MEGAWATT LITHIUM AND BATTERY METALS CORP.

ANNUAL INFORMATION FORM

For the Year Ended September 30, 2021

February 9, 2022

Suite 1570 – 505 Burrard Street
Vancouver, BC
V7X 1M5

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DEFINITIONS AND GLOSSARY OF TERMS

The following is a glossary of certain general terms used in this AIF, including the summary hereof. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**Ag**" means silver;

"**Au**" means gold;

"**Audit Committee**" has the meaning ascribed to such term under the heading "*Audit Committees and Corporate Governance*";

"**Australian Rare Earth Properties**" means the Australian nickel-cobalt-scandium-rare earth properties consisting of the Arctic Fox and Isbjorn rare earth properties located in the Northern Territory, Australia and the Chinook, Kodiak and Cariboo nickel-cobalt-scandium properties located in New South Wales, Australia;

"**AIF**" means this annual information form;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended;

"**Board**" means the board of directors of the Company;

"**Century South Project**" means the Century South silver-zinc project located in the Mt. Isa Basin, northwest Queensland, Australia;

"**Cobalt Hill Property**" means the Cobalt Hill property located 5 km east of Castlegar, British Columbia;

"**Cobalt Hill Report**" means the technical report entitled "Technical Report on the Cobalt Hill Property, Castlegar Area, Southeastern British Columbia, Canada" by Linda Dandy, P. Geo. dated effective May 25, 2018;

"**Common Share**" means a common share in the capital of the Company;

"**Company**" or "**MegaWatt**" means MegaWatt Lithium and Battery Metals Corp., a corporation existing under the BCBCA;

"**COVID-19**" has the meaning ascribed to such term under the heading "*Risk Factors*";

"**CSE**" or "**Exchange**" means the Canadian Securities Exchange;

"**IFRS**" means International Financial Reporting Standards;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*;

"**NSR**" means net smelter return;

"**Route 381 Lithium Property**" means the Route 381 lithium property located in James Bay Territory, Quebec;

"**Stock Option**" means a stock option issued under the Stock Option Plan;

"**Stock Option Plan**" has the meaning ascribed to such term under the heading "*Description of Capital Structure – Stock Options*";

"**Tyr and Century South Report**" means the technical report entitled "NI 43-1010 Technical Report on the Tyr Project, New South Wales and Century South Project, Queensland, Australia" prepared by Matthew Stephens, Senior Consultant Geologist, B. App. Sc. FAIG of Xplore Resources Pty Ltd. effective February 15, 2021 and issued May 5, 2021;

"**Tyr Project**" means the Tyr silver-zinc project in the Mt. Isa Basin in northwest Queensland, Australia;

"**Warrants**" has the meaning ascribed to such term under the heading "*Description of Capital Structure – Warrants*"; and

"**Zn**" means zinc.

THIS ANNUAL INFORMATION FORM

In this AIF, unless the context otherwise requires, the "Company" or "MegaWatt" refers to MegaWatt Lithium and Battery Metals Corp. with its subsidiaries. All financial information in this AIF is prepared in Canadian dollars and using IFRS as issued by the International Accounting Standards Board.

This AIF applies to the business activities and operations of the Company for the year ended September 30, 2021. Unless otherwise indicated, the information in this AIF is given as of February 9, 2022.

Except as otherwise indicated in this AIF, references to "Canadian dollars" or "$" are to the currency of Canada and references to "US$" are to United States dollars.

CAUTIONARY NOTES

Forward-Looking Statements

This AIF contains forward-looking statements or information that relate to the Company's current expectations, estimates, projections and views of future events. The forward-looking statements are contained principally in the sections titled "*Description of the Business*" and "*Risk Factors*".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues", "plan", "believe", "aim", "seek" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on current expectations and projections about future events and financial trends that they believe may affect the Company's financial condition, results of operations, business strategy and financial needs, as the case may be.

Forward-looking statements relating to the Company include, among other things, statements relating to:

- future exploration and development activities expected to be undertaken on the Company's mineral properties and the results of such exploration and development activities;
- the Company's ability to retain individuals with the specialized skills necessary for the Company's operations;
- expectations regarding the future obligations to which the Company will be subject; and
- the Company's ability to sell or develop its mineral properties, through the establishment of joint ventures or otherwise.

Forward-looking statements are based on certain key assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments and other factors the Company believes are appropriate, and are subject to risks and uncertainties. Such assumptions include, among others, those relating to the Company's ability to obtain and maintain all permits and licenses necessary for its operations; the Company's exploration activities completed as of the date hereof providing an accurate representation of the mineralization of the Company's mineral properties; the Company being able to successfully finance all contemplated exploration programs. Although management believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, shareholders and prospective purchasers of the Company's securities should not place undue reliance on these forward- looking statements. The above list of forward-looking statements is not exhaustive and whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*", which are summarized below.

- the impact of the COVID-19 pandemic on the Company's business;
- risks related to the Company's ability to generate revenues or cash flows;
- risks related to the Company's ability to raise sufficient capital to execute on its business plan;
- risks related to the Company having no history of mineral production;
- uncertainties relating to the results of the Company's exploration and development activities;

- the possibility that the Company will be subject to contractual disputes relating to its mineral properties;
- risks related to the residency of the Company's directors;
- the potential negative impact of regulations on the Company's operations;
- risks related to the relationship between the Company and communities in which it operates;
- risks relating to operating a business in Australia;
- the Company's potential inability to protect title to its mineral properties;
- the Company's potential inability to complete future acquisitions;
- risks relating to competition in the mining industry;
- risks relating to the availability of necessary infrastructure;
- risks relating to the Company's ability to obtain and maintain all necessary permits;
- foreign currency related risks;
- internal control and financial reporting related risks;
- the risk of future litigation;
- risks related to the volatility of metal prices;
- risks related to the Company's use of financial instruments;
- the Company's potential inability to obtain and maintain adequate insurance;
- key personnel risk;
- potential conflicts of interest between the Company and its directors and/or officers;
- cybersecurity risks; and
- risks relating to adverse global economic conditions.

The above risks, uncertainties, assumptions and other factors could cause the Company's actual results, performance, achievements and experience to differ materially from the Company's expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

Further, any forward-looking statement made in this AIF relates only to events or information as of the date on which the statements are made in this AIF. Except a required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

An investor should read this AIF with the understanding that the Company's actual future results may differ materially from management's current expectations. For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statement in this AIF, please see "*Risk Factors*".

Market Data

Unless otherwise indicated, information contained in this AIF concerning the industry and markets in which the Company operates is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts), and management estimates.

The management estimates in this AIF are derived from publicly available information released by independent industry analysts and third party sources, as well as data from the Company's internal research, and are based on assumptions made by the Company based on such data and its knowledge of such industry and markets, which the Company believes to be reasonable. The Company's internal research has not been verified by any independent source, and it has not independently verified any third-party information. While the Company is not aware of any misstatement regarding any industry or market data included in this AIF, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry in which the Company operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the "*Risk Factors*".

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated on December 11, 2017 under the laws of British Columbia under the name Walcott Resources Ltd. On July 20, 2019, the Company completed its initial public offering and listed on the CSE under the symbol "MEGA" (previously "WAL").

The head office and principal address of the Company is located at Suite 1570 - 505 Burrard St. Vancouver BC, V7X 1M5. The Company's principal business activities include the acquisition and exploration of mineral property assets.

Intercorporate Relationships

The Company's subsidiaries as at the date of this AIF are listed below:

Name of Subsidiary	Jurisdiction of Incorporation	Ownership
1256714 B.C. Ltd.	British Columbia	Company (60%)
1260945 B.C. Ltd.	British Columbia	Company (100%)
Burton Silver Pty Ltd.	Australia	1256714 B.C. Ltd. (100%)
New Age Resources Pty Ltd.	Australia	1260945 B.C. Ltd. (100%)

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

On February 5, 2018, the Company entered into an option agreement (the "**Option Agreement**") with Mr. John Denny whereby the Company was granted an option to acquire an undivided 100% right, title and interest in and to eight contiguous mineral titles covering a total area of 1,727.43 hectares comprising the Cobalt Hill Property, subject only to a 1.5% NSR on all base, rare earth elements and precious metals. Since first acquiring the option, an aggregate of approximately $123,484 in acquisition and exploration expenditures has been spent on the Cobalt Hill Property by the Company as at December 31, 2018. The Company entered into an amendment to the Option Agreement dated April 25, 2019 with Mr. Denny, pursuant to which the Company amended the payment terms of the Option Agreement.

To fund its exploration activities and to provide working capital, the Company has relied on the sale of Common Shares from treasury. From incorporation to May 2019, the Company raised $197,000 privately through the sale of its Common Shares offset by the share issuance costs of $4,200.

On July 30, 2019, the Company closed its initial public offering of Common Shares. Under this offering, the Company issued 3,500,000 Common Shares at the offering price of $0.10 per Common Share for aggregate gross proceeds of $350,000. PI Financial Corp. acted as agent and received as partial compensation 315,000 non-transferrable warrants to purchase up to 315,000 Common Shares at the exercise price of $0.15 per Common Share until July 30, 2021.

The Company's Common Shares commenced trading on the CSE on July 31, 2019 under the symbol "WAL".

In September 2019, the Company commenced stage I exploration at the Cobalt Hill Property. The field work consisted of geological mapping, prospecting, and soil and rock sampling focussed near the Roadside Breccia Zone on the west section of the Cobalt Hill Property, the Meister and Marilyn gold zones in the central section and the High-Grade Zone area to the northeast. This work program was designed to follow up prior results in order to assist with diamond drill hole targeting for the upcoming 2020 field season. Results were delivered in February 2020.

On January 30, 2020, the Company issued 300,000 Common Shares to the optionor pursuant to the Option Agreement.

In July/August 2020, the Company closed a non-brokered private placement financing of up to 4,000,000 units at a price of $0.10 per unit for gross proceeds of up to $400,000. Each unit consists of one Common Share and one-half of one non-

transferable common share purchase warrant. Each full warrant is exercisable to purchase one additional Common Share for a period of two years from the date of closing of the private placement at an exercise price of $0.15 per Common Share. The warrants are subject to an accelerated expiry date, which comes into effect when the trading price on the CSE of the Common Shares closes at or above $0.22 per Common Share during any 20-day-consecutive-trading-day period commencing four months plus one day after the date of issuance of the warrants. In such event, the Company may give an expiry acceleration notice to warrant holders and the expiry date of the warrants will be 30 days from the date of the notice. Proceeds from the private placement will be used for exploration activities on the Cobalt Hill Property and for general working capital purposes.

On August 13, 2020, the Company entered into a share exchange agreement (the "**Share Exchange Agreement**") with 1256714 B.C. Ltd. ("**TargetCo**") and the shareholders of TargetCo to acquire 60% of the issued and outstanding shares of TargetCo in consideration for the issuance of 15,000,000 Common Share at the deemed price of $0.305 per Common Share. TargetCo owned a 100% interest in the Tyr Project and the Century South Project. The Company completed the acquisition on October 15, 2020.

In connection with the acquisition of the Tyr Project and the Century South Project, the Company undertook a private placement of 11,463,000 Common Share at the price of $0.25 per Common Share. Mackie Capital Research Corporation acted as agent in respect of this private placement and received a 7% cash commission and 7% broker warrants.

On October 22, 2020, David Thornley-Hall was appointed as the Company's Chief Executive Officer and a Director.

On January 27, 2021, the Company entered into a property purchase agreement to acquire a 100% interest (subject to a 2% NSR) in the Route 381 Lithium Property for an aggregate cost of $60,000 and the issuance of 4,000,000 Common Shares at a deemed issue price of $0.32 per Common Share. The acquisition closed on February 3, 2021.

On January 27, 2021, the Company announced the resignation of John Mirko and Mike Cowin from the Board of Directors of the Company. Robert Kang was appointed as an independent director of the Company. Mr. Kang was granted 200,000 Stock Options in connection with his appointment.

On February 3, 2021, the Company changes its name to MegaWatt Lithium and Battery Metals Corp. and the Common Shares commenced trading under the symbol "MEGA".

On February 4, 2021, the Company accelerated the expiration of warrants previously issued on August 2, 2020. The warrants expired on March 5, 2021.

The Company entered into a definitive agreement dated March 30, 2021 to acquire a 100% interest in the Australian Rare Earth Properties (subject to a 1% NSR) in consideration for 8,900,000 Common Shares at the deemed issue price of $0.44 per Common Share and the obligation to issue an additional 2,500,000 Common Shares upon the achievement of certain milestones. The Company issued an additional 75,000 Common Shares as finder's shares. The acquisition closed on April 14, 2021.

The Company filed the Tyr and Century South Report on SEDAR on May 7, 2021.

On November 23, 2021, the Company closed a non-brokered private placement for gross proceeds of $1,310,595 from the sale of 2,423,446 units of the Company at a price of $0.18 per unit and 4,483,972 flow through units of the Company (the "**FT Units**") at a price of $0.195 per FT Unit. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant. Each FT Unit is comprised of one common share of the Company to be issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) and one half of one common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share of the Company at a price of $0.27 per common share on or before November 17, 2023. In connection with the private placement, the Company paid total finder's fees of $71,324 and issued to the finders 401,922 warrants of the Company. Each finder's warrant is exercisable to acquire one common share of the Company at a price of $0.18 per common share at any time on or before November 18, 2023.

Business Outlook for 2022

The following contains forward-looking statements about the Company's business and outlook for 2022. Reference should be made to "Forward-Looking Statements", and for a description of material factors that could cause actual results to differ materially from the forward-looking statements in the following, see "*Risk Factors*".

For the remainder of 2022, the Company expects to conduct further exploration on its Canadian properties and its portfolio of Australian properties.

DESCRIPTION OF THE BUSINESS

a) General Summary

MegaWatt is a British Columbia based company involved in the acquisition and exploration of mineral properties in Canada and Australia. The Company holds a 100% undivided interest, subject to a 1.5% NSR on all base, rare earth elements and precious metals, in the Cobalt Hill Property, consisting of eight mineral claims covering an area of approximately 1,727.43 hectares located in the Trail Creek Mining Division in the Province of British Columbia, Canada.

Additionally, the Company has acquired a 60% interest in a company that indirectly holds a 100% interest (subject to a 2% NSR) in two prospective silver-zinc projects in Australia, being the Tyr Project and the Century South Project, an indirect 100% interest (subject to a 1% NSR) in and to the Australian Rare Earth Properties, mining tenements in Northern Territory and New South Wales, Australia prospective for nickel-cobalt-scandium and rare earths and a 100% interest (subject to a 2% NSR) in and to the Route 381 Lithium Property, comprised of 40 mineral claims located in James Bay Territory, north of Matagami in the Province of Quebec, covering 2,126 hectares.

b) Specialized Skill and Knowledge

Most aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, exploration, development, construction, production and accounting. The Company has a number of executive officers and employees with extensive experience in mining, geology, metallurgy, exploration and development in Canada and Australia and elsewhere, as well as executive officers and employees with relevant accounting experience.

c) Competitive Conditions

As a mineral exploration and development company, the Company may compete with other entities in the mineral exploration and development business in various aspects of the business including: (a) seeking out and acquiring mineral exploration and development properties; (b) obtaining the resources necessary to identify and evaluate mineral properties and to conduct exploration and development activities on such properties; and (c) raising the capital necessary to fund its operations. The mining industry is intensely competitive in all its phases, and the Company may compete with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future or to raise the capital necessary to continue with operations.

d) Cycles

The mineral exploration business is subject to mineral price cycles. The marketability of minerals and mineral concentrates and the ability to finance the Company on favourable terms is also affected by worldwide economic cycles.

e) Environmental Protection

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its properties that may result in material liability to the Company.

f) Employees

The Company has no employees.

g) Foreign Operations

The Company's properties are located in Canada and Australia. Any changes in regulations or shifts in political attitudes in these jurisdictions, or other jurisdictions in which the Company has projects from time to time, are beyond the control of the Company and may adversely affect its business. Future development and operations may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to the restrictions on production, government initiatives enacted in response to the COVID-19 pandemic, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, land claims of local people and receipt of necessary permits.

h) Bankruptcy and Similar Procedures

The Company is not subject to any bankruptcy, or any receivership or similar proceedings against it or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by it or any of its subsidiaries within the three most recently completed financial years or the current financial year.

i) Reorganizations

There have been no material reorganizations of or involving the Company within the three most recently completed financial years or currently proposed for the current financial year.

j) Social and Environmental Policies

At its current stage of development and activities (i.e., drilling, prospecting and development), the Company has limited financial obligations in meeting applicable environmental standards. This will change as the Company advances its projects. Environmental regulations that are applicable to the Company cover a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. While the Company does not currently expect the impact of costs and other effects related to compliance with environmental, health and safety regulations to have a material adverse effect on the Company's financial condition or results of operations, such regulations are evolving in a manner which is likely to result in 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 directors and employees. Such stricter standards could impact the Company′s costs and have an adverse effect on results of operations. Furthermore, an environmental, safety or security incident could impact the Company's reputation in such a way that the result could have a material adverse effect on its business and on the value of its securities.

