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

Currency Information

In this Listing Statement, unless otherwise indicated, all references to “$” or “CDN$” are to Canadian dollars.

2. Corporate Structure

2.1 Corporate Name and Head Office and Registered Office

This Form 2A is filed in respect of General Gold Resources Inc. (the "**Company**" or "**GGR**"), in connection with its listing on the Canadian Securities Exchange ("**CSE**"). The head office and registered address and records office of the Company are located at 1558 West Hastings Street, Vancouver, British Columbia, Canada, V6G 3J4.

2.2 Jurisdiction of Incorporation

The Company was incorporated as Appareo Software Inc. under the *Business Corporations Act* (British Columbia) ("**BCBCA**") on April 29, 1982. On March 14, 2001, Appareo Software Inc. amalgamated with Group West Systems Ltd. and continued under the name Appareo Software Inc. The Company changed its name from Appareo Software Inc. to CellStop Systems Inc. on September 9, 2004. On August 29, 2012, CellStop Systems Inc. amalgamated with The Buddy Systems Inc. and continued under the name CellStop Systems Inc. The Company changed its name from CellStop Systems Inc. to General Gold Resources Inc. on December 30, 2020.

2.3 Intercorporate Relationships

The Company has no operating subsidiaries.

2.4 Fundamental Change

The Company is not requalifying following a fundamental change or proposing an acquisition, amalgamation, merger, reorganization or arrangement.

2.5 Non-corporate Issuers and Issuers incorporated outside of Canada

This section is not applicable to the Company.

3. General Development of the Business

3.1 General Development of the Business

GGR is a company based in Vancouver, B.C that currently does not have any active operations but is proposing to become an independent mineral exploration company engaged in the business of exploring and evaluating mineral properties. The Company is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba. The Company was listed on the NEX board ("**NEX**") of the TSX Venture Exchange (the "**TSXV**") under the trading symbol "KNO.H". The Company was transferred to the NEX board of the TSXV effective July 2, 2010 due to the Company's lack of operations. The Company's common shares were delisted from the NEX board of the TSXV on December 29, 2020.

History

The Company was in the business of providing wireless telemetry solutions and developed and sold a range of wireless products that provided tracking and security solutions for mobile and fixed assets, including fleet management solutions, and integration of many other wireless telemetry solutions. Effective September 1, 2007, the Company ceased active operations upon the sale of its subsidiary, CellStop International Limited. Since that time, the Company has had no active operations other than analyzing various opportunities to invest its capital.

Recent Activity

On July 29, 2020, the Company entered into an option agreement (the "**Option Agreement**") with Metals Creek Resources Corp. ("**MCR**") to acquire 100% of the right, title and interest in and to the Clark's Brook Property in central Newfoundland. Upon signing the Option Agreement, the Company made an initial payment of $50,000 to a third party private company as consideration for assigning the right to the option on the Clark's Brook Property to the Company. On December 10, 2020, the Company made a payment of $30,000 to MCR as partial consideration for the option granted under the Option Agreement. On January 6, 2021 (the "**Initial Issuance Date**"), the Company issued 200,000 common shares to MCR as partial consideration for the option granted under the Option Agreement. In order to fully earn the option on the Clark's Brook Property, the Company must: (i) issue 300,000 common shares to MCR on or before the date that is 12 months from the Initial Issuance Date, (ii) pay an additional $45,000 and issue 500,000 common shares to MCR on or before the date that is 24 months from the Initial Issuance Date, and (iii) pay an additional $100,000 and issue 500,000 common shares to MCR on or before the date that is 36 months from the Initial Issuance Date. The Company has granted MCR a 2% net smelter royalty ("**NSR**") on the Clark's Brook Property, 50% of which can be repurchased by the Company for $1,000,000. See "Significant Acquisitions & Dispositions" below.

On July 29, 2020, the Company also made an advance property payment of $40,000 on an unrelated prospective property. The Company has since determined that it will not pursue this prospective property and, as a result, the $40,000 advance payment is expected to be returned to the Company by the end of January, 2021.

Recent Financings

On January 6, 2021, the Company completed a non-brokered private placement of 15,350,000 units (each, a "**Unit**") at a price of 0.06 per Unit (the "**Unit Offering**") for gross proceeds of $921,000. Each Unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable to acquire a common share at a price of $0.10 for a period of 18 months from the date of issuance.

On January 6, 2021, the Company completed a debt settlement with three directors and officers and eight arm's length creditors (the "**Debt Settlement**") to enable the Company to satisfy the working capital listing requirements of the CSE. The Debt Settlement resulted in an aggregate of $479,399.82 of indebtedness being retired in consideration for the issuance of 7,989,997 Units at a price of $0.06 per Unit (same terms as the Units issued under the Unit Offering). The Debt Settlement did not result in the creation of new insiders or a new control person.

On October 29, 2020, the Company issued an unsecured note payable in the principal amount of $1,500 to an unrelated third party creditor. The note bears interest at 10% per annum, compounded annually.

On September 4, 2020, the Company issued an unsecured note payable in the principal amount of $1,500 to an unrelated third party creditor. The note bears interest at 10% per annum, compounded annually.

On August 11, 2020, the Company issued an unsecured note payable in the principal amount of $800 to an unrelated third party creditor. The note bears interest at 10% per annum, compounded annually.

On July 27, 2020, the Company issued unsecured notes payable in the aggregate principal amount of $95,000. The notes were issued to two directors and officers for a three year term and bear interest at 10% per annum, compounded annually.

On March 5, 2020, the Company completed an arm's length non-brokered private placement generating gross proceeds of $240,000 through the issuance of 4,800,000 units at $0.05 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire a common share at a price of $0.10 per share for a period of 12 months from the date of issue.

During the year ended August 31, 2019, the Company issued unsecured notes in the aggregate principal amount of $32,100 and repaid a total of $20,000. The notes were issued to unrelated third party creditors for a three year term and bear interest at 10% per annum, compounded annually.

During the year ended August 31, 2019, the Company received an unsecured loan of $80,000 from a creditor to be used to pay expenses which were incurred pursuant to a proposed corporate transaction between the creditor and the Company. The loan bore interest at 10% per annum and was to mature on or before December 31, 2019, unless the creditor determined not to proceed with the proposed corporate transaction with the Company, in which case the loan and any accrued interest would be forgiven by the creditor. The proposed corporate transaction with the Company did not proceed and the loan was forgiven.

During the year ended August 31, 2018, the Company issued unsecured notes in the aggregate principal amount of $23,725. The notes were issued to unrelated third parties for a three year term and bear interest at 10% per annum, compounded annually.

During the year ended August 31, 2017, the Company issued three year unsecured notes in the aggregate principal amount of $51,100. The notes were issued to unrelated third parties for a three year term and bear interest at 10% per annum, compounded annually.

During the year ended August 31, 2016, the Company issued three year unsecured notes in the aggregate principal amount of $80,100. The notes were issued to unrelated third party creditors for a three year term and bore interest at 10% per annum, compounded annually. During the year ended August 31, 2019, the Company entered into various extension agreements with these creditors to extend the maturity date on these notes from fiscal 2019 to fiscal 2021.

For clarity, subsequent to the Company's fiscal quarter ended May 31, 2020, certain indebtedness described above that was held by unrelated third party creditors was assigned to certain directors and officers of the Company. As a result, these directors and officers participated in the Debt Settlement on the terms described above. See Item 13 – Directors and Officers for further details.

3.2 Significant Acquisitions and Dispositions

Other than as described in this Section 3.2 and in Sections 3.1 and 4.1 of this Listing Statement, no significant acquisitions or significant dispositions have been completed by the Company during the last three financial years or are proposed or contemplated.

Clark's Brook Property

On July 29, 2020, the Company entered into the Option Agreement with MCR to acquire 100% of the right, title and interest in and to the Clark's Brook Property. Upon signing the Option Agreement, the Company made an initial payment of $50,000 to a third party private company as consideration for assigning the right to the option on the Clark's Brook Property to the Company. On December 10, 2020, the Company made a payment of $30,000 to MCR as partial consideration for the option granted under the Option Agreement. On the Initial Issuance Date, the Company issued 200,000 common shares to MCR as partial consideration for the option granted under the Option Agreement. In order to fully earn the option on the Clark's Brook Property, the Company must: (i) issue 300,000 common shares to MCR on or before the date that is 12 months from the Initial Issuance Date, (ii) pay an additional $45,000 and issue 500,000 common shares to MCR on or before the date that is 24 months from the Initial Issuance Date, and (iii) pay an additional $100,000 and issue 500,000 common shares to MCR on or before the date that is 36 months from the Initial

Issuance Date. The Company has granted MCR a 2% NSR on the Clark's Brook Property, 50% of which can be repurchased by the Company for $1,000,000.

During the term of the Option Agreement, the Company is required to, among other things:

(a) comply with all applicable laws, regulations, by-laws, rules, orders and ordinances whether federal, provincial or municipal, with respect to its mining operations;

(b) conduct all mining operations in accordance with environmental standards;

(c) conduct all mining operations and supervise the operation of all contractors and or sub-contractors in, on and under the Clark's Brook Property in a careful manner and in accordance with good mining practice and in compliance with all applicable laws and, without limiting the generality of the foregoing, the Company shall on the completion of its work or at the end of the term of the Option Agreement leave the Clark's Brook Property in a safe condition with any and all openings safeguarded in accordance with the provisions of all applicable legislation, regulations affecting them;

(d) upon completion of its work or at the end of the term of the Option Agreement, the Company shall restore and remediate the Clark's Brook Property in accordance with good mining practices so as to minimize permanent damage or interference with the Clark's Brook Property;

(e) pay or cause to be paid all workmen's wages and for all materials, supplies and services delivered to or performed on or in respect of the Clark's Brook Property, so as to avoid any woodsman, builders, or construction liens from arising;

(f) pay all timber dues or other assessments or charges which may be levied or imposed under any statutory provision or otherwise arising, as a consequence of the harvesting of any timber resources from the Clark's Brook Property;

(g) maintain the Clark's Brook Property in good standing by doing all assessment work, recording all exploration and development work done on the Clark's Brook Property in accordance with the requirements of the *Mining Act* (Newfoundland and Labrador) and amendments thereto, paying all exploration license fees and by doing all other acts and things that may be necessary in that regard until the termination or expiration of the Option Agreement or the abandonment of rights and options granted hereunder;

(h) abide by all directions of the relevant Minister or any other governmental authority having jurisdiction over its operations hereunder; and

(i) maintain adequate liability and other insurance.

If, as and when the Company has earned its 100% interest in the Clark's Brook Property, the Clark's Brook Property will be subject to a 2% NSR in favour of MCR. The Company shall have the right to buy back 1% of the NSR by way of a one time payment to MCR of the sum of $1,000,000. Upon such purchase and payment being made, the NSR shall thereafter be calculated as being reduced to a 1% NSR.

The Company does not have any obligation to make any of the cash payments or share issuances pursuant to the Option Agreement or to exercise the option and nothing in the Option Agreement shall be construed as creating any such obligation. If the Company does not comply with all of its cash payment and share issuance obligations under the Option Agreement, then the Option Agreement and the option will terminate and MCR will retain all cash payments and share issuances that have been made to it to the date of termination and the Company will not retain any interest in the Clark's Brook Property.

In addition to its obligations above, in the event that the Company abandons the working right and option, all buildings, plant, equipment, machinery, tools, appliances and supplies which the Company may have brought onto the Clark's Brook Property, either before or during the period of the working right and option, may be removed by the Company at any time not later than nine (9) months after the abandonment of the working right and option. Any buildings, plant, equipment, machinery, tools, appliances and supplies left on the Clark's Brook Property during the nine (9) month period shall be at the Company's sole risk and, if not removed after the nine (9) month period, shall become the property of MCR. In addition, if the Company abandons the option, the Company shall, on request, provide to MCR with a copy of all non-interpreted reports, maps, plans, drill logs and surveys of all work pertaining to the Clark's Brook Property.

Upon the full amount of the cash payments and share issuances having been paid and issued to MCR, MCR shall deliver to the Company a signed transfer in proper registerable form, as prescribed under the *Mining Act* (Newfoundland and Labrador) conveying and recording all of MCR's right, title and interest in the Clark's Brook Property, free and clear of all encumbrances (other than the NSR) to the Company. The Company shall then be entitled, without further notice, to register the transfer, vesting one hundred percent (100%) interest in the Clark's Brook Property to the Company.

Technical Report

The Company commissioned a technical report on the Clark's Brook Property dated May 5, 2020, entitled "Technical Report on the Clark's Brook Property Central Newfoundland and Labrador" attached hereto as Schedule "B" (the "**Technical Report**"). The Technical Report was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") by Desmond Cullen, P.Geol. and Michael Regular, P.Geol. of Clark Exploration Consulting. Each of Desmond Cullen, P.Geol. and Michael Regular, P.Geol. is a "Qualified Person" as defined in NI 43-101 and is independent of the Company and MCR. The Technical Report is also available under the Company's profile on SEDAR at www.sedar.com.

The scientific and technical information contained in this Listing Statement relating to the Clark's Brook Property is supported by the Technical Report, which is subject to certain assumptions, qualifications, and procedures described therein. Reference should be made to the full text of the Technical Report attached hereto as Schedule "B" and as filed under the Company's profile on SEDAR.

The Clark's Brook Property consists of 31 claim units in one license (026731M) for a total of 7.7 sq. km (770 hectares). The license is held by MCR. The claims were staked in 2016, to cover two auriferous showings discovered in 2003. The license is in good standing to August 1, 2028.

The Clark's Brook Property is located in central Newfoundland near Northwest Gander River, approximately 25 kilometers west of the town of Glenwood. It is situated on NTS map sheet 02D/14. The Clark's Brook Property is centered on UTM coordinates 614,950mE/5,407,000mN (NAD27 Zone 21) on NTS 02D/14. Access to the Clark's Brook Property is via Salmon Pond Forest Access Road located on the Trans-Canada Highway located 2 kilometers west of the community of Glenwood. The Salmon Pond Forest Access Road provides excellent access to all sectors of the Clark's Brook Property.

The Clark's Brook Property itself was subject to limited prospecting carried out by Altius Resources Inc. ("**Altius**") from 2003 through 2009. Additional prospecting was carried out by MCR in 2016 after the acquisition of the claims.

<u>2003 (Altius)</u>: As part of a large 1:10,000 geological mapping and prospecting program of the area, both the Clark's Brook East ("**CBE**") and West ("**CBW**") gold discoveries were made. On the CBE gold zone, seven representative grab samples were attained, each comprised of material from several mineralized boulders that assayed between 2.98g/t and 24.5g/t gold with an average of 7.93g/t gold. A sample of underlying bedrock on the northern edge of the boulder distribution pattern returned 1.25g/t gold. An additional outcrop exposure some 25m upstream cut by a narrow quartz vein and associated iron-carbonate alteration was sampled in two representative grab samples and returned 0.15g/t and 0.62g/t Au.

The CBW gold zone discovery was first made in mineralized boulders returning 8.9g/t and 9.28g/t gold. The site was revisited and found one of the auriferous boulders to fit on an adjacent outcrop. An additional eight samples of brecciated and altered siltstone were collected from boulder and outcrop, returning anomalous gold values to 0.335g/t Au.

2017-2019 (Sokoman Minerals Corp.): In September 2017, MCR optioned the Clark's Brook Property to Sokoman Iron Corp. (now Sokoman Minerals Corp. ("**Sokoman**")) who immediately completed a Phase 1 drill program (515 meters) in an effort to locate in situ mineralization similar in tenor to the surface sampling at the Clark's Brook East Zone. The program was a success in that all holes intersected gold mineralization similar in style and tenor to the surface float. In February 2018, Sokoman completed a second, three-hole (594 meter) phase of diamond drilling. This program was also successful in that it expanded the extent of gold mineralization identified by the initial phase of drilling. A third and final, three-hole (1,209 meter) drill program was conducted in August 2019 where the drilling was conducted at a different orientation to drill the center of a magnetic low in an attempt to cut deeper mineralization. All three programs were successful in cutting intervals of vuggy, chalcedonic, quartz veining with 1-3% disseminated pyrite, minor arsenopyrite and very minor stibnite. Intercepts of 3.74g/t Au over 3.20m have been attained.

The Clark's Brook Property is underlain by wedge of limestone breccias and calcareous siltstones that are bound to the west by younger, feldspar-rich granite and to the east by thrust up conglomerate, sandstone, siltstone and shales of the Gander Lake Subzone. Two gold showings have been identified in the Clark's Brook Property to date: CBE and CBW.

The gold mineralization on the CBE area occurs in moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. Boulders at the site, ranging from 0.5 to $2m^3$ in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold.

At the CBW zone, grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.

The original gold mineralization was located in 2003 in large blocks of silicified and quartz veined sandstone/siltstone, with trace to 2% disseminated pyrite +/- arsenopyrite, in the bed of Clark's Brook. The original seven samples assayed 2.98 and 24.5 g/t gold. MCR staked the area in 2016 and completed sampling that verified the gold values in the boulders. MCR then optioned the Clark's Brook Property to Sokoman who completed three phases of diamond drilling between 2017 and 2019. All drilling intersected gold values similar in style and tenor to the original boulders.

The Technical Report recommends that the Company conduct a $100,400 Phase 1 exploration program of mapping, prospecting coupled with rock and soil sampling. The program will focus on evaluating the entire Clark's Brook Property to define new areas of the gold mineralization. The mapping program will focus on interpreting the relationships of the pyrite/arsenopyrite mineralization to structural or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings. The Company intends to focus its financial resources on completing Phase 1 of the recommended exploration and evaluation of the Clark's Brook Property.

For further details regarding the Clark's Brook Property and the Technical Report, please refer to Schedule "B" attached hereto.

3.3 Trends, Commitments, Events or Uncertainties

There are significant uncertainties regarding the prices of minerals and the availability of equity or debt financing for the purposes of mineral exploration and development. For instance, the price of minerals has fluctuated widely in recent years and wide fluctuations are expected to continue. The Company typically needs more capital than it has available to it or can expect to generate through the sale of its products. In the past, the Company has had to raise, by way of equity or debt financing, funds to meet its capital needs. There is no guarantee that the Company will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion will limit the Company's growth.

Current global financial and economic conditions can be unpredictable and are even more so now with the effects of the novel coronavirus COVID-19, a global pandemic. Many industries, including the mining industry, are impacted by these market conditions and substantially all industries are being affected by COVID-19. Some of the key impacts of the current financial market turmoil arising from COVID-19 include contraction in credit markets resulting in a widening of credit risk; devaluations and high volatility in global equity, commodity, foreign exchange, novel fiscal policy and monetary policy and monetary markets and a lack of market liquidity. If such global volatility and market turmoil continue, the Company's operations and financial condition could be adversely impacted.

Apart from the risks above and the risk factors noted under Item 17 - *Risk Factors,* the Company is not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on our business, financial condition or results of operations.

4. Narrative Description of the Business

4.1 General

Business of the Company

The Company is a mineral exploration company currently with one project, the Clark's Brook Property located 38 km southwest of Gander, in central Newfoundland. The Company has the right to earn a 100% interest in the Clark's Brook Property by making certain cash payments and common share issuances. The Company has three years from the Initial Issuance Date to earn the 100% interest in the Clark's Brook Property.

Stated Business Objectives

In the next 12 months of operations the Company plans to: (i) complete and evaluate the recommended Phase 1 exploration program on the Clark's Brook Property as recommended in the Technical Report; (ii) satisfy its obligations under the Option Agreement to keep the option on the Clark's Brook Property in good standing; and (iii) consider and/or pursue other projects or business objectives whether in the resource industry or otherwise, as they may arise from time to time.

Significant Events or Milestones

In order to accomplish its business objectives stated above, the Company must satisfy the listing requirements of the CSE in order for the Company's common shares to be listed on the CSE. The Phase 1 exploration program on the Clark's Brook Property as recommended in the Technical Report would then be expected to commence by May 15, 2021 and would be estimated to be completed by June 30, 2021 (assuming satisfactory weather conditions).

Clark's Brook Property, Newfoundland

Technical Report

The Company commissioned the Technical Report on the Clark's Brook Property which was prepared in accordance with NI 43-101 by Desmond Cullen, P.Geol. and Michael Regular, P.Geol. of Clark Exploration Consulting. Each of Desmond Cullen, P.Geol. and Michael Regular, P.Geol. is a "Qualified Person" as defined in NI 43-101 and is independent of the Company and MCR. The scientific and technical information contained in this Listing Statement relating to the Clark's Brook Property is supported by the Technical Report, which is subject to certain assumptions, qualifications, and procedures described therein. Reference should be made to the full text of the Technical Report attached hereto as Schedule "B" and as filed under the Company's profile on SEDAR at www.sedar.com.

The Company incorporates by reference in this Listing Statement the following sections of the Technical Report: (i) Property Description and Location, (ii) Accessibility, Climate, Local Resources, Infrastructure and Physiography, (iii) History, (iv) Geological Setting and Mineralization, (v) Deposit Types: (vi) Exploration, (vii) Drilling, (viii) Sampling Preparation, Analysis and Security, (ix) Data Verification, (x) Mineral Processing and Metallurgical Testing, (xi) Mineral Resource, (xii) Adjacent Properties, and (xii) Other Relevant Data and Information.

Interpretations and Conclusions

The original gold mineralization was located in 2003 in large blocks of silicified and quartz veined sandstone/siltstone, with trace to 2% disseminated pyrite +/- arsenopyrite, in the bed of Clark's Brook. The original seven samples assayed 2.98 and 24.5 g/t gold. MCR staked the area in 2016 and completed sampling that verified the gold values in the boulders. MCR then optioned the Clark's Brook Property to Sokoman who completed three phases of diamond drilling between 2017 and 2019. All drilling intersected gold values similar in style and tenor to the original boulders.

The focus of the exploration to date has been on two small areas of the Clark's Brook Property, CBW and CBE. The diamond drilling was only completed on the CBE showing.

It is the opinion of the authors of the Technical Report that the Clark's Brook Property is still a grassroots property, with little previous exploration, and as such there is always a substantial risk that the work proposed may not result in advancing the property under current market conditions.

