

FORM 62-103F1

EARLY WARNING REPORT

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

This report updates information disclosed in an earlier report filed by O3 Mining Inc. ("**O3 Mining**") dated May 8, 2020.

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.*

Issuer: Hemlo Explorers Inc. ("**Hemlo**")
141 Adelaide St. West
Suite 301
Toronto, Ontario
M5H 3L5

Securities: This report relates to the disposition by O3 Mining of common shares of Hemlo ("**Hemlo Shares**").

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.*

The Market Disposition (as defined herein) occurred through the facilities of the TSX Venture Exchange (the "**TSXV**"). The Private Dispositions (as defined herein) occurred via private agreements with arm's length third parties. The Warrant Expiry (as defined herein) occurred automatically upon the expiry of the Hemlo Warrants (as defined herein) in accordance with their terms.

Item 2 - Identity of the Acquiror

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

Acquiror: O3 Mining Inc.
155 University Avenue
Suite 1440
Toronto, ON M5H 3B7

O3 Mining is a corporation existing under the laws of the Province of Ontario and its common shares trade through the facilities of the TSXV under the trading symbol "OIII".

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.*

Through a series of transactions, including a disposition (the "**Market Disposition**") through the facilities of the TSXV and via private agreements with arm's length third parties (the "**Private Dispositions**"), O3 Mining has sold an aggregate of 3,703,833 Hemlo Shares, representing approximately 10.06% of the issued and outstanding Hemlo Shares, on an undiluted basis and on the basis of there being 36,829,367 Hemlo Shares issued and outstanding, for aggregate gross proceeds of \$185,191.65. In addition, on February 25, 2022, 150,000 warrants to purchase Hemlo Shares (the "**Hemlo Warrants**") held by O3 Mining expired (the "**Warrant Expiry**", and, collectively with the Market Dispositions and the Private Dispositions, the "**Transactions**"). The Transactions triggered the requirement to file this report under National Instrument 62-104 – *Take-Over Bids and Issuer Bids* and National Instrument 61-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*. All dollar amounts are expressed in Canadian dollars. effective

2.3 *State the names of any joint actors.*

None.

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 the report and the change in the acquiror's securityholding percentage in the class of securities.*

Prior to the Transactions, O3 Mining, through its wholly-owned subsidiary, O3 Markets Inc. ("**O3 Markets**"), beneficially owned or controlled 3,703,833 Hemlo Shares and 150,000 Hemlo Warrants, representing approximately 10.06% of the issued and outstanding Hemlo Shares on an undiluted basis, and 10.42% of the Hemlo Shares on a partially diluted basis (on the basis of there being 36,829,367 Hemlo Shares issued and outstanding).

After giving effect to the Transactions, O3 Mining, through O3 Markets, now beneficially owns or controls nil Hemlo Shares and nil Hemlo Warrants, representing nil percent of the issued and outstanding Hemlo Shares on an diluted and partially-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 the report.*

O3 Mining, through O3 Markets, indirectly disposed of 3,703,833 Hemlo Shares and had 150,000 Hemlo Warrants expire in connection with the Transactions.

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.*

See Item 3.1 above.

- 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,*

O3 Mining, through O3 Markets, owns or controls nil Hemlo Shares and nil Hemlo Warrants referred to in Item 3.1, representing nil percentage of the issued and outstanding Hemlo Shares on an undiluted and partially diluted basis.

- (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.

- 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.*

Pursuant to the Transactions, O3 Mining disposed of an aggregate of 3,703,833 Hemlo Shares at a price of \$0.05 per Hemlo Share for aggregate gross proceeds of \$185,191.65, and had 150,000 Hemlo Warrants expire in accordance with their terms for nil consideration.

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 2.2 above.

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

The Warrant Expiry occurred automatically upon the expiry of the Hemlo Warrants in accordance with their terms.

Item 5 - Purpose of the Transactions

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.

O3 Mining disposed of the Hemlo Shares in order to monetize its investment in Hemlo. As of the date of this report, O3 Mining is not aware of any plans nor has any future intentions which would relate to or result in any of items (a) to (k) above. However, depending on market conditions, general economic and industry conditions, Hemlo's business and financial condition and/or other relevant factors, O3 Mining may purchase securities of Hemlo through market transactions, private agreements or otherwise in the future.

Item 6 - Agreements, Transactions, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

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

The acquiror must certify that the information is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

The certificate must state the following:

I, as the CEO, President and Director of O3 Mining, certify, or I, as the agent filing the 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 as of the 10th day of November, 2022.

O3 MINING INC.

Per: (signed) "José Vizquerra Benavides"
José Vizquerra Benavides
President, CEO & Director