

**Form 62-103F1**

***Required Disclosure under the Early Warning Requirements***

**Item 1 – Security and Reporting Issuer**

- 1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

**Securities:** Common shares of Mainstream Minerals Corporation (“**Common Shares**”)

**Issuer:** Mainstream Minerals Corporation (the “**Issuer**”)

Suite 401, 217 Queen Street West

Toronto, Ontario

Canada M5V 0R2

- 1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable

**Item 2 – Identity of the Acquiror**

- 2.1 State the name and address of the acquiror.**

Palisades Goldcorp Ltd. (“**Palisades**” or the “**Acquiror**”)

25th Floor, 700 West Georgia Street

Vancouver, British Columbia

Canada V7Y 1B3

Palisades is a merchant bank incorporated in the Province of British Columbia, Canada.

- 2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On February 3, 2021, the Acquiror purchased an aggregate of 1,470,588 Common Shares at a price of \$0.34 per Common Share pursuant to a non-brokered private placement offering of the Issuer (the “**Offering**”). In connection with the Offering, the Acquiror and the Issuer entered into a share purchase agreement (the “**Share Purchase Agreement**”) dated September 17, 2020, pursuant to which (i) the Acquiror subscribed for the Common Shares under the Offering; and (ii) the Issuer issued an additional 4,411,765 Common Shares at a price of \$0.34 per Common Share to the Acquiror in exchange for an aggregate of 2,846,084 common shares in the capital of Tonogold Resources Inc. (the “**Tonogold Shares**”) that were beneficially owned and controlled by the Acquiror, at a deemed price of USD\$0.40 per Tonogold Share, being the fair market value of the Tonogold Shares on the date the parties entered into the Share Purchase Agreement.

Pursuant to the Offering and Share Purchase Agreement, the Acquiror acquired an aggregate of 5,882,353 Common Shares (the “**Acquisition**”).

- 2.3 State the names of any joint actors.**

Not applicable

### **Item 3 – Interest in Securities of the Reporting Issuer**

- 3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's security holding percentage in the class of securities.**

Immediately prior to the Acquisition detailed in Item 2.2 above, the Acquiror did not own or control, directly or indirectly, any Common Shares.

Subsequent to the Acquisition, the Acquiror directly held 5,882,353 Common Shares representing approximately 35.61% of issued and outstanding Common Shares on a non-diluted basis.

- 3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

The Acquiror acquired direct ownership of Common Shares and the Acquisition triggered the requirement to file this report. See Items 2.2 and 3.1.

- 3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

- 3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Immediately prior to the Acquisition detailed in Item 2.2 above, the Acquiror did not own or control, directly or indirectly, any Common Shares.

Subsequent to the Acquisition, the Acquiror directly held 5,882,353 Common Shares representing approximately 35.61% of issued and outstanding Common Shares on a non-diluted basis.

- 3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.4.

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

The Acquiror purchased an aggregate of 1,470,588 Common Shares at a price of \$0.34 per Common Share pursuant to the Offering and an additional 4,411,765 Common Shares at a price of \$0.34 per Common Share in exchange for an aggregate of 2,846,084 Tonogold Shares that were beneficially owned and controlled by the Acquiror, at a deemed price of USD\$0.40 per Tonogold Share. See Item 2.2.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 4.1 above.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

## **Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

The Acquisition was completed for investment purposes. Palisades may, in future, increase or decrease its ownership, control or direction over the Issuer's securities through market transactions, private agreements, or otherwise, as applicable.

## **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

Not applicable.

## **Item 7 – Change in Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

Not applicable.

## **Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable

## **Item 9 – Certification**

### **Certificate**

I, as the Acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 5<sup>th</sup> day of February, 2021.

**PALISADES GOLDCORP LTD.**

/s/ Collin Kettell  
Collin Kettell  
Director