MINERAL PROPERTIES

MATERIAL MINERAL PROPERTIES

The Company has three material properties: the Cobalt Hill Property, the Tyr Project and the Century South Project.

Cobalt Hill Property

The following disclosure is mainly summarized from the Cobalt Hill Report prepared by Linda Dandy, P. Geo. Linda Dandy is a qualified person that is independent of the Company. Technical information about the Cobalt Hill Property not otherwise derived from the Cobalt Hill Report has been reviewed and approved by Geoff Reed, B.Sc., Manager, Exploration of the Company and a qualified person under NI 43-101.

Summary

The Cobalt Hill Property is located 5 kilometres east of Castlegar, BC, and consists of 8 mineral tenures totalling 1727.43 hectares.

The Cobalt Hill Property covers a portion of the multi-phase Bonnington pluton, which has intruded sedimentary, volcanic and sub-volcanic rocks of the Jurassic Rossland Group. These older rocks occur as embayments, pendants, and possible fault slices within the pluton, and are typically metamorphosed with relic textures preserved only locally (Caron, 2010).

There are many known mineralized showings on the Cobalt Hill Property, which can generally be categorized into two types: mineralization related to intrusion of the Bonnington pluton; and mineralization related to Eocene-aged structural activity. Five BC Ministry of Energy and Mines Minfile showings are situated on the Property: Maud S (082FSW325), BW (082FSW382), Hilltop (082FSW383), Breccia (082FSW385) and Scott (082FSW396).

The Cobalt Hill Property exhibits widespread gold mineralization generally associated with narrow, often wide-spaced quartz veins. This high grade gold mineralization has been found in numerous locations throughout the property and is well described in historic assessment reports filed with the BC Ministry of Energy and Mines.

Copper-cobalt mineralization was recently identified on the property during on-going prospecting and sampling programs. A rock grab sample from a massive pyritechalcopyrite band with a breccia zone, assayed 0.49% copper and 0.12% cobalt (Doyle, 2016) and was confirmed with sampling by the author of the Cobalt Hill Report (the "**CH Report Author**") returning 0.63% copper and 0.125% cobalt.

Numerous old prospect pits, shafts and adits on the Cobalt Hill Property are evidence of the early exploration history in the area, and there is anecdotal evidence of early placer gold mining on McPhee and Champion creeks. The presence of free gold in quartz veins at the Maud S showing has been known since the late 1890s.

A number of prospecting, mapping, rock and soil sampling programs were conducted on the property between 1995 and 2017. During this period, the Cobalt Hill Property was optioned to several different exploration companies. In between options, continued prospecting and sampling was carried out by then property owner Bruce Doyle targeting vein gold, tungsten skarn and copper-cobalt mineralization. In 1996-1997 the property was held by Phelps Dodge Ltd. who were exploring for bulk tonnage copper-gold (Kulla, 1997); 1997- 1998 by Eagle Plains/Miner River Resources looking for massive sulphide mineralization; 2000-2002 by Cassidy Gold Corp. targeting high grade gold veins (Augsten, 2000); 2004- 2005 by Firestone Ventures for gold or polymetallic veins, bulk tonnage gold and W-Mo skarns (Schulze, 2005); 2007-2008 by Medallion Minerals looking for bulk tonnage open pit gold mineralization (Clark, 2008); 2009-2011 by Swift Minerals targeting gold mineralization (Caron, 2011).

Soil sample results from previous soil surveys show significant gold, copper and cobalt anomalies trending through the Property, expanding outward from the areas with known workings. Gold and copper-cobalt associations seen in the soil geochemistry anomalies are also present in rock sample results.

A total of 8 diamond drill holes (5 by Cassidy Gold and 3 by Swift Minerals) and 9 excavated trenches were completed on the property in 2000 and 2011. Cassidy's drilling returned no results of significance from holes drilled near the High Grade and Maud S showings (Augsten, 2000). The most significant results from the trenching program were from TR-11-08 in the BW zone, where all gold results ranged from 0.2 up to 31.25 ppm gold (Caron, 2011). In Swift's, drill hole AG-11-01 at the Maud S showing, the only result of interest was a narrow quartz vein, intersected from 10.19 to 10.29 metres down the hole, which returned 454.4 g/t Au and 85 g/t Ag over the 10 cm vein width. Holes AG-11- 02 and 11-03 were drilled to test the BW vein, down-dip from the trenched exposure. Although geologically interesting, there were no analytical results of interest from either hole at the BW showing (Caron, 2011).

In 2008, Aeroquest Limited flew a helicopter-borne mag-AeroTEM-radiometric survey over the claim block (Darbha and Smith, 2008). The first derivative aeromagnetics was effective at mapping geological contacts and major structures. Radiometrics (Th/K ratio) also helped define geological contacts and may be useful in identifying areas of strong sericite alteration associated with gold mineralization, such as at the Maud S area.

After the Cobalt Hill Property was optioned by Walcott in February 2018, a ground geophysical survey consisting of magnetics and 3 station very low frequency electromagnetics ("**VLF-Em**") was completed on the Cobalt Hill Property. The ground magnetic anomalies appear to provide greater detail than is available on the prior airborne survey and will be

helpful in mapping structural relationships such as prospective intersections and truncations. The VLF-EM inversions exhibit apparent conductors, some of which are likely related to formational conductivity (e.g., conductive argillites), while others are less clear. Interpretations will be enhanced when the results are compared with detailed surface relations determined from geological mapping. The airborne geophysical data, when combined with the recently completed ground survey shows good correlation.

Historic rock chip and grab sampling from the workings has confirmed the presence of the reported, widespread, high grade gold mineralization from numerous workings on the Cobalt Hill Property. Additional work by prospector Bruce Doyle (Dandy, 2018; Doyle; 2015) has combined prospecting and sampling work on gold areas along with exploration for tungsten and copper +/- cobalt +/- silver. Copper-cobalt mineralization, associated with sulphide bands located adjacent to brecciated intrusive rocks, has also shown positive results with grab samples assaying 0.125% cobalt and 0.63% copper (Dandy, 2018). Detailed geological mapping, with a view to structural interpretation has not been completed over the Property and is the recommended as part of the next work phase. A better understanding of the structural controls, vein orientations and mineral associations is imperative to understanding the geological setting for the gold and copper-cobalt mineralization.

In the CH Report Author's opinion, the Cobalt Hill Property hosts potential for a copper-cobalt deposit within massive sulphide bands associated with brecciated intrusive contact zones. The Cobalt Hill Property also has the potential to host high grade vein-type gold deposit, as originally noted in historic reports and confirmed by the wide-spread high gold values obtained from the historic sampling programs.

A two phase exploration program was recommended for the Cobalt Hill Property. Phase I included compilation of previous exploration work along with the recently completed ground geophysical survey results. An expanded geochemical survey and structural geological mapping is required to produce more detail in mineralized areas. The best targets defined by geology, geochemistry and geophysics will be trenched where bedrock is deemed shallow.

Upon completion of Phase I, implementation of a Phase II diamond drilling program will be considered. Although good geochemical anomalies currently provide drill targets, the Phase I program will better prioritize these targets and give an understanding of the structural controls on the mineralization.

Estimated cost for Phase I is $105,435 and estimated cost for Phase II is $524,000. The Phase II exploration program is dependent upon results from the Phase I program as the detailed field work will assist in guiding the program. Dependent upon the success of the Phase II diamond drilling program, one or more selected vein or breccia zones should be targeted with systematic fences of diamond drill holes with spacings commiserate with producing a resource estimate

Project Description, Location and Access

The Cobalt Hill Property is located 5 kilometres east of Castlegar, BC, within the Trail Mining Division and consists of 8 mineral tenures totalling 1727.43 hectares. The claims are centred at UTM coordinates 5460500 North, 459500 East in Zone 11, within Mapsheets 082F.023 and 033. All the tenures are in good standing with the next expiry date of July 12, 2021. The Cobalt Hill Property is almost entirely underlain by land with private surface tenure managed by Atco Wood Products of Fruitvale, BC. The claim boundaries have not been legally surveyed.

Access to the Cobalt Hill Property is via Highway 3 for 19 kilometres east from Castlegar to the Bombi Summit, then north from the highway onto the Munson logging road. The Munson road, various branches of this road and numerous powerline access roads, provide good road access to most parts of the Property. The communities of Castlegar, Trail and Nelson are all within 40 kilometres of the Property and have good infrastructure and work force to service the mining industry. These towns are all accessible from the Cobalt Hill Property via year round highways. A large high voltage power line crosses the centre of the Cobalt Hill Property, originating from one of several hydro-electric dams on the nearby Kootenay and Columbia Rivers. Water, for mining purposes, is abundant in Champion and McPhee Creeks. The claims have sufficient area for associated mining infrastructure if and when required. The Cobalt Hill Property is located in an area of moderate to steep terrain. Elevations on the property range from 980 metres in the western portion of the claims to over 2000 metres in the northeast on the flanks of Grassy Mountain. The Cobalt Hill Property covers the upper headwaters of Champion, McPhee, Little McPhee, Grassy, Iron and Phillips creeks and the lower western slopes of Grassy Mountain. Most of the watercourses on the Cobalt Hill Property are gentle swampy drainage systems, with the exception of McPhee Creek, which is a deeply incised creek. Several portions of the claim area have been recently logged, with the remainder being covered with first and second growth forest consisting of balsam, fir, and spruce with occasional hemlock, cedar, white pine and larch. Thick growths of alder and willows are found along creek gullies and road cuts. Climate data

was obtained from the Castlegar weather station and averaged from 1961 to 1990 (http://climate.weather.gc.ca). Summer temperatures (July) average 19.9oC with highs of 28oC. Winter temperatures (December and January) average -3.2oC with lows of -5.9oC. The area receives 553 millimetres of precipitation annually with 225 centimetres of snowfall. One can expect snow on the ground from November through March, allowing for a long seasonal operating window.

History

Numerous old prospect pits, shafts and adits on the Cobalt Hill Property are evidence of the early exploration history in the area and there is anecdotal evidence of early placer gold mining on McPhee and Champion creeks. The presence of free gold in quartz veins at the Maud S showing has been known since the late 1890s. Work at the Meister showing in the 1930s is mentioned in a historical letter but there is little documentation of most of the early work on the Cobalt Hill Property.

1897 – 1902: The first mention of free gold in quartz veins at the Maud S showing (BC Minfile 082FSW325) is made in the 1897 BC Minister of Mines Annual Report and the first claim in this area was crown granted the same year. By 1900, Onodago Mines controlled 6 claims in the area. Thirty men were reported to be employed, 515 feet of development work was done, a 10-stamp mill was erected and buildings to 13 accommodate 65 men were built. Mention is made of the Property in the 1901 and 1902 Minister of Mines Reports but, apart from further crown granting of claims, no details are given.

1933: B.W. Meister describes assays of 2.5 oz/t gold from the Wolf claims, located 1.5 kilometres east of the Maud S, at the present Meister showing (letter to the Nelson Chamber of Mines dated September 5, 1933).

1995: Prospecting by Bruce Doyle in 1995 led to the discovery of elevated gold values in mafic volcanics along the Munson road (the Cordierite showing). Claims were staked to cover this showing (then called the McPhee property). In subsequent years, as ground became open and as prospecting continued, additional claims were rearranged to form the present-day Cobalt Hill Property. Doyle completed a small soil geochemical sampling program over the Cordierite showing in 1995 which returned several single-station gold anomalies (Doyle, 1995).

1996 – 1997: Phelps Dodge optioned the property in 1996 and, in 1997, Fox Geological was contracted to complete a program of geological mapping, prospecting and rock and soil sampling on the claims. The work program focused on the pendant of mafic volcanics in the south-central portion of the present day Cobalt Hill Property and was designed to test for bulk tonnage copper-gold mineralization (Kulla, 1997). Phelps Dodge dropped their option on the Cobalt Hill Property in 1997, after failing to find evidence of a large copper-gold system.

1997 – 1998: Eagle Plains Resources/Miner River Resources optioned the Cobalt Hill Property late in 1997. In 1998, mapping, prospecting and soil sampling work primarily focused massive sulphide mineralization in the large pendant of hornfelsed metasediments in the northern part of the Cobalt Hill Property (Greig, 1998). After failing to obtain the necessary funding, the option on the Cobalt Hill Property was dropped in the fall of 1998.

1999: Doyle continued prospecting and rock and soil sampling in 1999. Prospecting was successful in discovering several new areas of mineralization on the claims, including the High Grade vein (which returned up to 20.7 oz/t gold), the Breccia showing (which assayed 2.5% lead, 2.4 oz/t silver) (BC Minfile 082FSW385) and the Scheelite/Curt Gold showing (which assayed 0.86% tungsten from one sample and 0.23 oz/t gold from a second) (BC Minfile 082FSW382). Prospecting also successfully located the Meister showings east of the Maud S and returned elevated gold values from old workings in this area (Doyle, 1999).

2000 – 2002: Cassidy Gold optioned the Cobalt Hill Property and, in September, 2000, completed a small diamond drilling program. Five holes, totaling 607 metres, were drilled. Three holes were drilled in the vicinity of the High Grade vein and two near the Maud S showing. None of the holes intersected gold mineralization (Augsten, 2000). Cassidy dropped their option on the Cobalt Hill Property in 2002, without completing any further work on the claims.

2004 – 2005: Firestone Ventures optioned the Cobalt Hill Property and, in 2005, carried out a program of prospecting, rock sampling, soil sampling and geological mapping. Results to 32.2 g/t gold were returned from rock samples at the Meister showing and a sizeable gold soil anomaly was defined in the vicinity of the Marilyn showing, where elevated gold values in rocks were also returned (Schulze, 2005). Firestone dropped their option on the Cobalt Hill Property following the 2005 work program.

2007: Bruce Doyle completed a small rock sampling program at the Maud S and Meister showings. Samples were analysed by metallic screen fire assay method and showed the presence of coarse and fine gold in both areas (Doyle, 2007).

2007 – 2008: Medallion Resources examined the property in September 2007 (Clark, 2008) and subsequently optioned the Cobalt Hill Property with a view to exploring for a large tonnage open pit gold deposit. 14 Aeroquest Limited was contracted to fly a helicopter-borne mag-AeroTEM-radiometric survey over the claim block in the summer of 2008 (Darbha and Smith, 2008).

During 2008, Coast Mountain Geological was contracted by Medallion to compile data from the Cobalt Hill Property, carry out fieldwork on the Cobalt Hill Property and make recommendations for further work. A soil grid was established in the vicinity of the Maud S, Meister and Scheelite showings. A total of 41.7 line kilometres of grid was established and over 1700 soil samples were collected from the grid. An irregular gold soil anomaly was defined south of the Maude S showing and numerous single station gold anomalies were identified elsewhere on the grid. Several small test grids were also done to provide soil coverage over areas of interest defined by the airborne geophysical survey (Arenas, 2008). The 2008 work program also included petrographic studies from several samples of mineralization and wall rock from known mineral showings (Clark, 2009). Although follow-up trenching and drilling was recommended, the Medallion option was terminated in early 2009, after the company defaulted on property payments.

2009 – 2011: Swift Resources examined the Cobalt Hill Property in September 2009 and subsequently optioned the Cobalt Hill Property for its gold potential. During the winter of 2009-10, the company undertook a compilation of all of the previous work on the Cobalt Hill Property to build on Coast Mountain's 2008 database and to prioritize areas for further work on the Cobalt Hill Property. A program of prospecting, grid work, soil sampling and geological mapping was completed during 2010 (Caron 2010). A total of 904 soil samples were collected. In 2011, Swift Resources then completed 551 metres of diamond drilling in three holes, along with 147 metres of trenching accompanied by sampling and mapping.

2012 – 2017: Cobalt Hill Property owner, Bruce Doyle, continued to explore the Cobalt Hill Property for tungsten and gold collecting rock samples and lamping outcrops with UV light. In 2016, a grab sample of massive sulphides from within a brecciated zone returned 0.49% copper and 0.125% cobalt and led to the discovery of the BP showing (Doyle, 2016). *Note: the CH Report Author collected a confirmation grab sample at the BP showing during the Cobalt Hill Property visit which assayed 0.63% copper and 0.12% cobalt.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Cobalt Hill Property covers a portion of the mid to late Jurassic Bonnington pluton, as well as embayments and roof pendants of the older Rossland Group sediments and volcanics that occur within the intrusive. The geological setting of the Property and surrounding area is shown on Figure 3, modified from Hoy and Dunne (1998).

The Rossland Group is divided into three formations, the basal Archibald Formation, the overlying Elise Formation and the upper Hall Formation. The Archibald Formation consists of coarse clastic metasediments. Mafic volcanics and lesser sedimentary rocks comprise the Elise Formation, while the Hall Formation consists of coarse to fine metasediments.

The Bonnington pluton, a multi-phase intrusion of dominantly granodiorite to quartz diorite composition is surrounded by a contact aureole 0.7 to 1.8 kilometres wide. Within this contact aureole, the older rocks that have been intruded are highly metamorphosed and hornfelsed and it can be difficult to recognize original lithologies. Zones of skarn alteration and mineralization are commonly developed in more calcareous metasediments.