Recommended Exploration Program

A $100,400 Phase 1 exploration program of mapping, prospecting coupled with rock and soil sampling is recommended for the Clark's Brook Property. The program will focus on evaluating the on entire Clark's Brook Property to define new areas of the gold mineralization. The mapping program will focus on interpreting the relationships of the pyrite/arsenopyrite mineralization to structural or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings. The Company intends to focus its financial resources on completing Phase 1 of the recommended exploration and evaluation of the Clark's Brook Property.

Funds Available and Use of Funds

As at December 31, 2020, the Company had a working capital deficiency of approximately $169,740. On January 6, 2021, the Company completed the Unit Offering for gross proceeds of $921,000 and completed the Debt Settlement resulting in an aggregate of $479,399.82 of indebtedness being retired. As a result, as of the date hereof, the Company has working capital of approximately $837,700.

The net proceeds from the Unit Offering, being approximately $865,340 after deduction of all expenses related to the Unit Offering, combined with the Company's cash on hand of approximately $720 as at December 31, 2020, will be sufficient to enable the Company to accomplish its business objectives stated above and conduct its operations for a minimum of 12 months following the listing of its common shares on the CSE.

The Company estimates that it will require funds to conduct its plan of operations over the next twelve months following the date of this Listing Statement as follows:

Use of Available Funds	Amount
Phase 1 on Clark's Brook Property	$100,400
CSE Fees	$17,500
General and Administrative Expenses (1)	$234,000
Remaining Working Capital (2)	$485,800
Total	**$837,700**

Notes:

(1) Includes estimates for office and administration ($30,000), accounting and audit fees ($36,000), rent and office related expenses ($72,000), marketing ($6,000), legal ($48,000), transfer agent ($18,000) and regulatory fees ($24,000).

(2) Of these funds, depending on the results of the Phase 1 exploration program on the Clark's Brook Property, approximately $300,000-$400,000 are expected to be used to drill specific targets on the Clark's Brook Property.

As more detailed elsewhere in this Listing Statement and in the twelve month operating budget that was prepared by the Company in connection with this Listing Statement, the Company estimates that it will have a monthly cash burn rate of approximately $27,870.

The Company intends to spend the funds available to it as stated in this Listing Statement. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if the Company is required to carry out due diligence investigations in regards to any prospective investment or business opportunity or if the costs of the Listing Statement or Listing, or negotiating an applicable transaction, are greater than anticipated.

Principal Products or Services

This is not applicable to the Company.

Production and Sales

This is not applicable to the Company.

Employees

The Company has no employees.

Revenues

The Company currently has no revenue from its operations.

Competitive Conditions

The mineral resource industry is intensely competitive and the Company competes with many companies that have greater financial resources and technical facilities than itself. Significant competition exists for the limited number of mineral acquisition opportunities available in the Company's area of operation. As a result of this competition, the Company's ability to acquire additional attractive mining properties on terms it considers acceptable may be adversely affected.

Lending and Investment Policies and Restrictions

This is not applicable to the Company.

Bankruptcy and Receivership

The Company has not been the subject of any bankruptcy or any receivership or similar proceedings against the Company or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Company or its subsidiaries since its incorporation.

Material Restructuring

The Company has not completed any material restructuring transaction in its last three completed financial years. Other than as provided for in this Listing Statement, none have been completed during, or proposed for, the current financial year.

Social or Environmental Policies

All aspects of the Company's field operations will be subject to environmental regulations and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply could result in fines and penalties. The Company has not implemented any social or environmental policies that are fundamental to its current operations.

4.2 Asset Backed Securities

The Company does not have any asset backed securities.

4.3 Companies with Mineral Properties

See Section 4.1 above and the Technical Report attached as Schedule "B" for a description of the Clark's Brook Property.

4.4 Companies with Oil and Gas Operations

The Company does not have oil and gas operations.

5. Selected Consolidated Financial Information

5.1 Annual Information

The information below should be read in conjunction with the audited financial statements and related notes for the years ended August 31, 2020, August 31, 2019 and August 31, 2018, management's discussion and analysis ("MD&A") for all these periods, and other financial information, all of which are available at www.sedar.com. This selected financial information has been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

	Financial Year ended August 31, 2020	Financial Year ended August 31, 2019	Financial Year ended August 31, 2018
Revenue	Nil	Nil	Nil
Net Loss and Comprehensive Loss	($32,532)	($133,951)	($251,107)
Based and diluted net loss per share	($0.00)	($0.03)	($0.05)
Total Assets	$118,883	$19,886	$15,229
Total Liabilities	$550,450	$658,921	$520,313
Shareholders' Equity	($431,567)	($639,035)	($505,084)

During the periods above, the Company did not have any sales or revenues and did not declare any dividends. See also Section 5.3 "*Dividends*" below.

5.2 Quarterly Information

The following table sets forth summary financial information for the Company for the eight most recently completed interim periods ending at the end of the most recently completed financial year end (August 31, 2020). This summary financial information should only be read in conjunction with the Company's MD&A, financial statements and related notes and other financial information, all of which are available at www.sedar.com.

	Gross Revenue	Net Income (Loss)	Income (Loss) per Share Basic	Income (Loss) per Share Diluted
Q4 ended August 31, 2020	N/A	($93,550)	($0.01)	($0.01)
Q3 ended May 31, 2020	N/A	($24,853)	($0.00)	($0.00)
Q2 ended February 28, 2020	N/A	$124,188	$0.02	$0.02
Q1 ended November 30, 2019	N/A	($38,317)	($0.01)	($0.01)
Q4 ended August 31, 2019	N/A	($30,314)	($0.01)	($0.01)
Q3 ended May 31, 2019	N/A	($32,099)	($0.01)	($0.01)
Q2 ended February 28, 2019	N/A	($39,206)	($0.01)	($0.01)
Q1 ended November 30, 2018	N/A	($32,332)	($0.01)	($0.01)

5.3 Dividends

The payment of dividends, if any, in the future, rests within the sole discretion of the Board. The payment of dividends will depend upon the Company's earnings, its capital requirements and its financial condition, as well as other relevant factors. The Company has not declared any cash dividends since its inception and the Company intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its common shares or other classes of shares in the foreseeable future.

There are no restrictions in the Company's constating documents that prevent the Company from declaring dividends. The BCBCA, however, prohibits the Company from declaring a dividend where, after giving effect to the distribution of the dividend the Company would not be able to pay its debts as they become due in the usual course of business, or the Company's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

5.4 Foreign GAAP

Not applicable.

6. Management's Discussion and Analysis

The MD&A of the Company for the financial year ended August 31, 2020 is attached to this Listing Statement as Schedule "A" and should be read in conjunction with the audited financial statements of the Company for the year ended August 31, 2020. The Company's MD&A for the years ended August 31, 2019 and August 31, 2018, should be read in conjunction with the audited financial statements of the Company for the years ended August 31, 2019 and August 31, 2018 and is available for viewing with the Company's public disclosure documents under the Company's profile at www.sedar.com.

7. Market for Securities

The Company's common shares traded on the NEX board of the TSXV under the symbol "KNO.H" however, in connection with the listing of the Company's common shares on the CSE, Company's common shares were delisted from the NEX board of the TSXV on December 29, 2020. The trading symbol for the Company's common shares on the CSE is expected to be "GGLD".

8. Consolidated Capitalization

The following table sets forth the consolidated capitalization of the Company as at August 31, 2020 and as of the date of this Listing Statement:

Description	Authorized	Outstanding as at August 31, 2020	Outstanding as of the Listing Statement
Warrants	25,739,997	2,400,000	25,739,997(1)
Stock Options	5,001,868	Nil	Nil
Common Shares	Unlimited	9,805,793	33,345,790(2)

Notes:

(1) Includes 2,400,000 warrants exercisable to acquire a common share at a price of $0.10 per share until March 5, 2021 and 23,339,997 warrants exercisable to acquire a common share at a price of $0.10 per share until July 6, 2022.

(2) Includes 15,350,000 common shares issued under the Unit Offering, 7,989,997 common shares issued under the Debt Settlement and 200,000 common shares issued to MCR under the terms of the Option Agreement.

(3) The Company had $139,331 in long-term debt at August 31, 2020, however the Company has no long-term debt as of the date hereof.

9. Option to Purchase Securities

The Company's stock option plan ("**Option Plan**") is a "rolling" stock option plan which was approved by the Company's shareholders at the Company's annual shareholders meeting held on December 16, 2020. The maximum number of common shares reserved for issuance and which may be purchased upon exercise of Options granted may not exceed 15% of the number of issued and outstanding common shares. Pursuant to the terms of the Option Plan, the Board of Directors may designate directors, officers, employees and consultants of the Company eligible to receive Options. The number of common shares subject to each Option, in addition to the exercise price, vesting period and term of each Option is to be determined by the Board of Directors.

In accordance with its terms, in no case will the grant of options under the Option Plan result in: (i) the number of common shares reserved for issuance pursuant to options granted to any one individual, within any twelve-month period, exceeding in the aggregate 5% of the issued and outstanding common shares; (ii) the number of common shares reserved for issuance pursuant to options granted all persons engaged by the Company to provide investor relations activities, within any twelve month period, exceeding in the aggregate 2% of the issued and outstanding common shares; or (iii) the number of common shares reserved for issuance pursuant to options granted to any one consultant, in any twelve month period, exceeding in the aggregate 2% of the issued and outstanding common shares.

The price at which common shares may be purchased under any option granted pursuant to the Option Plan must not be less than the closing price the day before the options are granted (less any permitted discounts) and shall not be less than the minimum exercise price determined under the applicable rules and regulations of all regulatory authorities and stock exchanges to which the Company is or may be subject, including the CSE. Subject to certain exceptions, any options granted pursuant to the Option Plan will terminate within 30 days of the Company ceasing to be a director, officer, employee or consultant of the Company but can be extended to up to 90 days, if permitted by the policies of the stock exchanges to which the Company is or may be subject and if provided for in the option agreement between the optionee and the Company. Options held by any Company who ceases to be a director, officer, employee or consultant of the Company for "cause" as defined in the Option Plan, shall terminate immediately. If the Company dies during the term of the option, the options will expire one year after the date of the Company's death and may be exercised by the Company's legal personal representative until that time, or until the expiry date of the Option, whichever is earlier.

As of the date of this Listing Statement, there are no options outstanding. There were also no awards outstanding under option-based incentive plans of the Company at the end of the most recently completed financial year.

10. Description of the Securities

10.1 Description of the Company's Securities

The Company is authorized to issue an unlimited number of common shares without nominal or par value. As of the date hereof, there are 33,345,790 common shares issued and outstanding. The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders and shall have one vote for each common share held at all meetings of the shareholders. The holders of common shares are entitled to: (a) receive any dividends as and when declared by the Board of Directors, out of the assets of the Company properly applicable to the payment of dividends, in such amount and in such form as the Board of Directors may from time to time determine; and (b) receive the remaining property of the Company (after payment of all outstanding debts) in the event of any liquidation, dissolution or winding-up of the Company. The holders of the common shares have no pre-emptive, redemption or conversion rights.

10.2 Miscellaneous Securities Provisions

None of the matters set out in sections 10.2 to 10.6 of CSE Form 2A are applicable to the securities being listed.

10.3 Prior Sales of Common Shares

The following table summarizes the issuances of common shares or securities convertible into common shares for the 12 month period prior to the date of the Listing Statement.

Date Issued	Class of Security	Number Issued/Issuable	Price/Deemed Price/Exercise Price of Security
March 5, 2020	Common Shares	4,800,000	$0.05
March 5, 2020	Warrants	2,400,000	$0.10
January 6, 2021	Common Shares	23,539,997	$0.06
January 6, 2021	Warrants	23,339,997	$0.10

Notes:

(1) On March 5, 2020, the Company completed a private placement of 4,800,000 units, with each unit comprised of one common share and one half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price of $0.10 per share until March 5, 2021.

(2) On January 6, 2021, the Company completed the Unit Offering resulting in the issuance of 15,350,000 common shares and 15,350,000 warrants. Each whole warrant is exercisable to acquire one common share at a price of $0.10 per share until July 6, 2022.

(3) On January 6, 2021, the Company completed the Debt Settlement resulting in the issuance of 7,989,997 common shares and 7,989,997 warrants. Each whole warrant is exercisable to acquire one common share at a price of $0.10 per share until July 6, 2022.

(4) On January 6, 2021, the Company issued 200,000 common shares to MCR pursuant to the terms of the Option Agreement.

(5) On July 29, 2020, the common shares were halted from trading on the NEX board of the TSXV. The common shares were voluntarily delisted from trading on the NEX board of the TSXV on December 29, 2020.

10.4 Stock Exchange Price

The common shares were listed and posted for trading on the NEX board of the TSXV under the trading symbol “KNO.H”. The following table sets forth the daily high and low closing trading prices and the volume of the trading of the common shares, on days which there was trading activity, for the periods indicated.

Date	High	Low	Volume
July 2020(1)	$0.08	$0.05	17,376
June 2020	$0.08	$0.08	295
Q3 2020	$0.08	$0.05	14,600
Q2 2020	$0.15	$0.04	36,469
Q1 2020	$0.04	$0.04	10,549
Q4 2019	$0.05	$0.04	5,687
Q3 2019	$0.06	$0.05	3,880
Q2 2019	$0.09	$0.05	7,215
Q1 2019	$0.09	$0.07	78,568
Q4 2018	$0.075	$0.06	3,087

Notes:

(1) Up to and including July 29, 2020 being the date the common shares were halted from trading on the NEX board of the TSXV. The common shares did not resume trading and were voluntarily delisted from trading on the NEX board of the TSXV on December 29, 2020.

(2) The Company’s financial year end date is August 31.

11. Escrowed Securities

As of the date of this Listing Statement, the following table discloses the names and municipalities of residence of the securityholders and the class and number of securities that will be held in escrow pursuant to National Policy 46-201 (“**NP 46-201**”), and the percentage that those numbers represent of the outstanding securities.

Name and Municipality of Residence of Securityholder	Designation of Class	Number of Securities to be held in escrow	Percentage of Class (undiluted)
Michelle Gahagan *Vancouver, British Columbia*	Common Shares	750,000[(1)]	2.2%
Michelle Gahagan *Vancouver, British Columbia*	Warrants	750,000[(1)]	2.9%
Brian Tingle *Vancouver, British Columbia*	Common Shares	1,060,000[(2)]	3.2%
Brian Tingle *Vancouver, British Columbia*	Warrants	1,000,000	3.9%
Beverley Tingle *Vancouver, British Columbia*	Common Shares	40,000[(3)]	0.1%
Kelsey Chin *Vancouver, British Columbia*	Common Shares	723,333	2.2%
Kelsey Chin *Vancouver, British Columbia*	Warrants	723,333	2.8%

Notes:

(1) These securities are held by Carsonby Enterprises Inc., a company controlled by Ms. Gahagan.
(2) Includes 60,000 common shares that were held by Mr. Tingle prior to the completion of the Debt Settlement.
(3) These common shares are held by Beverley Tingle, Mr. Tingle's spouse.

The Company is considered an "emerging issuer" for the purposes of NP 46-201 and accordingly, a principal's escrowed securities in an emerging issuer will be released as follows:

1. On the date the issuer's securities are listed on a Canadian exchange (the listing date) - 1/10 of the escrow securities;
2. 6 months after the listing date 1/6 of the remaining escrow securities;
3. 12 months after the listing date 1/5 of the remaining escrow securities;
4. 18 months after the listing date 1/4 of the remaining escrow securities;
5. 24 months after the listing date 1/3 of the remaining escrow securities;
6. 30 months after the listing date 1/2 of the remaining escrow securities; and
7. 36 months after the listing date the remaining escrow securities.

12. Principal Shareholders

To the knowledge of the Company, no security holder of the Company owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

Voting Trusts

To the knowledge of the Company, no voting trust exists within the Company such that more than 10 percent of any class of voting securities of the Company are held, or are to be held, subject to any voting trust or similar agreement.

Associates and Affiliates

To the knowledge of the Company, no principal shareholder is an associate or affiliate of another person or company named as a principal shareholder.

13. Directors and Officers

The following table sets forth the names and municipality of residence of the officers and directors of the Company, their positions and their principal occupations:

Name and Municipality of Residence	Position with the Company[5]	Number of Common Shares[4]	Principal Occupation for the Past 5 Years
Michelle Gahagan[2] *Vancouver, British Columbia*	Director since 2011, President & Chief Executive Officer since June 7, 2013.	750,000[5] 2.2%	Ms. Gahagan currently provides consulting services to public and private companies and serves as a principal of a privately-held merchant bank based in Vancouver and London. Prior to the commencement of her involvement in merchant banking seven years ago, Ms. Gahagan practiced corporate law for 20 years.
Michael Curtis[1][2] *Montreal, Quebec*	Director since 2010	Nil	President of Quinto Resources Inc. (formerly, Quinto Real Capital Corporation), a publicly traded mining exploration company, until October 20, 2020 and currently an independent businessman.
Brian Tingle[1][2] *Vancouver, British Columbia*	Director since 2017	1,060,000[6] 3.2%	Self-employed financial consultant for private and public companies.
Kelsey Chin *Vancouver, British Columbia*	Chief Financial Officer since July 29, 2020 and Corporate Secretary since October 4, 2016.	723,333[7] 2.2%	Ms. Chin is a Chartered Professional Accountant, Certified General Accountant, and has been providing financial and corporate governance consulting services to publicly listed companies since 2004.

Notes:

(1) Independent Director.
(2) Member of the Audit Committee. The chairman of the Audit Committee is Brian Tingle.
(3) Each director's term of office will expire at the next annual meeting of the shareholders unless re-elected at such meeting.
(4) Based on 33,345,790 common shares issued and outstanding as of the date of this Listing Statement.
(5) Carsonby Enterprises Inc., a company controlled by Ms. Gahagan, received 750,000 Units upon completion of the Debt Settlement.
(6) Mr. Tingle received 1,000,000 Units upon completion of the Debt Settlement. Does not include 40,000 common shares currently held by Mr. Tingle's spouse.
(7) Ms. Chin received 723,333 Units upon completion of the Debt Settlement.
(8) The directors and officers of the Company, as a group, currently beneficially own, directly or indirectly, or exercise control over 2,533,333 common shares or 7.6% of the issued and outstanding common shares.

13.1 Board Committees of the Company

The Company currently only has an audit committee (the "**Audit Committee**"). The overall purpose of the Audit Committee is to assist the board of directors in fulfilling its oversight responsibilities with respect to: the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures; internal controls over financial reporting; compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics; the external auditors' qualifications and independence; and the performance of the internal audit function and the external auditor.

13.2 Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no director, officer or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company other than disclosed herein is, as at the date of this Listing Statement, or has been, within ten years before the date of this Listing Statement, a director or officer of any other company that, while that person was acting in that capacity:

a) was the subject of a cease trade or similar order, or an order that denied the other company access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;

b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Michael Curtis was previously a director and an officer of Quinto Resources Inc. (formerly, Quinto Real Capital Corporation) (TSXV – QIT) ("**Quinto**"). Quinto, having failed to complete a Qualifying Transaction within 24 months of its listing, was suspended from trading on September 18, 2012 and has since completed a transaction and is trading.

Mr. Curtis is a currently a director of Intema Solutions Inc. (TSXV – ITM) ("**Intema**"). Intema failed to file its year-end audited financial statements and MD&A for December 31, 2019 and a temporary management cease trade order ("**MCTO**") was granted by the Autorité des marchés financiers ("**AMF**") under Policy Statement 12-203 on June 12, 2020. The MCTO was revoked by the AMF on July 16, 2020.

13.3 Penalties Sanctions and Settlements

No director or officer of the Company, or any shareholder anticipated to hold a sufficient amount of securities of the Company to materially affect control of the Company, has: (i) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body or self- regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

13.4 Personal Bankruptcies

No director or officer of the Company, or a shareholder anticipated to hold a sufficient amount of securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons, has, within the 10 years preceding the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

13.5 Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Company also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under the BCBCA.

13.6 Management

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Listing Statement, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

***Michelle Gahagan** – President, Chief Executive Officer and Director (Age 61)*

Ms. Gahagan is a non-executive director to public and private companies, as well as serving as a principal of a privately-held merchant bank based in Vancouver and London. Prior to the commencement of her involvement in banking fifteen years ago, Ms. Gahagan graduated from Queens University Law School and then practiced corporate law for 20 years. Ms. Gahagan has extensive experience advising companies with respect to international tax-driven structures, mergers and acquisitions. Ms. Gahagan is currently also a director of Versus Systems Inc. (CSE: VS), a technology company, Moovly Media Inc. (TSX.V: MVY), a technology company, and Canadian Palladium Resources Inc. (CSE: BULL), an exploration company.

It is expected that Ms. Gahagan will devote approximately 40% of her time to the business of the Company to effectively fulfill her duties as the President, Chief Executive Officer and a director. Ms. Gahagan is an independent contractor of the Company.

***Michael Curtis** – Director and Member of the Audit Committee (Age 66)*

Mr. Curtis is a seasoned executive having over 45 years of experience in the Canadian financial industry in the areas of trading, research, corporate finance and the management of public companies. In 1998, he founded and became President and Director of Cardwell Capital Inc., a private investment and trading corporation that invests in small and mid-capitalization public companies trading in North American markets. He has also worked closely with Intrepid Financial, a Canadian investment and advisory firm with a focus on the natural resource and technology sectors that has raised over $2B for its portfolio companies. Mr. Curtis was previously a Board member of Quinto Resources Inc. (TSX.V: QIT), a mining exploration and development company and is presently a Board member of Intema Solutions Inc. (TSX.V: ITM), a permission based email marketing company.

It is expected that Mr. Curtis will devote approximately 10% of his time to the business of the Company to effectively fulfill his duties as a director. Mr. Curtis is an independent contractor of the Company.

***Brian Tingle** – Director and Chairman of the Audit Committee (Age 47)*

For the past 20 years, Mr. Tingle has worked in financing and advising public and private companies across a wide range of industries. Mr. Tingle has a Bachelor of Commerce degree (finance) from the Sauder School of Business (UBC). Mr. Tingle is also currently a director of Versus Systems Inc. (CSE: VS), a technology company.

