ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

May 20, 2021

TABLE OF CONTENTS

SCHEDULE

APPENDICES

ADVISORIES

*In this Annual Information Form ("**AIF**"), unless otherwise specified or if the context otherwise requires, references to "we", "us", "our", "its", "the Company" or "Clarity" mean Clarity Gold Corp. The information in this AIF is stated as at December 31, 2020 unless otherwise indicated. For additional information and details, readers are referred to the audited consolidated financial statements for the year ended December 31, 2020 and notes that follow, as well as the accompanying annual Management's Discussion and Analysis ("**MD&A**"), which are available on the Canadian Securities Administrator's SEDAR System at www.sedar.com.*

Cautionary Statement Regarding Forward-Looking Information and Statements

This AIF contains forward-looking information and statements (collectively, "**forward-looking statements**"). These forward-looking statements relate to Clarity's current expectations, estimates and projections as to future events or Clarity's future performance and are provided to allow readers a better understanding of Clarity's business and prospects and may not be suitable for other purposes. All statements, other than statements of historical fact, may be considered forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in, or suggested by, such forward-looking statements. Clarity believes the expectations reflected in the forward-looking statements included in this AIF are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date of this AIF and are expressly qualified, in their entirety, by this cautionary statement. Clarity assumes no obligation to revise or update these statements except as required pursuant to applicable securities laws.

In particular, this AIF contains forward-looking statements pertaining to the following:

- the intentions, plans and future actions of the Company;
- proposed expenditures for exploration work and other business or exploration related expenses;
- statements relating to the business and future activities of the Company;
- the timing and amount of funding required to execute the Company's business plan and proposed phased exploration expenditures;
- the effect on the Company of any changes to existing or new legislation or policy or government regulation;
- the availability of labour;
- requirements for additional capital; and
- the impact of the COVID-19 pandemic on the business and operations of the Company.

With respect to forward-looking statements contained in this AIF, the Company has made assumptions regarding, among other things:

- the Company's access to adequate services and supplies;
- favourable economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets;
- the availability of a qualified work force;
- that exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions;
- that any environmental and other proceeding or dispute is, if ever initiated against the Company, satisfactorily resolved, and that the Company is able to maintain its ongoing relations with its business partners and governmental authorities;

- the Company's ability to obtain and maintain financing on acceptable terms;
- the impact of competition;
- changes in laws, rules and regulations;
- the Company's ability to retain key personnel; and
- the absence of material adverse changes in the industry or Canadian or global economy, including as a result of the COVID-19 pandemic.

The Company's actual results could differ materially from those anticipated in the forward-looking statements as a result of the risk factors set forth below and elsewhere in this AIF:

- the Company's limited operating history;
- that the resource exploration and development is a speculative business;
- the Company may lose or abandon any of its interests mineral properties, including the Empirical Property and the Destiny Property;
- that the Company's mineral properties are in the exploration stage and are without known bodies of commercial ore;
- that the resource exploration and development is a speculative business;
- that the Company may not be able to obtain all necessary permits and approvals, governmental or otherwise, required to undertake exploration activity contemplated, or commence construction or operate mining facilities on any of its properties;
- that environmental laws and regulations may become more onerous;
- increased competition in the mineral exploration industry;
- failure to obtain or maintain required regulatory approvals;
- evolving market and difficulty of evaluation future prospects;
- the Company's reliance on management and key employees or personnel;
- changes in laws, regulations, and guidelines relating to the Company's business, including tax and accounting requirements;
- uncertainty an adverse changes in the economy, including those due to the COVID-19 pandemic;
- the volatility of the capital markets and commodities prices, specifically those related precious metals;
- dilution as a result of future Common Share issuances;
- lack of outside funding available for the exploration and the development of the Company's various mineral properties, including the Empirical Property and the Destiny Property;
- conflict of interests of the Company's directors and officers, as applicable;
- adverse impacts on the Company's reported results of operations as a result of adopting new accounting standards or interpretations;
- changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters; and
- other factors considered under "*Risk Factors*" in this AIF and other filings made by the Company with Canadian securities authorities.

The Company has included the above summary of assumptions and risks related to forward-looking statements contained in this AIF in order to provide investors with a more complete perspective on the Company's current and future operations and such information may not be appropriate for other purposes.

Additional information on these and other factors is available in the reports filed by the Company with Canadian securities regulators and available on SEDAR (as defined herein). The forward-looking statements and information contained in this AIF are made as of the date hereof.

Readers are cautioned that the preparation of financial statements in accordance with generally accepted accounting principles in Canada requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available and as the economic

environment changes. The information contained in this AIF, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Company. Readers are encouraged to carefully consider such factors.

Readers are also cautioned against placing undue reliance on forward-looking statements, which are given as of the date expressed in this AIF, or the MD&A disclosure incorporated by reference herein, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Company undertakes no obligation to publicly update or revise any forward-looking statements in this AIF or the MD&A or other disclosure incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by law.

Canadian Mineral Disclosure Information

The scientific and technical information contained in this AIF, including references to mineralization, mineral resources or mineral reserves, was prepared in accordance with Canadian standards for reporting of mineral resource estimates, which differ in some respects from United States standards. In particular, and without limiting the generality of the foregoing, the terms "inferred mineral resources", "indicated mineral resources", "measured mineral resources" and "mineral resources" used or referenced in this AIF are Canadian mineral disclosure terms as defined in accordance with NI 43-101 (as defined herein) under the guidelines set out in the CIM Standards. The CIM Standards differ significantly from standards in the United States. While the terms "mineral resource," "measured mineral resources," "indicated mineral resources," and "inferred mineral resources" are recognized and required by Canadian regulations, they are not defined terms under standards in the United States, and are normally not permitted to be used in reports and registration statements filed with the SEC. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies, except in limited circumstances. The term "resource" does not equate to the term "reserves". Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made.

Readers are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. Readers are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable. Disclosure of "contained ounces" in a mineral resource is permitted disclosure under Canadian regulations; however, United States companies are only permitted to report mineralization that does not constitute "reserves" by standards in the United States as in place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of the SEC, and reserves reported by the Company in compliance with NI 43-101 may not qualify as "reserves" under SEC standards. Accordingly, information regarding mineral resources contained or referenced in this AIF, including historical resources, may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Technical Information

Unless otherwise noted, the disclosure contained in this AIF of a scientific or technical nature for: (i) the Empirical Property is based on the technical report prepared by Rory Kutluoglu, B.Sc., P.Geo, dated March 24, 2020 entitled "*National Instrument 43-101 Technical Report on the Empirical Property, Southern Interior, British Columbia, Canada*" prepared in accordance with the requirements of NI 43-101; and (ii) the Destiny Property is based the technical report of Todd McCracken, P. Geo, and Charlotte Athurion, P. Geo, dated February 4, 2021 entitled "*NI 43-101 Technical Report Destiny Property, Despinassy Township, Quebec, Canada*" prepared in accordance with the requirements of NI 43-101.

Reference should be made to the full text of the Empirical Technical Report and Destiny Technical Report which have been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and are available for review under the Company's profile on SEDAR at www.sedar.com.

Rory Kutluoglu, B.Sc., P.Ge, o a "Qualified Person" under NI 43-101 has reviewed and approved the written scientific and technical disclosure contained in this AIF.

Monetary References

Except as otherwise indicated, all dollar amounts in this AIF are expressed in Canadian dollars and references to $ are to Canadian dollars. References to US$ are to United States dollars.

GLOSSARY OF TERMS

In this AIF, unless otherwise indicated or the context otherwise requires, the following terms shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

"**Advisory Board**" means the advisory board of the Company, as constituted from time to time.

"**affiliate**" or "**associate**" when used to indicate a relationship with a person or company, has the meaning set forth in the *Securities Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder.

"AMI" means the 5 km area of influence measured from the outside the perimeter of the mineral claims that comprise the Empirical Property, excluding any mineral claims held by third parties.