The Champion Lake Fault is exposed to the west of the Cobalt Hill Property and just east of the Columbia River. It forms, in part, the western boundary of the Bonnington pluton. The fault is a deep-seated regional extensional fault that extends along strike for more than 100 kilometres. The Champion Lake fault is a moderately east dipping Eocene-age fault, with east-side down normal movement which on-strike to the north is referred to as the Slocan Lake fault. The Cobalt Hill Property sits in the immediate hanging-wall of the Champion Lake fault and this may be significant from the point of view of mineralization.

Northwest-trending, east-side down Eocene-aged normal faults, such as the Erie Creek fault, are important structural features in the area. Several strong northwest-trending faults of this set cross the Property and are associated with known zones of alteration and veining.

Property Geology

During 2010, property-scale mapping was completed by Swift Minerals to update and expand on earlier work by others, most notably Greig (1998).

Outcrop on the Cobalt Hill Property is variable, averaging less than 10 percent, and portions of the Cobalt Hill Property are covered by thick glacial till with no rock exposure. This is particularly true of the southern part of the claim block. Glacial striations have been observed on scoured outcrops on the Cobalt Hill Property and suggest ice movement from the northwest to the southeast.

In general, the Cobalt Hill Property covers a portion of the multi-phase Bonnington pluton which has intruded sedimentary, volcanic and subvolcanic rocks of the Jurassic Rossland Group. These older rocks occur as embayments, pendants and possible fault slices within the pluton and are typically metamorphosed with relic textures preserved only locally.

The pluton can be divided into various phases, including medium grained biotitehornblende granodiorite, K-feldspar megacrystic hornblende quartz diorite, blocky feldspar porphyry, fine grained quartz diorite, mafic-rich diorite and fine grained felsic granite or K-feldspar syenite. Aplite dykes are common. A coarsegrained pyroxenite occurs in the northeastern part of the Cobalt Hill Property which may be a phase of the Bonnington pluton or may be a later intrusive cutting the Bonnington suite.

A 3 x 1 kilometre, east to southeast trending pendant of mafic volcanics and subvolcanic intrusives occurs in the south-central part of the Amazing Grace property. Rocks within this pendant belong to the Rossland Group (Elise Formation) and include meta-gabbro and mafic volcanics and volcaniclastics. These rocks are variably magnetic and largely metamorphosed to chlorite schist. Relic bedding is noted locally in volcaniclastic phases but generally primary textures are overprinted by east-southeast trending, steeply southdipping foliation. Augite porphyry textures are commonly preserved in the mafic volcanics.

In the northern part of the Cobalt Hill Property, metasedimentary rocks form a major east-west trending, 1.5 to 3 kilometre wide band. The sediments include mudstone, siltstone, quartzite and a distinctive chert pebble conglomerate. In many places they are fine grained, dark purple-grey to brown in colour, strongly hornfelsed and siliceous, with rusty weathering surfaces. Where hornfelsing is intense, it is difficult to identify relic lithologies. Pyrite and pyrrhotite are common within the hornfelsed metasediments, as fine veinlets, fracture coatings, disseminations and local massive pods. Numerous historic prospect pits and shafts were dug on sulphide zones within the hornfelsed metasediments but, as a rule, there are no significant precious metal values associated with these areas.

In the western part of the Cobalt Hill Property, in the vicinity of the Breccia showing, a west-northwest trending band of limestone up to 50 metres wide occurs with local strong garnet-epidote-pyroxene skarn zones developed. The age of the limestone is unknown.

Late stage basalt, lamprophyre and syenite dykes, part of the Eocene Coryell suite, cut all of the above units.

The most prominent structural features on the Cobalt Hill Property are the late-stage (Eocene) faults. Two fault sets are recognized, northwest-trending, moderately east-dipping normal faults (of the Erie Creek set), and steep (later?) north-trending faults with inferred strike-slip movement. Large zones of intense alteration (sericitic, argillic, carbonate, silica) occur along northwest trending normal faults, with gold-bearing quartz veins along and in the hanging-wall of these structures. Alteration of Eocene dykes along these fault zones supports an Eocene age to this hydrothermal event.

Mineralization

There are many known showings on the Property which can generally be categorized into two types: mineralization related to intrusion of the Bonnington pluton; and mineralization related to Eocene-aged structural activity.

Five Minfile showings are situated on the Cobalt Hill Property: Maud S (082FSW325), BW (082FSW382), Hilltop (082FSW383), Breccia (082FSW385) and Scott (082FSW396).

A good, detailed description of the numerous mineralized showings located on the Cobalt Hill Property is presented by Caron (2010) and is summarized below.

Maud S System (includes the Maud S, Marilyn, Meister, Scott, Roadside and Skidder showings)

The "Maud S System" describes the large mineralizing system that encompasses numerous discrete but related showings (i.e. the historic Maud S area, Marilyn, Meister, Manson etc.). An interpretation for this system is that hydrothermal fluids have been focused along one or more major northwest-trending, moderately east-dipping faults, with leakage occurring along fractures in the hanging wall of the faults. Wide zones of alteration, brecciation and local quartz veining are common along the northwest trending faults, which can be traced on strike for several kilometres.

Alteration and mineralization is also concentrated along east-west or northeast trending dilation zones between the northwest trending structures. Sampling to date suggests that these dilation zones represent a better exploration target than the northwest trending structures but both are considered high priority targets for further work (Caron, 2010).

The main northwest trending structure is situated in the gully to the west of the Maud S adits. It can be followed from this area for approximately 2.5 kilometres to the northwest where the Scott showing is located. For most of its strike length, the Maud S fault cuts various phases of the Bonnington pluton but it can be traced to the northwest of the intrusive contact into hornfelsed metasediments. Several areas of quartz veining with elevated gold values have been located in outcrop or subcrop, along or in the hanging wall of the Maud S fault between the Maud S and Scott showing. It is unclear whether the Meister and Manson showings reflect alteration and veining along a parallel, northwest trending structure (situated approximately 500 metres to the east) or whether the Maud S fault has been offset to the east.

Descriptions of known areas of veining and mineralization within the Maude S system are as follows. The historic Maude S showing consists of one or more narrow gold-bearing quartz veins, trending 350o/50oW and hosted within massive biotite-hornblende granodiorite. These veins are interpreted to represent leakage of fluids from the underlying northwest trending fault zone along tight fractures in the hanging wall. Veins pinch and swell along strike, ranging from 15 to 35 centimetres in thickness, and have been explored by several historic adits. The lower (southern) adit follows one particular narrow quartz vein on strike for approximately 100 metres. In the adit, the vein can be observed to locally splay into a weak stockwork zone which ranges up to several metres in width. There is no significant associated wall rock alteration associated with the vein.

To the southeast, uphill from the lower adit, a historic trench exposes a 0.5-1 metre wide quartz-filled shear zone, trending 270o/90o. Within the shear zone, the host granodiorite is strongly altered to sericite. Several small bedrock exposures nearby, within coarse boulder talus, expose zones of sheeted and stockwork quartz veinlets. The zones of veining are associated with strong to intense sericite alteration and local silica flooding and are interpreted as representing a dilation zone resulting from movement along the northwest trending structures. Quartz veinlets within these zones commonly contain narrow bands of black pyrite/arsenopyrite and return high grade gold values.

The Meister showing is located about 300 metres to the northeast of the Maud S adits. A zone of sheeted quartz veinlets within strongly sericite altered intrusive has been explored by several historic trenches and test pits. Quartz veinlets trend approximately 310o/70oSW and contain elevated gold values, to a maximum of 37.3 g/t Au returned from one select grab sample (Caron, 2010). Several outcrops of strong to intense sericite (+ quartz, pyrite) altered intrusive with minor quartz veining are located approximately 175 metres south southwest of the Meister showing. Elevated gold values, to 2.2 g/t Au over 3 metres, have been returned from samples collected from this area (the Marilyn showing).

The Manson showing is a large zone of alteration located 2 kilometres southeast of the Meister showing. Multiple strong zones of argillic and carbonate-sericite altered intrusive occur along northwest trending structures in outcrop along the South Munson road over a distance of approximately 600 metres. The Manson alteration zone is interpreted as being part of the same structure which controls the Meister showing.

The Scott showing is a surface exposure of the northwest trending Maud S fault, just north of the intrusive contact along the West Munson road in the northwest part of the Property. Rubble and outcrop along the road show strong brecciation and local sericite alteration, silicification and quartz veining within metasediments, over a distance of about 50 metres. The exposed zone of alteration and veining subparallels the trend of the fault, with slickensided fracture surfaces at 315o/65o NE. Quartz veins and veinlets within the fault zone contain fine dusty pyrite and minor arsenopyrite, galena and sphalerite, with values to 1.12 g/t Au, 296 g/t Ag, 1.8% Pb and 0.17% Zn returned from rock samples collected. Approximately 750 metres southeast of the Scott showing, significant quartz float and subcrop occurs along an old skidder road immediately east of the swampy draw that marks the surface trace of the Maud S fault, (the Skidder showing). Locally, patchy streaks and fine bands of arsenopyrite occur within the 27 quartz at the Skidder showing and elevated gold values have been returned from limited surface grab samples collected. A further 350 metres to the southeast, subcrop

along a roadcut reveals an area of brecciated quartz veining with minor pyrite (the Roadside showing). Surface grab samples showed elevated gold values from this area (4.41 g/t Au). Several old pits and trenches are located on a small knoll within heavy cedar forest with scant outcrop a further 150 metres to the southeast. Elevated gold values have also been returned from surface grab samples of quartz vein material in this area (3.6 g/t Au).

Scheelite Showing

Widespread hornfelsing and more local pyroxene +/- garnet skarn occur within metasediments in the vicinity of the Scheelite showing. Locally, pyrite and pyrrhotite is present as clots, veinlets and fine-grained disseminations. At the Scheelite showing, a small hand stripped area within heavy forest exposes skarnaltered metasediments, with disseminated molybdenite and scheelite. Values to 0.86% W and 0.2 % Mo returned from rock samples collected from the Scheelite showing. Anomalous gold values, to several g/t gold, have also been returned from this area. The showing is untested by any modern trenching or drilling and the extent of alteration and mineralization are unknown.

Curt Gold Showing

Approximately 100 metres to the north of the Scheelite showing, a zone of quartz flooding and stockworking veinlets occurs in sheared, sericite-chlorite altered, pyrite-arsenopyrite bearing metasediments. Anomalous gold values to 4.4 g/t Au have been returned from this area, which was discovered by prospecting follow-up to a gold soil anomaly. The showing is poorly exposed and its orientation and size are unknown and, apart from limited rock sampling, it remains untested. The Curt Gold and nearby Scheelite showings may be related to a steep north-trending fault which offsets the intrusive/metasediment contact.

Aaron Showing

The Aaron showing is a zone of argillic, sericitic and chloritic alteration and associated quartz +/- carbonate veining within the Bonnington pluton, which is located approximately 900 metres southeast of the Scheelite showing. The alteration zone was discovered in follow-up to a gold soil anomaly, with values to 312 ppb Au. Placer gold is present in streams draining the area but rock sampling to date has failed to return any significant values.

Mercy Vein

The Mercy showing, located 400 metres west of the BW vein on a steep northwest-facing hillside, was discovered in follow-up to a 500 ppb Au and 580 ppm As soil anomaly. Apart from minor surface rock sampling, this showing is untested. Rock samples from a narrow quartz-filled shear zone in hornfelsed sediments have returned values to 10 g/t Au while samples from a quartz vein of unknown size in subcrop nearby graded 16 g/t Au.

BW Showing

The BW showing is situated in a heavily forested area with minimal outcrop in the northern part of the Cobalt Hill Property. The showing is the site of a caved historic adit/opencut with a modest sized dump pile of quartz vein material, some of which is nicely mineralized with fine grey banded sulfides (galena, pyrite, arsenopyrite, sphalerite). The vein is not exposed in-situ but dump material suggests it is hosted in chlorite-sericite altered metasediments. Numerous high grade gold assays have been returned from samples of vein material from the dump to a maximum of 1000.6 g/t Au (Caron, 2010).

Mines of Moira

Numerous prospect pits and historic shafts test areas of higher sulfide content within hornfelsed metasediments in the northern part of the Property. The most extensive workings explore pods and zones of massive pyrrhotite, with minor chalcopyrite, on a prominent east-west trending ridge of hornfelsed quartz pebble conglomerate, approximately 500 metres north of the Bonnington intrusive contact.

Numerous samples collected from this style of mineralization by various workers have failed to return any significant precious metal values.

Breccia Showing

A band of limestone, approximately 50 metres wide, is exposed in outcrop on a steep west facing slope. Limestone hornfels and skarn alteration (garnet-epidote-pyroxene with local pyrite, magnetite and galena) can be observed in scattered outcrops over a distance of several hundred metres, generally following the southern contact of the limestone. At the Breccia showing, a small zone of limestone breccia contains poddy zones of semi-massive galena and minor sphalerite. Select grab samples from the limestone breccia zone have returned values to 15.9% Pb and 401 g/t Ag but generally results are much lower.

The Cobalt Hill Property exhibits widespread gold mineralization generally associated with narrow, often widespaced, quartz veins. This high grade gold mineralization has been found in numerous locations throughout the Cobalt Hill Property and is well described in the above referenced report.

Subsequent to Swift Minerals holding the Cobalt Hill Property, additional work by Doyle (Dandy, 2018; Doyle; 2015) has combined prospecting and sampling work on gold areas along with exploration for tungsten and copper +/- cobalt +/- silver.

To summarize, in addition to the gold-bearing quartz vein system, copper mineralization has been noted in several locations. Soil geochemistry has found anomalous copper zones within altered and often brecciated sections of the intrusive Bonnington pluton. Bands of massive pyrite +/- pyrrhotite +/- chalcopyrite occur within the altered and brecciated intrusion adjacent to the contact with the Elise Formation rocks (Caron, 2011). Along with the copper mineralization, cobalt geochemical values of interest have been noted.

Deposit Types

The Cobalt Hill Property exhibits intrusive related (orogenic) model characteristics coincident with a gold vein system (Ash and Alldrick, 1996). This has been noted in historic assessment reports describing gold mineralization obtained from various sampling programs. Gold-bearing quartz veins and veinlets occur with minor sulphides and crosscut a wide variety of host rocks. They are often localized along major regional faults and related splays. The wallrock is typically altered to silica, pyrite and muscovite within a broader carbonate alteration halo.

This mineral deposit type is a major source of the world's gold production and accounts for approximately one quarter of Canada's output. These deposits may be difficult to evaluate due to the "nugget effect" or irregular distribution of the higher grade gold mineralization (Ash and Alldrick, 1996).

Individual deposits average 30,000 tonnes with grades of 16 g/t Au and 2.5 g/t Ag and may be as large as 40 million tonnes. Many major producers in the Canadian Shield range from 1 to 6 million tonnes at grades of 7 g/t Au. The largest gold-quartz vein deposit in British Columbia is the Bralorne-Pioneer which produced in excess of 117,800 kilograms of gold from ore with an average grade of 9.3 g/t Au (Ash and Alldrick, 1996).

A mineralization associated with a second vein type deposit model is also apparent on the Cobalt Hill Property. Polymetallic veins are sulphide-rich veins containing sphalerite, galena, silver and sulphosalt minerals in a carbonate and quartz gangue. These veins can be subdivided into those hosted by metasediments and another group hosted by volcanic or intrusive rocks. The latter type (as seen on the Cobalt Hill Property) of mineralization is typically contemporaneous with emplacement of a nearby intrusion.

Historically, these veins have been considered to result from differentiation of magma with the development of a volatile fluid phase that escaped along faults to form the veins. More recently researchers have preferred to invoke mixing of cooler, upper crustal hydrothermal or meteoric waters with rising fluids that could be metamorphic, groundwater heated by an intrusion or expelled directly from a differentiating magma. Any development of genetic models is complicated by the presence of other types of veins in many districts. For example, the Freiberg district has veins carrying F-Ba, Ni-As-CoBi-Ag and U. At the Cobalt Hill Property, sulphide veins containing Pb-Ag occur but others are pyrite-rich and carry CuCo-Ag mineralization and do not fit the classic polymetallic vein model.

At this point, continued exploration for gold mineralization should be conducted using an intrusive related gold deposit model. However, exploration for the Cu-Co mineralization cannot be confined to a particular model style at this point. Exploration should be conducted with consideration that the mineralization may correlate to a polymetallic vein type model or determine if other (porphyry, skarn or massive sulphide) model characteristics may emerge.

Exploration

A ground geophysical survey completed by the Company between February and April. As well, in February 2018, three confirmation rock grab samples were collected by the CH Report Author during the Cobalt Hill Property visit. A total of $74,502 was spent on the early 2018 exploration program.

In July, 2021 the Company completed an Induced Polarization geophysical survey of the Cobalt Hill Property consisting of 22.8 line kilometre target areas. In each of the 3 target areas (Meister, Cobalt Zone and Gold Soil anomaly zone) the IP survey was successful in defining geophysical features that support the known geological and geochemical response in the three areas. The results of the survey have significantly contributed in confirming drill targets to test the three areas. The cost to the Company for the survey carried out by SJ Geophysics of Delta, BC was approximately $170,000.