It is expected that Mr. Tingle will devote approximately 10% of his time to the business of the Company to effectively fulfill his duties as a director. Mr. Tingle is an independent contractor of the Company.

***Kelsey Chin** – Chief Financial Officer and Corporate Secretary (Age 35)*

Kelsey is a chartered professional accountant, certified general accountant with over 15 years of experience in audit, finance and accounting within the mining, exploration, health care and technology industries. She has served as a director and executive officer for numerous publicly traded companies, where she was responsible for all aspects of financial services, financial reporting, and corporate governance. Ms. Chin is intricately familiar with the financial reporting and corporate governance requirements within the industry which the Company operates.

It is expected that Ms. Chin will devote approximately 30% of her time to the business of the Company to effectively fulfill her duties as Chief Financial Officer and Corporate Secretary. Ms. Chin is an independent contractor of the Company.

No director or officer of the Company has entered into a non-competition, non-disclosure, or confidentiality agreement with the Company. None of the directors or officers are employees of the Company.

14. Capitalization

14.1 Capitalization

Issued Capital: Common Shares

	Number of Securities(1)(2) (non-diluted)	Number of Securities(1)(2) (fully-diluted)	% of Issued(1)(2) (non-diluted)	% of Issued(1)(2) (fully-diluted)
Public Float				
Total outstanding (A)	33,345,790	59,085,787	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	22,344,424	43,101,089	67.0%	72.9%
Total Public Float (A-B)	**11,001,366**	**15,984,698**	**33.0%**	**27.1%**

Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	23,639,997	46,979,994	70.9%	79.5%
Total Tradeable Float (A-C)	**9,705,793**	**12,105,793**	**29.1%**	**20.5%**

Notes:

(1) Prior to January 6, 2021, there were 9,805,793 common shares and 2,400,000 warrants issued and outstanding, none of which are subject to resale restrictions.

(2) On January 6, 2021, the Company completed the Unit Offering and the Debt Settlement through the issuance of an aggregate of 23,339,997 common shares and 23,339,997 warrants. On January 6, 2021, the Company also issued 200,000 common shares to MCR pursuant to the terms of the Option Agreement. All of these securities are subject to resale restrictions.

Public Securityholders (Registered)

Class of Security (common shares)		
Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	46	834
100 – 499 securities	15	3,432
500 – 999 securities	3	2,000
1,000 – 1,999 securities	85	91,000
2,000 – 2,999 securities	3	7,500
3,000 – 3,999 securities	2	6,925
4,000 – 4,999 securities	1	4,250
5,000 – 49,999 securities	7	132,115
50,000 or more securities	39	10,753,310
Total	**201**	**11,001,366**

Public Securityholders (Beneficial)

Class of Security (common shares)		
Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	420	6,377
100 – 499 securities	66	14,026
500 – 999 securities	23	15,179
1,000 – 1,999 securities	117	130,175
2,000 – 2,999 securities	11	26,912
3,000 – 3,999 securities	9	31,125
4,000 – 4,999 securities	5	21,458
5,000 – 49,999 securities	22	312,268
50,000 or more securities	41	10,419,644
Unable to confirm	Unknown	24,202
Total	**714 + unknown**	**11,001,366**

Non-Public Securityholders (Registered)

Class of Security (common shares)		
Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	Nil	Nil
100 – 499 securities	Nil	Nil
500 – 999 securities	Nil	Nil
1,000 – 1,999 securities	Nil	Nil
2,000 – 2,999 securities	Nil	Nil
3,000 – 3,999 securities	Nil	Nil
4,000 – 4,999 securities	Nil	Nil
5,000 or more securities	19	22,344,424
Total	**19**	**22,344,424**

14.2 Convertible/Exchangeable Securities

As of the date of this Listing Statement, the only securities convertible or exchangeable into common shares are 25,739,997 common share purchase warrants. Of these warrants, 2,400,000 are exercisable to acquire one common share at a price of $0.10 per share until March 5, 2021 and 23,339,997 are exercisable to acquire one common share at a price of $0.10 per share until July 6, 2022.

14.3 Other Listed Securities

The Company has no other listed securities reserved for issuance.

15. Executive Compensation

15.1 Compensation of Executive Officers and Directors

The Company's Statement of Executive Compensation for the most recent financial year (August 31, 2019) is attached hereto as Schedule "C". There is no present intention to make any material changes to that compensation.

16. Indebtedness of Directors and Executive Officers

No director or officer of the Company or person who acted in such capacity in the last financial year, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

17. Risk Factors

17.1 Description of Risk Factors

An investor should carefully consider the following risk factors in addition to the other information contained in this Listing Statement. The risks and uncertainties below are not the only ones related to the Company. There are additional risks and uncertainties that the Company does not presently know of or that the Company currently considers immaterial which may also impair the Company's business operations. If any of the following risks actually occur, the Company's business may be harmed and its financial condition and results of operations may suffer significantly. An investment in the Company's shares is speculative and will be subject to certain material risks. Investors should not invest in securities of the Company unless they can afford to lose their entire investment.

General

An investment in the common shares is speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of exploration and development of its mineral properties. The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements contained herein. Prospective investors should carefully consider the following risk factors along with the other matters set out herein.

An investment in the Company will be subject to certain material risks and investors should not invest in securities of the Company unless they can afford to lose their entire investment. A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities.

Exploration, Development and Mine Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of care evaluation, experience and knowledge may not eliminate. With respect to seeking out prospective properties, few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will provide to be accurate or economically recoverable. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development, production and processing of minerals. These include unusual and unexpected geological formations, rock falls, seismic activities, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of properties in which the Company has an interest will have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Company's properties will be located, often in poor climate conditions.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Mineral Resources and Reserves

Unless otherwise indicated, mineralization figures presented in this Listing Statement are based upon estimates made by the Company, personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis which may prove to be unreliable. There can be no assurance that these estimates will be accurate; resource or other mineralization figures will be accurate; or such mineralization could be mined or processed profitably.

Mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurances that minerals recovered in small-scale tests will be duplicated in large-scale tests under on- site conditions or in production scale.

The resource estimates contained in this Listing Statement and in the documents incorporated herein by reference have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate.

Insufficient Resources or Reserves

Substantial additional expenditures will be required to establish either resources or reserves on mineral properties and to develop processes to extract the minerals. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or at all.

Maintaining Interests in Mineral Properties

The Company's continuing right to maintain its interest in the Clark's Brook Property will be dependent upon compliance with applicable laws.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Clark's Brook Property. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Clark's Brook Property will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Fluctuating Market Costs

The economics of mineral exploration is affected by many factors beyond the Company's control including the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation. Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted.

Limited Operating History

The Company is an early stage mining company and the Clark's Brook Property is an exploration stage property. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Clark's Brook Property requires significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of its success must be considered in light of its early stage of operations.

The Clark's Brook Property is in the early exploration stage and is without resources or reserves. The proposed program on the Clark's Brook Property is an exploratory search for a mineral deposit. Development of the Clark's Brook Property will only follow upon obtaining satisfactory results. Exploration for and the development of minerals involve a high degree of risk and few properties, which are explored, are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term success of the Company's operations will be in large part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. The Company has no history of mineral production, revenue generation or earnings.

Lack of Operating Cash Flow

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue our business. Further exploration and development of the Clark's Brook Property will require the commitment of substantial financial resources. It may be several years before the Company will generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

Acquiring Additional Properties

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire other mineral claims and/or companies. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Competition

The Company faces competition in the markets in which it operates. The Company's ability to compete depends on, among other things, knowledgeable personnel, high product quality, competitive pricing and range of product offerings. Increased competition may require the Company to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations.

The mining industry is intensely competitive. The Company will compete with other mining companies, many of which have greater financial resources for the acquisition of mineral claims, permits and concessions as well as for the recruitment and retention of qualified employees. As a result, the Company may be unable to acquire attractive mining properties on terms it considers acceptable.

Licenses, Permits, Laws and Regulations

The Company's operations and development activities, including mine, mill, road and other facilities, require permits and approvals from various government authorities and are subject to extensive provincial, federal and local laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, such changes can be retroactive, can become more stringent and compliance can therefore become more costly. The Company may be required to obtain additional licenses and permits from various government authorities to continue and expand its exploration and development activities. There can be no guarantee that the Company will be able to maintain or obtain all necessary licenses, permits, and approvals that may be required to explore and develop its properties, commence construction or operations of mining facilities.

Title to Properties

The Clark's Brook Property may be subject to prior unregistered agreements of transfer, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the Clark's Brook Property and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Clark's Brook Property or the size of the area to which such claims and interests pertain. The Company cannot guarantee that title to its mineral properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained.

Environmental Risks

The environmental protection laws and regulations in Canada relate to environmental protection, prevention and control of atmospheric and water pollution. There are prescribed standards relating to the discharge of wastes, effluent and gases. These regulations authorize municipal governments to impose penalties on companies that do not comply with the relevant requirements. All phases of the mining business present environmental risks and hazards and are subject to environmental regulations pursuant to a variety of conventions, local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. Compliance with such laws regulations can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

The Company's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Capital Requirements and Liquidity

Additional funds for the continuation of the Company's planned operations may be required. The Company has no cash flow from its operations. No assurance can be given that the Company will be able to raise additional funding required for its activities. Revenues, taxes, capital expenditures and operating expenses are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financings may be dilutive to shareholders. Debt financing, if undertaken, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Dilution

Common shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into common shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional common shares from time to time pursuant to common share purchase warrants and the options to purchase common shares issued from time to time by the Board. The issuance of these common shares could result in dilution to holders of common shares.

Regulatory Requirements

The current or future operations of the Company may require permits from various governmental authorities, and such operations will be governed by laws and regulations governing production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Company may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Amendments to current laws, regulations and permits governing operations and activities of companies such as the Company, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or costs or require abandonment or delays in the development of new projects.

Claims and Legal Proceedings

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including relating to former employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company may carry liability insurance coverage and mitigate risks that can be reasonably estimated; however, there is a risk that insurance may not be adequate to cover all possible risks arising from the Company's operations. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact the Company's financial position, cash flow, results of operations, and reputation, regardless of the specific outcome.

Risk of Infectious Disease Outbreaks

Emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, including the novel coronavirus COVID-19 outbreak, could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions (including as a result of government regulation and prevention measures), labour shortages and shutdowns, social unrest, breach of material contracts, government or regulatory actions or inactions, changes in tax laws, payment deferrals, increased insurance premiums, declines in the price of precious metals, delays in permitting or approvals, governmental disruptions, capital markets volatility, or other unknown but potentially significant impacts. In addition, governments may impose strict emergency measures in response to the threat or existence of an infectious disease. The full extent and impact of the COVID-19 pandemic is unknown and, to date, has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices (including precious metals) and has raised the prospect of a global recession. The international response to COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in global consumer activity. At this time, the Company cannot accurately predict what effects these conditions will have on mining operations or financial results, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of the travel restrictions and business closures that have been or may be imposed by the governments of impacted countries. In addition, a significant outbreak of contagious diseases in the human population, such as COVID-19, could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could result in a material adverse effect on commodity prices, demand for metals, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's common shares. Accordingly, any outbreak or threat of an outbreak of an epidemic disease or similar public health emergency, including COVID-19, could have a material adverse effect on the Company's business, financial condition and results of operations. As at the date hereof, the duration of any business disruptions and related financial impact of the COVID-19 outbreak cannot be reasonably estimated. It is unknown whether and how the Company may be affected if a pandemic, such as the COVID-19 outbreak, persists for an extended period of time.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Operating Hazards, Risks and Insurance

The ownership, exploration, operation and development of a mine or mineral property involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on Company property, and punitive awards in connection with those claims and other liabilities.

It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of our securities. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact its business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses. These could include loss or forfeiture of mineral interests or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by personnel.

Reliance on Management and Dependence on Personnel

The success of the Company will be largely dependent on the performance of the directors and officers and their ability to attract and retain key personnel on an ongoing basis. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of Interest

Certain directors and officers of the Company may be engaged in, and may continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or propose contract or agreement that is material to the Company, the director must disclose his interest in such contract or agreement and refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that such conflicts arise, such conflicts will be resolved in accordance with the BCBCA.

Option Agreement

The Company must make a series of payments in cash and issue common shares over certain time periods and expend certain minimum amounts on the exploration of the Clark's Brook Property. If the Company fails to make such payments, issue such common shares or incur expenditures relating to the Clark's Brook Property then the Company may lose its right to acquire an interest in the Clark's Brook Property.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada, as well as in other countries around the world, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline.

Uncertainty of Use of Proceeds

Although the Company has set out its intended use of proceeds in this Listing Statement, these intended uses are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business, including the Company's ability to achieve its stated business objectives.

Adverse General Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector, were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

Dividends

The Company has not declared or paid any dividends on its common shares and does not currently have a policy on the payment of dividends. For the foreseeable future, the Company anticipates that it will retain future earnings and other cash resources for the operation and developments of its business. The payment of any future dividends will depend upon earnings and the Company's financial condition, current and anticipated cash needs and such other factors as the directors of the Company consider appropriate.

Tax Risk

Income tax consequences will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisors prior to purchasing Common Shares of the Company.

Additional Risks

Please refer to the Company's Annual MD&A included in Schedule "A" and incorporated by reference into this Listing Statement for additional risk factors.

17.2 Additional Securityholder Risk

There is no risk that securityholders of the Company may become liable to make an additional contribution beyond the price of the security.

17.3 Other Risks

Subject to the risk factors set out under section 17.1 above and those incorporated by reference in the Company's Annual MD&A included in Schedule "A", there are no other material risk factors that a reasonable investor would consider relevant to an investment in the Company's shares.

18. Promoters

As of the date of this Listing Statement, the Company does not have any Promoters as such term is defined in securities legislation.

19. Legal Proceedings

19.1 Legal Proceedings

There are no legal proceedings material to the Company to which the Company is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Company to be contemplated.

19.2 Regulatory Actions

The Company is not subject to any: (i) penalties or sanctions imposed by any court or regulatory authority relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement, (ii) other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that are necessary to provide full, true and plain disclosure of all material facts relating to the Company's securities; or (iii) settlement agreements entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Listing Statement.

20. Interest of Management and Others in Material Transactions

Except as described herein, no director, executive officer, proposed management nominee for director or person who, to the knowledge of the directors or officers of the Company, beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the votes attached to all outstanding common shares of the Company, informed person or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction within the three years before the date of the Listing Statement or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company.

21. Auditors, Transfer Agents and Registrars

21.1 Auditors

The firm of Manning Elliott LLP, Chartered Professional Accountants ("ME") is the independent registered certified auditor of the Company with a Vancouver office address of 17th Floor – 1030 W. Georgia Street, Vancouver, B.C., V6E 2Y3.

21.2 Transfer Agent and Registrar

The registrar and transfer agent of the Company's shares is Computershare Trust Company of Canada, at its Vancouver office located at suite 510 Burrard Street – 2nd Floor, Vancouver B.C., V6C 3B9.

22. Material Contracts

22.1 Material Contracts

Except for the Option Agreement, the Company has not entered into any material contracts within the two years before the date of this Listing Statement other than contracts entered into in the ordinary course of business. All of the Company's material contracts are available under the Company's profile on SEDAR.

22.2 Special Agreements

The Company is not a party to any co-tenancy, unitholders' or limited partnership agreements.

23. Interest of Experts

Except as set forth below, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Company or of an Associate or Affiliate of the Company and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Company or of an Associate or Affiliate of the Company and no such person is a promoter of the Company or an Associate or Affiliate of the Company. ME is independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

The Technical Report was prepared in accordance with NI 43-101 by Desmond Cullen, P.Geol. and Michael Regular, P.Geol. of Clark Exploration Consulting. Each of Desmond Cullen, P.Geol. and Michael Regular, P.Geol. is a "Qualified Person" as defined in NI 43-101 and is independent of the Company and MCR. Garry Clark, a principal of Clark Exploration Consulting, is expected to personally receive 1,000,000 Units upon completion of the Debt Settlement.

24. Other Material Facts

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Company and its securities which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company and its securities.

25. Financial Statements

Schedule "A" contains the audited financial statements for the Company for the years ended August 31, 2020 and 2019, and the MD&A of the Company for the year ended August 31, 2020.

Additionally, the following audited financial statements, including auditor's reports thereon, and MD&As are available for viewing along with the Company's other public disclosure documents under the Company's profile at www.sedar.com: (i) audited financial statements for the year ended August 31, 2018; and (ii) the MD&As for the years ended August 31, 2019 and 2018.

SCHEDULE "A"

FINANCIAL STATEMENTS & MD&As OF THE COMPANY

The audited financial statements of the Company for the years ended August 31, 2020 and 2019

&

The MD&A of the Company for the year ended August 31, 2020

[See Attached.]

Consolidated Financial Statements

(Expressed in Canadian Dollars)

Years Ended

August 31, 2020 and 2019

manning elliott

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of CellStop Systems Inc.

Opinion

We have audited the consolidated financial statements of CellStop Systems Inc. (the "Company") which comprise the consolidated statements of financial position as at August 31, 2020 and 2019, and the consolidated statements of comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors’ report is Fernando J. Costa.

/S/ Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
December 17, 2020

CellStop Systems Inc.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	August 31, 2020 ($)	August 31, 2019 ($)
ASSETS		
Current assets		
Cash	828	1,144
GST receivable	28,055	18,742
	28,883	19,886
Prepaid expenses (Note 6)	40,000	-
Exploration and evaluation assets (Note 6)	50,000	-
	118,883	19,886
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (Note 7 and 10)	407,819	411,896
Notes payable (Note 8)	3,300	131,100
	411,119	542,996
Notes payable (Note 8)	139,331	115,925
	550,450	658,921
Shareholders' deficiency		
Share capital (Note 9)	8,157,277	7,917,277
Deficit	(8,588,844)	(8,556,312)
	(431,567)	(639,035)
	118,883	19,886

Nature of operations and going concern (Note 1)
Commitments (Note 11)
Subsequent event (Note 15)

These consolidated financial statements were authorized for issue by the Board of Directors on December 17, 2020. They are signed on behalf of the Board of Directors by:

"Michelle Gahagan"
Director

"Michael Curtis"
Director

The accompanying notes are an integral part of these consolidated financial statements.

CellStop Systems Inc.

Consolidated Statements Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended August 31, 2020	Year Ended August 31, 2019
	($)	**($)**
EXPENSES		
Interest expense (Note 8)	8,959	20,239
Office and miscellaneous	16,091	97
Professional fees	56,274	6,084
Rent (Note 11)	96,170	89,600
Transfer agent and filing fees	24,497	20,138
Loss from operations	(201,991)	(136,159)
Gain on loss of control of subsidiary (Note 5)	-	2,208
Write-off of liabilities (Note 8)	169,459	-
Loss and comprehensive loss	(32,532)	(133,951)
Basic and diluted loss per common share	(0.00)	(0.03)
Weighted average common shares outstanding	7,359,766	5,005,793

The accompanying notes are an integral part of these consolidated financial statements.

CellStop Systems Inc.

Consolidated Statements of Changes in Shareholders' Deficiency

(Expressed in Canadian Dollars)

	Number of Shares	Amount	Deficit	Total Shareholders' Deficiency
		($)	**($)**	**($)**
Balance at August 31, 2018	**5,005,793**	**7,917,277**	**(8,422,361)**	**(505,084)**
Loss and comprehensive loss	-	-	(133,951)	(133,951)
Balance at August 31, 2019	**5,005,793**	**7,917,277**	**(8,556,312)**	**(639,035)**
Shares issued pursuant to a private placement	4,800,000	240,000	-	240,000
Loss and comprehensive loss	-	-	(32,532)	(32,532)
Balance at August 31, 2020	**9,805,793**	**8,157,277**	**(8,588,844)**	**(431,567)**

The accompanying notes are an integral part of these consolidated financial statements.

CellStop Systems Inc.

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended August 31, 2020	Year Ended August 31, 2019
	($)	**($)**
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Loss for the year	(32,532)	(133,951)
Items not affecting cash:		
Accrued interest	8,959	20,239
Gain on loss of control of subsidiary	-	(2,208)
Write-off of liabilities	(169,459)	-
Changes in non-cash working capital items:		
GST receivable	(9,313)	(6,075)
Accounts payable and accrued liabilities	76,423	28,476
	(125,922)	(93,518)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(50,000)	-
Prepayment for exploration and evaluation assets	(40,000)	-
	(90,000)	-
FINANCING ACTIVITIES		
Issuance of common shares for cash	240,000	-
Repayment of notes payable	(136,200)	(20,000)
Proceeds from notes payable	111,806	112,100
	215,606	92,100
Change in cash during the year	(316)	(1,418)
Cash, beginning of year	1,144	2,562
Cash, end of year	828	1,144

Supplemental cash flow information:

There were no amounts of cash paid for interest or income taxes for the years presented.

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

CellStop Systems Inc. (the "Company") was incorporated on April 29, 1982, under the laws of the Province of British Columbia.

The address of the Company's head office and registered office is 1558 West Hastings Street, Vancouver, British Columbia, V6G 3J4, Canada.

The Company is a publicly traded company and the Company's listing on the TSX Venture Exchange ("TSX-V") was transferred to the NEX board of the Exchange effective July 2, 2010 due to the Company's lack of operations. The NEX board allows the Company's shares to continue trading while it analyzes project opportunities to resume active business. The Company is subject to restrictions on share issuances and certain types of payments as set out in NEX policies. During the year ended August 31, 2020, the Company entered into an option agreement to acquire a 100% interest in the Clarks Brook property in Newfoundland, in conjunction with a proposed change of business to a mining issuer and listing its common shares for trading on the Canadian Securities Exchange, which remains pending as at August 31, 2020.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. Currently, the Company has no active operations and no source of operating cash flows. The Company had an accumulated loss of $8,588,844 since inception and a working capital deficiency of $382,236 at August 31, 2020. The Company has relied mainly upon the issuance of share capital and notes payable to finance its activities. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue to rely upon the issuance of share capital to finance its future activities but there can be no assurance that such financing will be available to the Company. The outbreak of COVID-19 could have a negative impact on the Company's ability to execute its business plan and the stock market, including trading prices of the Company's shares and its ability to raise new capital. Inability to secure future financing would have a material adverse effect on the Company's business, results of operations, and financial condition. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. Failure to continue as a going concern may require restatement of assets and liabilities on a liquidation basis, which could differ materially from the going concern basis. These consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared using International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements were approved by the Audit Committee and Board of Directors of the Company on December 17, 2020.