"**Audit Committee**" means the audit committee of the Company, as constituted from time to time.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder.

"**Big Ridge**" means Big Ridge Gold Corp., an arm's length British Columbia company whose common shares are listed on the TSXV.

"**Board**" means the board of directors of the Company, as constituted from time to time, including, where applicable, any committee thereof.

"**Commercial Production**" means the operation of the Empirical Property or the Destiny Property, or any portion thereof, as applicable, as a producing mine and the production of mineral products therefrom (excluding bulk sampling, pilot plant or test operations).

"**Common Shares**" means the common shares without par value in the capital of the Company.

"**Company**" or "**Clarity**" means Clarity Gold Corp.

"**CIM**" means the Canadian Institute of Mining, Metallurgy and Petroleum.

"**CIM Standards**" means the CIM Standards on Mineral Resources and Mineral Reserves, as amended from time to time.

"**CSE**" means the Canadian Securities Exchange.

"**Destiny Authors**" means Todd McCracken, P. Geo, and Charlotte Athurion, P. Geo, independent consulting geologists and the authors of the Destiny Technical Report.

"**Destiny Buyback Right**" means the right of the Company to repurchase 1% of the Destiny Royalty from the Big Ridge during the first 3 years following the commencement of Commercial Production on payment by the Company to Big Ridge of $1,000,000.

"**Destiny Property**" means the 127 mining claims comprising a total of 5,013 ha located in the Abitibi Region, in the Province of Québec, approximately 75 km north-northwest of Val-d'Or, Québec, which has been optioned by Big

Ridge to the Company pursuant to the terms and conditions of the Destiny Option Agreement, subject to the Destiny Royalty.

"**Destiny Royalty**" means the 1% NSR to be granted by the Company to Big Ridge on exercise of the Destiny Option to purchase a 100% undivided interest in the Destiny Property, payable following commencement of Commercial Production, subject to the Destiny Buyback Right.

"**Destiny Technical Report**" means the technical report of Todd McCracken, P. Geo, and Charlotte Athurion, P. Geo, dated February 4, 2021 entitled "*NI 43-101 Technical Report Destiny Property, Despinassy Township, Quebec, Canada*" prepared in accordance with the requirements of NI 43-101.

"**DTC**" means the Depository Trust Company, a subsidiary of the Depository Trust & Clearing Corp. that manages the electronic clearing and settlement of publicly traded companies in the United States.

"**Empirical Author**" means Rory Kutluoglu, B.Sc., P.Geo., an independent consulting geologist and the author of the Empirical Technical Report.

"**Empirical Buyback Right**" means the right of the Company to repurchase 1% of the Empirical Royalty from the Optionor for a purchase price of $1,500,000 prior to the commencement of Commercial Production.

"**Empirical Option**" means the option to acquire a 100% undivided right, title, ownership and beneficial interest in the Empirical Property granted by the Optionor pursuant to the terms of the Empirical Option Agreement, subject to the Empirical Royalty.

"**Empirical Option Agreement"** means the option agreement dated effective October 1, 2019 between the Company and the Optionor.

"**Empirical Property**" means the three unpatented mineral claims comprising a total of 5,401.36 hectares located in the Lillooet Mining Division, approximately 12 km south of Lillooet, British Columbia plus the AMI, which has been optioned by the Optionor to the Company pursuant to the terms and conditions of the Empirical Option Agreement, subject to the Empirical Royalty.

"**Empirical Royalty**" means the 2% NSR to be granted by the Company to the Optionor on exercise of the Option, payable following commencement of Commercial Production, subject to the Empirical Buyback Right.

"**Empirical Technical Report**" means the technical report of Rory Kutluoglu, B.Sc., P.Geo, dated March 24, 2020 entitled "*National Instrument 43-101 Technical Report on the Empirical Property, Southern Interior, British Columbia, Canada*" prepared in accordance with the requirements of NI 43-101.

"**Effective Date**" means the effective date of this AIF, being May 20, 2021.

"**Gretna Green Project**" means the mineral claim covering a total of 1,331.13 hectares located in the Alberni Mining Division, approximately 24 km southwest of Port Alberni, British Columbia and 1.3 km north of Henderson Lake, British Columbia.

"**IPO**" means initial public offering.

"**Longford Exploration**" means Longford Exploration Services Ltd., a company controlled by James Rogers, the CEO and a director of the Company;

"Longford Exploration Consulting Agreement" means the consulting agreement dated October 31, 2019 between the Company and Longford Exploration.

"**Mines Act**" means the *Mines Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder.

"**MTO**" means British Columbia's Mineral Titles Online.

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

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators.

"**NSR**" means net smelter return royalty.

"**NTS**" means National Topographic System.

"**Optionor**" means Longford Capital Corp., a company incorporated under the laws of the BCBCA and controlled by James Rogers, the CEO and a director of the Company.

"**OTC**" means the United States Over-the-Counter market.

"**Qualified Person**" means an individual who:

(a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;

(b) has experience relevant to the subject matter of the Empirical Property and Destin Property and of the Empirical Technical Report and Destiny Technical Report, as applicable; and is in good standing with a professional association and, in the case of a foreign association listed in Appendix A of NI 43-101, has the corresponding designation in Appendix A of NI 43-101.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Stock Option Plan**" means the stock option plan adopted by the Board on February 24, 2020.

"**TSXV**" means the TSX Venture Exchange.

"**Tyber Project**" means the mineral claim covering a total of 928.70 hectares located in the Nanaimo Mining Division, approximately 1.4 km south of Arrowsmith Lake, British Columbia and 18 km southwest of Parksville, British Columbia.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the BCBCA on September 11, 2019 under the name "1222991 B.C. Ltd." On November 1, 2019, the Company filed articles of amendment changing the Company's name from "1222991 B.C. Ltd." to "Clarity Gold Corp.".

The Company's head office is located at 915 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, and its registered office is located at 800-885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

The Shares are listed and trade on the CSE under the symbol "CLAR" and on the OTC Pink Sheets Market under the symbol "CLGCF". The Company is a reporting issuer in British Columbia, Alberta and Ontario and files it continuous disclosure documents on SEDAR at www.sedar.com. The Company's filings through SEDAR are not incorporated by reference in this AIF.

Intercorporate Relationships

The Company has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY

The Company is a Canadian mineral exploration company focused on the acquisition, exploration and development of gold projects in Canada. The Company's current property portfolio consists of the Empirical Property, the Destiny Property, the Gretna Green Project, and the Tyber Project. The Company's primary focus is advancing its Empirical Property and Destiny Property.

The Company is currently evaluating its exploration and evaluation assets and has not determined whether its projects contain reserves that are economically recoverable. The recoverability of amounts recorded for the exploration and evaluation assets are dependent upon the discovery of economically recoverable reserves. The Company's future capital requirements depend on many factors, including costs of exploration and development of the exploration and evaluation assets, cash flow from operations, costs to complete additional exploration, competition and global market conditions.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

Three Year History

A detailed description on the significant developments of the business of the Company since the date of incorporation on September 11, 2019 is set out below.

Mineral Properties

Empirical Property

On October 1, 2019, the Company entered into the Empirical Option Agreement with the Optionor, whereby the Optionor granted the Company an option to acquire a 100% undivided right, title, ownership and beneficial interest in the Empirical Property, subject to the Empirical Royalty, consisting of three unpatented mineral claims

totaling approximately 5,401.36 hectares, located in the Lillooet Mining Division, approximately 12km south of Lillooet, British Columbia. The mineral claims are registered in the name of James Rogers and beneficially owned by the Optionor. The Optionor is not at arm's length to the Company. However, at the time of the Empirical Option Agreement's approval by the Board, James Rogers, the current CEO and a director of the Company, was not a director of the Company. Mr. Rogers was appointed as CEO and as a director of the Company on November 1, 2019.