Drilling

No drilling has been conducted on the Cobalt Hill Property by the Company. Eight historic drill holes are described in the History of the Property section.

Sampling, Analysis and Data Verification

The Company has not collected any samples on the Cobalt Hill Property. During the Cobalt Hill Property visit, however, the CH Report Author collected 3 grab samples for analyses.

The rock grab samples were collected from outcrop/subcrop exposed along a road cut. Grab samples consist of 2 or 3 fist size pieces of rock representing a certain lithology, alteration or mineralization style. Rock sample sites were marked with labelled flagging tape or spray paint. Samples were put into correspondingly labelled plastic bags.

Rock samples were shipped to Bureau Veritas preparatory lab in Whitehorse, YT and then forwarded to their Vancouver, BC facility for analyses. In the laboratory, rock samples were dried, crushed to 70% passing 2mm, then a 250 gram sub-sample was pulverized to 200 mesh. A 30 gram sub-split of each sample was then fire assayed for gold, platinum and palladium by ICP-MS analyses. A 1 gram sub-split of samples CH-01-18 and CH-03-18 was digested by aqua regia and analysed for 34 additional elements by ICP-ES/ICP-MS. A 0.5 gram sub-split from samples CH-02-18 was given a 4 acid digestion and analysed for 41 additional elements by ICP-ES/ICP-MS. Quality control procedures were implemented at the laboratory, involving the insertion of blanks and standards and check repeat analyses.

Bureau Veritas' core focus is the efficient and reliable delivery of a diverse range of quality testing and analytical information services. They provide innovative laboratory & technical services to the mining sector across the globe. Bureau Veritas holds global certifications for Quality ISO9001:2008; Environmental Management: ISO14001; and Safety Management OH SAS 18001 and AS4801.

The laboratory is entirely independent from the Company.

In the opinion of the CH Report Author, for this early stage exploration program, the sample preparation, security and analytical procedures utilized are adequate.

The CH Report Author has examined all publicly available historic data, maps and reports and has verified the mineral tenures are currently in good standing.

The CH Report Author cannot verify, nor recommends relying upon the historic early 1900s work.

The CH Report Author cannot verify the exploration work carried out between 1995 and 2017 by the Property owner (prospector Bruce Doyle) or by the various companies that held option on the Cobalt Hill Property (Phelps Dodge, Cassidy Gold, Eagle Plains/Miner River, Medallion Minerals, Firestone Ventures, Swift Minerals) but has no reason to doubt its veracity. Drill site locations have not been located and drill core was not available for examination.

The work completed and results obtained by the Company from the 2018 geophysical survey were examined by the CH Report Author, a qualified person, and are verified. In the CH Report Author's opinion, the data used in the Cobalt Hill Report is adequate for that purpose.

Mineral Processing and Metallurgical Testing

As the Cobalt Hill Property is at an early exploration stage, no metallurgical testing has been carried out.

Mineral Resources and Mineral Reserve Estimates

There has not been sufficient work on the Cobalt Hill Property to undertake a resource calculation.

Tyr Project and Century South Project

The following disclosure is mainly summarized from the Tyr and South Century Report prepared by Matthew Stephens, Senior Consultant Geologist, B. App. Sc. FAIG of Xplore Resources Pty Ltd. Matthew Stephens is a qualified person that is independent of the Company. Technical information about the Tyr and Century South Project not otherwise derived from the Tyr and Century South Report has been reviewed and approved by Geoff Reed, B.Sc., Manager, Exploration of the Company and a qualified person under NI 43-101.

Summary

The Tyr and Century South Report has been prepared by Xplore Resources Pty Ltd ("**Xplore Resources**") of Brisbane, Queensland, Australia for Megawatt which has obtained two base metal project areas; the Tyr Project in the New England District of northern New South Wales and the Century South Project in north-western Queensland. Megawatt engaged Xplore Resources to validate all the data provided by the vendor of the two project areas as well as thoroughly interrogate all available open file, government and private exploration and research data relevant to each project area.

The New England District of Northern New South Wales has a total area of around 99,100 km^2 and has population of approximately 250,000 and is well known for its great diversity of mineral deposits ranging from large coal deposits in the Werris Creek to Boggabri area to metallics and gemstones on the tablelands. Silver, antimony, coal, gold, sapphires and tin have been the most important economic commodities mined in the New England region.

Cattle and sheep are the predominant types of livestock produced in the New England area and they have been produced since their importation during the earliest days of European settlement. The region produces some of Australia's best fine wool and beef cattle.

The North West Queensland Region has a total area of around 310,000 km^2 with an estimated population of around 30,000.

The North West Minerals Province is one of the world's most significant base and precious metals producers, while a thriving beef industry is a strong economic stimulator. The north west region is a popular destination for tourists where they can explore world class fossil sites, cultural heritage sites and paddle down the tranquil and picturesque Lawn Hill Gorge.

The Tyr Project (EL8728) is located about 20km south-west of Tenterfield and accessible via sealed road from Tenterfield. The tenement covers 100 units for an area of 299 km^2 is located on the map sheets of Grafton in 1:250,000 and Clive in 1:100,000 scale. The tenement was granted to New Zinc Resources Pty Ltd. effective March 29, 2018 as a zinc and polymetallic prospective tenure.

The Century South tenement is located approximately 204 km NW of the town of Mount Isa, 122 km NE of Camooweal and 61 km SW of Gregory.

New Zinc Resources Pty Ltd. applied for an Exploration Permit for Minerals (EPM26713) consisting of 99 sub-blocks on November 23, 2017 and granted as EPM26713 (99 sub-blocks) on October 25, 2018.

Geology

Tyr Project Geology

The Tyr Project is located in the New England Orogen or New England Fold Belt (NEFB).

The Orogen comprises of Devonian to Permian complexes. Devonian island arc assemblages accreted to the Australian continent late in the Devonian. This was followed by repeated cycles of westward subduction and extension producing mineralised granites and volcanics from the Middle Devonian to Early Cretaceous. The New England Orogen is a significant mineral province in Eastern Australia with potential for large gold/silver systems.

Major deposits include gold bonanzas at Hillgrove, New South Wales. New England Orogen deposit styles include mesothermal and epithermal gold, VMS, epithermal silver, and lateritic nickel. The Orogen also offers porphyry copper and gold opportunities. Other economically important commodities include tin, sapphires, diamonds, molybdenum, tungsten, magnesite, cobalt and antimony (DPI, 2019).

The Tyr Project area is located over three main Sub-provinces of New England Orogen;

- Central Block, which is mainly comprised by conglomerate, sandstone and siltstone. Including some felsic igneous rocks and quartzite units;

- Tablelands Complex, which mainly comprises granite and mineralised related material; and

- New England Orogen Granites (dominant lithology of porphyry and basalt).

The Tyr tenement hosts a large number of mineral occurrences according to evidence from historical mines within the exploration licence area. These activities were mostly focused on silver, lead, zinc, arsenic and tin.

The tenement hosts two groups of mineralised area. The first is the Clive Group, located in the south-east portion of the tenement and includes a group of 46 base metal and polymetallic occurrences. The second is the Mole River group, including 16 mineral occurrences. Only four of these are polymetallic-base metal occurrences (Henley & et al, 2001).

The Tyr exploration area contains a significant amount of silver occurrences which strikes north-west. Clive group contains major occurrences such as the Ecuador deposit consisting of 4710 ppm silver and Torny Mine consisting of 1420ppm silver.

Century South Project Geology

The Mount Isa Inlier is part of the North Australian Craton in north-western Queensland in which the Lawn Hill Platform makes up part of the northwest section of the Inlier. To its west lies the Century Domain which includes the Century deposit and Grevillea Prospect.

Both deposits are hosted within the middle to upper sequences of the Isa Superbasin. Intra-plate tectonic events and consequent stresses within the Isa Superbasin, have attributed to the migration of metal-bearing fluids into its constituent sub-basins.

The Grevillea Prospect located to the south of Century Mine and immediately to the west of Century South (western side of Termite Range Fault), has mineralisation bearing host stratigraphy in the Riversleigh Siltstone, with the Century deposit in the Lawn Hill Formation. These units are part of the McNamara Group, which also hosts the Lady Loretta deposit. These are the equivalents to the Mount Isa Group that hosts the Mount Isa and George Fisher Zn-PbAg deposits approximately 200 km to the south-east.

Both the Century and Grevillea deposits are in close proximity to the major northwest-trending Termite Range Fault, with the Century deposit located on the fault and the Grevillea deposit approximately 8km southwest of the fault. The closest intrusive units that exist in the Century domain vicinity are the older Paleoproterozoic Yeldham Granites (1796 +/- 3Ma). These intrusive rocks are approximately 30 km east of the Century deposit.

Metamorphism in the Lawn Hill Platform region is confined to three main thermal events at 1500Ma, 1440-1400 Ma and 1250-1150 Ma. The event dating to 1500 Ma, is a late Isan Orogeny recorded only in the south that may reflect exhumation of a provenance region. The 1440- 1300 Ma event is related to fault reactivation and consequent thermal fluid pulse at ~1440- 1400 Ma, with subsequent enhanced cooling. The youngest thermal/fluid flow event at 1250- 1150 Ma is recorded mainly in the northeast and may be related to the assembly of the Neoproterozoic supercontinent of Rodinia (Valenta, 2018).

Conclusions

Tyr Project Conclusions

The Tyr project area is located within the southern New England Fold Belt and has over 145 mineral occurrences have been recorded in the tenement. Those occurrences are hosted by the Early Permian Bondonga beds form two main clusters; the Mole River group in the northern part of the tenement and the Clive group in the southern part.

At these two areas, the mineral occurrences are structurally controlled and are related to the emplacement of the Mole Granite, which is classifies as a I-type Sn-W granite. Metal zonation around the granite is well developed, with proximal Sn-W, grading outwards from the intrusion to distal polymetallic Cu-Pb-Zn-Ag mineralisation. Evidence suggests that the Tyr Project Area is underexplored and there is significant potential for structurally controlled silver rich polymetallic vein/lode systems.

Obvious areas that warrant further exploration include the areas containing the Mole River and Clive group of mineral occurrences. Both of these areas are strongly mineralised and detailed field mapping and surface geochemical sampling suck as rock chip and soil sampling, followed by ground geophysical surveys including IP or even sub-audio magnetics (SAM) and drilling is recommended.

Surface geochemical surveys within the Tyr Project area have been completed by most of the past explorers. The geochemical surveys have included rock chip/grab, stream sediment, panned concentrate, soil sampling programs and high silver grades have been returned.

Modern exploration techniques are proposed to fully exploit the potential of the tenement, particularly the mineralised clusters of historical silver-zinc-lead mines. Significant silver assays from adits, shaft, and other workings, significant silver assays from surface samples, and significant assays from drilling samples have all been recorded.

The mineral occurrences are structurally controlled and are associated with joints, faults, shear zones and lithological boundaries that have controlled emplacement of mineralising fluids.

Despite the large number of mineral occurrences and historical workings and significant silver assays up to 4,710 g/t, there has been little drilling in the Tyr Project area. While past exploration focused almost exclusively on the historical working, there was little emphasis on testing the strike potential of the structures and/or lithologies that control mineralisation.

Century South Project Conclusions

Data interrogation for the compilation of this report has made available more historical exploration data pertaining to Century South Project than was initially thought.

The main data source has been the Mt Isa West 2016 database package which is one (1) of the five databases that make up the Queensland Exploration Geochemistry and Drill hole Database (Queensland Government(c), 2020).The database is a comprehensive record of information extracted from open file company reports archived in the Geological Survey of Queensland's Open Data Portal.

All surface geochemistry presented in this report is a collection of many different sampling programs and as such has not been levelled for differences in sampling medium, size fraction and geochemical analysis.

The Grevillea gossan was the subject of an Honours Thesis by Hann (1999), who found that Tl, Pb, Si, and Fe are surface indicators of mineralisation at the Grevillea deposit. Hann (1999) found there were two types of gossans present overlying the massive pyrite zone: the jarositic limonites and the hematite limonites. This contrasts with the Century deposit where the gossan lacks iron oxides and is dominated by barite. This needs to be kept in mind when conducting field work in the region. There are untested (drilling) surface geochemical anomalies to review.

Generally, the Century South tenement has been sparsely sampled considering its proximity to the major Zn-Pb massive sulphide deposit of Century Mine. Crucially, the tenement covers land on the exact same major fault strike as the mine. The major fault complex of the Termite Range Fault crosscuts the centre of the tenement NW-SE.

This faulted area would be the likely source of mineralisation across the tenement and should be explored and further defined. These constituents conform to a genetic model alluding to a potential deposit, indicative of other massive sulphide deposits found around the world.

Enough data from stream sediment, rock chip and soil assays, suggest that elevated levels of zinc and lead do exist within the tenement area. Recent airborne EM surveys and subsequent exploration drilling programs conducted by peer companies (such as Red Metal Limited) targeting the mineralised bearing unit of the Riversleigh Siltstone Formation have yielded promising but ultimately uneconomical levels of Pb and Zn. However, the results have been auspicious enough to ramp up exploration in the area immediately to the west of Century South.

A suggested exploration regime of starting at highlighted areas of magnetic anomalies with elevated stream sediments, may allow more targeted sampling. There are several outcrops visible from satellite imagery that could be easily inspected. Identifying boundaries this way may be a cost-effective way of defining lithologies. This may be of benefit as some research suggests; particularly at Grevillea, that the mineralisation in the area is stratabound.

The thickness of the regolith is substantial in the southern areas, adjacent to Grevillea, west of Century South. The regolith cover overlaying the mineralisation bearing units can present multiple obstacles. Deeper penetrating EM methods such as Magneto-Telluric (MT) can be used but at a greater cost. Ultimately, this factor may be unavoidable as exploration progresses deeper into the bedrock. Therefore, targeting the more oxidised gossans and obvious outcrops would be the quickest way to gain preliminary knowledge of the likelihood of mineralisation in the area.

Recommendations

Tyr Project Recommendations

Further work is recommended including plotting of all surface geochemistry data based on sample type and filed mapping and sampling to confirm historical results. Obvious areas that warrant further exploration include the Mole River and Clive group of mineral occurrences. Both areas are highly mineralised and field mapping and surface sampling is required.

Also recommended is a trial ground magnetometer survey to be run over known mineralised structures as there are several reports that sulphide mineralisation from some historical mines in the area contained pyrrhotite, a magnetic mineral (McClatchie, 2005) (McClatchie, 2006). In addition, the magnetometer survey may detect zones of magnetite destruction caused by hydrothermal alteration associated with the polymetallic mineralisation.

Historical fieldwork identified dykes and potentially mineralised zones extending from the existing shafts, these warrant further investigation. Additionally, there are other dykes in the area, which have not been investigated sufficiently in terms of the potential to contain mineralisation.

The key recommendations regarding areas of focus in the high-level project strategy are:

1. A database should be constructed/updated to host all boreholes from peer deposits, with as much data as reasonably possible from all government and commercial sources;

2. A thorough review of earlier Australian Stock Exchange (the "**ASX**") announcements with cataloguing of all notable results from previous tenement holders should be added to the database, as these may not be publicly available from other sources;

3. Further geological review to revisit the aforementioned gaps in the data and study of historic data including; geological units, surface (soil and rock chip) geochemistry and the contouring of any drilling and surface geochemistry samples to determine field targets;

4. A physical data review pertaining to surface sampling results from surrounding tenements;

5. Commence landholder negotiations and formalise land access agreements;

6. Ongoing monitoring of markets, commodity prices and peers;

7. Plan and undertake Low Impact Exploration initial field work including;

a. Field logging;

b. Geological mapping of previous drilling areas;

c. Surface geochemical sampling including areas where historical mines exist;

d. Surface geochemical sampling where historically high grades of surface sampling exist; and

e. Geophysical surveys and other suitable activities to be determined.

8. Inspection of any available drill cores held in New South Wales core storage facilities;

9. High level reviews of any geophysical surveys, ground or air based and associated imagery as a guide to delineating more defined target areas; and

10. The planning and execution of drill target generation/identification and subsequent exploration drilling program should be completed, with the drillholes sampled and analysed to appropriate depths as to adequately understand the geology, geochemistry and stratigraphy of the area.

Century South Project Recommendations

There is a large quantity of historical data covering the Century South Project area and surrounds and a detailed review of the data is recommended and should include the following:

• Levelling of the geochemical data set utilising IOGAS software or similar;

• Construct a database of previous drilling and geochemistry to enable meaningful data: interrogation in particular the Mount Isa West Data Package, and data released after the compilation of the Mount Isa West Data Package;

• Understand structural controls on mineralisation in the region and apply to the Century South tenure;

• Geophysical review the available data including EM, Aster and Hymap data in house or external; and

• Review the EM highs located within the Century South tenure (EPM26713).

