

**Report Pursuant to National Instrument 62-103
and Section 5.2 of Multilateral Instrument 62-104**

1. Security and Reporting Issuer

This report is made pursuant to the provisions of the securities legislation referred to above in connection with certain acquisitions of securities of Auxico Resources Canada Inc. (the “Company”), 201 Notre Dame West, Suite 500, Montreal, Quebec, H2Y 1T4. The transactions were through the facilities of the Canadian Securities Exchange and done privately.

2. Identity of Acquirer

The transaction described in item 1 above took place through a series of transactions ending on November 25, 2020, and involved Sheldon Inwentash (“Inwentash”) and the following joint actors of Inwentash:

- Lynn Factor, 126 Old Forest Hill Road, Toronto, ON, M5P 2R9
- ThreeD Capital Inc., 130 Spadina Avenue, Suite 401, Toronto, ON, M5V 2L4

(collectively, the “Joint Actors”)

The address of Inwentash is 126 Old Forest Hill Road, Toronto, ON, M5P 2R9.

3. Interest in Securities of the Reporting Issuer

Through a series of transactions starting from September 4, 2020 and ending on November 25, 2020, Inwentash and the Joint Actors acquired ownership of debentures (the “Subject Debentures”) convertible into 1,500,000 units of the Company (the “Subject Units”) and control of a net aggregate of 2,567,000 common shares (the “Subject Shares”) of the Company. Each Subject Unit consists of one common share of the Company (each, a “Subject Convertible Share”) and one common share purchase warrant (each, a “Subject Convertible Warrant”). The Subject Debentures and Subject Shares represented approximately 5.7% of all issued and outstanding common shares of the Company as of November 25, 2020 immediately following the transaction described above (or 11.6% on a partially diluted basis assuming the conversion of the Subject Debentures and the exercise of the Subject Convertible Warrants only), resulting in a corresponding increase in the percentage of shares held by Inwentash and the Joint Actors as a result of the transaction.

Immediately before the transaction described above, Inwentash and the Joint Actors held an aggregate of 1,325,000 common shares of the Company (the “Pre-Shares”), and convertible securities entitling the Inwentash and the Joint Actors to acquire an additional 2,500,000 common shares of the Company (the “Pre-Convertible Securities”) representing approximately 3.0% of the issued and outstanding common shares of the Company (or approximately 8.1% on a partially diluted basis, assuming exercise of the Pre-Convertible Securities only). Of this total, Inwentash held an aggregate of 985,000 of the Pre-Shares and 500,000 Pre-Convertible Securities, representing approximately 2.2% of the issued and

outstanding common shares of the Company (or approximately 3.3% assuming exercise of such Pre-Convertible Securities only), and the Joint Actors held an aggregate of 340,000 of the Pre-Shares and 2,000,000 Pre-Convertible Securities, representing approximately 0.8% of the issued and outstanding common shares of the Company (or approximately 5.0% assuming exercise of such Pre-Convertible Securities only).

Immediately following the transaction described above, Inwentash and the Joint Actors held an aggregate of 3,892,000 common shares (the "Post-Shares") and convertible securities entitling Inwentash and the Joint Actors to acquire an additional 5,500,000 common shares of the Company (the "Post-Convertible Securities"), representing approximately 8.7% of the issued and outstanding common shares of the Company (or approximately 18.6% assuming exercise of such Post-Convertible Securities only). Of this total, Inwentash held an aggregate of 2,078,000 of the Post-Shares and 3,500,000 of the Post-Convertible Securities (representing approximately 4.6% of the issued and outstanding common shares of the Company or approximately 11.5% assuming exercise of such Post-Convertible Securities only), and the Joint Actors held an aggregate of 1,814,000 of the Post-Shares and 2,000,000 of the Post-Closing Convertible Securities (representing approximately 4.0% of the issued and outstanding common shares of the Company, or approximately 8.1% assuming exercise of such Post-Convertible Securities only).

4. Consideration Paid.

The aggregate consideration payable for the Subject Debentures was \$150,000.

The aggregate consideration payable for the Subject Shares was \$452,675, or \$0.18 per Subject Share.

5. Purpose of the Transaction

The holdings of securities of the Company by Inwentash and the Joint Actors are managed for investment purposes. Inwentash and the Joint Actors may from time to time acquire additional securities of the Company, dispose of some or all of the existing or additional securities they hold or will hold, or may continue to hold their current positions.

6. Agreements, Arrangements, Commitments or Understandings with respect to Securities of the Company

The Subject Debentures were acquired in a private placement pursuant to a subscription agreement which does not contain any provisions regarding the transfer, guarantee or voting of such securities.

The Subject Shares were acquired in the open market through the facilities of the Canadian Securities Exchange which does not contain any provisions regarding the transfer, guarantee or voting of such securities.

7. Change in Material Fact.

Not Applicable.

8. Exemption.

Section 2.3 of National Instrument 45-106 on the basis that Inwentash and the Joint Actors are each an “accredited investor” as defined therein.

9. Certification

The undersigned certifies that the information herein is true and complete in every respect.

DATED this 30th day of November, 2020

“Sheldon Inwentash”

Sheldon Inwentash