In order to exercise the Empirical Option, the Company is required to: (i) pay cash of $50,000, (ii) issue 2,000,000 Common Shares (issued) and (iii) incur an aggregate minimum of $280,000 ($80,000 incurred) in exploration expenditures on the Empirical Property, in accordance with the following schedule:

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred[(1)]
October 6, 2019		2,000,000 (completed)	-
October 1, 2020	-	-	$80,000 (completed)
October 1, 2021	-	-	$200,000
Within five days of the Common Shares being approved for listing on a stock exchange	$50,000 (paid)	-	
TOTAL:	**$50,000**	**2,000,000**	**$280,000**

(1) Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Empirical Option Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to the Optionor.

The Company's 100% undivided right, title, ownership and beneficial interest in the Empirical Property will be earned through the fulfillment of the obligations listed above. The Empirical Option Agreement grants the Company an option only. The Company is therefore not obligated to meet any of the above option obligations in the event that it chooses to terminate the Empirical Option Agreement and abandon the Empirical Property for any reason.

The Company may terminate the Empirical Option Agreement at any time on 30 days' prior written notice to the Optionor. Under such circumstances, the Optionor is entitled to retain any cash payments or Common Shares received by the Optionor prior to such termination. The Empirical Option Agreement will also terminate if the Company defaults on its obligations to make any payments, issue any shares or complete any exploration expenditures by the dates set out in the Empirical Option Agreement. Alternatively, the exercise of the Empirical Option can be accelerated by making all payments due to the Optionor. Neither the Optionor nor the Company may transfer its interest in the Empirical Option Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of the Empirical Option Agreement. If unexercised, the Empirical Option expires on December 30, 2021 or such other date as mutually agreed to by the Company and the Optionor.

On June 29, 2020, the Company paid $50,000 in cash pursuant to the terms of Empirical Option Agreement.

Empirical Royalty

Upon exercise of the Empirical Option, the Company has agreed to grant the Empirical Royalty to the Optionor. The Empirical Royalty is a 2% NSR granted by the Company to the Optionor, payable following commencement of

Commercial Production. The Empirical Royalty is subject to the Empirical Buyback Right, which Empirical Buyback Right provides that the Company may reduce the Empirical Royalty from 2% to 1% at any time prior to commencement of Commercial Production on payment by the Company to the Optionor of $1,500,000.

Empirical Property Extension

The Empirical Property was extended in May and July of 2020 with the acquisition of three new mineral claims. The acquisition of these claims effectively expands the Empirical Property area to the east and west of the original Empirical Property boundaries, covering a total area of 5,117.25 ha.

Title Number	Claim Name	Owner	Map Number	Issue Date	Good To Date	Area (ha.)
1077048	EMPIRICAL 4	CLARITY GOLD CORP. (100%)	092I/092J	2020-07-02	2021-07-02	1992.88
1077049	EMPIRICAL 5	CLARITY GOLD CORP. (100%)	092I/092J	2020-07-02	2021-07-02	2014.63
1076462	MUSTANG RIDGE	CLARITY GOLD CORP. (100%)	092I	2020-05-26	2021-05-26	1109.73

Destiny Property

On November 27, 2020, the Company entered into the Destiny Option Agreement whereby Big Ridge granted the Company an option to acquire a 100% undivided right, title, ownership and beneficial interest in the Destiny Property, subject to the Destiny Royalty. The Destiny Property is comprised of 127 mining claims totaling approximately 5,013 ha and is located in the Abitibi Region, in the Province of Québec, approximately 75 km north-northwest of Val-d'Or, Québec. The Destiny Property is found within NTS sheets 32C 11/12/13/14 and the centre of the Destiny Property is at latitude 48°44' North and longitude 77°32' West.

In order to exercise the Destiny Option, the Company is required to: (i) pay Big Ridge aggregate cash payments totaling $3,000,000, and (ii) issue of $5,500,000 in Common Shares at a price to be determined by dividing the dollar amount of Common Shares to be issued at any point in time by the 5 day volume weighted average closing price of the Common Shares on the day before such issuance of such Common Shares, subject to the policies of the CSE, in accordance with the following schedule:

Date for Completion	Cash Payment	Number of Common Shares to be Issued[(1)]	Property Interest Earned
Execution of the letter of intent between the parties dated October 29, 2020	$50,000 (paid)	-	-
Within 60 days of execution of the Destiny Option Agreement	$450,000 (paid)	$1,000,000 (completed)	-
Within 12 months of execution of the Destiny Option Agreement	$750,000	$1,000,000	-
Within 24 months of execution of the Destiny Option Agreement	$750,000	$1,500,000	49%
Within 36 months of execution of the Destiny Option Agreement	$1,000,000	$2,000,000	51%

Date for Completion	Cash Payment	Number of Common Shares to be Issued[(1)]	Property Interest Earned
TOTAL:	**$3,000,000**	**$4,500,000**	**100%**

(1) Common Shares at a price to be determined by dividing the dollar amount of Common Shares to be issued at any point in time by the 5 day volume weighted average closing price of the Common Shares on the day before such issuance of such Common Shares, subject to the policies of the CSE.

The Company also agreed to pay a finders' fee equal to 3% of the aggregate consideration payable to Big Ridge.

The Company's 100% undivided right, title, ownership and beneficial interest in the Destiny Property will be earned through the fulfillment of the obligations listed above. The Destiny Option Agreement grants the Company an option only. The Company is therefore not obligated to meet any of the above option obligations in the event that it chooses to terminate the Destiny Option Agreement and abandon the Destiny Property for any reason. The Company may accelerate the exercise of the Destiny Option by making the cash payments and issuances of the Common Shares earlier than the timeframes contemplated above. Exercise of the Destiny Option is subject to receipt of all applicable regulatory approvals and consents.

The Company will be the operator responsible for carrying out all operations with respect to the Destiny Property during the term of the Destiny Option Agreement. If the Company acquires a 49% interest in the Destiny Property and decides not to proceed with the acquisition of the further 51% interest in the Destiny Property, then, for a period of 18 months following such time, Big Ridge will have the right to purchase back the 49% interest in the Destiny Property for cash consideration of $2,000,000.

On January 26, 2021, the Company completed the cash payment of $450,000 and issued 685,391 Common Shares at a deemed price of $1.46 per Common Share for an aggregate deemed value of $1,000,000 to Big Ridge as the first payment under the Destiny Option Agreement.

Destiny Royalty

Upon exercise of the Destiny Option, the Company has agreed to grant Big Ridge the Destiny Royalty with respect to production of all precious metals from the Destiny Property, with the Destiny Royalty payable following commencement of Commercial Production. The Destiny Royalty it subject to the Destiny Buyback Right, which Destiny Buyback Right provides that the Company has the right to buy back the Destiny Royalty during the first 3 years following the commencement of Commercial Production on payment by the Company to Big Ridge of $1,000,000.

Tyber Project

On July 5, 2020, the Company acquired the Tyber Project which is comprised of one mineral claim covering 928.70 hectares. As consideration for the acquisition of the Tyber Project, the Company paid $3,333 in cash, and issued 416,667 Common Shares with a fair value of $158,333 to an arm's length private company.

Title Number	Claim Name	Owner	Map Number	Issue Date	Good To Date	Area (ha.)
1076684	TYBER	CLARITY GOLD CORP. (100%)	092F	2020-06-09	2021-06-09	928.70

The Tyber gold-copper-silver project is located in southeast Vancouver Island in the Nanaimo Mining Division, approximately 1.4 km south of Arrowsmith Lake, British Columbia and 18 km southwest of Parksville, British Columbia. The Tyber Project is accessible via BC Highway-19, just north of Nanoose, by turning west at the Macmillan Northwest Bay Logging Camp. From the logging camp follow the main logging road south of the Englishman River to the headwaters of the south fork, on Industrial Road 143, an approximate distance of 26 km.