Other key recommendations for the Century South tenure area are:

1. A database should be constructed to host all boreholes from within tenure and peer deposits, with as much data encoded into the database from a variety of sources (ASX reports, core shed data, open file/publicly available reports etc.);

2. A thorough review of earlier ASX announcements with cataloguing of all notable results from previous tenement holders should be added to the database, as these may not be publicly available from other sources;

3. Ongoing monitoring of markets, commodity prices and peers;

4. Further geological review and study of historic data including surface (stream sediment, soil and rock chip) geochemistry and the contouring of any surface geochemistry samples;

5. Inspection of drill core from “Lawn Hill DDH 83-5” stored at Queensland’s Exploration Data Centre core storage facility. Reviewed for lithology, key mineralisation target units, and laboratory analysis should be completed where possible, also examining handheld XRF analysis results if available;

6. All publicly available geophysical data (open file and for purchase) over the tenure should be reviewed to identify any exploration targets/focus areas within the tenure as this desktop study has primarily focused on zinc, however other significant mineralisation (i.e., Pb, Cu, Ag) has been noted within and near tenure;

7. All geophysical data should be reviewed and interpreted by a specialist consultant, familiar with the mineralisation style and local area;

8. Once the geophysical data should be reviewed and interpreted, further geophysical surveys should be considered to provide additional target information on the subsurface;

9. Plan and undertake Low Impact Exploration initial field work including field logging, geological mapping of previous drilling area (drillhole Lawn Hill DDH 83-5) of geological structures along strike of main fault complex, outcrop and soil sampling, geophysical surveys and other suitable activities to be determined;

10. The planning and execution of an exploration drilling program should be completed, with the drillholes planned to depth of termination in the bedrock of the ultramafic units (Kamarga Volcanics), to adequately correlate the stratigraphy of the region;

11. Drilling regime should focus in areas around mapped parasitic (third order) faults relative to main Termite Range Fault as the PDS has previously identified these areas to have higher probability of yielding elevated base metal results; and

12. In depth mapping of surface and drilling sampling results based on mineralisation targets.

Project Description, Location and Access

Tyr Project

The Tyr Project is located about 40km south-west of Tenterfield and accessable via sealed road from Tenterfield. The tenement covers 100 units over an area of 299 km^2 and is located on the mapsheets of Grafton in 1:250,000 and Clive in 1:100,000 scale. The tenement was granted effective March 29, 2018 for an initial period of five years with renewal options for further tenure as a zinc and polymetallic prospective project.

The Tyr Project is located approximately 40 km south-west of the town of Tenterfield and 500 km north of Sydney in New South Wales. The town is located at the intersection of the New England Hwy (north to south) and the Bruxner Hwy (east to west). The Tyr Project area is accessible from Tenterfield via the New England Highway as well as the Bruxner Highway. Following the primary access of the Bruxner Highway, Mole River Road then transects the Tyr tenement from the north-east and then connects to the Silent Grove Road at the western area of the tenement

Century South Project

The Century South tenement is located approximately 204km NW of the town of Mount Isa, which has a population of 22,517 (Australian Bureau of Statistics, 2015), 122 km NE of Camooweal and 61km SW of Gregory. Exploration Permit for Minerals (EPM26713), consisting of 99 sub-blocks covering approximately 250 km^2 and was granted on the October 25, 2018 for an initial period of five years with renewal options for further tenure. The EPM is for all minerals other than coal, coal seam gas, petroleum or natural gas.

The closest regional airport, modern towns/cities (for labour, support services and equipment) is Mount Isa. There is limited accessible infrastructure in the area surrounding the tenement. However, the site is easily accessed via unpaved rural roads which improve their integrity closer to Mount Isa. There is a proposed, possible future dam site for the upper part of the Gregory River that traverses the tenement. Any exploration activities within these two areas are subject to stringent conditions prior to and during the course of the exploration activities.

Access to the Century South tenement is via Riversleigh Road. From Mount Isa airport, head north along the Barkly highway for 112km. Turn right at the intersection with Thorntonia-Yelvertoft Road and continue north along Thorntonia-Yelvertoft Road for 56 km to the intersection with the Gregory Downs Camooweal Road and turn right travelling east.

After 60 km turn left onto Riversleigh Road to head in a north-westward direction for approximately 20 km to intersect the EPM26713 tenure.

History

Tyr Project

The region has a long mining history and significant deposits of tin, tungsten, bismuth, arsenic, molybdenite, emerald and silver were mined from 1870s to early 1980s. The region is credited with producing more than 89,000 tonnes of cassiterite concentrate, 4,640kg of gold, 28,000 carats of emerald and beryl, and 4,700 tonnes of arsenic salts (Henley & et al, 2001).

Historical mining had occurred at several locations throughout the project area. the mining was mostly small-scale and consisted of shallow shafts and small open pit that were worked around the 1880s to early 1900s.

The largest and most productive mine was the Torny Mine, which is located 3km westnorthwest of the old township of Clive. This polymetallic mine was worked intermittently from 1885-91, 1896-98, 1900-02, 1907-13, 1919-21, 1928-33, 1948-53 and 1960-63 (Henley & et al, 2001). It was worked and prospected along a strike of 600m and to a depth of 61.6 m.

The main lode at the Torny Mine consists of two veins 0.05m and 0.6m wide striking 175 degrees true north and dipping vertically within the sediment host. Although, little mineralisation is available on dumps, it appears to consist of massive fine sulphides of galena, arsenopyrite, sphalerite and antimony. The mine produced 175 tonnes of 25% fine grained massive sulphides and has a resource of 51,000t of mineralised material (Henley & Brown, 2000).

Other significant mines in the Tyr Project area include the Burra Mine and the Ecuador Deposit. Arsenic was also mined at several locations within the Tyr Project area. One of the largest producers was the Mole River arsenic mine, located 16km northwest of the old township of Clive. It produced a total of 2,904 tonnes of arsenic from mineralised material grading 25% arsenic (Henley & Brown, 2000). The mine was first worked in 1889, and it was not until 1923- 40, that the mine became a major arsenic producer.

The Tyr Project area also contains many historical tin workings, including both hard-rock and alluvial deposits that are scattered throughout the Mole Granite and its contact zones. Records of tin production from the project area are incomplete, although considerable production has come from the Emmaville-Torrington district, which is located immediately to the south and southeast.

EL8728 and surrounding area have been explored by numerous companies since the late 1960s. The exploration undertaken was initially for tin and base metals and more recently silver. Most of the exploration involved rock chip, stream sediment and small soil sampling programs. Several airborne magnetic and radiometric surveys and several small drilling programs totalling 35 holes were also completed.

Century South Project

Historically, the Lawn Hill region has been intensely explored since the late-1950's. Companies initially explored for phosphate and Mississippi Valley-type Pb-Zn-Ag mineralisation in the Cambrian carbonate sequence but more generally for Mount Isa style Cu and/or SEDEX Pb-Zn-Ag deposits in the Proterozoic sedimentary units. Most of this work focused on the lower McNamara Group (Gunpowder to Lady Loretta Formations). The discovery of the Century deposit in 1990 and the Grevillea mineralisation (gossan recognised in 1993) refocused exploration on the mid-upper carbonate-siliclastic McNamara Group (Riversleigh-Lawn Hill Formations).

Historical exploration focused mainly on the base metal potential of the Proterozoic rocks in the area, particularly in the exposed sections of the McNamara Group (Denaro & Culpeper, 1992) (Denaro & Culpeper, 1999) A world class sediment hosted zinc-lead-silver mineralised body was discovered at the Century South Project in late 1990's. The major incentives for exploration have been lithological and stratigraphic similarities to the Proterozoic host rocks and setting for the silver-lead-zinc at Century and the silver-lead-zinc and copper mineralised bodies at Mount Isa. Several other potential economic deposits have attracted the interest of exploration and mining companies. These include fault breccia-hosted zinc-lead silver lodes near Century including Silver King, brecciated sediment hosted copper deposits, red bed-style copper mineralisation, base metals mineralisation in the base of the Georgina Basin sequence, sedimentary iron deposits in the Constance Range area and phosphorites in the Cambrian sedimentary sequence of the Georgina Basin.

Exploration has also been carried out for gold, uranium and diamonds, but no significant discoveries have been made (Denaro & Culpeper, 1999).

Geological Setting, Mineralization and Deposit Types

Tyr Project

The Tyr Project area is in the New England Fold Belt (NEFB), also known as the HunterBowen Super Cycle and is divided into four cycles. The NEFB records the Middle Devonian to Triassic (376 Ma to 227 Ma) convergent margin development of East Gondwana which is expressed in the evolution of the NEFB and the SGBB system (Craig O'Neil, Cara Danis, 2013).

The New England Fold Belt is a significant mineral province in Eastern Australia with potential for large gold/silver systems, There are several geologic sub-provinces that comprise the New England Orogen. The Orogen comprises of Devonian to Permian complexes. Devonian island arc assemblages accreted to the Australian continent late in the Devonian. This was followed by repeated cycles of westward subduction and extension producing mineralised granites and volcanics from the Middle Devonian to Early Cretaceous.

Major deposits include gold bonanzas at Hillgrove (NSW). New England Orogen deposit styles include mesothermal and epithermal gold, VMS, epithermal silver, and lateritic nickel. The Orogen also offers porphyry copper and gold opportunities. Other economically important commodities include tin, sapphires, diamonds, molybdenum, tungsten, magnesite, cobalt and antimony (DPI, 2019).

The Tyr Project area is located over three main Sub-provinces of New England Orogen;

- Central Block, which is mainly comprised by conglomerate, sandstone and siltstone. Including some felsic igneous rocks and quartzite units;
- Tablelands Complex, which mainly comprises granite and mineralisation related material; and
- New England Orogen Granites (dominant lithology of porphyry and basalt).

The Tyr tenement hosts many mineral occurrences according to evidence from historical mines within the exploration licence area. These activities were mostly focused on silver, lead, zinc, arsenic and tin.

There are two groups of mineralised area that are of most importance. The first is the Clive Group, located in the south-east portion of the tenement and includes a group of 46 base metal and polymetallic occurrences and is the focus of this PDS. The second is the Mole River group, including 16 mineral occurrences (Henley, H.F; etal, 2001).

Mineralisation in these groups come from the nearby Mole Granite. The Mole Granite is an extensively mineralised, highly fractionated, granite with I-type affinities. This granite is the most significant mineraliser in the New England region, accounting for more than 1200 mineral occurrences. Mineralisation is developed both within the granite and the country rocks over an area of about 50 km x 60 km. The Tyr exploration area contains a significant number of silver occurrences.

The Tyr Project lies in the northern end of the New England District of northern NSW where a wide range of commodities has been mined, reflecting a diversity of mineral deposit types. Major production has been of gold, tin and antimony, with lesser production of silver, lead, copper, molybdenum, tungsten, bismuth, gemstones and industrial minerals. Early mineral discoveries, led by gold, were in the more accessible and settled areas on the tableland and up the rivers. Later prospectors fanned out into the rugged and forested escarpment areas.

Much of the gold and most of the tin production came from alluvial deposits concentrated during weathering and extensive erosion of small or low-grade primary mineralisation associated with the widespread granites

Century South Project

The geological history of Queensland is complex and spans over 1,800 million years. The basement crustal configuration of the state is reflected in an ongoing process of continental accretional growth that retreats eastward originating from the

west, that is driven by multiple crustal margin plate tectonic events (mountain building volcanics, intrusive activity, metamorphism, resulting in multiple phases of associated mineralisation), coupled with intermittent periods of basinal rifting and sag events with widespread sedimentation. There has been a general progression from the development of Queensland's northwest. mineral rich province of the Proterozoic Mount Isa Inlier (~1880Ma) dominated by igneous and metamorphic domains. These areas are blanketed throughout northern, central and southern Qld by the north-south trending contiguous Eromanga-Carpentaria Basins known to host the Cretaceous-aged oil.

The subsequent geological history has seen the development of substantial oil shale rich Tertiary-aged block faulted sedimentary basins and volcanic terranes of Queensland's east coast and continental margin.

The geology of Queensland consists of three prominent structural and basinal regions:

• North Australian Craton (including the Mount Isa Province and three other lesser provinces and associated basins);
• Neoproterozoic-Early Palaeozoic Georgina Basin (Cambrian);
• Tasman Orogenic Zone that can be sub-divided into the:
• Thompson Orogen (Neoproterozoic-Ordovician);
• Mossman (Palaeozoic);
• New England Orogen (middle Palaeozoic-early Palaeozoic; includes Permian coal;
• measures of the Bowen Basin);
•Great Australian (Artesian) Basin (Mesozoic sediments of continental origin including; and
• Jurassic and Triassic Basin coal measures).

The Great Artesian Basin encompasses the:

- Eromanga Basin;
- Carpentaria Basin; and
- Surat, Laura, Mulgildie, Nambour, Maryborough and Clarence-Moreton Basins

The North Australian Craton is in north-western Queensland, of which the Mount Isa Inlier forms part of. The Lawn Hill Platform makes up part of the northwest section of the Inlier, to its west is the Century domain. Within the Century domain includes the Century deposit and Grevillea Prospect. Both deposits are hosted within the middle to upper sequences of the Isa Superbasin. Intra-plate tectonic events and consequent stresses within the Isa Superbasin, have attributed to the migration of metal-bearing fluids into its constituent subbasins.

The Century Zinc Mine is owned by New Century Resources and is located approximately 235 km north west of Mt Isa, in north west Queensland. The deposit has been detailed in other sections of this report and is only briefly summarised in this section.

Significant regional faulting at Century Mine has facilitated the passage of brine fluid flow. Hence, the presence of major fault structures serve as conduits for enriched metalliferous brines. This is followed by the subsequent infiltration of the prementioned brines into adjacent strata where pore pressure is low enough to permeate into sufficient rock units such as siltstone.

Shales are considered over-pressured, whereas stylolitic siltstones have a higher permeability partly allowing lateral flow. Base metals within this fluid flow scenario would be more likely transferred from over-pressured shale into permeable siltstones.

Similarly, fluid in fault zones could permeate into siltstones for limited distances, as these units have a higher permeability compared to shales. Additionally, lateral infiltration is limited by over-pressuring. This model would suggest a greater concentration found in siltstone units, at Century this occurs sometimes but is not the major mineralisation forming process.

If replacement is considered the primary mechanism of mineralisation emplacement, we should see a systematic relationship between the more permeable siltstone units, the abundance of organic carbon in the form of shale (acting as the REDOX barrier/reductant) and the spatial distribution of the mineralisation itself.

A local spatial relationship between organic C and sulphides has been demonstrated at Century in some veins (Broadbent G. M., 1998). However, widespread mineralisation laminae occur mostly independently of permeable layers; primarily shale units, at Century. Mineralisation is often localised in the impermeable domains of shale rather than the permeable pathways of the siltstone units.

Thus, the sedimentary exhalative (SEDEX) model is preferred, in which the broad-scale zoning was caused by temperature and chemical gradients established between the source of metalliferous brines site of mineralisation deposition in subsequent shale layers. The Century South tenement and the Century Mine deposit both sit along the same strike of the Termite Range Fault; the major fault complex in the region. The strike-slip fault is a deep, steeply dipping splay off the crustal Riversleigh fault. The Century deposit is interpreted to have formed in a pull-apart depocenter controlled by sinistral strike-slip displacement on the Termite Range Fault. This accounts for the local thickening of units in the vicinity of the deposit itself (O'Rourke, 2017). Thus, the deposit does not have any natural boundaries, being truncated by either faults or unconformities. Local faulting off the Termite Range Fault is expected to be associated with potential zinc mineralisation. The mine deposit's proximity to these major fault structures is comparable to other prominent massive Pb-Zn sulphide deposits in other parts of the globe as discussed earlier.

Critically, following the aforementioned genetic model, the Century South tenement covers the relevant structural areas needed for Zn-Pb-Ag mineralisation. Encompassing the major (first order) fault; allowing for brine mobilisation, as well as the surrounding parasitic (third order) faults; for hosting mineralisation within the Termite Range Fault complex.

The initial remobilisation of mineralisation bearing brines, firstly through exhalative processes, then following the lower pore pressure gradient along parasitic faults and consequent deposition at water/sediment interface (L. Feltrin, 2009).

Exploration

Tyr Project

Exploration activities were undertaken on behalf of Australian Silver Mines Pty Ltd within the period of December 1, 2020 to December 11, 2020. For the exploration activities completed in December, 2020, 55 rock chip and grab samples were taken during the recent field campaign. These samples were taken from the dumps around old workings (grab samples) where separate samples were taken for what was considered at each separate site to be "highly mineralised type" material, "mineralised country rock" and "ordinary country rock". Samples were also taken from outcrop or road cuttings/exposures where mineralisation or alteration features were identified from traversing the tenement when going from one location to the next, especially between historic old, workings. Where possible, samples were taken of the surrounding country rock as well as the main feature considered to be of significance, mostly altered and silicified lithologies (metasediments) that were considered to have a possible role in the mineralising events within the project area.

As some of the samples will have "highly mineralised type grade" base metal values as well as high sulphur content, it was necessary to use two assaying methods in order to accurately gauge the range of values for the base metals, especially those greater than 10 000 ppm or 1%.

Century South Project

Prior to the commencement of the fieldwork, exploration program, historical exploration reports were compiled and reviewed. The collected historical exploration report information and data were summarised then used in target generation and fieldwork planning.

