

**EARLY WARNING REPORT  
PURSUANT TO NATIONAL INSTRUMENT 62-103**

**1. Security and Reporting Issuer**

This report pertains to common shares (“**Shares**”) in the capital of **Montego Resources Inc.** (the “**Issuer**”) of Suite 200 - 551 Howe Street, Vancouver, British Columbia V6C 2C2

**2. Identity of the Acquiror**

*Name: Northern Empire Resources Corp.* (the “**Acquiror**”),  
*Address: 1020 - 800 West Pender Street, Vancouver, British Columbia V6C 1H2*  
*Jurisdiction of Incorporation: British Columbia*  
*Principal Business: Mineral exploration.*

The Acquiror acquired beneficial ownership and control of 6,680,000 Shares of the Issuer pursuant to a Mineral Property Purchase and Sale Agreement dated August 23, 2016 pursuant to which the Acquiror sold all of its interests in the Kiyuk Lake Property, Nunavut, to the Issuer in exchange for such Shares (the “**Transaction**”).

There were no joint actors or persons acting jointly with the Acquiror in the above Transaction.

**3. Interest in Securities of the Reporting Issuer**

The Acquiror acquired ownership of 6,680,000 Shares of the Issuer, to now beneficially hold 6,680,000 Shares, representing approximately 19.9% of the Issuer’s current issued and outstanding Shares.

The Transaction did not involve a securities lending arrangement.

The Acquiror previously did not hold any Shares or other securities of the Issuer.

The Acquiror does not, either alone or with any joint actors, have ownership and control over any securities of the Issuer other than the 6,680,000 Shares referred to above.

The Acquiror does not, either alone or with any joint actors, have ownership of any securities of the Issuer over which control is held by persons or companies other than the Acquiror or any joint actor.

The Acquiror does not, either alone or with any joint actors, have exclusive or shared control of any securities of the Issuer which it does not own.

The Acquiror does not have any interest in, or right or obligation associated with, a “related financial instrument” (as defined in NI 55-104, and includes an instrument, agreement, or understanding that affects, directly or indirectly, a person’s economic interest in a security) regarding the Shares owned by the Acquiror.

The Acquiror is not a party to any agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the Acquiror’s economic exposure to the Shares.

#### **4. Consideration Paid**

The Acquiror received the 6,680,000 Shares of the Issuer in consideration of transferring to the Issuer all of the Acquiror’s right, title and interest in and to the Kiyuk Lake Property, Nunavut, having a deemed value of C\$0.075 per Share, for total consideration of C\$501,000.

The Transaction did not take place on a stock exchange or other securities market.

#### **5. Purpose of the Transaction**

The Acquiror received the Shares as consideration for the Kiyuk Property, thereby allowing the Acquiror to retain an indirect interest therein.

The Acquiror does not presently have any future plans or intentions to:

- (a) acquire any additional securities of the Issuer, or to dispose of any of the Shares acquired;
- (b) undertake a corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries;
- (c) sell or transfer any other material assets to the Issuer; or cause the Issuer to sell or dispose of any of its material assets;
- (d) change the board of directors or management of the Issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on its board; except that the Acquiror has the right to appoint two replacement representatives to the board of directors of the Issuer;
- (e) effect a material change in the present capitalization or dividend policy of the Issuer;
- (f) effect a material change in the Issuer’s business or corporate structure;
- (g) effect a change in the Issuer’s charter, bylaws or similar instruments or another action which might impede the acquisition of control of the Issuer by any person or company;
- (h) cause any class of securities of the Issuer to be delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) cause the Issuer to cease to be a reporting issuer in any jurisdiction of Canada;
- (j) solicit proxies from securityholders; or
- (k) any action similar to any of those enumerated above.

In conjunction with the Transaction, the Issuer has engaged the Acquiror, pursuant to a Services Agreement, to conduct all operations and activities on the Kiyuk Lake Property; provided that all decisions with respect to operations and mining on the property, including all decisions regarding the commencement, suspension, resumption or termination of any operations, exploration or activities shall be made by the Issuer in its sole discretion

**6. Agreements, Arrangements, Commitments or Understandings with Respect to Securities of the Reporting Issuer**

None

**7. Change in Material Fact**

This is the first report filed by the Acquiror under the early warning requirements in respect of the Issuer's Shares.

**8. Exemption**

The Acquiror is not relying on any exemption from requirements in securities legislation applicable to formal bids in connection with the Transaction.

**9. Certification**

The Acquiror hereby certifies that the statements made in this report are true and complete in every respect.

DATED the 1<sup>st</sup> day of September, 2016.

**Northern Empire Resources Corp.**

*“Michael G. Allen”*

---

Michael G. Allen, President & CEO