The Tyber Project is underlain by volcanic rocks of the Triassic Karmutsen Formation, which consists of pillow basalt and pillow-breccia, basaltic lava flows and minor tuff. Sequences of limestone beds less than 30 ft thick have been found in several places, located between the upper section of the Karmutsen Formation. A number of separate but genetically related quartz vein systems hosted within shear and fracture zones. Characteristics of veins vary from anastomosing, lensoidal to en-echelon. Vein sizes vary from hairline to 1.5 m width and are traceable in adits and on the surface from less than a meter to tens of meters.

Historical work was carried out over the Tyber Project between 1916 and 1986 and mainly consisted of prospecting, soil sampling and a magnetometer survey. The 1916 BC Mines Annual Report reported trace amounts of gold, 2.2 Oz.t Ag, and 9.7% Cu. Between 1981 and 1986 Tyber Resources Ltd. carried out rock and soil sampling activities. Rock sampling results from 1981 reported values up to 12.91 Oz/t Ag, 2.328 Oz/t Au, and 11.6% Cu.

Gretna Green Project

On July 5, 2020, the Company acquired the Gretna Green Project, which is comprised of one mineral claim covering 1,331.13 hectares. As consideration for the acquisition, the Company paid $3,333 cash, and issued 416,667 common shares with a fair value of $158,333 to an arm's length private company.

Title Number	Claim Name	Owner	Map Number	Issue Date	Good To Date	Area (ha.)
1076685	Gretna	CLARITY GOLD CORP. (100%)	092F	2020-06-09	2021-06-09	1,331.13

The Gretna Green Project is located in southcentral Vancouver Island, British Columbia in the Alberni Mining Division. The Gretna Green Project is situated 1 km north of Henderson Lake, and is covered by the NTS map sheet 092F/15. The Gretna Green Project is accessible from Port Alberni by taking Highway-4 northwest and then turning onto McCoy Creek Road heading west, followed by Woodward Road heading south and then Trill Pitt Road south until reaching Stirling Arm Road. Follow Stirling Arm Road west along the southern perimeter of Sproat Lake (which eventually turns into Gracie Lake Road). Follow Gracie Lake Road south and continue past Gracie Lake using the extensive network of logging roads until reaching Nahmint Lake. Continue south along the western perimeter of Nahmint Lake via logging roads until reaching a fork in the road, follow the road heading west for approximately 45 km until reaching the eastern boundary of the Gretna Green Project.

The Gretna Green Project is underlain by mafic to intermediate volcanic rocks of the Upper Triassic, Vancouver Group of the Karmutsen Formation. This unit is overlain by limestone of the Quatsino Formation, which also belongs to the Vancouver Group. Diorite stocks of the Early to Middle Jurassic Island Intrusions occur along the northeast side of Henderson Lake. A locally occurring skarn zone with chalcopyrite mineralization occurs within limestone cliffs near the contact with the diorite stocks.

Historical work reported in the 1921 BC Mines Annual Report reported one select sample of ore assaying 48 g/t Au, 51.43 g/t Ag and 17.8% Cu.

Corporate Transactions and Financings

On October 31, 2019, the Company entered into the Longford Exploration Consulting Agreement with Longford Exploration, pursuant to which Longford Exploration, through its principal James Rogers, agreed to provide certain management services to the Company, including without limitation to acting as CEO of the Company. As consideration for the services to be provided by Mr. Rogers, the Company has agreed to pay Longford Exploration a monthly consulting fee of $10,000 plus applicable taxes.

On December 31, 2019, the Company completed a private placement of 7,150,000 Common Shares at $0.02 per Common Share for gross aggregate proceeds of $143,000.

On February 13, 2020, the Company completed a private placement of 400,000 Common Shares at $0.10 per Common Share for gross aggregate proceeds of $40,000.

On June 25, 2020, the Company completed its IPO by issuing 6,900,000 Common Shares at $0.175 per share for gross aggregate proceeds of $1,207,500. On June 29, 2020, the Common Shares commenced trading on the CSE under the trading symbol "CLAR".

On July 1, 2020, the Common Shares commenced trading on the OTC Pink Sheets Market under the trading symbol "CLGCF".

On July 2, 2020, the Company paid $7,013 to stake two mineral claims totaling 4,007.50 ha, which are adjacent and contiguous to the west and south of the Empirical Property. The mineral claims were acquired by the Company directly through online staking.

On July 5, 2020, the Company acquired the Tyber Project and the Gretna Green Project. The projects are located on Vancouver Island, British Columbia, Canada. The Company also acquired an additional 1109.93 ha mineral claim adjacent and contiguous to the east of the Empirical Property. The Company paid $10,000 in cash and issued 1,250,000 Common Shares at a deemed price of $0.235 per Common Share to acquire all three of these exploration and evaluation assets. See "*General Development of the Business – Three Year History – Mineral Properties – Tyber Project*" and "*General Development of the Business – Three Year History – Mineral Properties – Gretna Green Project*" for more information.

On July 31, 2020, the Company completed a non-brokered private placement consisting of 2,158,000 units at a price of $0.30 per unit for gross proceeds of $647,400. Each unit is comprised of one Common Share and one half of one Common Share purchase warrant. One full warrant is exercisable into one additional Common Share at a price of $0.35 per Common Share until July 31, 2022. The Company paid a $10,000 finder's fee and issued 79,310 agent options. Each agent option is exercisable into one Common Share at a price of $0.30 per share until July 31, 2022.

On July 31, 2020, the Company announced that it formed its Advisory Board and named Ian Graham as its first member.

On August 22, 2020, the Company announced the appointment of Rory Kutluoglu to its Advisory Board.

On September 14, 2020, the Company announced the appointment of Michel Robert to its Advisory Board.

On December 1, 2020, the Company received confirmation that its Common Shares are eligible for electronic clearing through DTC.

On December 1, 2020, the Company entered into a marketing and investor relations agreement with OGIB Corporate Bulletin Ltd. ("**OGIB**"), pursuant to which OGIB agreed to provide certain corporate branding, marketing, online corporate communications, and investor relations services to the Company for a 6-month term. As consideration for the services to be provided by OGIB, the Company agreed to pay OGIB a consulting fee of $350,000.

On December 1, 2020, the Company entered into a consulting services agreement with Green Times Consulting Ltd. ("**Green Times**"), pursuant to which Green Times agreed to provide the Company certain consulting services in connection with the creation and implementation of an international digital marketing and awareness campaign for a 6-month term. As consideration for the services to be provided by Green Times, the Company agreed to pay Green Times a consulting fee of €325,000.

On December 3, 2020, the Company announced the appointment of Michel Williams to its Advisory Board.

On January 11, 2021, the Company issued an aggregate of 1,563,956 units at a price of $0.96 per unit for gross proceeds of $1,501,397.76. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each whole warrant is exercisable into one additional Common Share at a price of $1.25 per Common Share for a period of one year from the closing date. The Company paid cash finder's fees of $56,347 and issued 58,694 finder's warrants to certain finders in connection with the private placement. Each finder's warrant is exercisable into one additional Common Share at a price of $0.96 per Common Share until January 11, 2022.

On January 28, 2021, the Company issued an aggregate of 3,167,340 units at a price of $0.96 per unit for gross proceeds of $3,040,646.40. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each whole warrant is exercisable into one additional Common Share at a price of $1.25 per Common Share for a period of one year from the closing date. The Company paid cash finder's fees of $149,061.29 and issued 155,270 finder's warrants to certain finders in connection with this private placement. Each finder's warrant is exercisable into one additional Common Share at a price of $0.96 per Common Share until January 28, 2022.

On March 5, 2021, the Company issued 2,054,405 Common Shares, issued on a "flow-through" basis pursuant to the *Income Tax Act* (Canada) and to the *Taxation Act* (Québec), at a price of $1.85 per Common Share for gross proceeds of $3,800,649.25. The Company paid cash finder's fees of $266,045.45 and issued an aggregate of 143,808 finder's share purchase warrants to certain finders in connection with the private placement. Each finder's warrant is exercisable into one additional non "flow-through" Common Share at a price of $1.85 per Common Share until March 5, 2022.