(b) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as held for trading that have been measured at fair value. Cost is the fair value of consideration given in exchange for net assets.

2. BASIS OF PRESENTATION (continued)

(c) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned inactive subsidiary, US incorporated Palm Coast Solutions Inc. (collectively the "Company"). All significant intercompany transactions and balances have been eliminated. A company is consolidated from the date on which control is obtained by the Company and cease to be consolidated from the date on which control is lost by the Company. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Company has control. It was determined that the Company had lost control of its subsidiary on August 31, 2019 through a series of events including but not limited to the loss of control to internal financial and corporate information of the subsidiary (Note 5).

(d) Functional and Presentation Currency

The Company's functional and reporting currency is the Canadian dollar. The Company's subsidiary functional and reporting currency is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Significant Accounting Judgments, Estimates and Assumptions

In the application of the Company's accounting policies which are described in below, management is required to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses and are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and management's assessment of current events and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant judgements, estimates and assumptions that have the most significant effect on the amounts recognized in these consolidated financial statements include:

<u>Going Concern</u>

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the years ended August 31, 2020 and 2019. Management prepares the consolidated financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Significant Accounting Judgments, Estimates and Assumptions (continued)

Deferred income taxes

Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods in order to utilize recognized deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

Impairment of mineral properties

The assessment of indications of impairment of the mineral properties and related determination of the net realizable value and write-down of the mineral property requires a significant amount of management judgment.

Leases

Management exercises judgment when contracts are entered into that may give rise to a right-of-use asset that would be accounted for as a lease. Judgment is required in determining the appropriate lease term on a lease by lease basis. Management considers all facts and circumstances that create an economic incentive to exercise a renewal option or to not exercise a termination option at inception and over the term of the lease, including investments in major leasehold improvements, operating performance, and changed circumstances. The periods covered by renewal or termination options are only included in the lease term if management is reasonably certain to exercise that option. Changes in the economic environment may impact the assessment of the lease term and any changes in the estimate of lease terms may have a material impact on the Company's consolidated statement of financial position.

(b) Foreign Currency Translation

The Company's functional and reporting currency is the Canadian dollar.

Foreign currency transactions are translated into Canadian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction and are not retranslated. Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

(c) Financial Instruments

(i) Classification and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. The Company classifies its financial instruments in the following categories: at amortized cost, at fair value through other comprehensive income (loss)("FVTOCI"), or at fair value through profit ("FVTPL").

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial Instruments (continued)

Financial Assets

The Company determines the classification of financial assets at initial recognition. The classification of financial instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets at amortized cost
Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortized cost using the effective interest rate method. If there is objective evidence that the financial assets are impaired, determined by reference to external credit ratings and other relevant indicators, the financial assets are measured at the present value of estimated future cash flows. Any changes to the carrying amount of the financial asset, including impairment losses, are recognized through profit or loss. There are no assets classified in this category.

Financial assets at FVTOCI
Financial assets carried at FVTOCI are financial assets that are held within a business model whose objective is to hold financial assets in order to both collect contractual cash flows and selling financial assets, and that the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the instrument; instead, it is transferred to deficit. The Company does not have any financial assets classified as FVTOCI.

Financial assets at FVTPL
By default, all other financial assets are measured subsequently at FVTPL. Assets at FVTPL include cash.

Financial assets at FVTPL are initially recognized, and subsequently carried, at fair value with changes recognized in profit or loss. Attributable transaction costs are recognized in profit or loss when incurred.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: at amortized cost or at FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in other comprehensive income; and
- the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not designate any financial liabilities at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial Instruments (continued)

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company has classified its accounts payable and notes payable as amortized cost.

(ii) Impairment

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company recognizes loss allowances for expected credit losses ("ECLs") on its financial assets measured at amortized cost. Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i. e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the related financial asset. The Company does not have any financial assets that contain a financing component.

(d) Share Capital

The Company records proceeds from the share issuances, net of commissions and issuance costs, as share capital.

The Company engages in equity financing transactions to obtain the funds necessary to continue operations. The equity financings may involve the issuance of common shares or units. Warrants that are part of units are assigned a value based on the residual value, if any, and included in the reserves.

(e) Share-Based Payments

The Company has a stock option plan for its directors, officers and employees. Under this plan, stock options are not issued at less than their fair market value.

The Company recognizes compensation cost for options and other share-based compensatory awards under the fair value method. Compensation cost is measured using the Black-Scholes option pricing model at the date of the grant and is expensed over the vesting period of the equity instrument awarded, with the offsetting amounts credited to share-based payment reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payment reserve amount is transferred to share capital. For the years presented, the Company had no stock options outstanding.

(f) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Loss Per Share

Basic loss per share is calculated using the weighted average number of shares issued and outstanding during the period. Diluted loss per share is the same as basic loss per share as the issuance of shares on the exercise of share purchase options and warrants is anti-dilutive.

(h) Income Taxes

Tax expense recognized in profit or loss comprises the sum of current tax and deferred tax not recognized in other comprehensive income or directly in equity.

(i) Current Income Tax

Current income tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

(j) Deferred Income Tax

Deferred income taxes are calculated based on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

4. ACCOUNTING STANDARDS ADOPTED AND ISSUED

Adoption of New or Amended Accounting Standards

IFRS 16, Leases - IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

4. ACCOUNTING STANDARDS ADOPTED AND ISSUED (continued)

Adoption of New or Amended Accounting Standards (continued)

The main features of the new standard are as follows:
- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost, and is then depreciated similarity to property, plant and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income.
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

On adoption of IFRS 16, the Company used the following additional practical expedients:
- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Applied the exemption not to recognize right-of-use assets and lease liabilities for short-term leases with terms less than 12 months and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line or other systematic basis over the lease term;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Company chose to adopt the modified retrospective approach on transition to IFRS 16 on September 1, 2019. Accordingly, the comparative information presented for the prior period has not been restated and is presented as previously reported under IAS 17 and related interpretations.

As at September 1, 2019, the Company has determined there is no identifiable asset pertaining to its cost sharing arrangement agreement (Note 11) and therefore adoption of IFRS 16 will have no impact on the consolidated financial statements other than increased disclosure.

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2020, or later periods. The Company has not early adopted these new standards in preparing these consolidated financial statements. There new standards are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

5. DISCOUNTINUED OPERATIONS

During the year ended August 31, 2019, the Company determined it had lost control of Palm Coast Solutions Inc. as described in Note 2 through a series of events including but not limited to the loss of control to internal financial and corporate information of the subsidiary. The operations of the subsidiary were reported as discontinued in 2019 accordingly.

(Expressed in Canadian dollars)

5. DISCOUNTINUED OPERATIONS (continued)

As a result of this loss of control, the Company derecognized the assets and liabilities of the subsidiary. Any resulting gain or loss is recognized in profit or loss.

	($)
Assets of subsidiary derecognized	-
Liabilities of subsidiary derecognized	2,208
Gain on loss of control of subsidiaries	(2,208)

During the years ended August 31, 2019, there was no net income or loss from discontinued operations.

6. EXPLORATION AND EVALUATION ASSETS

	Acquisition Costs	**Exploration Costs**	**Total**
	($)	**($)**	**($)**
Balance, August 31, 2018 and 2019	-	-	-
Acquisition costs	50,000	-	50,000
Balance , August 31, 2020	**50,000**	-	50,000

Clark's Brook Property
On July 29, 2020 the Company entered into an arm's length option agreement (the "Option Agreement") with Metals Creek Resources Corp. ("MCR") to acquire 100% of the right, title and interest in and to the Clark's Brook Property in central Newfoundland.

In order to earn its option, the Company must issue an aggregate of 1,500,000 common shares of the Company and make cash payments totaling $225,000 over the course of a three year period as outlined below:

# of Shares	**$ Cash**	**Date**
-	50,000	On signing of Option Agreement (paid)
200,000	-	On initial listing on Canadian Securities Exchange (Initial Issuance Date)
300,000	30,000	12 months from Initial Issuance Date
500,000	45,000	24 months from Initial Issuance Date
500,000	100,000	36 months from Initial Issuance Date
1,500,000	**225,000**	

In accordance with the terms of the Option Agreement, the Company will reserve to MCR a 2% net smelter royalty (the "NSR") on the mineral claims, provided, however, that the Company shall have the right at any time to purchase from MCR 1% of the NSR in consideration for a one-time payment of the sum of $1,000,000.

During the year ended August 31, 2020, the Company made the initial $50,000 cash payment under the Option Agreement and made an advance property payment of $40,000 on an unrelated prospective property, which is included in prepaid expenses.

(Expressed in Canadian dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020 ($)	2019 ($)
Trade payables	24,308	112,025
Related party payables (Note 10)	276,243	243,380
Accrued interest (Note 8)	55,785	50,618
Accrued liabilities	51,483	5,873
Total	407,819	411,896

8. NOTES PAYABLE

	2020 ($)	2019 ($)
Unsecured loan bearing interest at 10% per annum with various due dates (i)	139,331	163,725
Unsecured loan bearing interest at 10% per annum, due on or before December 31, 2019 (ii)	-	80,000
Unsecured loan bearing interest at 10% per annum, due on April 29, 2021 (iii)	3,300	3,300
Total	142,631	247,025
Less current portion	(3,300)	(131,100)
Long-term portion	139,331	115,925

i) During the year ended August 31, 2020, the Company issued a total of $16,806 (2019 - $32,100) to third party creditors and $95,000 (2019 - $Nil) to directors and officers of the Company (Note 10) in unsecured notes payable which bear interest at 10% per annum, compounded annually, and are payable quarterly in cash. All loans have a maturity date of three years from issuance.

During the year ended August 31, 2020, the Company repaid a total of $136,200 in unsecured notes payable.

ii) During the year ended August 31, 2019, the Company received an unsecured loan of $80,000 from a creditor to be used to pay expenses which were incurred pursuant to a proposed corporate transaction between the creditor and the Company. The loan bears interest at 10% per annum and matures on or before December 31, 2019, unless the creditor determines not to proceed with the proposed corporate transaction with the Company, in which case the loan and any accrued interest will be forgiven by the creditor.

During the year ended August 31, 2020, the $80,000 unsecured loan and $3,792 in accrued interest was written off as the creditor determined not to proceed with the proposed corporate transaction as noted above. In addition, a total of $85,667 in trade payables was written off relating to professional fees incurred in connection with the proposed transaction that has since been terminated. As a result, during the year ended August 31, 2020, the Company recognized $169,459 (2019 - $Nil) in gain on write-off of liabilities.

iii) During the year ended August 31, 2019, the Company entered into an extension agreement with the creditor to extend the maturity of its existing $3,300 notes payable for two years from April 29, 2019 to April 29, 2021.

(Expressed in Canadian dollars)

8. NOTES PAYABLE (continued)

Repayments of notes payable is as follows:

	($)
2021	3,300
2022	27,525
2023	111,806
	142,631

During the year ended August 31, 2020, the Company incurred $8,959 (2019 - $20,239) of interest expense.

9. SHARE CAPITAL

a) Authorized share capital

An unlimited number of common shares without par value.

b) Issued share capital

On March 5, 2020, the Company completed a non-brokered private placement through the issuance of 4,800,000 units at $0.05, raising gross proceeds of $240,000. Each unit consists of one common share and one-half of one common share purchase warrant exercisable at $0.10 for a period of 12 months from the date of issue. There was no value allocated to these warrants under the residual method.

During the year ended August 31, 2019, there was no share capital activity.

c) Stock options

The Company has an option plan (the "Plan") in compliance with the TSX-V's policies. The number of common shares reserved and authorized for issuance pursuant to options granted under the Plan is 1,001,159, representing 20% of the number of issued and outstanding shares. However, since the Corporation is currently listed on the NEX, the maximum number of options is limited to 500,579, representing 10% of the total number of issued and outstanding common shares in the Company. The exercise price of each stock option shall not be less than the market price of the Company's stock at the date of grant. Vesting terms are at the discretion of the directors.

During the years presented, there was no stock option activity.

As at August 31, 2020 and 2019, there were no stock options outstanding.

d) Share purchase warrants

A continuity schedule of outstanding share purchase warrants is as follows:

	Number Outstanding	Weighted Average Exercise Price ($)
Balance – August 31, 2019	-	-
Granted	2,400,000	$0.10
Balance – August 31, 2020	2,400,000	$0.10

(Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

As at August 31, 2020, the Company had 2,400,000 warrants outstanding as outlined below:

Expiry Date	Warrants Outstanding	Exercise Price	Weighted Average Remaining Life
		($)	(years)
March 5, 2021	2,400,000	0.10	0.51
	2,400,000	0.10	0.51

10. RELATED PARTY TRANSACTIONS AND BALANCE

Key Management Compensation

The Company defines key management personnel as officers and directors of the Company and/or entities controlled by them. During the years presented, key management personnel did not charge any fees for services in an effort to conserve resources while exploring potential projects for reactivation.

As at August 31, 2020, a total of $13,400 (2019 - $13,400), was included in accounts payable and accrued liabilities owing to a corporation controlled by the chief financial officer of the Company for management fees. The amounts are non-interest bearing, unsecured with no formal terms of repayment.

Other Related Party Transactions

	2020	2019
	($)	($)
Office sharing and occupancy costs paid or accrued to a corporation that shares management in common with the Company (i) (Note 11).	96,170	89,600
Interest expense (ii)	911	-
	97,081	89,600

i) As at August 31, 2020, a total of $262,843 (2019 - $229,980) was included in accounts payable and accrued liabilities owing to a corporation that shares management in common with the Company for office sharing and occupancy costs. The amounts are non-interest bearing, unsecured with no formal terms of repayment.

ii) During the year ended August 31, 2020, the Company issued $95,000 in unsecured notes to directors and officers of the Company, which bear interest at 10% per annum for a three-year term (Note 8). As at August 31, 2020, $95,000 and $911 remains payable to directors and officers in principal and interest, which is included under notes payable and accounts payable and accrued liabilities.

(Expressed in Canadian dollars)

11. COMMITMENTS

The Company entered into a cost sharing arrangement agreement for the provision of office space and various administrative services. Under the terms of the agreement, the Company will pay $7,000 plus GST per month effective December 1, 2017, increasing to $7,700 per month effective February 1, 2019, and further increasing to $8,470 per month on February 1, 2020 until the expiration of the underlying head lease on July 31, 2021. During the year ended August 31, 2020, the Company moved office spaces and entered into an amended cost sharing agreement, reducing the monthly cost to $6,000 effective August 2020.

Fiscal Year	Amount
	($)
2021	66,000
	66,000

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Values and Classification

The Company's financial instruments consist of cash, accounts payable and notes payable. Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVTOCI"), or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	August 31, 2020	August 31, 2019
		($)	**($)**
Cash	FVTPL	828	1,144
Accounts payable	Amortized cost	300,551	355,405
Notes payable	Amortized cost	142,631	247,025

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured on the consolidated statement of financial position using level 1 of the fair value hierarchy. The fair values of accounts payable approximate their book values because of the short-term nature of these instruments.

The carrying amounts of the notes payable approximate fair value as the interest rates were negotiated based on market rates.

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial instrument risk exposure

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company manages this credit risk by ensuring that cash is placed with a major financial institution with strong investment grade ratings by a primary ratings agency.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company endeavors to ensure that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand. The Company is exposed to liquidity risk.

Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2020 are as follows:

	<1 year	**2-3 Years**	**Total**
	($)	**($)**	**($)**
Accounts payable and accrued liabilities	407,819	—	407,819
Notes payable	3,300	139,331	142,631
	411,119	139,331	550,450

Interest rate risk

The Company is nominally exposed to interest rate risk. The Company's bank account earns interest income at variable rates. The Company does not have any variable interest rate liabilities.

Foreign exchange risk

The Company is not exposed to significant foreign currency risk.

13. MANAGEMENT OF CAPITAL

The Company considers items included in shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue project opportunities for the benefit of its shareholders. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits.

(Expressed in Canadian dollars)

13. MANAGEMENT OF CAPITAL (continued)

As the Company is currently listed on the NEX board of the TSX Venture Exchange, it is subject to certain restrictions on share issuances pursuant to NEX policies and is limited in the number of common shares it can issue in any 12-month period. The Company prepares annual expenditure budgets and updates these as required throughout the year which it uses as the primary tool for assessing its capital requirements.

There have been no changes to the Company's approach to capital management during the year ended August 31, 2020.

14. INCOME TAXES

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred tax assets and liabilities, are as follows:

	2020	2019
	($)	($)
Net loss for the year	32,532	133,951
Canadian statutory income tax rate	27%	27%
Expected income tax recovery	(8,800)	(36,000)
Permanent difference and other	(200)	34,000
Deferred tax assets not recognized	9,000	2,000
Total income tax expense (recovery)	-	-

The significant components of deferred income tax assets and liabilities are as follows:

	2020	2019
	($)	($)
Non-capital losses carry-forward	1,144,000	1,135,000
Capital losses carry-forward	548,000	548,000
Canadian eligible capital	14,000	14,000
	1,706,000	1,697,000
Unrecognized deferred tax asset	(1,706,000)	(1,697,000)
Net deferred tax asset	-	-

As at August 31, 2020, the Company has non-capital losses carried forward of approximately $4,236,000 which are available to offset future years' taxable income.

(Expressed in Canadian dollars)

14. INCOME TAXES (continued)

These losses expire as follows:

	$
2026	320,000
2027	250,000
2028	2,179,000
2029	166,000
2030	153,000
2031	165,000
2032	157,000
2033	107,000
2034	153,000
2035	136,000
2036	79,000
2037	79,000
2038	125,000
2039	134,000
2020	33,000
	4,236,000

15. SUBSEQUENT EVENT

On July 29, 2020, and in conjunction with the Option Agreement described in Note 5, the Company announced its intention to voluntarily delist its common shares from the NEX board of the TSX-V and apply for listing on the CSE.

In order to satisfy the listing requirements of the CSE and to finance the Company's obligations under the Option Agreement and the Phase 1 exploration program, the Company will be required to complete a non-brokered private placement (the “Private Placement”) of a minimum of 7,166,667 units (each, a "Unit") and a maximum of 10,000,000 Units at a price of $0.06 per Unit. Each Unit shall be comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant shall entitle the holder to purchase one common share at a price of $0.10 per share at any time within 18 months of the date of issuance of the warrant.

Subsequent to year-end, the Company received $222,000 in proceeds related to the proposed Private Placement. Regulatory approval is pending with regards to listing on the CSE and delisting from the NEX board of the TSX-V.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Expressed in Canadian Dollars)

Year Ended
August 31, 2020

Report Date – December 17, 2020

Introduction

CellStop Systems Inc. ("CellStop" or the "Company") is a publicly traded company incorporated on April 29, 1982, under the laws of British Columbia, Canada. The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, and its common shares are listed and posted for trading on the NEX Board ("NEX") of the TSX Venture Exchange (the "TSX-V") under the trading symbol "KNO.H". The Company was transferred to the NEX board of the TSX-V effective July 2, 2010 due to the Company's lack of operations. The NEX allows the Company's shares to continue trading while it analyzes project opportunities to resume active business. The Company is subject to restrictions on share issuances and certain types of payments as set out in NEX policies.

On July 29, 2020, the Company entered into a mineral property option agreement (the "Option Agreement") to acquire 100% of the right, title and interest in and to the Clark's Brook Property in central Newfoundland (see Off Balance Sheet Arrangements). In conjunction with the execution of the option agreement, the Company intends to voluntarily delist its common shares from trading on the NEX board of the TSX-V and concurrently apply to list its common shares for trading on the Canadian Securities Exchange (the "CSE"). The application to voluntarily delist from the TSX-V and list on the CSE will require majority shareholder approval, which is pending.

In order to satisfy the CSE listing requirements and finance the Company's obligations under the Option Agreement, the Company intends to complete a non-brokered private placement of a minimum of 7,166,667 units (each, a "Unit") and a maximum of 10,000,000 Units at a price of $0.06 per Unit. Each Unit shall be comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant shall entitle the holder to purchase one common share at a price of $0.10 per share at any time within 18 months of the date of issuance of the warrant.

The Company also plans to complete a debt settlement to enable the Company to satisfy the working capital listing requirements of the CSE. The Debt Settlement will result in an aggregate of $479,400 of indebtedness being retired in consideration for the issuance of 7,989,997 Units at a price of $0.06 per Unit (same terms as the Units issued under the private placement). The proposed debt settlement and private placement remain pending and subject to the approval of the CSE in conjunction with the Company's intended application to list the common shares for trading on the CSE.

Assuming that the Company satisfies all conditions precedent to the completion of the transactions discussed in this press release, the Company plans to change its name to General Gold Resources Inc. immediately prior to the listing of its common shares on the CSE.

The Company's registered and head offices are located at 1558 West Hastings Street, Vancouver, BC, V6G 3J4.

In accordance with Form 51-102F1, the following Management's Discussion & Analysis ("MD&A") provides a review of activities, results of operations and financial condition of CellStop for the year ended August 31, 2020. The following discussion and analysis should be read in conjunction with the Company's audited consolidated financial statements for the year ended August 31, 2020 and 2019 which were prepared in accordance with IFRS. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars.

Overall Performance and Results of Operations

During the year ended August 31, 2020, the Company completed a non-brokered private placement of $240,000 and entered into an option agreement to acquire a 100% interest in and to the Clark's Brook property in conjunction with a proposed delisting from the NEX board of the TSX-V and a listing on the CSE. Prior to the current year end, the Company has historically been inactive while evaluating opportunities in various business sectors.

Year Ended August 31, 2020

During the year ended August 31, 2020, the Company reported a loss from operations of $201,991 as compared to a loss from operations of $136,159 for the year ended August 31, 2019, representing an increase in loss of $65,832. The increase in loss was primarily due to the following:

- Office and miscellaneous increased from $97 during the year ended August 31, 2019 to $16,091 during the year ended August 31, 2020 as the Company moved office spaces during the current year, incurring additional expenses.