Rough terrain and lack of prepared tracks were the primary challenge to four-wheel light vehicular access in approximately three-quarters of the tenement area. The prospective geology is contained primarily in the Riversleigh Siltstones which lie in the centre of the lease area and is not well serviced by roads.

The tenement straddles moderately folded and inclined successions of siltstones and quartzites. Erosion of the sequences has formed a NW/SE trending low mountain range that rises from the surrounding alluvial plains. The mountain ridges have been formed by preferential erosion of softer siltstone horizons from the surrounding quartzite horizons that vary in thickness from less than a metre to hundreds of metres. Fortunately, the mountain ridges are cut through at regular intervals by river stream courses. Historic stream sediment data showed that a reasonable amount of geochemical exploration has been done on the tenement in the past.

Seven rock/chip samples were collected from a 30 m x 30 m (approximately) gossanous outcrop immediately to the east of the southern powerline service track. The exploration geologist had noted an anomalous white quartz ridge about 1m high while driving southward along the powerline service track. The low quartz ridge outcrop is about 10 m to the west of the service track. The dark gossanous outcrop was found around 50 m to the east on the other side of the service track. The map co-ordinates of the gossan are 272471mE and 7891220 mN (MGA94 zone 54). This locality was nicknamed 'Electron' after the nearby powerlines and one hydrothermal vein rock sample was taken here.

Drilling

Tyr Project

A total of 35 historic drillholes have been drilled within the tenement: Eleven of them are percussion and 24 of them are reverse circulation drillholes. Seven drillholes were drilled on the northern east portion of the tenement, one was drilled on the west of the centre portion of the tenement and the remaining 27 drillholes are located on the south-east portion of the tenement which is well known for highgrade silver occurrences. All reverse circulation drillings are located at the south east of the tenement and additionally three percussion drillholes were completed in the same area. Only percussion drilling was done in the north portion of the tenement.

Century South Project

A program of RAB drilling consisting of 76 holes for a total of 913m was completed within the boundaries of Century South EPM26713. The drilling targeted previous soil sampling results and also covers an EM high. The drilling was completed by North Limited within historical tenement EPM10261 in 1996.

Regional RAB traverses highlighted sporadic anomalous Zn in a dolomitic and pyritic carbonaceous sequence on the eastern limb of the Freeman's Creek Syncline. North's primary target was a large stratiform Zn-Pb(-Ag) deposit within the Lady Loretta Formation or Riversleigh Siltstone.

Base metal analytical results were generally disappointing, with best sporadic results of CU<940ppm, Pb<410ppm and Zn<940ppm. Most geochemical 'anomalies' are associated with the dolomitic and pyritic, carbonaceous unit. However, there was an elevated element background (Cu, Pb, Zn, Fe, S, Ca, Mg,) also associated with this unit.

This downgraded the prospectivity of the 'anomalous' results as the geochemical 'anomalism' may not relate to economic mineralisation but to elevated background concentrations in the carbonaceous units.

There were 5 holes drilled within 400m of the Century South tenement boundaries including 3 diamond holes and 2 RC holes. All holes were drilled by CRA in 1995 however the company report on the drilling activities is not available on open file as the tenure is still current.

The information for these holes was sourced from the Mount Isa West Data Package. The data available includes collar details, and geology and assay data sourced from the CRA company report CR28764. Best results from the drilling were DD95RL009 1m@0.44% Zn and 0.56% PB from 230m. Hole DD95RL010 2m@0.37% Zn and 900ppm Pb from 78m.

Sampling, Analysis and Data Verification

As for all of the historical sampling that was done by other, unrelated companies over the years, there is little to no information recorded on how sample preparation, analyses and security were executed during the period of their own respective reporting. To put this in a proper context, some background on the methods used in Australian States and Territories by each respective Mines Department on the recording and storage of historical, exploration data is warranted here. In the case for all the respective State and Territory Mines Departments, there is mandatory, yearly reporting of all exploration activities conducted on every tenure whether its mineral, coal or oil and gas. This annual report data is submitted by each tenure holder and kept in a confidential status until that company relinquishes part or all of the tenement.

Once that data is off the confidential status, it becomes part of the public domain ("Open File") and can be accessed, viewed and downloaded via each Mines Department's digital portal by any interested party. Since the digital age of reporting came into effect more or less in the late 90s, all records were submitted electronically but prior to that, all records were submitted via hard copy. In order to have all data readily accessible in digital format, all the hard copy data had to

be digitised. As a result of this digitisation process, some older, hard copy records from the 1950s to the 1980s were in very poor condition and coupled with the inevitable misplacement and loss of physical data in a few cases, the available open file dataset is not quite 100% complete. Furthermore, given the cyclical boom and bust periods throughout the last 50 years in the Australian exploration and mining industries, the amount of data submitted yearly can vary significantly and during boom times, Mines Departments have struggled to vet each and every submission into their respective systems.

As a consequence of this, some companies inadvertently did not submit all of their exploration data. This only has significance where sample data was assayed but the original lab data was not submitted and/or there were samples assayed but not recorded at all. Where this has relevance in sample data preparation, analyses and security is the fact that in general mineral exploration reporting throughout Australia it is not compulsory to describe these three topics in any detail within the confines of regular annual reporting. Consequently, the comprehensive research and checking that has been done for the compilation of this report has found very little record of how these three topics were covered by each of the historic tenure holders.

It is a recommendation from this report that Burtorn Silver ensure that they not only met their statutory obligations in reporting once they commence exploration work but also keep detailed records on sample preparation, analyses and security. This will ensure future technical reporting, especially for public release, will comply with industry standards for the reporting of sampling techniques and security.

The data verification process involved in the compilation of this report was solely based on the interrogation of all publicly available data ("Open File Data") from historical records pertaining to the companies who have held tenure intersecting or in close proximity to the current tenement packages now held by Burtorn Silver.

Data verification involves the checking of all relevant quantitative and qualitative records associated with historical exploration programs. The type of data to be verified includes:

- Assay data – preferably from an independent, certified analytical laboratory where acknowledged and accredited QA/QS is performed.
- Locational data – co-ordinate data from either surveyed location and/or locations recorded by GPS or DGPS (Differential Global Positioning by Satellite).
- Lineal, areal or 3D measurements – this includes the measurement downhole by the sampling in intervals from drilling data e.g. a record of 3.5m @ 6.7g/t Au or an area measurement pertaining to a two dimensional area e.g. 1.5 square kilometres or a 3D measurement such as a volume or mass recorded in cubic metres and/or metric tons (tonnes) respectively.
- Orientation or directional data – this usually pertains to drilling where such parameters as dip, dip direction or azimuth and geotechnical data measured and recorded from oriented diamond drilling core.
- Qualitative data – this task is performed by reviewing the relevance of the descriptions and interpretations recorded in relation to the data highlighted or promoted by previous tenure holders.

Adjectives such as significant, highly significant, high, very high, anomalous, very anomalous and terms like up to and as high as can be sometimes misleading or even unwarranted and may need to be rephrased to better represent the significance of individual or group results or even the overall prospectivity of a Project. The workload for the task of data verification was delegated to experienced, senior geologists, each with 30+ years' experience, to do the data validation of each respective tenement. This process involved checking each individual statement of assay results pertaining to exploration sampling carried out on historical tenure that either intersected or was in close proximity to the current tenure and cross referencing those reported assay results against recorded assay result data from an independent, certified analytical laboratory.

Wherever possible, historical sampling data with co-ordinates and assay data and any other descriptive data was uploaded to GIS software, in this exercise MapInfo was utilised, after the data had been validated by a senior geologist. Subsequent maps and plans (or cross sections, long sections) are then generated for validation as well as the general interpretation of each plot of data and its relevance to the overall understanding of the mineralisation and geology of the areas of interest explored.

Tyr Project

The 55 rock chip and grab samples from the Tyr Field Reconnaissance Trip were submitted to the independent laboratory used by Xplore Resources, ALS Brisbane, on Wednesday, December 16, 2020.

As some of the samples will have "highly mineralised type grade" base metal values as well as high sulphur content, it was necessary to use two assaying methods in order to accurately gauge the range of values for the base metals, especially those greater than 10 000 ppm or 1%. The methods recommended and hence used for the base metals analyses were: Sample Preparation:

1. Dry for 24 hours.

2. Crush to a nominal 70% passing 2mm.

3. Split – riffle split 250g out.

4. Pulverise 250g to 85% passing 75 microns.

Base metal trace: ME-ICP41 (0.5g sample) – aqua regia digest with ICP-AES finish.

Over limit grade base metals: OG46 (0.4g sample) – aqua regia.

Gold metal trace Au-ICP21 (30g sample) – Au by fire assay and ICP-AES.

Gold AuAA25 (30g sample) – Au by fire assay and AAS.

Century South Project

Seven rock/chip samples were collected from a 30 x 30m (approximately) gossanous outcrop immediately to the east of the southern powerline service track.

The Exploration geologist had noted an anomalous white quartz ridge about 1m high while driving southward along the powerline service track. The low quartz ridge outcrop is approximately 10m to the West of the service track.

The dark gossanous outcrop was found approximately 50 m to the east on the other side of the service track. It is behind the vehicle in the photograph. The map co-ordinates of the gossan are 272471.0 m E and 7891220.0 m N (MGA94 zone 54). This locality was nicknamed 'Electron' after the nearby powerlines and one hydrothermal vein rock sample was taken here.

Mineral Processing and Metallurgical Testing

There are no mineral processing nor metallurgical testing data specifically for the Tyr Project nor the Century South Project.

Mineral Resources and Mineral Reserve Estimates

There are no mineral resources or mineral reserves for the Tyr Project or the Century South Project.

OTHER MINERAL PROPERTIES

The Company has two non-material mineral properties: the Australian Rare Earth Properties and the Route 381 Lithium Property.

Australian Rare Earth Properties

Technical information about the Australian Rare Earth Properties has been reviewed and approved by Geoff Reed, B.Sc., Manager, Exploration of the Company and a qualified person under NI 43-101.

The Australian Rare Earth Properties consist of the Isbjorn Project and the Arctic Fox rare earth properties located in the Northern Territory, Australia and the Chinook, Kodiak and Cariboo nickel-cobalt-scandium properties located in New South Wales, Australia.

The Isbjorn Project consists of a single exploration licence and is located approximately 100 km west-north-west of Alice Springs, in the Northern Territory with the Tanami and the Kintore Roads dissecting the Isbjorn tenure providing access to a significant portion of the tenure.

The historical exploration activities conducted within the Isbjorn tenure for rare earth element ("**REE**") mineralisation is sparse based on a first pass analysis of historical research at the time of tenure application. The Isbjorn tenure is accurately described as a 'Greenfields exploration project', with sparse prospective REE mineralisation historical exploration results, based on the first-pass assessment of the potential to contain REE mineralisation at the time of tenure application. The Isbjorn tenure is located adjacent to tenures with significant exploration activity, with known REE occurrences and/or REE mineral resources, hosted in a similar geological setting to the Isbjorn tenure.

Historical geophysics data is accessible via Northern Territory Government STRIKE Tenure and Geoscience Information package (STRIKE Northern Territory Government, 2021). The datasets include magnetic total magnetic intensity ("**TMI**") and radiometric types of geophysical surveys completed by the Northern Territory Geological Survey on the northern portion of Arctic Fox tenement in 1981. Additionally, there appear to be available the TMI, 256 Channel Radiometrics, Digital Terrane Model surveys completed by the Northern Territory Geological Survey in 1999 and Geoscience Australia completed an aerial electro magnetic survey in 2009 at the centre and south portions of the tenement. A separate aerial electro magnetic survey had been completed in the north-east portion of the tenement.

The Isbjorn tenement notable has no current or historical mineral exploration drilling activities available within the tenure as geographic information system objects based on a review of STRIKE. Historical drilling was limited to activities in adjacent tenures. No detailed evaluation of the water boreholes or the historical exploration drilling occurred during the tenure period.

A review of sampling undertaken by Crossland Nickel and discussions with Crossland's geologist Geoff Eupene revealed their sampling was heavy mineral concentrates derived from a field sample of approximately 20 kg. The same methodology was employed for stream sediment samples and auger samples, Elmore adopted the Crossland's sampling methodology for the program to allow comparison between the sampling programs in particular on the Isbjorn tenement anomaly. Auger sampling was taken from multiple auger holes from below 400 mm making up a 15 to 20 kg minus 5 mm sample. Future programs may be expedited by the collection of a minus 1 mm fraction of soil and stream sediment and analyzing this medium without concentration. Sand sized fraction dilution with baren quartz may be an issue however modern low level detection analytical methods should provide the sensitivity to identify anomalous areas. This would save time and money with smaller samples and no preconcentration costs. It should be noted that stream sediments reported for the tenements previously were collected by Crossland and were analyses of heavy mineral concentrates.

Stream sediments were taken for the active portion of the channel and sieved to minus 5 mm making up approximately 15 to 20 kg of sample. These will be concentrated using a panner and then the magnetic fraction removed by a magnet prior to assay.

The southern portions of the tenement are characterized by rugged ranges formed of quartzites and mafic gneisses, with deeply incised drainages with poorly developed skeletal soils. These ranges are part of the northern McDonald range and include Mt Chapple rising to 1205 meters some 600 meters above the plain which is at approximately 600 m above sea level.

These ranges were sampled by stream sediments undertaken by Crossland Nickel Pty and the Norther Territory Geological Survey. These samples have returned weakly anomalous REE results considering they are heavy mineral concentrates. Drainage sites along the southern boarder of the tenement were visited and sampled by stream sediments to confirm previous sampling a total of six samples were collected.

Samples from site visit to the Artic Fox Project and the Isbjorn Project

Sample Number	Easting (MGA zone 53)	Northing (MGA zone 53)	sample type
248506	278000	7419251	stream
248507	266946	7424500	stream
248508	257447	7423114	stream
248509	252584	7425958	stream
248510	275556	7555476	stream
248511	289054	7539476	stream
248512	299070	7528988	stream
248513	278951	7433988	Auger
248514	278851	7433988	Auger
248515	278726	7434168	Auger
248516	278635	7434065	Auger
248517	278544	7434073	Auger
248518	278457	7434008	Auger
248519	278334	7434130	Auger
248520	278242	7434151	Auger
248521	278144	7434172	Auger
248522	278035	7434173	Auger

Assay results for the above samples are still pending.

Historical assayed samples of scree material from gneiss source rock, within the middle of Artic Fox Project, returned the following high-grade results:

- Sample ID N1-4A: 1,000 ppm U equating to 1,179 ppm U3O8; and
- Sample ID N1-4B: 690 ppm U equating to 814 ppm U3O8.

Incrementally, two assayed rock chips found in ARU's ground, which are on a contiguous NW-SE radiometric trend in both properties, returned encouraging results:

- Sample #1 ID 5429731: 650 ppm U equating to 767 ppm U3O8; and
- Sample #2 ID 5423492: 270 ppm U equating to 318 ppm U3O8.

A historical assayed composite sample from Arctic Fox Project returned results up to: 9.20% Ce, 3.98% Nd, 8,000 ppm Gd, 3,400 ppm Sm, 3,400 ppm Y, 900 ppm Er, 640 ppm Dy & 110 ppm Yb2, Nd % enrichment up to 26.8% of REE^ (14.8%) & 26.0% of REO^ (17.9%) 2 {note Pr not included in composite sample}.

Three historical assayed samples, scree material from gneiss source rock, returned the following readings:

4A: 10.10% Ce, 4.75% La, & 2,750pmm Y

4B: 6.90% Ce, 3.15% La, & 1,900ppm Y

4C: 0.48% Ce, 0.21% La & 500ppm Y2

There are no mineral resources or mineral reserves on the Australian Rare Earth Properties.

Route 381 Lithium Property

Technical information about the Route 381 Lithium Property has been reviewed and approved by Geoff Reed, B.Sc., Manager, Exploration of the Company and a qualified person under NI 43-101.

The Route 381 Lithium Property is comprised of 40 mineral claims located in James Bay Territory, north of Matagami in the Province of Quebec, and covering 2,126 hectares. The Route 381 Lithium Property is located directly west of and adjacent to Stria Lithium Inc.'s Pontax-Lithium project.

In January 2022, the Company announced that it has staked, by way of agent, 229 additional mineral exploration claims in the James Bay area of Quebec. The new claims cover an area of 12,116 hectares or 121 square kms and are complementary to the Company's existing Route 381 Lithium Property. This allows for exploration efforts to proceed at two distinct projects in this prospective region.

In August 2021, the Company undertook sampling and prospecting field work at the Route 381 Lithium Property in the James Bay hard rock lithium district. A total of 56 surface samples, 51 of which were channel samples, were taken from multiple pegmatite dykes on the property. Prospecting was further carried out on southern extremity outcrops and the "West Dyke" before it dipped under cover. In total this dyke was traceable for over 350 m, and at its most southern extremity had widened out to 2.5 m. Surface samples from multiple pegmatite dykes on the property including the "West", "East" "North/South" and PR dykes show visible spodumene in many samples. The PR Dyke was well exposed for over 250 m. This dyke was spodumene bearing and averaged 1 m wide. The channel samples which will provide information on the continuity of lithium mineralization as well as five grab samples. The samples were delivered to ALS Laboratories facility in Val d'Or, Quebec where they will be prepared for analysis before shipping to the main Vancouver facility.