On March 16, 2021, the Company appointed Olen Aasen to its Advisory Board.

Significant Acquisitions During 2020

Clarity did not complete any significant acquisitions during its most recently completed financial year for which disclosure is required under Part 8 of NI 51-102.

DESCRIPTION OF BUSINESS OF THE COMPANY

General

The Company is a Canadian mineral exploration company focused on the acquisition, exploration and development of gold projects in Canada. The Company's current property portfolio consists of the Empirical Property, the Destiny Property, the Gretna Green Project, and the Tyber Project. The Company's primary focus is advancing its Empirical Property and Destiny Property.

The Company is currently evaluating its exploration and evaluation assets and has not determined whether its projects contain reserves that are economically recoverable. The recoverability of amounts recorded for the

exploration and evaluation assets are dependent upon the discovery of economically recoverable reserves. The Company's future capital requirements depend on many factors, including costs of exploration and development of the exploration and evaluation assets, cash flow from operations, costs to complete additional exploration, competition and global market conditions.

Empirical Property

The following represents information summarized from the Empirical Technical Report on the Empirical Property by Rory Kutluoglu, B.Sc., P.Geo, a Qualified Person, prepared in accordance with the requirements of NI 43-101. **All figures and tables from the Empirical Technical Report are reproduced in and form part of this AIF. A complete copy of the Empirical Technical Report is available for review on SEDAR at www.sedar.com.**

Property Description and Location

Location

The Empirical Property (Figure 1 below) is located 12 km south of Lillooet, British Columbia in the vicinity of Mount Brew. The Empirical Property is in the Lillooet Mining Division, on NTS map sheet 92I/12 and centred at approximately 50"53'N latitude North by longitude 121"8'West.

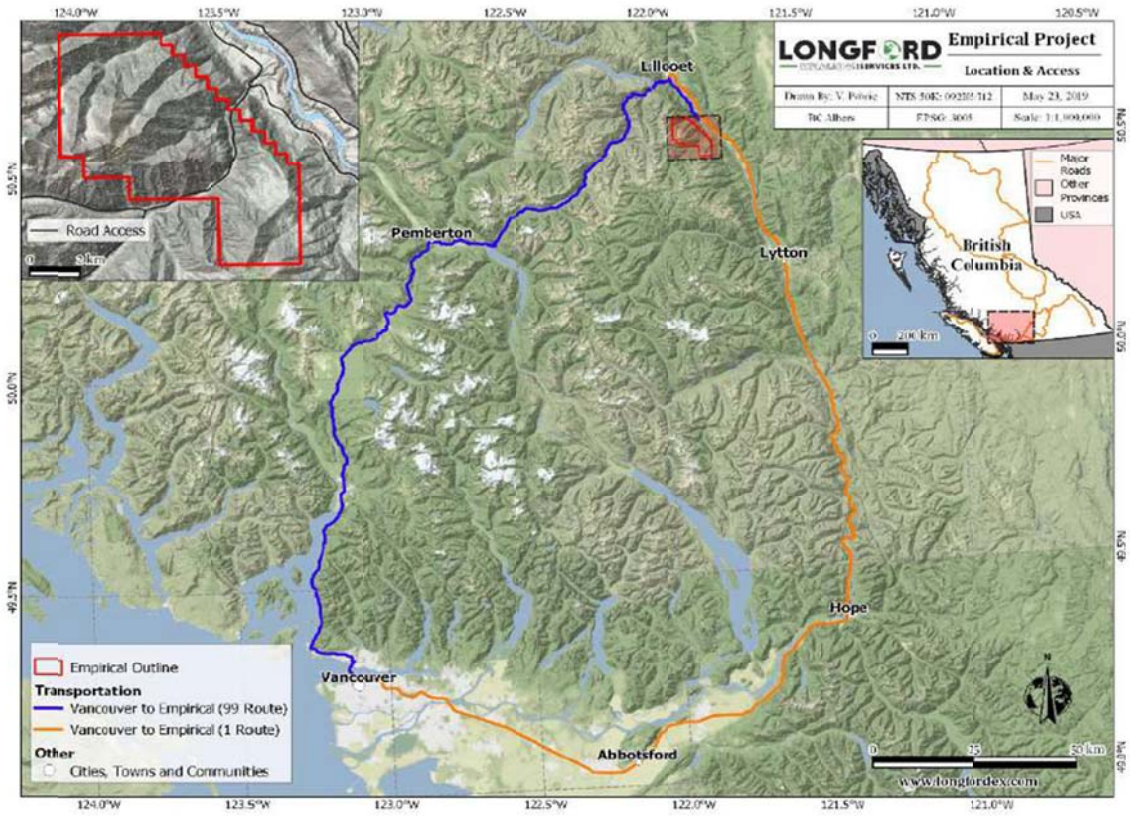


FIGURE 1 – Property Location and Access Map

Mineral Titles

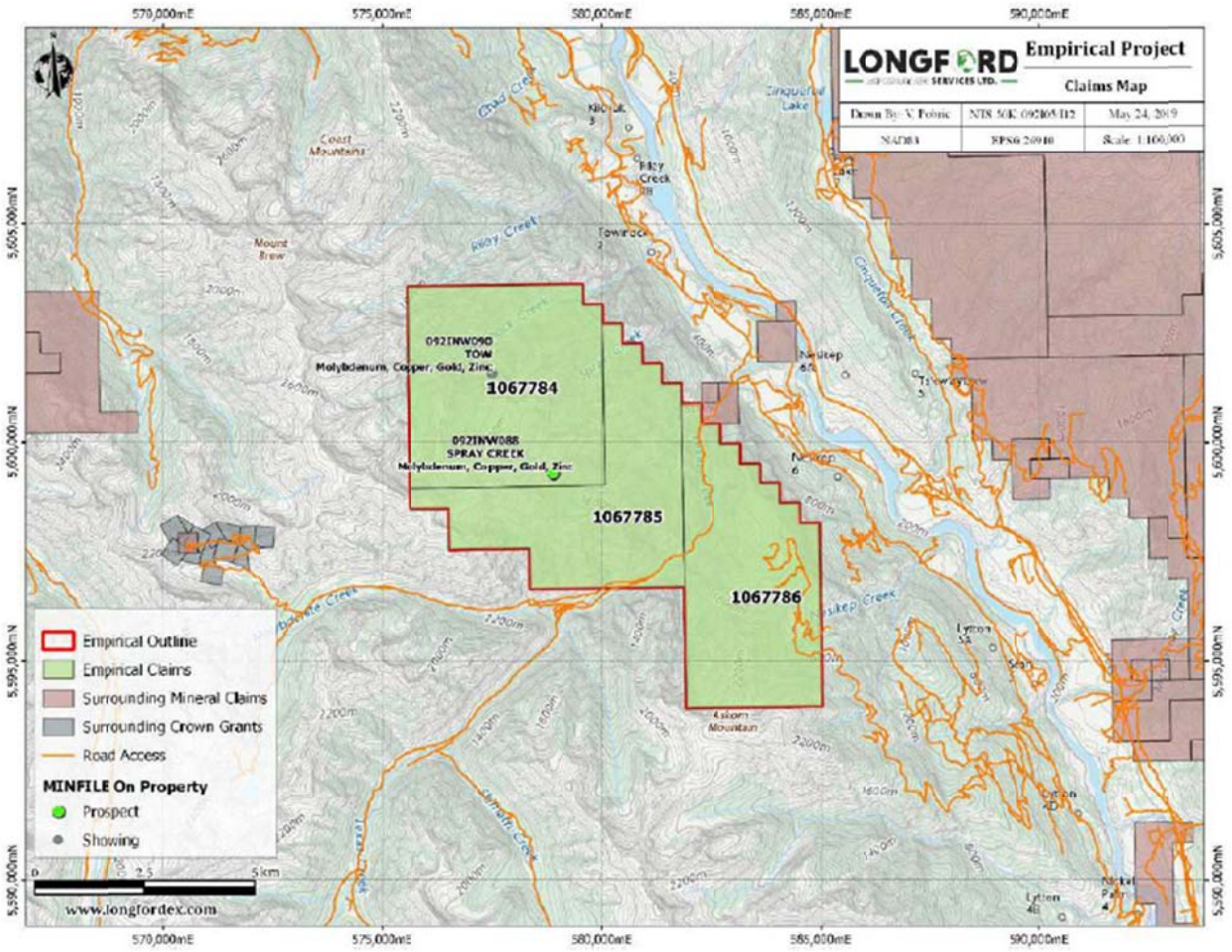
The Empirical Property consists of 3 unpatented mineral claims (Figure 2 below) located in the Lillooet Mining Division totaling 5,401.36 hectares. The claims are currently shown in the MTO as being owned 100% by James