During the year ended August 31, 2020, the Company reported a loss and comprehensive loss of $32,532 as compared to a loss and comprehensive loss of $133,951 for the year ended August 31, 2019, representing a decrease in loss of $101,419. The decrease in loss was primarily due to certain liabilities being forgiven by creditors during the current year end, in the amount of $169,459, in connection to a proposed corporate transaction that was terminated.

Three Month Period Ended August 31, 2020

During the three-month period ended August 31, 2020, the Company reported a loss and comprehensive loss of $93,550 as compared to a loss and comprehensive loss of $30,314 for the three-month period ended August 31, 2019, representing an increase in loss of $63,236.

Summary of Quarterly Results

The following table sets out selected unaudited consolidated financial information for the eight most recently completed quarters:

Three Months Ended	**August 31, 2020**	**May 31, 2020**	**February 29, 2020**	**November 30, 2019**
	($)	**($)**	**($)**	**($)**
Total Revenue	Nil	Nil	Nil	Nil
Loss from Operations	(93,550)	(30,257)	(39,867)	(38,317)
Income (Loss) and Comprehensive Income (Loss)	(93,550)	(24,853)	124,188	(38,317)
Basic and Diluted Earnings (Loss) per Share [1]	(0.01)	(0.00)	0.02	(0.01)

Three Months Ended	August 31, 2019	May 31, 2019	February 28, 2019	November 30, 2018
	($)	($)	($)	($)
Total Revenue	Nil	Nil	Nil	Nil
Loss from Operations	(32,522)	(32,099)	(39,206)	(32,333)
Loss and Comprehensive Loss	(30,314)	(32,099)	(39,206)	(32,333)
Basic and Diluted Loss per Share [1]	(0.01)	(0.01)	(0.01)	(0.01)

Selected Annual Information

The following table sets out selected annual financial information for the last three financial years ended August 31, 2020, 2019 and 2018. The financial data has been prepared in accordance with IFRS:

Years Ended	August 31, 2020	August 31, 2019	August 31, 2018
	($)	($)	($)
Total Revenue	Nil	Nil	Nil
Operating Loss	(201,991)	(136,159)	(251,107)
Loss and Comprehensive Loss	(32,532)	(133,951)	(251,107)
Basic and Diluted Loss per Share	(0.00)	(0.03)	(0.05)
Total Assets	118,883	19,886	15,229
Total Non-Current Liabilities	139,331	116,025	74,825
Cash Dividends Declared	Nil	Nil	Nil

Capital Resources and Liquidity

The Company had a cash position of $828 and a working capital deficiency of $382,236 as at August 31, 2020, compared to $1,144 and $523,110 as at August 31, 2019, respectively.

During the year ended August 31, 2020, the Company completed a non-brokered private placement through the issuance of 4,800,000 units at a price of $0.05, generating gross proceeds of $240,000. Each unit consists of one common share and one-half of one common share purchase warrant exercisable at $0.10 for a period of 12 months from the date of issue.

The Company does not generate any revenue from its existing assets. As a result, it must fund all of its operational expenditures through the issuance of debt and equity.

During the year ended August 31, 2020 the Company issued unsecured notes payable for gross proceeds of $111,806 (August 31, 2019 - $32,100) and repaid a total of $136,200 (August 31, 2019 – $20,000). The notes bear interest at 10% per annum, compounded annually.

During the year ended August 31, 2019, the Company received an unsecured loan of $80,000 from a creditor to be used to pay expenses which were incurred pursuant to a proposed corporate transaction between the creditor and the Company. The loan bears interest at 10% per annum and matures on or before December 31, 2019, unless the creditor determines not to proceed with the proposed corporate transaction with the Company, in which case the loan and any accrued interest will be forgiven by the creditor.

During the year ended August 31, 2020, the $80,000 unsecured loan and $3,792 in accrued interest was written off as the creditor determined not to proceed with the proposed corporate transaction as noted above. In addition, a total of $85,667 in trade payables was written off relating to professional fees incurred in connection with the proposed transaction that has since been terminated.

Mineral Properties

On July 29, 2020 the Company entered into an arm's length option agreement (the "Option Agreement") with Metals Creek Resources Corp. ("MCR") to acquire 100% of the right, title and interest in and to the Clark's Brook Property in central Newfoundland.

The Company commissioned a technical report on the Clark's Brook Property, entitled "Technical Report on the Clark's Brook Property Central Newfoundland and Labrador" (the "Technical Report"). The Technical Report was prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") by Desmond Cullen, P.Geol. and Michael Regular, P.Geol. of Clark Exploration Consulting. Each of Desmond Cullen, P.Geol. and Michael Regular, P.Geol. is a "Qualified Person" as defined in NI 43-101 and is independent of the Company and MCR. The Technical Report is available under the Company's profile on SEDAR at www.sedar.com.

The Clark's Brook Property consists of 31 claim units in one license (026731M) for a total of 7.7 sq. km (770 hectares). The license is held by MCR and is in good standing to August 1, 2028. The claims were staked in 2016 to cover two auriferous showings discovered in 2003. The Clark's Brook Property is located in central Newfoundland near Northwest Gander River, approximately 25 kilometers west of the town of Glenwood. It is situated on NTS map sheet 02D/14. The Clark's Brook Property is centered on UTM coordinates 614,950mE/5,407,000mN (NAD27 Zone 21) on NTS 02D/14.

The Clark's Brook Property itself was subject to limited prospecting carried out by Altius Resources Inc. ("Altius") from 2003 through 2009. Additional prospecting was carried out by MCR in 2016 after the acquisition of the claims.

As part of a large 1:10,000 geological mapping and prospecting program conducted by Altius, both the Clark's Brook East ("CBE") and West ("CBW") gold discoveries were made. On the CBE gold zone, seven representative grab samples were attained, each comprised of material from several mineralized boulders that assayed between 2.98g/t and 24.5g/t gold with an average of 7.93g/t gold. A sample of underlying bedrock on the northern edge of the boulder distribution pattern returned 1.25g/t gold. An additional outcrop exposure some 25m upstream cut by a narrow quartz vein and associated iron-carbonate alteration was sampled in two representative grab samples and returned 0.15g/t and 0.62g/t Au.

The CBW gold zone discovery was first made in mineralized boulders returning 8.9g/t and 9.28g/t gold. The site was revisited and found one of the auriferous boulders to fit on an adjacent outcrop. An additional eight samples of brecciated and altered siltstone were collected from boulder and outcrop, returning anomalous gold values to 0.335g/t Au.

In September 2017, MCR optioned the Clark's Brook Property to Sokoman Iron Corp. (now Sokoman Minerals Corp. ("Sokoman")) who immediately completed a Phase 1 drill program (515 meters) in an effort to locate in situ mineralization similar in tenor to the surface sampling at the CBE Zone. The program was a success in that all holes intersected gold mineralization similar in style and tenor to the surface float. In February 2018, Sokoman completed a second, three-hole (594 meter) phase of diamond drilling. This program was also successful in that it expanded the extent of gold mineralization identified by the initial phase of drilling. A third and final, three-hole (1,209 meter) drill program was conducted in August 2019 where the drilling was conducted at a different orientation to drill the center of a magnetic low in an attempt to cut deeper mineralization. All three programs were successful in cutting intervals of vuggy, chalcedonic, quartz veining with 1-3% disseminated pyrite, minor arsenopyrite and very minor stibnite. Intercepts of 3.74g/t Au over 3.20m have been attained.

The Technical Report recommends that the Company conduct a $100,400 Phase 1 exploration program of mapping, prospecting coupled with rock and soil sampling on the Property. The program will focus on evaluating the entire Clark's Brook Property to define new areas of the gold mineralization. The mapping program will focus on interpreting the relationships of the pyrite/arsenopyrite mineralization to structure or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings.

In order to earn it's option, the Company must issue an aggregate of 1,500,000 common shares of the Company and make cash payments totaling $225,000 over the course of a three year period as outlined below:

# of Shares	$ Cash	Date
-	$50,000	On signing of Option Agreement (paid)
200,000	-	On CSE Listing (Initial Issuance Date)
300,000	$30,000	12 months from Initial Issuance Date
500,000	$45,000	24 months from Initial Issuance Date
500,000	$100,000	36 months from Initial Issuance Date
1,500,000	**$225,000**	

In accordance with the terms of the Option Agreement, the Company will reserve to MCR a 2% net smelter royalty (the "NSR") on the mineral claims, provided, however, that the Company shall have the right at any time to purchase from MCR 1% of the NSR in consideration for a one-time payment of the sum of $1,000,000.

The Option Agreement remains subject to a number of conditions, including but not limited to the approval of listing on the CSE, and the completion of a proposed non-brokered private placement and debt settlement.

During the year ended August 31, 2020, the Company issued the initial $50,000 cash payment under the Option Agreement, which is included in exploration and evaluation asset, and made an advance property payment of $40,000 on an unrelated prospective property, which is included in prepaid expenses.

Disclosure of Outstanding Share Data

The authorized capital of the Company consists of an unlimited number of common shares without par value.

Shares Issued and Outstanding

As at the Report Date, the Company had 9,805,793 common shares outstanding.

Warrants

As at the Report Date, the Company had 2,400,000 share purchase warrants outstanding, exercisable at $0.10 until March 5, 2021.

Stock Options

As at the Report Date, the Company had no stock options outstanding.

Commitments

The Company entered into a cost sharing arrangement agreement for the provision of office space and various administrative services. Under the terms of the agreement, the Company will pay $7,000 plus GST per month effective December 1, 2017, increasing to $7,700 per month effective February 1, 2019, and further increasing to $8,470 per month on February 1, 2020 until the expiration of the underlying head lease on July 31, 2021. During the year ended August 31, 2020, the Company moved office spaces and entered into an amended cost sharing agreement, reducing the monthly cost to $6,000 effective August 2020.

Fiscal Year	**Amount**
	($)
2021	66,000

Transactions with Related Parties

Key Management Compensation

The Company defines key management personnel as officers and directors of the Company and/or entities controlled by them. During the years presented, key management personnel did not charge any fees for services in an effort to conserve resources while exploring potential projects for reactivation.

As at August 31, 2020, a total of $13,400 (2019 - $13,400), was included in accounts payable and accrued liabilities owing to a corporation controlled by the chief financial officer of the Company for management fees. The amounts are non-interest bearing, unsecured with no formal terms of repayment.

Other Related Party Transactions

	2020	**2019**
	($)	**($)**
Office sharing and occupancy costs paid or accrued to a corporation that shares management in common with the Company (i) (Note 11).	96,170	89,600
Interest expense (ii)	911	-
	97,081	89,600

i) As at August 31, 2020, a total of $262,843 (2019 - $229,980) was included in accounts payable and accrued liabilities owing to a corporation that shares management in common with the Company for office sharing and occupancy costs. The amounts are non-interest bearing, unsecured with no formal terms of repayment.

ii) During the year ended August 31, 2020, the Company issued $95,000 in unsecured notes to directors and officers of the Company, which bear interest at 10% per annum for a three-year term (Note 8). As at August 31, 2020, $95,000 and $911 remains payable to directors and officers in principal and interest, which is included under notes payable and accounts payable and accrued liabilities.

Accounting Standards Adopted and Issued

Adoption of New or Amended Accounting Standards

IFRS 16, Leases - IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

The Company has determined there is no identifiable asset pertaining to its cost sharing arrangement agreement and therefore adoption of IFRS 16 will have no impact on the consolidated financial statements other than increased disclosure.

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2020, or later periods. The Company has not early adopted these new standards in preparing these consolidated financial statements. There new standards are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Proposed Transactions

On July 29, 2020, and in conjunction with the Option Agreement the Company entered into to acquire a 100% interest in the Clark's Brook property, the Company announced its intention to voluntarily delist its common shares from the NEX board of the TSX-V and apply for listing on the CSE.

In order to satisfy the listing requirements of the CSE and to finance the Company's obligations under the Option Agreement and the Phase 1 exploration program, the Company will be required to complete a non-brokered private placement of a minimum of 7,166,667 units (each, a "Unit") and a maximum of 10,000,000 Units at a price of $0.06 per Unit. Each Unit shall be comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant shall entitle the holder to purchase one common share at a price of $0.10 per share at any time within 18 months of the date of issuance of the warrant.

The Company also plans to complete a debt settlement with three directors and officers and eight arm's length creditors to enable the Company to satisfy the working capital listing requirements of the CSE. The Debt Settlement will result in an aggregate of $479,400 of indebtedness being retired in consideration for the issuance of 7,989,997 Units at a price of $0.06 per Unit (same terms as the Units issued under the private placement). The debt settlement remains subject to the approval of the CSE in conjunction with the Company's intended application to list the common shares for trading on the CSE.

The completion of the acquisition of the Clark's Brook Property is subject to a number of conditions precedent including, without limitation, all director, shareholder, securities and regulatory approvals and acceptances (as required) and all third party consents (as required) having been obtained and the completion of due diligence on the Clark's Brook Property. In particular, if the Company is not able to complete the private placement and the debt settlement, obtain necessary shareholder approvals in accordance with the respective requirements of the TSX-V and the CSE and satisfy the listing requirements of the CSE, then it will not be able to satisfy its obligations under the Option Agreement and the Phase 1 exploration program and the Company will not be able to exercise the option under the Option Agreement. The Company's common shares would then remain listed on the NEX board of the TSXV.

Assuming that the Company satisfies all conditions precedent to the completion of the transactions discussed in this press release, the Company plans to change its name to General Gold Resources Inc. immediately prior to the listing of its common shares on the CSE.

Trading of the Company's common shares on the NEX board of the TSXV has been halted and will remain halted until the Company has obtained all necessary approvals to proceed with the voluntary listing from the NEX board of the TSXV and the concurrent application to list its common shares on the CSE. Further details regarding the transactions discussed in this press release will be available in the Company's listing statement being prepared in conjunction with its application to list the common shares on the CSE. If all necessary approvals are obtained, the listing statement will be posted under the Company's profile on SEDAR prior to the commencement of trading on the CSE. The Company will issue a news release as soon as further details are available regarding the transactions discussed in this press release and the resumption of trading.

Financial Instruments and Risk Management

Fair Values and Classification

The Company's financial instruments consist of cash, accounts payable and notes payable. Financial instruments are classified into one of the following categories: FVTPL, FVTOCI., or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	**Category**	**August 31, 2020**	**August 31, 2019**
		($)	**($)**
Cash	FVTPL	828	1,144
Accounts payable	Amortized cost	300,551	355,405
Notes payable	Amortized cost	142,631	247,025

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured on the statement of financial position using level 1 of the fair value hierarchy. The fair values of accounts payable approximate their book values because of the short-term nature of these instruments.

The carrying amounts of the notes payable approximate fair value as the interest rates were negotiated between the Company and an arm's length third party.

Financial instrument risk exposure

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company manages this credit risk by ensuring that cash is placed with a major financial institution with strong investment grade ratings by a primary ratings agency.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company endeavors to ensure that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand. The Company is exposed to liquidity risk.

Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2020 are as follows:

	<1 year	**2-3 Years**	**Total**
	($)	**($)**	**($)**
Accounts payable and accrued liabilities	407,819	—	407,819
Notes payable	3,300	139,331	142,631
	411,119	139,331	550,450

Interest rate risk

The Company is nominally exposed to interest rate risk. The Company's bank account earns interest income at variable rates. The Company does not have any variable interest rate liabilities.

Foreign exchange risk

The Company is not exposed to significant foreign currency risk.

Management of Capital

The Company considers items included in shareholders' deficiency as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue project opportunities for the benefit of its shareholders. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits.

As the Company is currently listed on the NEX board of the TSX Venture Exchange, it is subject to certain restrictions on share issuances pursuant to NEX policies and is limited in the number of common shares it can issue in any 12-month period. The Company prepares annual expenditure budgets and updates these as required throughout the year which it uses as the primary tool for assessing its capital requirements.

There have been no changes to the Company's approach to capital management during the year ended August 31, 2020.

Risks and Uncertainties

a) Political and Regulatory Risk

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder. These may include responding to orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

b) Limited Operational History

The Company does not have any significant operations. As a result, there is no assurance that the Company will earn profits in the future or that profitability, if achieved, will be sustained.

c) Additional Financing

The Company will require additional financing in order to make further developments or take advantage of unanticipated opportunities. The ability of the Company to arrange such financing will depend in part upon prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to it. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer dilution. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to take advantage of opportunities or otherwise respond to competitive pressures and remain in business.

d) Key Personnel and Future Staffing Requirements

The Company's success will also be dependent on its ability to identify, recruit, motivate and retain highly qualified executive, management and technical support.

e) Price Volatility of a Public Stock

The securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration of development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance or underlying net asset values of such companies.

Management's Responsibility for Consolidated Financial Statements

The Company's management is responsible for the presentation and preparation of these consolidated financial statements and the MD&A. The consolidated financial statements have been prepared in accordance with IFRS. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions.

Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under "Risks and Uncertainties" as well as in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Corporate Information

Directors:	Michael Curtis Michelle Gahagan Brian Tingle
Officers:	Michelle Gahagan, President and CEO Kelsey Chin, CFO & Corporate Secretary
Auditor:	Manning Elliott LLP Chartered Professional Accountants 17th Floor – 1030 W. Georgia Street Vancouver, BC, V6E 2Y3
Legal Counsel:	Tingle Merrett LLP Suite 639 – 1250 Standard Life Building 5th Avenue SW Calgary, AB T2P 0M9
Transfer Agent:	Computershare Trust Company of Canada 2nd Floor – 510 Burrard Street Vancouver, BC, V6C 3B9

SCHEDULE “B”

NATIONAL INSTRUMENT 43-101 TECHNICAL REPORT

[See Attached.]

Technical Report
On the
Clark's Brook Property
Central Newfoundland and Labrador

Prepared for
CellStop Systems Inc.
1558 West Hastings Street
Vancouver, BC V6G 3J4

Prepared by:
D. Cullen, P.Geo. and M. Regular P.Geo.
Clark Exploration Consulting
941 Cobalt Crescent
Thunder Bay, ON
P7B 5Z4

Effective Date: May 5, 2020

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Abbreviations and Units of Measurement

UTM	Universal Transverse Mercator		in	Inch(es)
Au	gold		Kg	Kilogram(s)
%	Percent		m	Metre(s)
<	Less than		Ma	Million years ago
>	Greater than		m^2	Square metres
cm	Centimetre		mm	Millimetre(s)
g	Gram		NI 43-101	Canadian National Instrument 43-101
DDH / ddh	Diamond drill hole		P.Geo.	Professional Geoscientist
g/t	Grams per metric tonne		ppb	Parts per billion
GPS	Global positioning system		ppm	Parts per million
ha	Hectare(s)		QA	Quality Assurance
ft	Foot		QC	Quality Control
oz	Ounce		QP	Qualified Person

DATE and SIGNATURE PAGE

This report titled “Technical Report on the Clark’s Brook Property, Newfoundland”, and dated May 5th, 2020 was prepared and signed by the following authors:

Dated at Thunder Bay, Ontario
May 5th, 2020

“Desmond Cullen”	“Michael Regular”
Desmond Cullen, P.Geo.	Michael Regular, P.Geo.

Item 1: Summary

Clark Exploration Consulting of Thunder Bay, Ontario was contracted by CellStop Systems Inc. ("Cellstop"), to review historic data for the Clark's Brook Property (the "Property"), identify its merits, propose an appropriate exploration program and budget for gold exploration on the Property, and prepare a Technical Report (the "Report") compliant with NI 43-101 and suitable for filing on SEDAR by CellStop.

The Clark's Brook Property consists of 31 claim units in one license (026731M) for a total of 7.7 sq. km (770 hectares). The license is held by Metals Creek Resources ("MEK"). The claims were staked in 2016, to cover two auriferous showings discovered in 2003. The license is in good standing to August 1st, 2028 with annual renewal payments due each August 1 starting in 2021.

The Clark's Brook Property is located in central Newfoundland near Northwest Gander River, approximately 25 kilometers west of the town of Glenwood. It is situated on NTS map sheet 02D/14. The Property is centered on UTM coordinates 614,950mE/5,407,000mN (NAD27 Zone 21) on NTS 02D/14. Access to the Property is via Salmon Pond Forest Access Road located on the Trans-Canada Highway located 2 kilometers west of the community of Glenwood. The Salmon Pond Forest Access Road provides excellent access to all sectors of the Property.

Very little work has been done historically in the claim area. The Property itself was subject to limited prospecting carried out by Altius Resources Inc. ("Altius") from 2003 through 2009. Additional prospecting was carried out by MEK in 2016 after the acquisition of the claims.

2003 (Altius): As part of a large 1:10,000 geological mapping and prospecting program of the area, both the Clark's Brook East ("CBE") and West ("CBW") gold discoveries were made.

On the CBE gold zone, seven representative grab samples were attained, each comprised of material from several mineralized boulders that assayed between 2.98g/t and 24.5g/t gold with an average of 7.93g/t gold (Figure 3). A sample of underlying bedrock on the northern edge of the boulder distribution pattern returned 1.25g/t gold. An additional outcrop exposure some 25m upstream cut by a narrow quartz vein and associated iron-carbonate alteration was sampled in two representative grab samples and returned 0.15g/t and 0.62g/t Au.

The CBW gold zone discovery was first made in mineralized boulders returning 8.9g/t and 9.28g/t gold. The site was revisited and found one of the auriferous boulders to fit on an adjacent outcrop. An additional eight samples of brecciated and altered siltstone were collected from boulder and outcrop, returning anomalous gold values to 0.335g/t Au.

2017-2019 (Sokoman Minerals Corp.): In September 2017, Metals Creek optioned the Property to Sokoman Iron Corp. (now Sokoman Minerals Corp. ("Sokoman")) who immediately completed a Phase 1 drill program (515 meters) in an effort to locate in situ mineralization similar in tenor to the surface sampling at the Clark's Brook East Zone (Figure 5). The program was a success in that all holes intersected gold mineralization similar in style and tenor to the surface float. In February 2018, Sokoman completed a second, three-hole (594 meter) phase of diamond drilling. This program was also successful in that it expanded the extent of gold mineralization identified by the initial phase of drilling. A third and final, three-hole (1,209 meter) drill program was conducted in August 2019 where the drilling was conducted at a different orientation to drill the center of a magnetic low in an attempt to cut deeper mineralization. All three programs were successful in cutting intervals of vuggy, chalcedonic, quartz veining with 1-3% disseminated pyrite, minor arsenopyrite and very minor stibnite. Intercepts of 3.74g/t Au over 3.20m have been attained.