The Company has recently contracted Orix Geoscience of Toronto, Ontario for an airborne drone survey at the Route 381 Lithium Property. Orix Geosciences will fly over the entire property with the objective of identifying and mapping the wider sections of dykes on the property which are prospective for lithium. In this way the airborne survey is intended to identify additional prospective areas for follow up sampling. This large property is of a size that the sampling program completed in August 2021 investigated under 10% of the ground earmarked for exploration. The results of the August 2021 program did not generate positive results and do not warrant further geological investigation in the section of the Route 381 Lithium Property that the August 2021 survey addressed.

RISK FACTORS

Due to the nature of the Company's business, the legal and economic climate in which it operates and its present stage of development, the Company is subject to significant risks. The risks presented below should not be considered to be exhaustive and may not be all of the risks that the Company may face. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business and operations. If any of the following or other risks occur, the Company's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that event, the trading price of the Common Shares could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks. Readers should carefully consider all such risks and other information elsewhere in this AIF before making an investment in the Company and should not rely upon forward-looking statements as a prediction of future results. Risk factors relating to the Company include, but are not limited to, the factors set out below.

Activities of the Company may be impacted by the spread of COVID-19

The Company's business could be adversely affected by the effects of the recent outbreak of respiratory illness caused by the novel coronavirus ("**COVID-19**"). Since early March 2020, several significant measures have been implemented in Canada, Mexico, the United States and the rest of the world by authorities in response to the increased impact from COVID-19. The Company cannot accurately predict the impact COVID-19 will have on the ability of third parties to meet their obligations with the Company, 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 travel and quarantine restrictions imposed by governments of affected countries. In particular, the continued spread of the COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, limitations on travel, the availability of industry experts and personnel, restrictions on planned drill programs and other factors that depend on future developments beyond the Company's control. In addition, the significant outbreak of a contagious disease has resulted in a widespread health crisis that has adversely affected the economies and financial markets of many countries (including Canada and Australia), resulting in a potential economic downturn that may negatively impact the Company's financial position, financial performance, cash flows, and its ability to raise capital, in 2022. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's exploration activities cannot be reasonably estimated at this time.

The Company has a history of losses and may not be able to generate sufficient revenue to be profitable or to generate positive cash flow on a sustained basis.

The Company has no history of revenue or earnings from operations. The Company is an exploration stage company and no cash flow or operating revenues are anticipated until one of the Company's projects comes into production, which may or may not occur. As such, the Company has had negative cash flow since the date of its incorporation and is subject to many risks common to such enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, and lack of revenues. The Company expects to continue to expend substantial financial and other resources on exploration and development of the Company's mineral assets. These investments may not result in revenue or growth in the business. If the Company cannot eventually earn revenue at a rate that exceeds the costs associated with its business, it will not be able to achieve or sustain profitability or generate positive cash flow on a sustained basis and its revenue growth rate may decline. There is no assurance that an investor will be successful in achieving a return on an investment in the Common Shares of the Company and the likelihood of success must be considered in light of its early stage of development. If the Company fails to eventually earn revenue, its business, results of operations, financial condition and prospects could be materially adversely affected.

The Company may be unable to raise the capital necessary for it to execute its strategy on favourable terms or at all.

The Company will require additional financing to advance beyond the currently planned surface and underground exploration programs at the Company's mineral properties in order to develop the Company's mineral assets and achieve commercial production. Additional funds may not be available when the Company needs them, on terms that are acceptable, or at all. If adequate funds are not available to the Company on a timely basis, it may be unable to proceed with future exploration and development of the Company's mineral assets or with other exploration, development or acquisition of property interests to carry out its business plan, as desired, which could materially affect the Company's business, results of operations, financial condition and prospects.

No history of mineral production.

The Company has no history of commercially producing metals from its mineral exploration properties. There can be no assurance that it will successfully establish mining operations or profitably produce silver, zinc, nickel, cobalt or other base, rare earth elements or precious metals on any of its properties. The development of mineral properties involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The commercial viability of a mineral deposit is dependent upon a number of factors which are beyond our control, including the attributes of the deposit, commodity prices, government policies and regulation and environmental protection. Fluctuations in the market prices of minerals may render reserves and deposits containing relatively lower grades of mineralization uneconomic.

There is no assurance that the Company's exploration and development programs and properties will result in the discovery, development or production of a commercially viable ore body or develop new resources.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At this time, apart from the mineral resources on the Company's mineral properties, the Company does not have any properties with mineral resources.

The economics of developing silver, gold and other mineral properties are affected by many factors including capital and operating costs, variations of the tonnage and grade of ore mined, fluctuating mineral markets, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Depending on the prices of silver, zinc, nickel, cobalt or other base, rare earth elements and minerals produced, the Company may determine that it is impractical to commence or continue commercial production. Substantial expenditures are required to discover an ore-body, to establish reserves, to identify the appropriate metallurgical processes to extract metal from ore, and to develop the mining and processing facilities and infrastructure. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, conditions for precious, base and rare earth metals, the proximity and capacity of milling and smelting facilities, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals, and environmental protection. In order to commence exploitation of certain properties presently held under exploration concessions, it is necessary for the Company to apply for an exploitation concession. There can be no

guarantee that such a concession will be granted. Unsuccessful exploration or development programs could have a material adverse impact on the Company's operations and profitability.

The Company may be involved in disputes related to its contractual interests in certain properties.

The Company may be party to agreements pursuant to which it may earn interests in certain properties. Title to such properties may be held in the names of parties other than the Company. Any of such properties may become the subject of an agreement which conflicts with the agreement pursuant to which the Company may earn its interest, in which case the Company may incur expenses in resolving any dispute relating to its interest in such property and such a dispute could result in the delay, indefinite postponement of further exploration and development of properties or the possible loss of such properties.

Enforcement of judgments against the Company or its officers or directors may be difficult.

Some of the Company's assets are located outside of Canada. As a result, it may be difficult for investors to enforce within Canada any judgments obtained against the Company or its officers or directors, including judgments predicated upon the civil liability provisions of applicable securities laws. In addition, there is uncertainty as to whether the courts of Australia and other jurisdictions would recognize or enforce judgments of Canadian courts obtained against the Company or its directors and officers predicated upon the civil liability provisions of the securities laws of Canada, or be competent to hear original actions brought in Australia or other jurisdictions against the Company or its directors and officers predicated upon the securities laws of Canada.

The Company's operations are subject to extensive environmental, health and safety regulations.

The Company's operations are subject to extensive laws and regulations governing environmental protection and employee health and safety promulgated by governments and government agencies. Environmental regulation provides for restrictions on, and the prohibition of, spills and the release and emission of various substances related to mining industry operations which could result in environmental pollution.

Environmental laws and regulations are complex and have become more stringent over time. The Company is required to obtain governmental permits and in some instances air, water quality, waste disposal, hazardous substances and mine reclamation permits. Failure to comply with applicable environmental and health and safety laws may result in injunctions, damages, suspension or revocation of permits and imposition of penalties. Environmental regulation is evolving in a manner resulting in stricter standards and the enforcement of, and fines and penalties for, non-compliance are becoming more stringent. In addition, certain types of operations require environmental impact assessments. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees.

Climate change regulations may become more onerous over time as governments implement policies to further reduce carbon emissions, including the implementation of taxation regimes based on aggregate carbon emissions. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, the cost of compliance with environmental regulation and changes in environmental regulation have the potential to result in increased cost of operations, reducing the profitability of the Company's operations.

The Company intends to, and attempts to, fully comply with all applicable environmental regulations. While the health and safety of its people and responsible environmental stewardship are top priorities for the Company, there can be no assurance that the Company has been or will be at all times in complete compliance with such laws, regulations and permits, or that the costs of complying with current and future environmental and health and safety laws and permits will not materially and adversely affect the Company's business, results of operations or financial condition.

The Company's properties may be subject to First Nations land claims.

The Cobalt Hill Property may now or in the future be the subject of First Nations' land claims. The Cobalt Hill Property is located in an area known for strong First Nations' concerns that could prove to be a problem for any extensive development on the Property. The legal nature of Aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Cobalt Hill Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Cobalt Hill Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse

effect on the Company's activities. Even in the absence of such recognition, the Company will at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the Cobalt Hill Property and there is no assurance that the Company will be able to establish a practical working relationship with the First Nations in the area which would allow it to ultimately develop the Cobalt Hill Property. First Nations' rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in Tsilhqot'in Nation v. British Columbia marked the first time in Canadian history that a court has declared First Nations' title and rights to lands outside of reserve land, particularly a large area of land in Central British Columbia, including rights to decide how the land will be used, occupancy and economic benefits. The Cobalt Hill Property may now or in the future be the subject of Aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Cobalt Hill Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of Aboriginal rights in the area in which the Cobalt Hill Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of Aboriginal interests in order to facilitate exploration and development work on the Cobalt Hill Property, and there is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Cobalt Hill Property.

The Company may not be able to adequately protect title to its mineral properties.

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, aboriginal land claims or government expropriation and title may be affected by undetected defects.

The Company may not be able to complete acquisitions it pursues and any completed acquisitions or business arrangements may ultimately not benefit its business.

As part of the Company's business strategy, it has sought and will continue to seek new mining and development opportunities in the mining industry. In pursuit of such opportunities, it may fail to select appropriate acquisition candidates, negotiate appropriate acquisition terms, conduct sufficient due diligence to determine all related liabilities or to negotiate favourable financing terms. The Company may encounter difficulties in transitioning the business, including issues with the integration of the acquired businesses or its personnel into the Company. The Company cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit its business.

The mining industry is very competitive.

The Company competes with other exploration and production companies, many of which are better capitalized, have greater financial resources, operational experience and technical capabilities, or are further advanced in their development or are significantly larger and have access to greater mineral resources than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. If the Company is unsuccessful in acquiring additional mineral properties or qualified personnel, it may not be able to grow at the rate it desires, or at all.

The Company's competitors may be able to devote greater resources to the expansion and efficiency of their operations or respond more quickly to new laws and regulations or emerging technologies than the Company. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Reputational damage could adversely affect the Company's operations and profitability.

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include negative publicity (for example, with respect to the Company's handling of environmental matters or dealings with community groups). The increased use of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding the Company and its activities. The Company does not

ultimately have direct control over how it is perceived by others and reputational damage could adversely affect the Company's operations and profitability.

Lack or delay of necessary infrastructure could adversely affect the Company's operations and profitability.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect 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 Company's projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's projects will be commenced or completed on a timely basis, if at all, that the resulting operations will achieve the anticipated production volume, or that the construction costs and ongoing operating costs associated with the exploration and/or development of the Company's projects will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations and profitability.

The Company is subject to government regulation and failure to comply could have an adverse effect on the Company's operations.

The Company's operations, exploration and development activities are subject to extensive foreign federal, state and local laws and regulations governing such matters as environmental protection, management and use of toxic substances and explosives, management of natural resources, health, exploration and development of mines, production and post-closure reclamation, safety and labour, mining law reform, price controls, import and export laws, taxation, maintenance of claims, tenure, government royalties and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations. The activities of the Company require licenses and permits from various governmental authorities.

The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even those actions of parties from whom the Company acquired its mines or properties, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company retains competent and well trained individuals and consultants in jurisdictions in which it does business; however, even with the application of considerable skill, the Company may inadvertently fail to comply with certain laws. Such events can lead to financial restatements, fines, penalties, and other material negative impacts on the Company.

The Company may not be successful in obtaining and renewing government permits.

In the ordinary course of business, the Company is required to obtain and renew government permits for the operation and expansion of existing operations or for the development, construction and commencement of new operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process involving numerous jurisdictions and possibly involving public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain and renew permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the permitting authority. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from a given property once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

The Company's exploration activities are subject to foreign currency exchange fluctuations which could result in foreign exchange losses.

Exploration activities in Australia are subject to foreign currency exchange fluctuations. The Company raises its funds through equity issues, which are priced in Canadian dollars, and the a portion of the exploration costs of the Company are denominated in Australian dollars. The Company may suffer losses due to adverse foreign currency fluctuations.

The Company may not be successful in maintaining internal control over financial reporting.

The Company may fail to maintain the adequacy of its internal control over financial reporting as such standards are modified, supplemented or amended from time to time, and management may not be able to conclude, on an ongoing basis, that the Company has effective internal control over financial reporting. The Company's failure to satisfy the requirements of applicable regulations on an ongoing, timely basis could result in the loss of investor confidence in the reliability of the Company's financial statements which, in turn, could harm the Company's business and negatively impact the trading price or the market value of the Company's securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause the Company to fail to meet its reporting obligations. Future acquisitions of companies, if any, may provide the Company with challenges in implementing the required processes, procedures and controls in the Company's acquired operations. No evaluation can provide complete assurance that the Company's internal control over financial reporting will detect or uncover all failures of persons within the Company to disclose material information otherwise required to be reported. The effectiveness of the Company's processes, procedures and controls could also be limited by simple errors or faulty judgments. In addition, as the Company expands, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require the Company to continue to monitor its internal control over financial reporting. Although the Company intends to expend substantial time and incur substantial costs, as necessary, to ensure ongoing compliance, the Company cannot be certain that it will be successful.

The Company may become involved in litigation which may have a material adverse impact on the Company's operations and financial condition.

The Company may become subject to various claims and legal proceedings, including adverse rulings in current or future litigation against it or its directors or officers. These claims may be subject to various uncertainties and it is possible that some of these claims may be resolved unfavourably. The Company carries liability insurance coverage and establishes reserves for matters that are probable and can be reasonably estimated. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation, which may have a material adverse impact on the Company's operations and financial condition.

Metal price volatility may affect the economic viability and potential profitability of the Company's mineral properties.

Factors beyond the control of the Company may affect the marketability of any ore or minerals discovered at, and extracted from, the Company's properties. Metal prices are subject to fluctuations and are affected by numerous factors beyond the Company's control including international economic and political trends, financial institution and central bank sales, inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new and improved extraction and production methods. Fluctuations and short- and long-term trends in metal prices can adversely affect both the economic viability and potential profitability of the Company's mineral properties.

The Company may be unable to obtain adequate insurance to cover risks.

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave ins, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in the ability to undertake exploration, monetary losses and possible legal liability.

The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Loss of key personnel could materially affect the Company's operations and financial condition.

The Company depends on the business and technical expertise of a number of key personnel, including its directors and executive officers and key personnel working full-time in management and administrative capacities or as consultants. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's exploration and development activities expand, it will require additional key personnel. The Company does not maintain life insurance for such personnel. The loss of any key personnel, or the failure to retain such personnel, could have a material adverse effect on the Company's future operations and financial condition.

The Company may be subject to potential conflicts of interest with its directors and/or officers.

The directors and officers of the Company may serve as directors and/or officers of other public and private companies, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest.

To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers of the Company may have a conflict of interest. The laws of British Columbia, Canada, require the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions.

The Company could be subject to indirect anti-corruption and anti-bribery enforcement proceedings that could adversely affect the Company.

The Company's operations are governed by, and involve interactions with, various levels of government in foreign countries. The Company is required to comply with anti-corruption and anti-bribery laws, including the *Corruption of Foreign Public Officials Act* (Canada) and similar laws in Australia. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. A company may be found liable for violations by not only its employees, but also by its contractors and third party agents. The Company's internal procedures and programs may not always be effective in ensuring that it, its employees, contractors or third party agents will comply strictly with all such applicable laws. If the Company becomes subject to an enforcement action or is found to be in violation of such laws, this may have a material adverse effect on the Company's reputation, result in significant penalties or sanctions, and have a material adverse effect on the Company's operations.

Security breaches of the Company's information systems could adversely affect the Company.

The Company's operations depend, in part, upon information technology systems. The Company's information technology systems are subject to disruption, damage or failure from a number of sources, including, but not limited to, hacking, computer viruses, security breaches, natural disasters, power loss, vandalism, theft and defects in design. Any of these and other events could result in information technology systems failures, operational delays, production downtimes, destruction or corruption of data, security breaches or other manipulation or improper use of our data, systems and networks, any of which could have adverse effects on our reputation, business, results of operations, financial condition and share price.

The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, we may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Global economic conditions may affect the Company's ability to advance its properties.

Many industries, including mining, are affected by global market conditions, and negative trends in global economic conditions, including but not limited to interest rates, consumer spending, employment rates, business conditions, inflation, energy costs, debt levels and credit availability may adversely affect the Company's ability to obtain loans and

other credit facilities in the future and, if obtained, on terms favourable to the Company, which could affect the Company's ability to advance its mineral projects and affect the trading price of the Common Shares in an adverse manner.

As a result of any of these factors, the market price of its Common Shares at any given point in time may not accurately reflect the long-term value of the Company's assets. Securities class action litigation can be brought against companies following periods of volatility in the market price of their securities, which could result in substantial costs and damages and divert management's attention and resources.