Rogers, the CEO and a director of the Company, who holds the claims in Bare Trust for the Optionor, the beneficial owner. The claims which comprise the Empirical Property are in good standing as of the date of this AIF (Table 1).

TABLE 1 – Mineral Claims of the Empirical Property

Title Number	Claim Name	Owner	Map Number	Issue Date	Good To Date	Area (ha.)
1067784	EMPIRICAL 1	James Rogers	092I	04/08/2019	04/08/2022	2,032.36
1067785	EMPIRICAL 2	James Rogers	092I	04/08/2019	04/08/2022	1,643.09
1067786	EMPIRICAL 3	James Rogers	092I	04/08/2019	04/08/2022	1,725.91
					Total:	**5,401.36**

FIGURE 2 – Empirical Property Mineral Claims



Mineral Rights in British Columbia

Mineral claims in British Columbia are subdivided into two major categories: placer and mineral. Both are acquired using the MTO system. The online MTO system allows clients to acquire and maintain (register work, payments, etc.) mineral and placer claims. Mineral titles can be acquired anywhere in the province where there are no other impeding interests (other mineral titles, reserves, parks, etc.).

The electronic Internet map allows you to select single or multiple adjoining grid cells. Cell sizes vary from approximately 21 hectares (457m x 463m) in the south to approximately 16 hectares at the north of the province. Cell size variance is due to the longitude lines that gradually converge toward the North Pole.

MTO will calculate the exact area in hectares according to the cells you select and calculate the required fee. The fee is charged for the entire cell, even though a portion may be unavailable due to a prior legacy title or alienated land. The fee for mineral claim registration is $1.75 per hectare.

Upon immediate confirmation of payment, the mineral rights title is issued and assigned a tenure number for the registered claim. Email confirmation of your transaction and title is sent immediately.

Rights to any ground encumbered by existing legacy claims will not be granted within the cell claim except through the conversion process. However, the rights held by a legacy claim or lease will accrue to the cell claim if the legacy claim or lease should terminate through forfeiture, abandonment, or cancellation, but not if the legacy claim is taken to lease. Similarly, if a cell partially covers land that is alienated (park, reserve etc.) or a reserve, no rights to the alienated or reserved land are acquired. But, if that alienation or reserve is subsequently rescinded, the rights held by the cell expand over the former alienated or reserve land within the border of the cell.

Upon registration, a cell claim is deemed to commence as of that date and is good until the expiry date (the "**Expiry Date**") or the date that is one year from the date of registration (the "**Good to Date**"). To maintain the claim beyond the Expiry Date, exploration and development work must be performed and registered, or a payment instead of exploration and development may be registered. If the claim is not maintained, it will be forfeited upon the Expiry Date. It is, therefore, the responsibility of every recorded mineral tenure holder to maintain their claims, as no notice of pending forfeiture is sent to the recorded holder.

A mineral or placer claim has a set Good to Date, and in order to maintain the claim beyond the Expiry Date, the recorded holder (or an agent) must, on or before the Expiry Date, register either exploration and development work that was performed on the claim, or a cash payment in-lieu-of such exploration and development work. Failure to maintain a claim results in automatic forfeiture at the end (midnight) of the Expiry Date; there is no notice to the claim holder prior to forfeiture.

When exploration and development work or a payment instead of such work is registered, the holder may advance the claim forward to any new date. With a payment, instead of work the minimum requirement is 6 months, and the new date cannot exceed one year from the current Expiry Date; with work, it may be any date up to a maximum of ten years beyond the current anniversary year. "Anniversary year" means the period of time that you are now in from the last Expiry Date to the next immediate Expiry Date.

All recorded holders of a claim must hold a valid Free Miners Certificate ("**FMC**") when either work or a payment is registered on the claim.

Clients need to register a certain value of work or a "cash-in-lieu of work" payment to their claims in MTO. The following tables (Table 2 and Table 3) outline the costs required to maintain a claim for one year:

TABLE 2 – British Columbia Work Requirements for Mineral Tenures

Anniversary Years	Work Requirements
1 and 2	$5/hectare
3 and 4	$10/hectare
5 and 6	$15/hectare
7 and subsequent	$20/hectare

TABLE 3 – BC Cash-in-lieu for Mineral Tenures

Anniversary Years	Work Requirements
1 and 2	$5/hectare
3 and 4	$10/hectare
5 and 6	$15/hectare
7 and subsequent	$20/hectare

Property Legal Status

The MTO confirms that all claims comprising the Empirical Property as described in Table 1 were in good standing at the date of Empirical Technical Report and that no legal encumbrances were registered with the Mineral Titles Branch against the titles at that date. The Empirical Property has not been legally surveyed to date and no requirement to do so has existed.

There are no other royalties, back-in rights, environmental liabilities, or other known risks to undertake exploration.

Nature of Title to Property

The Empirical Property covers 5,401.36 ha and is recorded in the MTO as being 100% owned by James Rogers as bare trustee in favour of the Optionor pursuant to the terms of a Bare Trust agreement dated April 8, 2019 between the Optionor and Mr. Rogers.

Pursuant to the terms of the Empirical Option Agreement, the Optionor granted the Company with an option to acquire a 100% undivided right, title, ownership and beneficial interest in the Empirical Property, subject to the Empirical Royalty. The Empirical Option may be exercised by the Company by issuing 2,000,000 Common Shares by October 22, 2019 (completed); paying $50,000 (paid) within five days of the Common Shares being approved for listing on a recognized stock exchange; incurring exploration expenses of $80,000 by October 1, 2020 (incurred); incurring exploration expenses in the amount of $200,000 by October 1, 2021; and granting the Empirical Royalty upon exercise of the Empirical Option.

Upon exercise of the Empirical Option, the Company has agreed to grant the Empirical Royalty to the Optionor. The Empirical Royalty is a 2% NSR granted by the Company to the Optionor, payable following commencement of Commercial Production. The Empirical Royalty is subject to the Empirical Buyback Right, which Empirical Buyback Right provides that the Company may reduce the Empirical Royalty from 2% to 1% at any time prior to commencement of Commercial Production on payment by the Company to the Optionor of $1,500,000. Payment may be made by way of certified cheque or bank draft payable to the Optionor (or other method of payment acceptable to the Optionor) along with written notice of Company's intent to exercise Empirical Buyback Right.

In addition to the terms outlined above, the Empirical Option Agreement contains the AMI; a 5 km area of mutual interest provision pursuant to which any claims staked by either the Company or the Optionor within 5 km of the Empirical Property boundary (as defined by the claims which comprise the Empirical Property) will be included as part of the Empirical Option Agreement and subject to the Royalty, if the other party so notifies the staking party.

There are no other royalties, back-in rights, payments or other agreements to which the Empirical Property is subject.