The Property is underlain by wedge of limestone breccias and calcareous siltstones that are bound to the west by younger, feldspar-rich granite and to the east by thrust up conglomerate, sandstone, siltstone and shales of the Gander Lake Subzone. Two gold showings have been identified in the Property to date: Clark's Brook East (East) and Clark's Brook West (West).

The gold mineralization on the Clark's Brook East area occurs in moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. Boulders at the site, ranging from 0.5 to $2m^3$ in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold.

At the Clark's Brook West zone, grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.
The original gold mineralization was located in 2003 in large blocks of silicified and quartz veined sandstone/siltstone, with trace to 2% disseminated pyrite +/- arsenopyrite, in the bed of Clark's Brook. The original seven samples assayed 2.98 and 24.5 g/t gold. Metals Creek staked the area in 2016 and completed sampling that verified the gold values in the boulders. Metals Creek then optioned the Property to Sokoman Minerals Corp. who completed three phases of diamond drilling between 2017 and 2019. All drilling intersected gold values similar in style and tenor to the original boulders.

The focus of the exploration to date has been on two small areas of the Property, Clark's Brook West and East. The diamond drilling was only completed on the Clark's Brook East showing.

It is the Authors' opinion that the Clark's Brook Property is still a grassroots Property, with little previous exploration, and as such there is always a substantial risk that the work proposed may not result in advancing the Property under current market conditions.

A $100,400 exploration program of mapping, prospecting coupled with rock and soil sampling is recommended for the Property. The program will focus on evaluating the on entire Property to define new areas of the gold mineralization. The mapping program will focus on interpret the relationships of the pyrite/arsenopyrite mineralization to structural or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings.

Item 2: Introduction

Clark Exploration Consulting of Thunder Bay, Ontario was contracted by CellStop Capital Inc. ("CellStop"), to review historic data for the Clark's Brook Property (the "Property"), identify its merits, propose an appropriate exploration program and budget for gold exploration on the Property, and prepare a Technical Report (the "Report") compliant with NI 43-101 and suitable for on Sedar by CellStop. The report and recommendations are based on:

1. Public data archived with the Newfoundland and Labrador Department of Natural Resources.

2. Exploration records provided by CellStop and Metals Creek Resources (Vendor).

3. A personal site visit by Michael Regular, P.Geo. on February 15, 2020. The Author traversed the area of the previous diamond drilling. Clark's Brook was noted to be flowing and in general everything was snow covered.

Item 3: Reliance on Other Experts

The title and option information were provided by CellStop and relied upon to describe the ownership of the Property, claim summary and summary of the option agreement in Section 4. The authors have relied upon the government of Newfoundland and Labrador's online database at the following link (https://gis.geosurv.gov.nl.ca/mrinquiry/License.asp?License=026731M) with respect to claim ownership and status, and find that the status of the mineral rights appear to be in good standing as of April 25, 2020.

Item 4: Property Description and Location

The Clark's Brook Property consists of 31 claim units in one license (026731M) for a total of 7.7 sq. km (770 hectares) (Figure 1+2). The license is held by Metals Creek Resources ("MEK"). The claims were staked in 2016, to cover two auriferous showings discovered in 2003. The license is in good standing to August 1st, 2028.

MEK entered into an agreement with a private company Deep Blue Trading Inc. (DBT) to earn a 100% interest in the Clarks Brook property. DBT is obliged to make certain cash payments totaling $195,000 over three years ($20,000 on signing) and issue a total of 1,500,000 common shares over three years. MEK will retain a 2% NSR, one half (1%) which can be purchased by DBT for $1,000,000. DBT must also complete a 43-101 report on the property by the first anniversary.

Subsequently an assignment of the entire agreement was made to CellStop by DBT. All three parties executed the Assignment and Amending agreement.

The Clark's Brook licenses are situated in east-central Newfoundland located 36 km southwest of the town of Gander and within 6 km of the western end of Gander Lake. The project is centered on UTM coordinates 614,950mE/5,407,000mN (NAD27 Zone 21) on NTS 02D/14. The claims are bisected by an all-season gravel road extending southwest from the town of Glenwood.

Mineral Rights within the province of Newfoundland and Labrador are obtained by online claim staking at the following link (https://www.claimstaking.gov.nl.ca/). Once a mineral license is issued by the government of Newfoundland and Labrador, the license holder is required to make escalating expenditures on the mineral license each year in order to maintain the license in "good standing" by submitting annual assessment reports on each anniversary date of the license to the government describing what work has completed and what expenditures were incurred on the license. In year one $200 is required per claim and increases by $50 per year for each year of the five-year term. For years six to ten inclusive the amount is $600 per claim; years eleven to fifteen inclusive $900 per claim; years sixteen to twenty inclusive $1200 per claim; years twenty-one to twenty-five inclusive $2000 per claim; and years twenty-six to thirty inclusive $2500 per claim. If the government deems that insufficient expenditures have been incurred on the license, the license owner is required to post a bond equal to the amount of the deficiency in order to maintain the license in good standing, or risk forfeiting the license to the crown. If there are excess expenditures incurred on a license in any given year, then the excess expenditures are credited to the license to offset future expenditure requirements on the license. Mineral license 026731M has such excess credits and hence, no work expenditures are required to maintain the license in good standing until August 1st, 2028 (Table 1).

A Mineral License is a permit to carry out mineral exploration on mineral claims on which someone holds mineral rights. A mineral license can consist of 1 up to a maximum of 256 claims; this grouping of claims must be contiguous. The mineral license gives you exclusive rights to explore for minerals within its boundaries and to apply for a mining lease if you are successful in finding economic mineralization. If there is existing private land ownership within the license boundary that the license owner wished to utilize to access the mineral license, they must first obtain permission from the private property owner to gain access over their private property. The Clark's Brook Property is accessible via forestry access roads that are not on private property.

Once a mining lease is issued, you must also apply for a surface lease in order to construct the required infrastructure to conduct the mining operation. The mining lease is subject to an annual renewal fee based on the number of hectares within the mining lease, and the surface lease is subject to a five-year renewal term.

There are no known environmental liabilities relating to the Clark's Brook Property.

Prior to conducting exploration work on a mineral license, the license holder must first obtain an Exploration Permit from the government that outlines what work is to be completed, where exactly the work will be completed within the license, who will be the operators of the work, what contractors are to be used, what type of equipment will we utilized, what water sources (if any) will be accessed and the estimated daily volume of water to be used, and when the proposed work will be starting and the expected completion date. If water sources are to be utilized, the license owner is also required to get a Water Use License from the government, and if cutting of trees is required, a cutting permit is needed.

To date, no permits have been applied for or received for the proposed exploration program outlined in this report. Such permitting is normally received within 3-4 weeks of submission.

Table 1: Claim Status

License #	Ownership	Location	No. of Claims	Issued	Renewal Date	Expenditures Due
026731M	Metals Creek Resources Corp.	Northwest Gander River, Central NL	31	2016/08/01	2021/08/02	$2,661.19 by 2028/08/01

No mineral resources, reserves or mines existing prior to the mineralization described in this report are known by the Authors to occur on the Property. There are no known environmental liabilities associated with the Property, and there are no other known factors or risks that may affect access, title, or the right or ability to perform work on the Property.

Item 5: Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Clark's Brook Property is located in central Newfoundland near Northwest Gander River, approximately 25 kilometers west of the town of Glenwood. It is situated on NTS map sheet 02D/14. Access to the Property is via Salmon Pond Forest Access Road located on the Trans-Canada Highway located 2 kilometers west of the community of Glenwood. The Salmon Pond Forest Access Road provides excellent access to all sectors of the Property.

The Property is located adjacent to the Northwest Gander River where two valleys: Clark's Brook and Northwest Gander River converge on the northern portion of the claims. The eastern portion of the Property is of relatively shallow relief with wet swampy terrain and significant overburden. Steeper elevations are present on the southern and western ends of the Property with elevations varying from 100 to 150m above sea level. Vegetation consists of varying amounts of birch, spruce, fir, Alder and aspen. Regionally, drainage is to the northeast. Within the Property much of the drainage is to the south.

The town of Glenwood has a population of approximately 800 people, while Gander (36 km to the northeast) has an estimated population of 12,000 and is serviced by an international airport. Gander offers all of the conveniences of a major centre, including two malls, major Canadian banks, a hospital, and various government offices (Wikipedia, 2019).

With the Property encompassing 770 hectares of land, there should be sufficient surface rights to support adequate mining operations, including access to ample water supplies from nearby ponds and streams, as well as room for potential tailings ponds, waste disposal areas, heap leach pads if required, and potential processing plant sites within the mineral licence boundary.

The area has a cool to cold humid continental climate (Köppen climate classification (Dfb)). It combines moderately warm and rainy summers with cold and very snowy winters.

No mineral resources, reserves or mines existing prior to the mineralization described in this report, are known by the Authors to occur on the Property. There are no known environmental liabilities associated with the Property, and there are no other known factors or risks that may affect access, title, or the right or ability to perform work on the Property.

Figure 1. Property Location

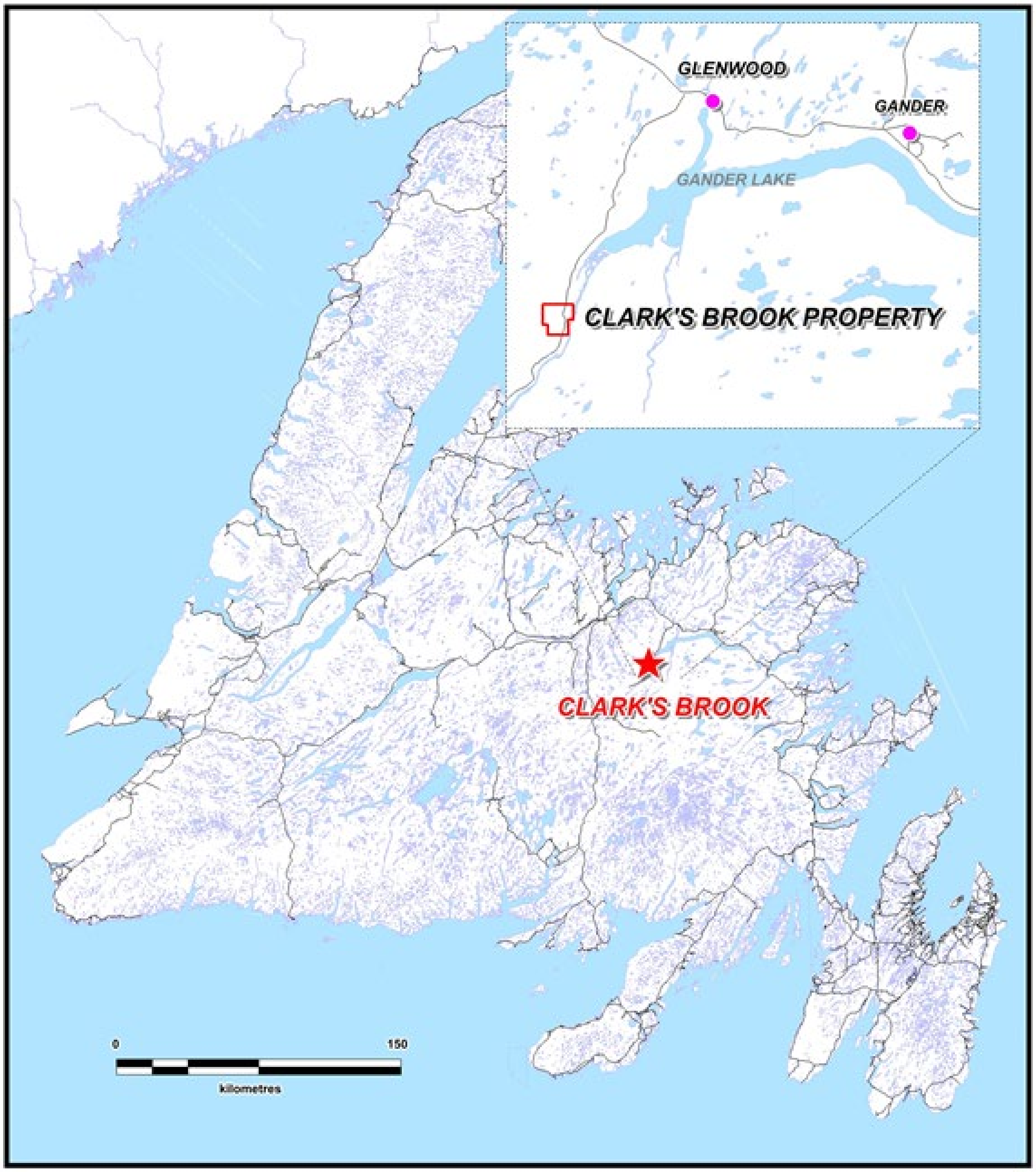
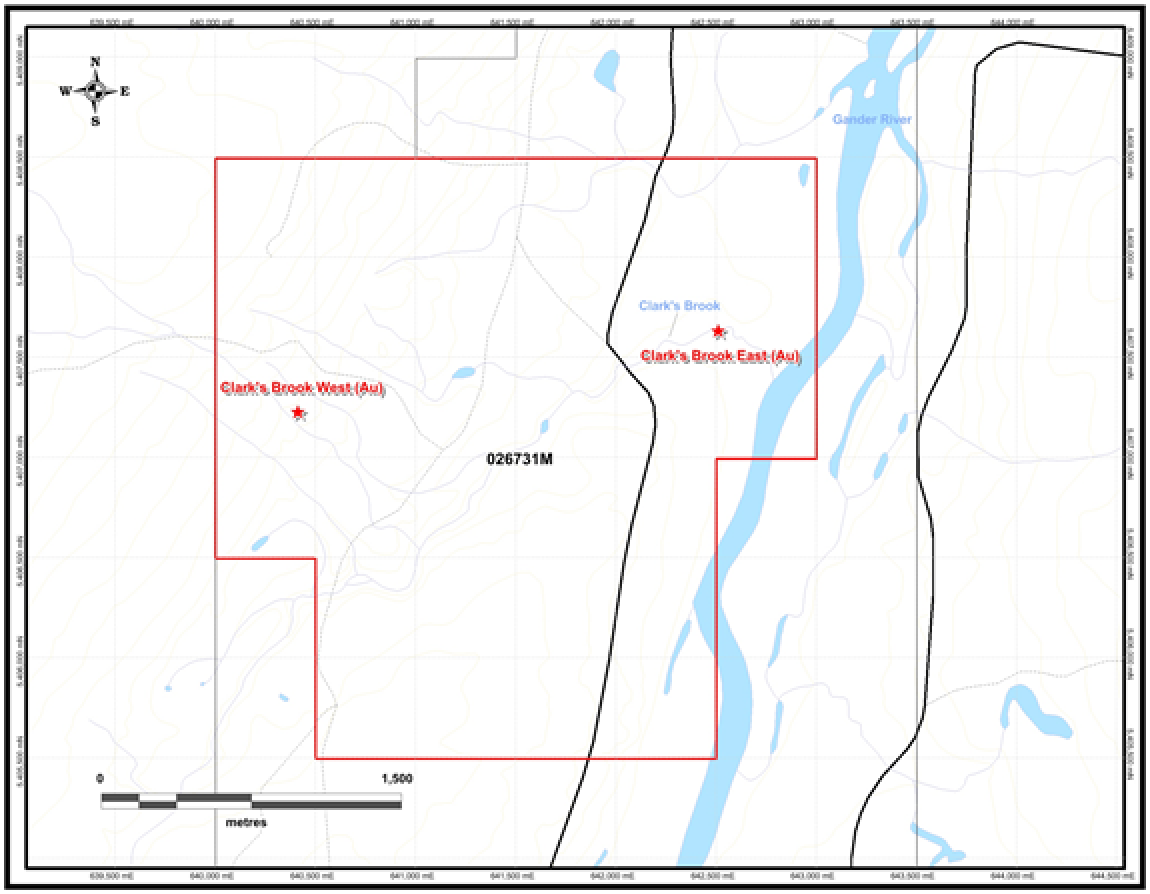


Figure 2. Clark's Brook Claim



Item 6: History

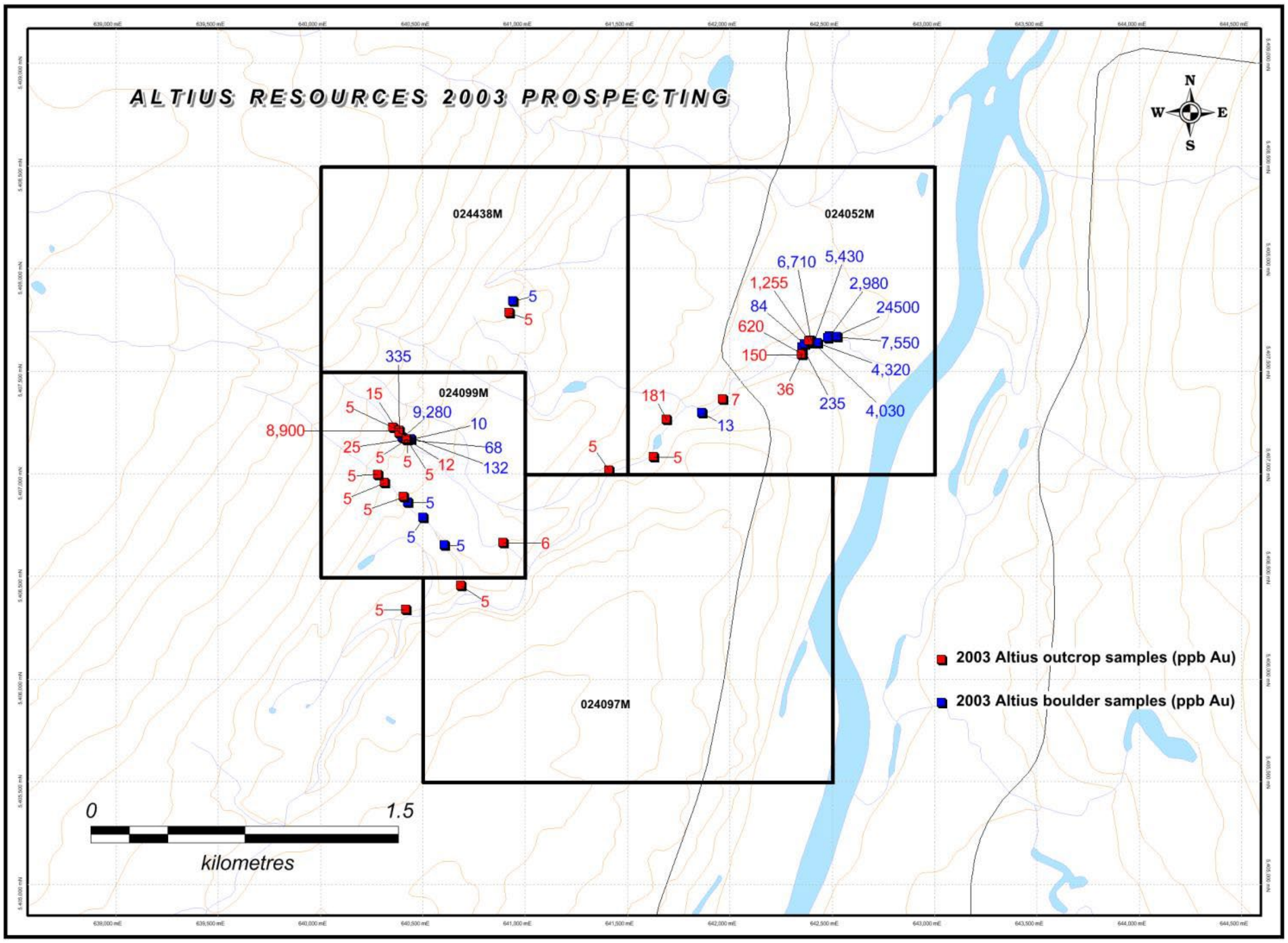
Very little work has been done historically in the claim area. The Property itself was subject to limited prospecting carried out by Altius Resources Inc. ("Altius") from 2003 through 2009. Additional prospecting was carried out by MEK in 2016 after the acquisition of the claims.

2003 (Altius): As part of a large 1:10,000 geological mapping and prospecting program of the area, both the Clark's Brook East ("CBE") and West ("CBW") gold discoveries were made.

On the CBE gold zone, seven representative grab samples were attained, each comprised of material from several mineralized boulders that assayed between 2.98g/t and 24.5g/t gold with an average of 7.93g/t gold (Figure 3). A sample of underlying bedrock on the northern edge of the boulder distribution pattern returned 1.25g/t gold. An additional outcrop exposure some 25m upstream cut by a narrow quartz vein and associated iron-carbonate alteration was sampled in two representative grab samples and returned 0.15g/t and 0.62g/t Au.

The CBW gold zone discovery was first made in mineralized boulders returning 8.9g/t and 9.28g/t gold. The site was revisited and found one of the auriferous boulders to fit on an adjacent outcrop. An additional eight samples of brecciated and altered siltstone were collected from boulder and outcrop, returning anomalous gold values to 0.335g/t Au.