DIVIDENDS AND DISTRIBUTIONS

While there are no restrictions in the Company's notice of articles or pursuant to any agreement or understanding that prevent the Company from paying dividends or distributions, the Company has not declared or paid cash dividends on the Common Shares. The Company intends to retain future earnings to finance the operation, development and expansion of the business, and accordingly, the Company does not anticipate paying cash dividends on Common Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the Board and will depend on the Company's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the Board considers relevant.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company is authorized to issue an unlimited number of Common Shares, of which 71,261,318 are issued and outstanding as at the date of this AIF. The holders of Common Shares are entitled to receive notice of, attend, and vote at any general meeting of the Company, and to cast one vote for each Common Share held on the applicable record date in respect of any matter put to vote at such a meeting, except meetings at which only holders of a specified class of shares are entitled to vote. The holders of Common Shares are entitled to receive dividends if, as, and when declared by the Board. Subject to the special rights or restrictions attached to the shares of any other class of shares of the Company, the holders of Common Shares are entitled to share equally in the remaining property of the Company upon the liquidation, dissolution or winding-up of the Company.

Warrants

As at the date of this AIF, the Company had the following warrants outstanding:

- 258,260 warrants, with each warrant is exercisable for one Common Share at an exercise price of $0.25 per Common Share until September 18, 2022;
- 1,211,723 warrants, with each warrant is exercisable for one Common Share at an exercise price of $0.27 per Common Share until November 18, 2023; and
- 401,922 finder's warrants, with each finder's warrant is exercisable for one Common Share at an exercise price of $0.20 per Common Share until November 18, 2023.

Stock Options

The Company has a "rolling" stock option plan (the "**Stock Option Plan**") pursuant to which up to a maximum of 10% of the issued and outstanding Common Shares may be reserved for issuance pursuant to the exercise of Stock Options.

As of the date of this AIF, there are a total of 4,200,000 Stock Options issued and outstanding. Stock Options are exercisable by the holders there of to acquire Common Shares at a future date. The terms and conditions attached to the Stock Option grants are determined by the Board, in its sole discretion. The Board has the power and discretionary authority to determine the terms and conditions of the Stock Option grants, including the individuals who will receive the Stock Option grants, the number of Stock Options subject to each grant, the exercise price of the Stock Options, the limitations or restrictions on vesting of Stock Options, acceleration of vesting of Stock Options, the form of consideration payable on settlement of Stock Options and the timing of the Stock Options grants. The Board also has the power to establish procedures for payment of withholding tax obligations with cash.

MARKET FOR SECURITIES

Trading Price and Volume

The Company's Common Shares are listed and traded on the CSE under the trading symbol "MEGA".

The following table sets out trading information for the Common Shares on the CSE for the periods indicated:

Period	High($)	Low ($)	Volume
February 1 - 8, 2022	0.225	0.175	1,227,746
January 2022	0.23	0.11	2,128,296
December 2021	0.165	0.10	1,524,021
November 2021	0.195	0.08	1,609,766
October, 2021	0.245	0.145	1,442,378
September 2021	0.265	0.20	1,729,343
August 2021	0.33	0.255	2,259,251
July 2021	0.335	0.265	5,104,021
June 2021	0.355	0.29	6,685,363
May 2021	0.425	0.33	8,583,037
April 2021	0.47	0.34	8,466,093
March 2021	0.52	0.32	6,340,297
February 2021	0.55	0.265	13,973,187
January 2021	0.375	0.285	3,262,033
December 2020	0.90	0.305	5,968,603
November 2020	1.17	0.79	1,245,729
October 2020	0.94	0.81	53,331
September 2020	0.95	0.82	226,607

Unlisted Securities

During the financial year ended September 30, 2021 and to the date of this AIF, the Company issued the following unlisted securities:

Date of Issue	Class of Security	Number of Securities Issued	Issue/Exercise price per Security
October 21, 2020	Options	500,000	$0.90
January 28, 2021	Options	200,000	$0.285
February 16, 2021	Options	250,000	$0.465
March 2, 2021	Options	500,000	$0.44
November 23, 2021	Warrants	1,211,723	$0.27
November 23, 2021	Finder's Warrants	401,922	$0.18
November 26, 2021	Options	2,500,000	$0.20

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

National Instrument 46-201 Escrow

In connection with the initial public offering of the Company's Common Shares, securities held by principals of the Company, being the directors, senior officers and controlling shareholders, were required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions.

Pursuant to the escrow agreement (the "**Escrow Agreement**") dated May 15, 2019 among the Company, National Securities Administrators Ltd. (the "**Escrow Agent**"), Marshall Farris, Tracy Mabone, Mike Cowin and John Mirko, former directors and senior officers of the Company (collectively, the "**Principals**"), the Principals agreed to deposit in escrow the Common Shares held by them with the Escrow Agent. The Escrow Agreement will provide that such escrowed securities will be released from escrow in equal blocks of 15% of a Principal's escrowed securities at six month intervals over the 36 months following the Listing Date, with 10% of each Principal's holdings being released on the listing date of the Company's Common Shares on the CSE.

The Company is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators. If the Company achieves "established issuer" status during the term of the Escrow Agreement, it will "graduate," resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18-month schedule applicable to established issuers, as if the Company had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the escrowed securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

(a) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Company's Board;

(b) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;

(c) transfers upon bankruptcy to the trustee in bankruptcy; and

(d) pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow. Tenders of escrowed securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The complete text of the Escrow Agreement is available for review on the Company's profile at www.sedar.com.

The following table sets forth details of the issued and outstanding Common Shares of the Company that are subject to the Escrow Agreement as of the date of this AIF:

Designation of Class	Number of Common Shares held in Escrow	Percentage of Class
Common Shares	1,470,990	2.06%(1)

Note:
(1) Based on 71,261,318 Common Shares outstanding.

DIRECTORS AND OFFICERS

The table below lists the following information about the Company's directors and officers: their names, municipalities of residence, positions and offices held, and principal occupations or employment.

Name, Municipality of Residence and Position with the Company	Principal Occupations during the Last Five Years	Period as a Director or Officer of the Company
David Thornley-Hall (1) Chief Executive Officer & Director British Columbia, Canada	President and Director of Spey Resources Corp. since January 2019; VP Corporate Development, Corporate Secretary of Norden Crown Metals Corp since September 2020; E-VP, Corporate Secretary of Western Potash Corp. from 2009 to June 2017	October 2020 to Present
Kelvin Lee (1) Chief Financial Officer,	Director of Finance of K2 Capital Advisors Inc. (since 2019); CFO of Monument Mining Ltd. (2018 to 2019); and VP of	July 2020 to Present

Name, Municipality of Residence and Position with the Company	Principal Occupations during the Last Five Years	Period as a Director or Officer of the Company
Corporate Secretary and Director British Columbia, Canada	Finance and Administration of Monument Mining Ltd. (2013-2018).	
Ravinder Kang (1) Director Vancouver, BC	Principal of RSJ Consulting Inc. since April 2015 and Director of Listed Issuer Services at the TMX Group from March 1992 to March 2015.	January 2021 to Present

Notes:

(1) Member of the Audit Committee. Ravinder Kang is the Chair of the Audit Committee.

Term of Directors

The term of office of the directors expires annually at the time of each of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Board.

Aggregate Ownership of Securities

As a group, the directors and officers of the Company hold 1,744,000 Common Shares, representing 2.45% of all issued and outstanding Common Shares and approximately 3,375,000 Stock Options representing 80.36% of the outstanding Stock Options.

Background of Management and Directors

The following is a brief description of each of the Board members and officers of the Company (including details with regard to their principal occupations for the last five years).

David Thornley-Hall – Chief Executive Officer and Director

Mr. Thornley-Hall is a seasoned mining executive with over 15 years of diversified experience in mineral exploration, mining, and mine finance including projects in the US, Canada, Mexico, and Peru. Mr. Thornley-Hall served for eight years as a leading member of the commercial team at Western Potash, where he was instrumental in securing $112 million in Chinese strategic equity investment. Prior to entering the mining industry, Mr. Thornley-Hall worked in the Canadian dollar bond market where he held the position of Managing Director of Canadian Business at Exco Shorcan in London, England. Mr. Thornley-Hall has a. Mr. Thornley devotes 100% of his time to the Company.

Kelvin Lee – Chief Financial Officer, Corporate Secretary and Director

Mr. Lee has over 15 years of financial management experience with publicly traded companies. He is formerly CFO of Freeman Gold Corp. and prior, had progressively senior roles from Corporate Controller, VP Finance and Administration to Chief Financial Officer, for a TSXV listed gold producer with $400 million in revenue over nine years. His responsibilities included development and execution of financial strategy and operations, including regulatory reporting, financial planning and analysis, treasury, tax and audit. He also held prior Controller positions in the mining industry with various publicly traded companies including Prodigy Gold Inc. that was acquired for $340 million. Mr. Lee is currently CFO and Director of Karam Minerals Inc.; CFO of Mantaro Silver Corp.; CFO of Nabati Foods Global Inc.; and CFO and Director of Kings Entertainment Group Inc. Mr. Lee is a CPA, CGA (British Columbia). Mr. Lee devotes 15% of his time to the Company.

Ravinder Kang - Director

Mr. Kang has been self-employed since April 2015. He was the Director of Listed Issuer Services and held other positions with TMX Group from March 1992 to March 2015. He is a corporate finance professional who is experienced in all aspects of TSX Venture Exchange policy, corporate governance and public company obligations. Mr. Kang is currently the principal of RSJ Consulting Inc., a firm that provides corporate finance advice. Mr. Kang received a Bachelor of Commerce degree from the University of British Columbia in 1988 and obtained his C.A. designation while working at Ernst and Young. Mr. Kang devotes his time and expertise to the Company as required.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Cease Trade Orders

No director or executive officer of the Company is, as at the date of this AIF, or was within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was subject to a cease trade order, an order similar to a cease trade order, or an order than denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to a cease trade order, an order similar to a cease trade order, or an order than denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors and executive officers.

Bankruptcy & Insolvency

No director or executive officer of the Company, nor a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or 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; or

(b) has, within 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 proposed director.

Penalties or Sanctions

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and the best interest of the Company.

To the best of the Company's knowledge, there are no known existing or potential conflicts of interest among the Company or a subsidiary of the Company and the Company's directors and officers or the directors and officers of a subsidiary of the Company as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

PROMOTERS

A "Promoter" is defined in the *Securities Act* (British Columbia) as a "person who (a) alone or in concert with other persons directly or indirectly takes the initiative of founding, organizing or substantially reorganizing the business of the issuer; or (b) in connection with the founding, organization or substantial reorganization of the business of the Company, directly or indirectly receives, in consideration of services or property or both, 10% or more of a class of the Company's own securities or 10% or more of the proceeds from the sale of a class of the Company's own securities of a particular issue." No person or company has been, within the two most recently completed financial years or during the current financial year, a promoter of the Company or of a subsidiary of the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

In the ordinary course of business, the Company may be subject to certain contingent liabilities with respect to existing or potential claims, lawsuits and other proceedings, including those involving tax, social security, labour lawsuits and other matters.

As of the date of this AIF, the Company's management is not aware of any current or contemplated legal proceedings material to the Company to which it is a party or of which any of its property is the subject matter. As of the date hereof, no penalties or sanctions have been imposed against the Company by a court or regulatory body and the Company did not enter into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority during its last financial year.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein and in the financial statements and management's discussion and analysis of the Company, there were no material interests, direct or indirect, of directors or executive officers of the Company, of any shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares, or any known associate or affiliate of such persons, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or would materially affect Company or any of its subsidiaries.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar for the Company's Common Shares is National Securities Administrators Ltd. located at #702 – 777 Hornby Street, Vancouver, BC, V6Z 1S2**.**

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, as at the date of this AIF, the Company has not entered into any material contracts within the most recently completed financial year, or before the most recently completed financial but which are still in effect.

INTERESTS OF EXPERTS

Auditors

The Company's auditor is Manning Elliott LLP, Chartered Accountants and is located at 1700-1030 West Georgia St., Vancouver, British Columbia V6E 2Y3. Such auditor is independent in accordance with the Code of Professional conduct of the Chartered Professional Accountants of British Columbia.

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Company during the most recently completed financial year other than Manning Elliott LLP, Chartered Accountants, the Company's auditor. To management's knowledge, as of the date hereof, neither Manning Elliott LLP nor the designated professionals of Manning Elliott LLP, directly or indirectly owned any of the outstanding Common Shares or other securities of the Company. No director, officer or employee of Manning Elliott LLP is to be or has been elected, appointed or employed as a director, officer or employee of the Company.

Qualified Persons

All technical and scientific information discussed in this AIF, including mineral resource estimates for our material properties, and all technical and scientific information for our other non-material projects, has been reviewed and approved by Geoff Reed, APESMA, MausIMM, MAIG, Manager, Exploration of the Company, who is a "qualified person" for the purposes of NI 43-101.

The following individual prepared the Cobalt Hill Report:

- Linda Dandy, P. Geo.

The following individual prepared the Tyr and Century South Report:

- Matthew Francis Stephens, B. App. Sc., FAIG, of Xplore Resources Pty Ltd.

Each of the abovementioned firms or persons named in this section under the heading "*Qualified Persons*" holds, as either a registered or beneficial holder, less than one percent of the outstanding securities of the Company or of any associate or affiliate of the Company. Other than Mr. Reed, none of the aforementioned firms or persons received any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation and review of any technical report or this AIF. Other than Mr. Reed, none of the aforementioned firms or persons, nor any directors, officers or employees of such firms or persons, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

The following information regarding the audit committee of the Board (the "**Audit Committee**") is required to be disclosed pursuant to NI 52-110.

Pursuant to applicable laws, the policies of the CSE and NI 52-110, the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or any affiliate of the Company.

Audit Committee's Charter

The Audit Committee provides review and oversight of the Company's accounting and financial reporting process, and the audit process, including the selection, oversight, and compensation of the Company's external auditor. Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

A copy of the Company's Audit Committee Charter is attached as Schedule "A" hereto.

Composition of the Audit Committee

The current Audit Committee members are Robert Kang (Chair), David Thornley-Hall and Kelvin Lee. All Audit Committee "financially literate" within the meaning of NI 52-110. Mr. Kang is "independent" within the meaning of NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the Board's reasonable opinion, interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements presenting a breadth and level of complexity of accounting issues generally comparable to the breadth and complexity of issues one can reasonably expect to be raised by the Company.

Relevant Education and Experience

Each member of the Company's Audit Committee has adequate education and experience relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that provides the member with:

(a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and

(c) an understanding of internal controls and procedures for financial reporting.

See "*Directors and Officers*" above, and in particular the biographies of each Audit Committee member, for more information concerning each Audit Committee member's education and experience.

Audit Committee Oversight

At no time since the commencement of the most recently completed financial year of the Company was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the directors of the Company.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services but will review the engagement of all such services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Manning Elliott LLP, to the to ensure auditor independence in the financial periods ended September 30, 2021 and 2020. Fees incurred for audit and non-audit services provided by Manning Elliott LLP during such periods are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended September 30, 2021	Fees Paid to Auditor in Year Ended September 30, 2020
Audit Fees[1]	$43,000	$17,500
Audit-Related Fees[2]	Nil	Nil
Tax Fees[3]	$1,750	$2,250
All Other Fees[4]	Nil	Nil
Total	$44,750	$19,750

Notes:

(1) "**Audit Fees**" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "**Audit-Related Fees**" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "**Tax Fees**" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "**All Other Fees**" include all other non-audit services.

Exemptions

As the Company is listed on the CSE, it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110 pursuant to section 6.1 of NI 52-110. The Company relies on the exemptions for Part 3 and Part 5 of NI 52-110.

ADDITIONAL INFORMATION

Additional information is contained in the Company's audited financial statements and MD&A for the Company's most recently completed financial year, copies of which have been filed with the securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario, and may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under the Company's equity compensation plans, is contained in the Company's information circular for its most recent annual meeting of securityholders that involved the election of directors.

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Walcott Resources Ltd. (the "**Company**") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;

2. The compliance of such statements and information with legal and regulatory requirements;

3. The qualifications and independence of the Company's independent external auditor (the "**Auditor**"); and

4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three members, a majority of which shall be independent.

B. Qualifications

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet at least once in each fiscal year, or more frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company, consistent with Independence Standards Board Standard 1.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

5. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
6. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.
7. Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the Auditor unless such non-audit services:
    (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
    (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
    (c) are promptly brought to the attention of the Committee by management and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Internal Financial Controls & Operations of the Company

8. Establish procedures for:

(a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

9. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

10. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

11. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

12. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

13. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

(i) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor or management.

(ii) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

14. Review the Company's annual and quarterly financial statements, management discussion and analysis (MD&A), annual information form, and management information circular before the Board approves and the Company publicly discloses this information.

15. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

16. Review any disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

17. Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

18. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

19. Meet, to the extent it deems necessary or appropriate, with management and the Auditor in separate executive sessions at least quarterly.

20. Have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other consultants to advise the Committee advisors.

21. Make regular reports to the Board.

22. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

23. Annually review the Committee's own performance.

24. Provide an open avenue of communication among the Auditor the Board.

25. Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.