Surface Rights in British Columbia

Surface rights are not included with mineral claims in British Columbia. However, the *Mineral Tenure Act* (British Columbia) allows persons holding a valid FMC to enter mineral lands to explore for minerals whether surface is owned privately or by the Crown. Right of entry onto these lands does not include land occupied by a building, the area around a dwelling house, orchard land or land under cultivation, protected heritage property or land in a park.

Miners entering on private lands must serve notice in the prescribed manner and compensate the landowner for any loss or damages resulting from the mining activities including prospecting, mapping, sampling, geophysical surveys, as well as any activities that disturb the surface. Landowners must be notified prior to persons entering onto private land for any mining activity and may not begin until eight days after giving notice to the owners of the surface area where the activity will take place. Notice must include the dates when the activities will take place, where the activity will occur, the names and addresses of the free miner or recorded holder and of the on-site person responsible for the operations. Details describing the activities that will be carried out, the number of people that will be on-site including a map or written description of where the activities will take place. Notices may be e-mailed, faxed, or hand delivered to the landowner. Any substantial changes to the activity described in the notice must be given to the landowner in an amended notice and work may not begin until eight days after the amended notice has been given.

Permitting

Any work which disturbs the surface by mechanical means on a mineral claim in British Columbia requires a Notice of Work ("**NOW**") permit under the Mines Act.

The owner must receive written approval from a Provincial Mines Inspector prior to undertaking such work. This includes but is not limited to the following types of work: drilling, trenching, excavating, blasting, construction of a camp, demolition of a camp, induced polarization surveys using exposed electrodes, and reclamation.

Exploration activities which do not require a NOW permit include prospecting with hand tools, geological/geochemical surveys, airborne geophysical surveys, ground geophysics without exposed electrodes, hand trenching, and the establishment of grids. These activities and those that require Permits are outlined and governed by the Mines Act.

The Chief Inspector of Mines makes the decision if land access will be permitted. Other agencies, principally the Ministry of Forests, Lands and Natural Resources ("**FLNRO**"), determine where and how the access may be constructed and used. With the Chief Inspector's authorization, a mineral tenure holder must be issued the appropriate "Special Use Permit" by FLNRO, subject to specified terms and conditions. The Ministry of Energy and Mines makes the decision whether land access is appropriate and FLNRO issue a Special Use Permit. However, a collaborative effort and authorization between ministries, jointly determine the location, design and maintenance provisions of the approved road.

Notification must be provided before entering private land for any mining or exploration activity, including non-intrusive forms of mineral exploration such as mapping surface features and collecting rock, water or soil samples. Notification may be hand delivered, mailed, emailed or faxed to the owner shown on the British Columbia

Assessment Authority records or the Land Title Office records. Mining activities cannot start sooner than eight days after notice has been served. Notice must include a description or map of where the work will be conducted and a description of what type of work will be done, when it will take place and approximately how many people will be on the site.

The Company does not currently have any permits pertaining to exploration on the Empirical Property.

Environmental

There are no known environmental liabilities to which the Empirical Property is subject and no other known significant factors and risks that may affect access, title, or the right or ability to perform work on the Empirical Property.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Empirical Property can be accessed west of Lillooet on Route 99 via an old logging road that partially follows Enterprise Creek from Duffy Lake Road and onto the Empirical 1 claim block (Figure 3 below). Texas Creek road is also accessible via Route 99 and runs between 1 and 2 km from the property's edge along its eastern border. Currently the Empirical Property does not have road access within the Empirical Property boundaries and the topography is steep and rugged, therefore helicopter access for exploration would be the most practical means of access. Helicopter service is available from Lillooet, BC.

Road distances from the Empirical Property to select cities and ports are summarized in the following table:

TABLE 4 – Driving Distances to the Empirical Property

Location[(1)]	Description	Distance to Property
Lillooet (population: 2,321)	Nearest town with services	12 km
Richmond (population: 216,288)	Vancouver International Airport	263 km
Richmond (population: 675,218)	Port and mining services centre	251 km

(1) Information sourced from 2016 Canadian Census.

FIGURE 3 – Logging Access Road on the Empirical 1 Claim Block

Climate

This region is characterized by a warm-summer humid continental climate although it may experience a mixture of hot-summer continental climate and semi-arid climate types. This type of climate generally produces hot and dry summers and cold dry winters with very little snowfall. In the spring, the area experiences little to moderate precipitation.

Average daily temperatures in the summer range from 18 to 21 °C, and -2.4 to 5.2 °C in the winter (Table 5 below). The total average annual rainfall for Lillooet area is 322.5mm with the most significant amount of precipitation occurring between October and January. Spring and summer months (April to September) are considerably drier, therefore provide ideal conditions for the entire exploration season. The recommended geophysical survey and diamond drilling can be carried out in any season, but the summer months would be preferable.

The nearest active weather station to the Empirical Property is Lillooet Seton BCHPA weather station, 130 km northeast of Whistler, British Columbia.

TABLE 5 – Climate Data for Lillooet Weather Station

Temperature	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
Daily Average (°C)	-2.4	0.4	5.2	9.9	14.8	18.6	21.6	21.3	15.9	8.8	2.1	-2.4	**9.5**
Record High (°C)	18.5	16.0	22.0	29.5	38.5	39.0	**41.5**	40.5	35.5	28.0	20.0	17.0	**N/A**
Record Low (°C)	-26.1	-22.5	-18.3	-5.0	0.0	4.0	7.5	5.5	-2.8	-17.0	-28.0	-28.3	**N/A**
Avg Precip. (mm)	38.3	20.3	16.8	19.0	26.1	23.7	35.5	25.7	23.7	33.8	44.4	41.7	**349.0**
Avg Rainfall (mm)	30.9	17.1	15.2	19.0	26.1	23.7	35.5	25.7	23.7	33.2	40.6	31.9	**322.5**
Avg Snowfall (cm)	7.5	3.3	1.6	0.1	0.0	0.0	0.0	0.0	0.0	0.7	3.8	9.7	**26.5**

(1) Data sourced from Canadian Climate Norms Lillooet Seton BCHPA weather station (years 1981 to 2010).

Local Resources

General and skilled labour is readily available in the Lillooet-Lytton area (Lillooet pop. 2,321, Lytton pop. 249). Lillooet is 12 km by road from the Empirical Property and offers year-round charter and schedule fixed wing service, federal and provincial police detachments, fire and rescue services, hospital, ambulance, fuel, lodging, restaurants, and equipment. Lytton also offers these amenities, however on a smaller scale.

Infrastructure

There are 3 hydroelectric generating stations located in the vicinity of the Empirical Property, the Bridge River 1 & 2 stations and the Seton generating station with a combined total capacity of 526 mw. The British Columbia power station closest to the Empirical Property is the Seton generating station (48 mw), located 9.6 km to the north.