Figure 3. Clark's Brook Altius Samples



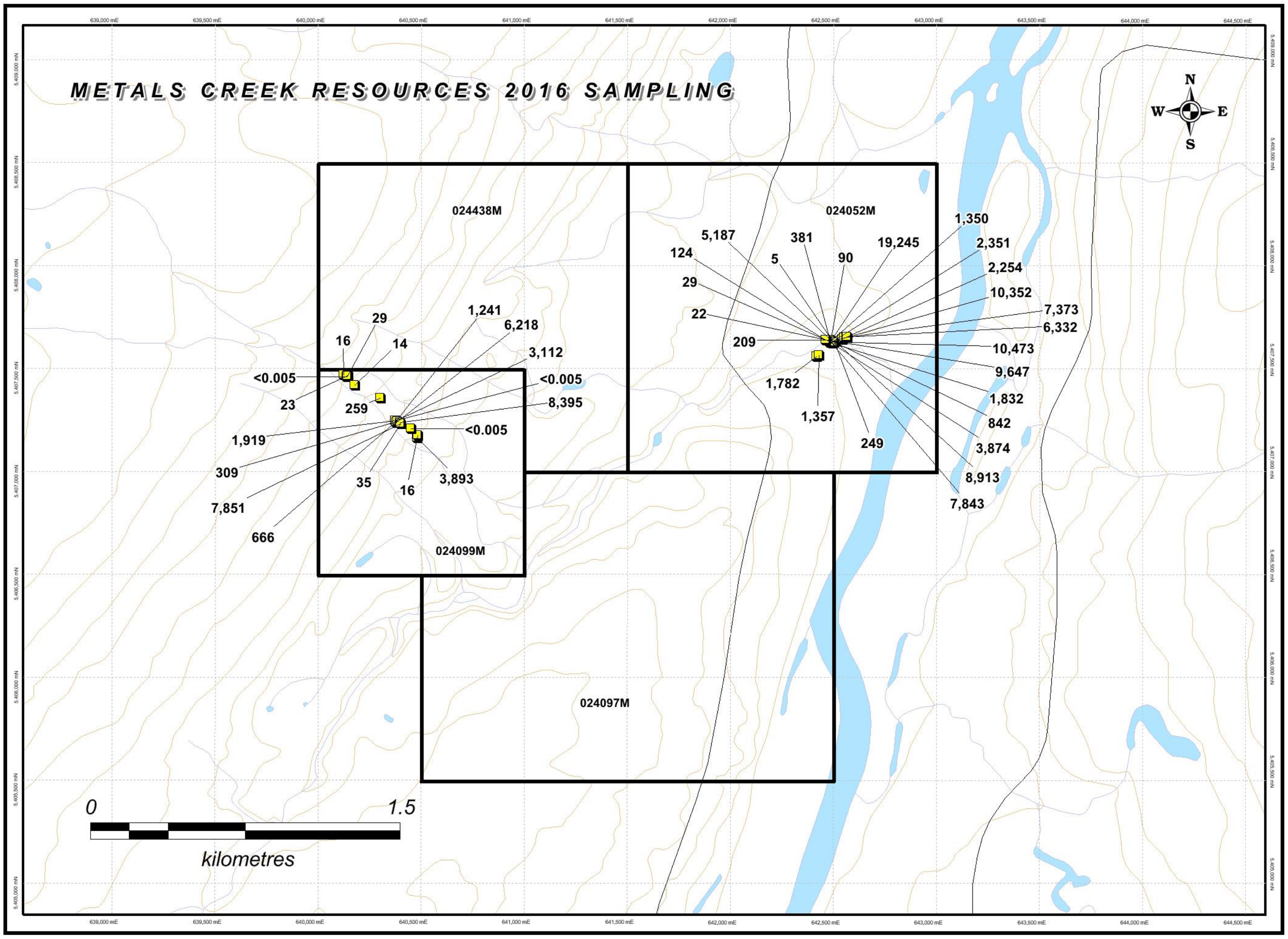
2004 – 2007 (Altius): Grids were established on both zones for the purpose of conducting soil sampling. The west zone grid was established with a 600m baseline oriented at 030^0 and 500m long wing-lines at 100m spacings. A total of 165 stations were visited resulting in the collection of 71 B-horizon soil samples. The average sample depth was 15-20cm. The east zone grid was established with a 600m baseline at 060^0 with 600m wing-lines spaced 100m apart but was not soil sampled as it was considered unbeneficial due to the close proximity to rivers and brooks as well as the till-type overburden underlying the grid. The 71 Clark' Brook West soils that were collected in 2004 were sent to Eastern Analytical in 2007 for Au fire assay as well as a 30 element ICP-MS geochemical package. No gold anomalies were generated but exhibited weak lead and molybdenum enrichment.

2009 (Altius): Utilizing the 2004 Clark's Brook East grid and adding additional lines to the grid, geophysical surveys consisting of 8.125km of induced polarization/resistivity and 8.325 kilometers of magnetics were conducted in May. The IP/resistivity data appears to have an anomalous zone characterized by high chargeability and resistivity trending northeast-southwest dipping southeast. The trend coincides well with the location of the Clark's Brook East showing and plunges northeast, therefore if the anomaly represents mineralization then there is high probability that the mineralized boulders are of local derivation. The magnetics show a prominent low magnetic signature in a north-south fashion. Many of the gold bearing samples to date appear to have an association with the magnetic signature.

2012 (L. Quinlan): In 2012 L. Quinlan conducted prospecting and soil sampling. A total of 13 rock samples and 22 soil samples were collected, from the Clark's Brook East showing and float samples discovered upstream from the showing. Samples from the outcrop at the showing returned values of 6172, 4658, 4639 and 1997 ppb gold. Sampling the boulders returned values of 3168 and 2724 ppb gold. Float boulders up 40 cm square discovered up to 100 meters upstream from the showing returned 4737, 1254 and 102 ppb gold.

2016 (Metals Creek): Following the 2016 staking of the present Clark's Brook claims, prospecting and evaluation of the mineralized boulders and surrounding outcrops resulted in the collection of 44 samples; 25 from the East and 19 from the West (Figure 4). Gold assays ranged from 0.005g/t to 19.25g/t sampled from boulders and bedrock with an average grade of 4.08g/t from the east. Sampling on the west resulted in an average gold grade of 0.80g/t from boulders and outcrop ranging in grade from 0.005g/t to 8.39g/t from chalcedonic veining within granite. A narrow massive sulfide vein of approx. 10cm in width was located in outcrop in the vicinity of CBW returning 86.1% lead, 0.78% zinc, 25.6g/t silver and 117.5ppm cadmium.

Figure 4. Sampling of Clark's Brook Sampling



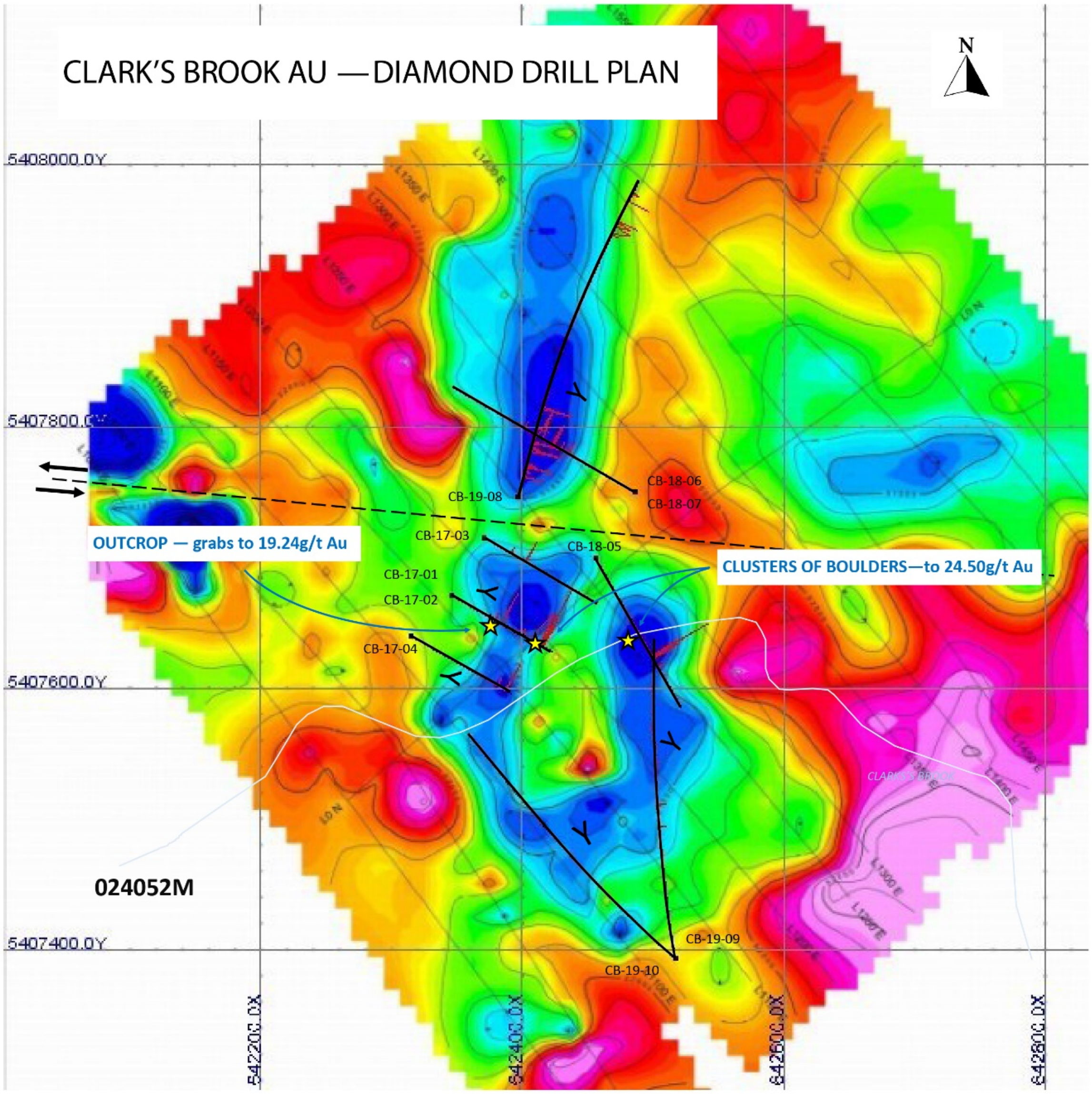
2017-2019 (Sokoman Minerals Corp.): In September 2017, Metals Creek optioned the Property to Sokoman Iron Corp. (now Sokoman Minerals Corp. ("Sokoman")) who immediately completed a Phase 1 drill program (515 meters) in an effort to locate in situ mineralization similar in tenor to the surface sampling at the Clark's Brook East Zone (Figure 5). The program was a success in that all holes intersected gold mineralization similar in style and tenor to the surface float. In February 2018, Sokoman completed a second, three-hole (594 meter) phase of diamond drilling. This program was also successful in that it expanded the extent of gold mineralization identified by the initial phase of drilling. A third and final, three-hole (1,209 meter) drill program was conducted in August 2019 where the drilling was conducted at a different orientation to drill the center of a magnetic low in an attempt to cut deeper mineralization. All three programs were successful in cutting intervals of vuggy, chalcedonic, quartz veining with 1-3% disseminated pyrite, minor arsenopyrite and very minor stibnite. Intercepts of 3.74g/t Au over 3.20m have been attained. Below is a table of intercepts from drilling to date (Table 2).

Table 2. Significant Intercepts from Sokoman's Drilling

Hole	From	To	Length	Au g/t
CB-17-01	99.20	99.50	0.30	5.583
and	100.85	102.40	1.55	2.372
CB-17-02	127.75	130.75	3.00	3.369
incl	127.75	128.00	0.25	26.878
CB-17-03	33.40	34.15	0.75	1.252
and	51.40	51.90	0.50	3.364
CB-17-04	107.35	108.05	0.70	1.546
and	117.00	118.55	1.55	2.339
CB-18-05	113.20	116.30	3.10	3.744
incl	113.20	113.80	0.60	14.735
and	125.75	126.50	0.75	1.113
CB-18-06	85.00	85.50	0.50	1.36
and	106.60	123.10	16.50	0.942
incl	106.60	110.90	4.30	2.453
CB-18-07	97.15	97.65	0.50	1.936

Hole	From	To	Length	Au g/t
and	118.25	120.65	2.40	1.354
and	161.35	162.65	1.30	0.77
CB-19-08	33.00	33.60	0.60	3.319
and	46.65	53.30	6.65	1.186
and	63.80	89.60	25.80	1.004
incl	73.60	80.00	6.40	2.045
	85.80	88.80	3.00	2.263
and	110.05	110.45	0.40	1.946
and	142.00	145.00	3.00	2.614
and	435.50	437.40	1.90	1.512
and	441.80	442.55	0.75	2.326
and	446.80	447.40	0.60	3.312
and	491.95	493.00	1.05	1.03
CB-19-09	151.70	156.00	4.30	0.396
and	176.35	176.75	0.40	1.397
and	254.45	257.35	2.90	0.299
CB-19-10	209.25	210.65	1.40	0.529
and	254.15	257.65	3.50	0.343
and	318.45	319.40	0.95	0.564

Figure 5. Drill Plan on Magnetic From Sokoman 2020 Assessment Report



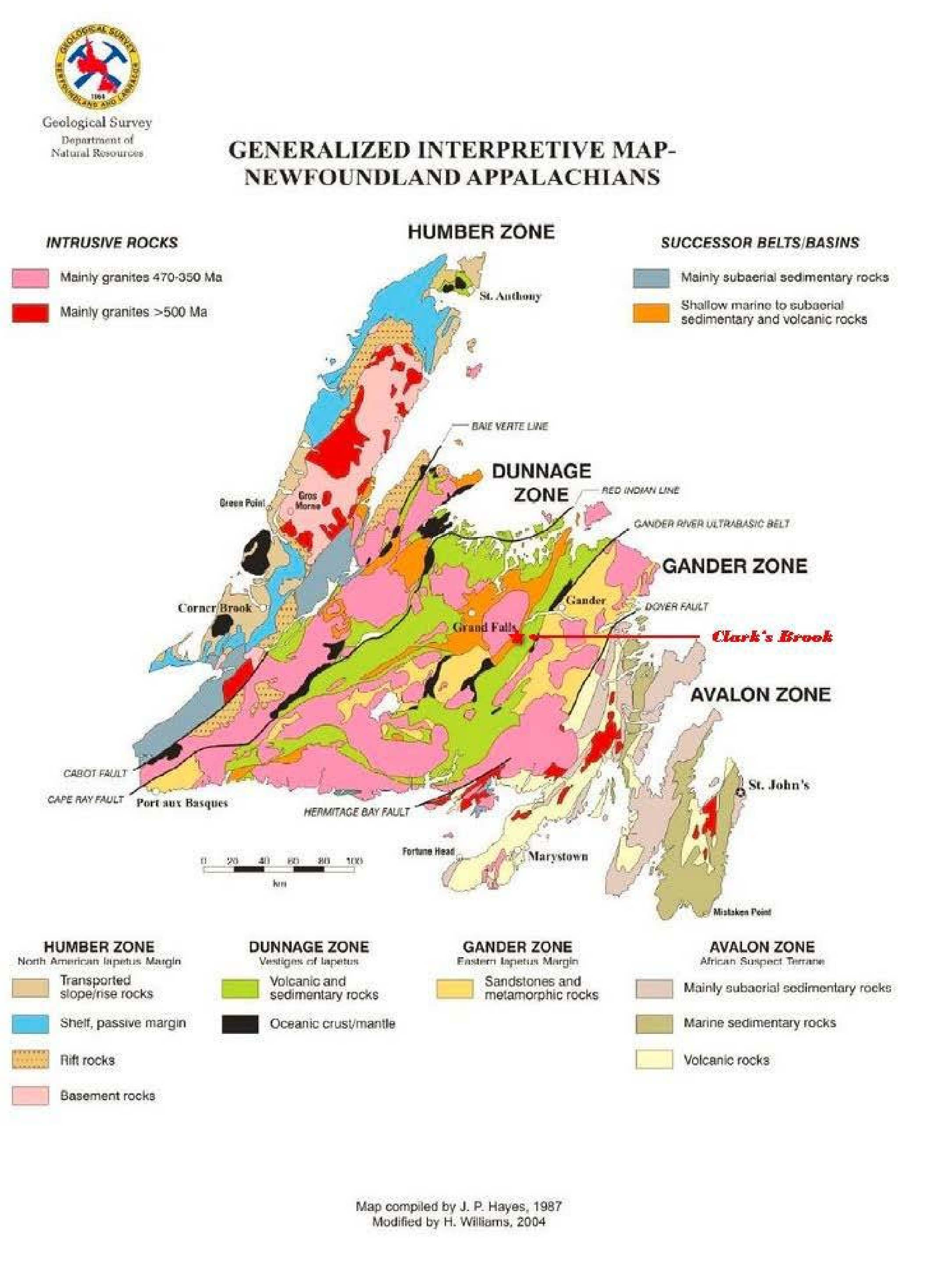
ITEM 7: GEOLOGICAL SETTING AND MINERALIZATION

Regional Geology

The Clark’s Brook Property claims are hosted in the Dunnage Zone, a tectonostratigraphic zone that represents the opening, closing and subsequent destruction of the Iapetus Ocean in the late Precambrian and early to mid-Paleozoic (Williams et al., 1988) (Figure 6).

The Dunnage Zone is characterized by a broad zone of middle Ordovician, island-arc and back-arc volcanic rocks and distal turbidites that have been covered by later black shales. The Dunnage Zone has been divided into two subzones, the Notre Dame and Exploits Subzones. The Clark’s Brook Property lies within the latter subzone along with the Beaver Brook Antimony Mine some 15 kilometers southwest of the Property and other auriferous zones such as the O’Reilly and Jasperitic occurrences.

Figure 6. Regional Geology



Property Geology

The Property is underlain by wedge of limestone breccias and calcareous siltstones that are bound to the west by younger, feldspar-rich granite and to the east by thrust up conglomerate, sandstone, siltstone and shales of the Gander Lake Subzone (Figure 7). Two gold showings have been identified in the Property to date: Clark's Brook East (East) and Clark's Brook West (West).

Very little outcrop exists in the Clark's Brook East area, so much of the geology has been interpreted by the presence of numerous angular boulders; mainly within brook beds. The boulders appear to be very close to their source due to their size, shape, alteration/veining similar to underlying bedrock and the boulder distribution pattern. The boulders consist of moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. The boulders, ranging from 0.5 to $2m^3$ in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold. A second outcrop some 25m upstream consists of sandstone cut by a continuous, narrow, east striking quartz vein with anomalous gold values of 0.15g/t and 0.62g/t Au.

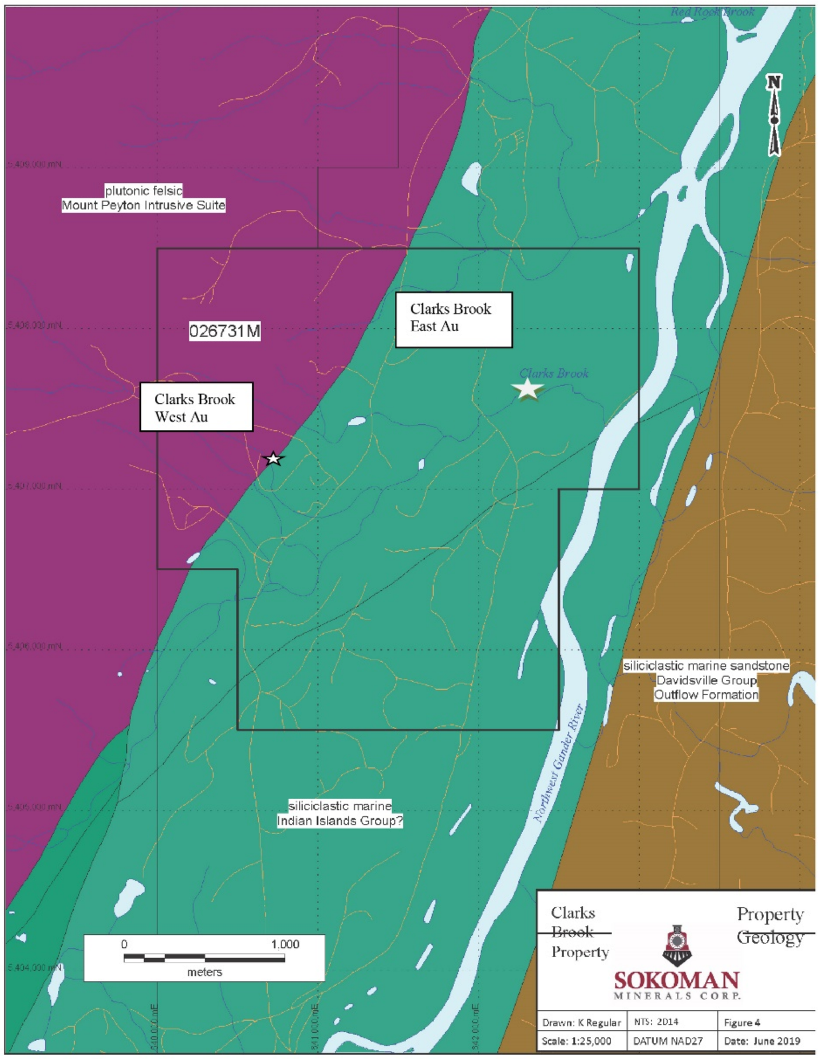
Clark's Brook West zone is located in very close proximity to the sheared contact between the Mount Peyton granite and sediments. The zone is identified in outcrop as finely brecciated siltstone with dark chlorite and less silica forming the matrix. Altius grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.

Mineralization

As described in "Property Geology" above, the gold mineralization on the Clark's Brook East area occurs in moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. Boulders at the site, ranging from 0.5 to $2m^3$ in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold.

At the Clark's Brook West zone, grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.

Figure 7. Property Geology from Sokoman 2020 Assessment Report



Item 8: Deposit Types

The deposit types that CellStop will be exploring for on their Property are low-sulphidation epithermal gold mineralization.

Low-sulphidation epithermal deposits are precious metal-bearing quartz veins, stockworks and breccias which formed from boiling of volcanic-related hydrothermal to geothermal systems. Emplacement of mineralization takes place at depths ranging from near surface hotspring environments to ~1 km, from near neutral pH chloride waters with metal deposition through boiling and fluid mixing. Gangue mineralogy is dominated by quartz and/or chalcedony, accompanied by lesser and variable amounts of adularia, calcite, pyrite, illite, chlorite and rhodochrosite. This gangue mineral assemblage can host a spectrum of Au- to Ag-rich ores, as well as the Au-Ag±Te ores associated with alkaline rocks and the Ag-Pb-Zn ores of northern Mexico.

Vein mineralogy in low-sulphidation epithermal systems is characterized by gold, silver, electrum and argentite with variable amounts of pyrite, sphalerite, chalcopyrite, galena, tellurides, and rare tetrahedrite and sulphosalt minerals. Crustiform banded quartz veining is common, typically with interbanded layers of sulphide minerals, adularia and/or illite. At relatively shallow depths, the bands are colloform in texture and millimetre-scale, whereas at greater depths, the quartz becomes more coarsely crystalline. Lattice textures, composed of platey calcite and its quartz pseudomorphs, indicate boiling. Breccias in veins and subvertical pipes commonly show evidence of multiple episodes of formation. Quartz, adularia, illite and pyrite alteration commonly surround ores; envelope width depends on host rock permeability. Propylitic alteration dominates at depth and peripherally.

Regional structural control is important in localization of low-sulphidation epithermal deposits. Brittle extensional structures (normal faults, fault splays, ladder veins, cymoid loops, etc.) are common. Veins typically have strike lengths in the range of 100's to 1000's of metres; productive vertical extent is seldom more than a few hundred metres and closely related to elevation of paleo-boiling. Vein widths vary from a few centimetres to metres or tens of metres. High-grade ores are commonly found in dilational zones in faults at flexures, splays and in cymoid loops (Awmack and Giroux 2012).

Item 9: Exploration

CellStop has not yet performed any exploration of its own. For a summary of previous exploration on the Property, see "Item 6: History".

Item 10: Drilling

CellStop has not yet performed any drilling of its own. For a summary of previous drilling on the Property, see "Item 6: History".

Item 11: Sample Preparation, Analysis and Security

CellStop has not yet conducted any sampling on the Clark's Brook Property.

Item 12: Data Verification

The data presented in this report has come primarily from the assessment files available at the Newfoundland and Labrador Department of Natural Resources. The authors compared the data from various assessment files and the government published geological materials to verify the data descriptions. The authors can verify that the information has been presented accurately as reported in those files and reports.

There were no limitations placed on the Authors in conducting the verification of the data or the Property visit. Some of the data relied upon predates National Instrument 43-101 and was therefore not completed by qualified persons. The author is of the opinion that these data sets were adequate for the completion of the technical report.

Item 13: Mineral Processing and Metallurgical Testing

CellStop has not yet done any mineral processing studies or metallurgical testing on the Property.

Item 14: Mineral Resource

There is no mineral resource defined on the Property.

Items 15 to 22 are for use on Advanced Properties, and since CellStop's Clark's Brook Property does not meet the criteria for Advanced Properties, these items are not included in this Report.

Item 23: Adjacent Properties

CellStop's Clark's Brook Property is surrounded to the north, east and south by New Found Gold Corp.'s ("NFGC") Linear Project. The following points are taken from New Found Gold's website: https://newfoundgold.ca/projects/linear/.

- Initially explored and successfully drilled by Noranda (1980's) and later drilled by Rubicon (2000's)
- NFGC covers over 85 Km of strike length on the JBP and Appleton linears
- By owning district plays there is discovery potential to identify several mines
- Superb infrastructure and accessibility (Trans-Canada Hwy cross-cuts project)
- Recently discovered 2 additional gold zones, ready to be drilled
- NFGC controls the most advanced historic projects in the belt as well as the southern strike extension
- Historic drilling on the Property has had significant success in intersecting gold mineralization
- Project carries low NSR after buy backs of 0 – 2.1% with a large portion of the project carrying no current royalties
- Between 1985 and 2012 there were 196 drill holes totaling over 21,000 m drilled on the northern linear project by Noranda, Rubicon and various operators
- In 2016 NFGC undertook a till sampling program along the JBP linear identifying several gold in till anomalies up to a maximum gold grain count of 1,744
- In 2017 NFGC conducted a HELITEM multipulse system survey covering 821 Km2 over the linear project
- A historic resource was established at the Knob Deposit along the Appleton linear by Noranda showing ~78,000 oz @ 10.3 g/t from surface to 100m vertical depth
- 60 Km strike length within the southern portion of the Property contains almost no exploration and wide open for discovery

The Authors have not been able to verify this information, and it is not necessarily indicative of the mineralization on CellStop's Clark's Brook Property.

Item 24: Other Relevant Data and Information

The authors are unaware of any further data or relevant information that could be considered of any practical use in this report. The author is not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

Item 25: Interpretation and Conclusions

The original gold mineralization was located in 2003 in large blocks of silicified and quartz veined sandstone/siltstone, with trace to 2% disseminated pyrite +/- arsenopyrite, in the bed of Clark's Brook. The original seven samples assayed 2.98 and 24.5 g/t gold. Metals Creek staked the area in 2016 and completed sampling that verified the gold values in the boulders. Metals Creek then optioned the Property to Sokoman Minerals Corp. who completed three phases of diamond drilling between 2017 and 2019. All drilling intersected gold values similar in style and tenor to the original boulders.

The focus of the exploration to date has been on two small areas of the Property, Clark's Brook West and East. The diamond drilling was only completed on the Clark's Brook East showing.

It is the Authors' opinion that the Clark's Brook Property is still a grassroots Property, with little previous exploration, and as such there is always a substantial risk that the work proposed may not result in advancing the Property under current market conditions.

Item 26: Recommendations

A $100,400 exploration program of mapping, prospecting coupled with rock and soil sampling is recommended for the Property. The program will focus on evaluating the on entire Property to define new areas of the gold mineralization. The mapping program will focus on interpret the relationships of the pyrite/arsenopyrite mineralization to structural or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings.

26.1: Proposed Budget

Mapping, Prospecting and Rock and Soil Sampling	
2 Geologists for 16 days @ $700/day each	22,400
2 Technicians/helpers for 16 days @ $400/day each	12,800
16 days room and board for 4 @ 600/day	9,900
Transportation	
2 trucks, gas	
16 days @ $250/day	4,000
Interpretation of Results	
4 days @ $1200/day	4,800
Assays 600 @ $35/sample	21,500
Reports and Maps	13,000
Contingencies	12,000
Total Proposed Budget	**$100,400**

Item 27: References

Awmack, H.J., and Giroux, G.H., 2012. 2012 NI 43-101 Report on the Prospect Valley Project; *prepared for* Berkwood Resources Ltd.

Barbour, D., & Churchill, R.A., 2004. Second, Third and Sixth Year Assessment Report on Prospecting, Mapping and Geochemical Sampling for the Mustang Trend Properties, Map Staked Licenses 8252M, 8253M, 8254M, 6101M, 7677M, 8255M, 9649M, 9650M and 9788M; NTS Sheets 02E02, 02E07, 02D05, 02D06, 02D11, 02D12, 02D13, 02D14 & 02D15, Botwood Basin, Central Newfoundland, Altius Resources Inc., unpublished report.

Froude, T., 2020. Assessment Report on Phase 3 Diamond drilling, Clark's Brook Property, NTS 02D/14, Mineral License: 026731M, Expenditures $162,778.00

Heerema, D., 2017. First Year Compilation and Prospecting Report, Clark's Brook Property, Metals Creek Resources Ltd., NTS 02D/14; First Year Licenses: 024097M, 024099M, 024438M and 024052M.

New Found Gold Corp. website, 2019. https://newfoundgold.ca/projects/linear/

O'Reilly, D., O'Driscoll, J., Winter, L., & Churchill, R.A., 2008. First Year Assessment Report on Mineral Exploration on the Mustang Trend Project, Map Staked Licenses 13256M, 13257M, 13258M & 13259M. Botwood Basin, Central Newfoundland, NTS Sheets 02D11, 02D14 & 02D15. Altius Resources Inc., unpublished report.

O'Reilly, D., & Churchill, R.A., 2004. Third Year Assessment Report on Linecutting & Soil Sampling for Map Staked Licenses 8252M (Glenwood Fault), 10408M (Clark's Brook North) & 10409M (Clark's Brook South), Mustang Trend Project; Botwood Basin, Central Newfoundland, NTS Sheets 02D11, 02D14 & 02D15. Altius Resources Inc., unpublished report.

O'Reilly, D., O'Driscoll, J., Devereaux, A., & Churchill, R., 2010. First, Second & Third Year Assessment Report Regarding Prospecting, Mapping, Trenching & Ground Geophysics, Mineral Licenses 013256M, 13259M, 015198M, 015925M & 015926M, Mustang Trend Project, Botwood Basin, Central Newfoundland, NTS Sheets 2D/11, 14 & 15. Altius Resources Inc., unpublished report.

Smith, R., Butler, R., Churchill, R.A., 2003. First, Second and Fifth Year Assessment Report on Prospecting, Mapping, Trenching and Geochemical Sampling on the Mustang Trend, Botwood Basin, Central Newfoundland. Altius Resources Inc., unpublished report.

Wikipedia, 2019.
https://en.wikipedia.org/wiki/Gander,_Newfoundland_and_Labrador

Williams, H., Colman-Sadd, S.P., and Swinden, H.S., 1988. Tectonic-stratigraphic subdivisions of central Newfoundland. In Current Research, Part B, Geological Survey of Canada, Paper 88-1B, pages 91-98.

Quinlan, L., 2013. First Year Assessment Report: Report on Prospecting, Rock and Soil Sampling, Carried Out from September/2012 to December/2012, on the Clarkes Pond Property, License 020334M, Northwest Gander River, Central Newfoundland, NTS 02D/14 – NAD 27, Zone 21

Item 28: Certificate of Qualifications

Desmond Cullen
49 Husu Rd., R.R. #2
Kaministiquia, Ontario
Canada, P0T 1X0
Telephone: 807-633-6960, Fax: 807-622-4156
Email: desmond63@hotmail.com

CERTIFICATE OF QUALIFIED PERSON

I, Desmond Cullen, P.Geo. (#0164) do hereby certify that:

1. I am a consulting Professional Geologist living at 49 Husu Rd., R.R.#2, Kaministiquia, Ontario

2. I graduated with the degree of Honours Bachelor of Science (Geology) from Lakehead University, Thunder Bay, in 1988

3. "Technical Report" refers to the report titled "Technical Report on the Clark's Brook Property, Newfoundland" dated May 5th, 2020."

4. I am a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario (#0164) and a member Ontario Prospectors Association.

5. I have worked as a Geologist for 30 years since my graduation from university.

6. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements as a Qualified Person for the purposes of NI 43-101.

7. I have worked extensively in Northwestern Ontario, and also Indonesia, China and Mongolia since graduating University.

8. I have not visited the Clark's Brook Property.

9. I have completed all Items of the report except Items 1 and 4, jointly authored Items 25 and 26 and edited the entire Technical Report.

10. I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical Report is required, other than providing consulting services, and in the application of all of the tests in section 1.5 of NI 43-101.

11. I have had no prior involvement with the mineral Property that forms the subject of this Technical Report.

12. I have read NI-43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that Instrument and Form.

13. As of the date of this certificate, and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 5th day of May, 2020.

SIGNED

"Desmond Cullen"

____

Desmond Cullen, P.Geo.

Michael B. Regular
3 Memorial Ave, P.O. Box 820
Botwood, Newfoundland and Labrador
Canada, A0H 1E0
Telephone: 709-257-2463, Mobile: 709-486-7705
Email: killickstone@gmail.com

CERTIFICATE OF QUALIFIED PERSON

I, Michael B. Regular, P.Geo. (#0164) do hereby certify that:

1. I am a consulting Professional Geologist living at 3 Memorial Ave., Botwood, Newfoundland and Labrador.

2. I graduated with the degree of Bachelor of Science (Earth Science/Geology) from Memorial University of Newfoundland, St. John's, in 1992.

3. "Technical Report" refers to the report titled "Technical Report on the Clark's Brook Property, Newfoundland" dated Mayr 5th, 2020.

4. I am a registered Professional Geoscientist with the Professional Engineers and Geoscientists of Newfoundland and Labrador (#0164) and a member of the Newfoundland and Labrador Prospectors Association.

5. I have worked as a Geologist for 30 years since my graduation from university.

6. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements as a Qualified Person for the purposes of NI 43-101.

7. I have worked extensively throughput Newfoundland and Labrador, and also the Northwest Territories and Manitoba since graduating University.

8. I have visited the Clark's Brook Property and area on several occasions over my career and most recently on February 15, 2020.

9. I have reviewed all Items of the report and jointly authored Items 25 and 26 and edited the entire Technical Report.

10. I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical Report is required, other than providing consulting services, and in the application of all of the tests in section 1.5 of NI 43-101.

11. I have had no prior involvement with the mineral Property that forms the subject of this Technical Report.

12. I have read NI-43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that Instrument and Form.

13. As of the date of this certificate, and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 5th day of May, 2020.

SIGNED

"Michael B. Regular"

Michael B. Regular, P.Geo.

SCHEDULE "C"

STATEMENT OF EXECUTIVE COMPENSATION
(for the year ended on August 31, 2020)

Compensation Discussion and Analysis

Executive Compensation is required to be disclosed for (i) each Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) each of the three most highly compensated executive officers (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year (or three most highly compensated individuals) and whose total compensation was, individually, more than $150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year (the "**Named Executive Officers**").

The Named Executive Officers of the Corporation during the most recently completed financial year were Michelle Gahagan, President and Chief Executive Officer, David Hughes, former Chief Financial Officer and Kelsey Chin, current Chief Financial Officer. There were no other Named Executive Officers as no other employees earned in excess of $150,000 in the financial year ended August 31, 2020.

Philosophy and Objectives

As the Company does not have a compensation committee, the functions of a compensation committee are performed by the Board of Directors as a whole and the compensation of the Named Executive Officers is reviewed and approved annually by the Board of Directors.

The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of high calibre to serve as officers of the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of executive officers with the long-term interests of the Shareholders. These objectives are designed to ensure that the Corporation continues to grow on an absolute basis as well as to grow cash flow and earnings for Shareholders. The Board of Directors set the compensation received by Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin. In setting such levels, the Board of Directors relies primarily on their own experience and knowledge.

Compensation

The Company compensates its executive officers based on their skill and experience levels and the existing stage of development of the Company. Executive officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Board of Directors has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders. First, executive officers are paid a monthly consulting fee or salary determined by the Board of Directors, if appropriate. Second, the Board of Directors awards executive officers long term incentives in the form of stock options. Finally, and only in special circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value. The Company does not provide pension or other benefits to the executive officers.

The base compensation of the executive officers is reviewed and set annually by the Board of Directors. The Chief Executive Officer has substantial input in setting annual compensation levels. The Chief Executive Officer is directly responsible for the financial resources and operations of the Company. In addition, the Chief Executive Officer and Board of Directors from time to time determine the stock option grants to be made pursuant to the incentive plan of the Company (the "Plan"). Previous grants of stock options are taken into account when considering new grants. The Board of Directors awards bonuses at its sole discretion. The Board of Directors does not have pre-existing performance criteria or objectives.

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its executive officers and ensures that those policies do not encourage management to take inappropriate or excessive risks. The Board of Directors does not believe that there are any risks arising from the compensation programs that would be reasonably likely to have a material adverse effect on the Company.

The Company's compensation program includes certain mechanisms to ensure risk taking behaviour falls within reasonable risk tolerance levels, including (i) the establishment of a compensation package that is competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin; and (ii) utilizing long term incentive plans (option based awards) for diversification and alignment with risk realization periods.

Neither executive officers nor directors are permitted to take any derivative or speculative positions in the Company's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Company's securities.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependant on the Company's financial resources and prospects.

Summary Compensation Table

The following table sets forth information concerning the total compensation paid during the years ended August 31, 2020, August 31, 2019 and August 31, 2018 to the Named Executive Officers.

		Annual Compensation			Non-Equity Plan Compensation ($)				
Name and Principal Position	Year	Salary ($)	Share-Based Awards ($)	Option-Based Awards ($)	Annual Incentive Plans	Long-Term Incentive Plans	Pension Value ($)	All Other Compen-sation ($)	Total Compen-sation ($)
David Hughes *Former Chief Financial Officer*	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	$4,000	Nil	Nil	Nil	Nil	Nil	Nil	$4,000
Kelsey Chin *Chief Financial Officer*	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Michelle Gahagan *President and Chief Executive Officer*	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

(1) Mr. Hughes resigned as Chief Financial Officer on July 29, 2020 and Kelsey Chin was appointed as the Chief Financial Officer on the same date.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The Plan was established to provide an incentive to the directors, officers, employees, consultants and other personnel of the Company to achieve the longer-term objectives of the Company, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company and to attract to and retain in the employ of the Company, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company.

The following is a summary of the material terms of the Plan and is qualified in its entirety by the full text of the Plan, which is attached as Schedule "C" to the management information circular of the Company dated November 16, 2020, available on SEDAR:

- The number of common shares reserved and authorized for issuance pursuant to options granted under the Plan must not exceed 15% of the number of issued and outstanding common shares of the Company.
- The aggregate number of optioned common shares granted to any one optionee in a 12 month period must not exceed 5% of the Company's issued and outstanding shares. The number of optioned common shares granted to any one consultant in a 12 month period must not exceed 2% of the Company's issued and outstanding shares. The aggregate number of optioned common shares granted to an optionee who is employed to provide investor relations' services must not exceed 2% of the Company's issued and outstanding common shares in any 12 month period.
- The exercise price for options granted under the Plan will not be less than the market price of the Company's common shares at the time of the grant, less permitted discounts.
- Options will be exercisable for a term of up to ten years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Company.
- Subject to certain exceptions, upon the retirement, resignation, or termination of the optionee's employment, the optionee's options will expire 30 days from the date of termination but can be extended to up to 90 days. In the case of death, the options granted to the optionee will expire twelve (12) months following the date of each, subject to the options' date of expiration.
- Options granted under the Plan are non-assignable, except by will or by the laws of descent and distribution.

The following table sets forth all share-based or option-based awards outstanding at the financial year ended August 31, 2020 to the Corporation's Name Executive Officers. The table also includes awards granted before August 31, 2020 to the Corporation's Name Executive Officers:

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
David Hughes *Former Chief Financial Officer*	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Kelsey Chin *Chief Financial Officer*	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Michelle Gahagan *President and Chief Executive*	Nil	N/A	N/A	Nil	Nil	Nil	Nil

Officer							

Note:

(1) Mr. Hughes resigned as Chief Financial Officer on July 29, 2020 and Kelsey Chin was appointed as the Chief Financial Officer on the same date.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth all share-based or option-based awards that vested in or were earned by the Company's Named Executive Officers during the financial year ended August 31, 2020.

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
David Hughes *Former Chief Financial Officer*	Nil	Nil	Nil
Kelsey Chin *Chief Financial Officer*	Nil	Nil	Nil
Michelle Gahagan *President and Chief Executive Officer*	Nil	Nil	Nil

Note:

(1) Mr. Hughes resigned as Chief Financial Officer on July 29, 2020 and Kelsey Chin was appointed as the Chief Financial Officer on the same date.

Pension Plan Benefits

The Company does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

Termination and Change of Control Benefits

Pursuant to the terms of the Plan, if an optionee holds his or her option as director, employee or consultant of the Company and such optionee ceases to be a director, employee or consultant of the Company, other than by reason of death, then the optionee may exercise such part of the option as is exercisable immediately prior to the time of ceasing to be a director, employee or consultant of the Company within a period which is the earlier of the normal expiry date of the option and 90 days following ceasing to be a director, employee or consultant of the Company and all unexercised options of the optionee will immediately terminate forthwith without further notice.

If an optionee engaged in investor relations activities ceases to be employed to perform investor relations activities, other than by reason of death, then the optionee may exercise such part of the option as is exercisable immediately prior to the time of ceasing to be employed to perform investor relations activities within a period which is the earlier of the normal expiry date of the option and 30 days following ceasing to be employed to perform investor relations activities and all unexercised options of the optionee will immediately terminate forthwith without further notice.

In the event of the death of an optionee, any options which the optionee could have exercised immediately prior to death are exercisable by the executors or personal representatives of the optionee within the earlier of the normal expiry date of the option and 12 months after the optionee's death and all unexercised options of the optionee will immediately terminate forthwith without further notice.

In the event of a consolidation or merger in which the Company is not the surviving company, or in the event the Common Shares are converted into securities of another entity or exchanged for other consideration, or in the event of an offer for fifty percent or more of shares being made by a third party that constitutes a take-over bid as that term is defined in the *Securities Act* (British Columbia) or would constitute a take-over bid as that term is defined in the *Securities Act* (British Columbia) but for the fact that the offeree is not in British Columbia, the Board may make such arrangements as the Board deems appropriate for the exercise of outstanding options or continuance of outstanding options.

Other than the aforementioned agreements, there are no compensatory plans, contracts or arrangements with any Named Executive Officer (including payments to be received from the Company or any subsidiary), which result or will result from the resignation, retirement or any other termination of employment of such Named Executive Officer or from a change of control of the Company or any subsidiary thereof or any change in such Named Executive Officer's responsibilities, where the Named Executive Officer is entitled to payment or other benefits.

Director Compensation

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options in accordance with the Plan. The following table sets forth compensation that was paid to any director of the Company for the director's services as a director during the financial year ended August 31, 2020.

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Michelle Gahagan	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Michael Curtis	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Tingle	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Share-Based Awards, Option-Based Awards and Non-Equity Incentive Plan Compensation

Incentive plan awards – Outstanding share-based awards and option-based awards

The following table sets forth all share-based or option-based awards outstanding at the financial year ended August 31, 2020 to the Company's directors. The table also includes awards granted before August 31, 2020 to the Company's directors:

	Option-based Awards				Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Michelle Gahagan	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Michael Curtis	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Brian Tingle	Nil	N/A	N/A	Nil	Nil	Nil	Nil

Incentive plan awards – value vested or earned during the year

The following table sets forth all share-based or option-based awards that vested in or were earned by the Company's directors during the financial year ended August 31, 2020.

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Michelle Gahagan	Nil	Nil	Nil
Michael Curtis	Nil	Nil	Nil
Brian Tingle	Nil	Nil	Nil

CERTIFICATE OF THE COMPANY

Pursuant to a resolution duly passed by its Board of Directors, General Gold Resources Inc. hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to General Gold Resources Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 25th day of January, 2021

Michelle Gahagan, Chief Executive Officer	Kelsey Chin, Chief Financial Officer
Brian Tingle, Director	Michael Curtis, Director