Physiography

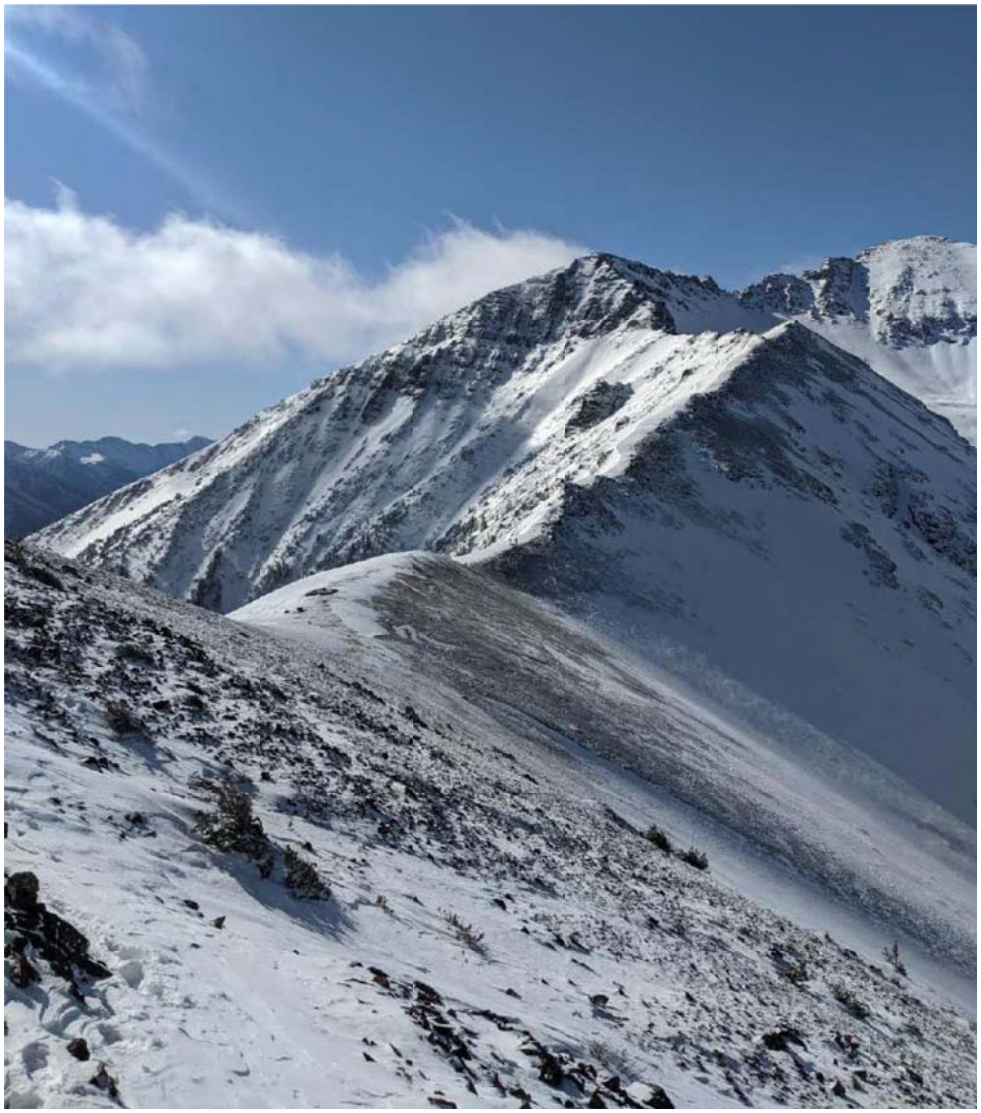
The Empirical Property lies just to the east of Mount Brew within the Pacific Ranges which are the southernmost subdivision of the Coast Mountains (Figure 4 below). They run northwest from the lower stretches of the Fraser River to Bella Coola and Burke Channel and include 4 of the 5 major coastal icecaps in the Southern Coast Mountains. The icecaps are the largest temperate-latitude icecaps in the world and feed a number of major rivers (by volume). The highest peak in the Pacific Ranges is Mount Waddington at an elevation of 4,019 m.

The area encompasses a series of barren ridges rising to an elevation of 2,200m and interwebbing valleys and alpine meadows. Elevations over the Empirical Property ranges from 1,250 m in the valley of Enterprise Creek to over 2,591 m on Mount Bew.

The tree line on the Empirical Property is at 2,000 m elevation, timber in the area is comprised of a variably thick forest of jack pine; spruce trees cover the less rugged slopes and valleys. Thick growths of alder, willow and devils club line the creeks.

The fauna in the area includes black bears, grizzly bears, cougars, coyotes, wolves, bobcats, birds of prey as well as rattle snakes in the arid interior.

FIGURE 4 – Empirical Property Physiography



History

Mineral exploration in the Lillooet district began in the 1860s with the discovery of placer gold on gravel bars along the Fraser River below Lillooet. Placer gold was subsequently mined from the Bridge River and Cayoosh Creek. In the 1960s, auriferous quartz veins hosted in quartz-diorite and hornfelsed sediments were discovered within the Spray Creek area. Increased interest in the area ensued following the discovery of anomalous base and precious metal concentrations in sediments through regional silt surveys carried out by a number of companies. This prompted staking in the vicinity of Enterprise Creek, Riley Creek, and Spray Creek.

In 1967, Dalex Mines Ltd. ("**Dalex**") carried out an induced polarization ("**IP**") survey over the Nancy Group of claims and discovered a large, split anomaly (or two parallel anomalies) northwest of Nesikep Creek. The anomalies had a length in excess of 2000 ft. and opened to the southeast. Another IP survey was carried out the following year which consisted of 118 stations over 6600 ft. of surveyed line. This survey identified an anomalous zone coincident with a Cu-rich sulphide showing in the surface rocks. The anomaly had a magnitude of approximately six times that of background values over a length of approximately 600 ft. (opening to the south). In 1970, a geochemical soil survey was carried over the claims, 538 soil samples were collected along 400 ft. lines spaced at 200 ft. intervals. Results indicated that nickel in the rocks was associated with silicates rather than sulphides and any mineralization in the area would not be significant enough to be considered economic.

In 1979, Duval Mining Ltd. ("**Duval**") carried out a geological and geochemical survey over the Tow 1 and 2 claims. Mapping activities were carried out over a 2.5 M m^2 area; 62 rock chip samples and 33 soil samples were collected. The program explored two areas of pervasive disseminated pyrite, the northern area encloses a potassic-phyllic zonal complex, however the alteration zones in the south was not identified. Zn anomalies were also found to be present in northern and southern areas of the claim block with highest values returned from the south. Strongest Tungsten values occur in the southern zone of pyritization, and strongest Mo values are found in the northern area of pyritization. Rock chip sampling disclosed an area in the northern area that has more than 100 ppm (> 0.1%) Mo, but none were > than 100 ppm in the south. Duval continued exploration on the property up until 1981; work included prospecting, mapping, sampling, and a 900m diamond drill program in 1981. The Tow claims were abandoned by Duval in 1984.

In 1985, the Brew claims were staked by Greg McKillop, based on unreported results from Duval indicating the presence of free gold in the sediments of Enterprise Creek and anomalous gold and arsenic concentrations in the talus fines along the east side of the upper valley of the south fork of the creek (ARIS 21181). The claims were optioned by Geostar Mining Corp. ("**Geostar**") and later the option was assumed by Miramar Energy Corp. ("**Miramar**") in 1986. Work carried out over the claims consisted of prospecting, some sampling and a 4 diamond drill holes over the Spray claims at the southern end of the claim block. Miramar allowed the option to drop and the claims were subsequently optioned by Kerr Addison Mines Ltd in 1987.

From 1987 to 1988 Kerr Addison Mines Ltd. ("**Kerr Addison**") focused mainly on the Spray Claims, however, they did carry out more detailed mapping and geochemistry in the Brew area. This work confirmed and expanded the area of anomalous gold and arsenic values in talus fines. This work defined the area to be approximately 1 km long and 0.5 km wide with fairly consistent gold values in excess of 100 ppb Au in talus fines. A 746.95 m drilling program was carried out in 1988 which was mainly focused on the southern part of the Spray Intrusion. A fan of four holes (537.15m total depth) were centered around the collar of historic hole 81-4. All 4 holes were collared in a felsic intrusive described as a porphyritic, fine-med grained tonalite. Mineralization consists of pyrrhotite, pyrite, molybdenite, with locally minor chalcopyrite, sphalerite and arsenopyrite. The fifth hole (209.8 m depth) tested Au mineralization in historic hole 81-3 in the northern part of the Spray Intrusion which intersected two tonalite intrusions of similar character to the holes drilled in the south. However, no significant gold intersections were located during this program. Kerr Addison allowed the option to drop in late 1988 due to poor results from the Spray diamond drill program and the merging of Kerr Addison's exploration activities with those of Minnova Inc. (McKillop, 1991).

In 1991, prospecting and sampling was carried out over the Brew claims by owner Greg McKillop. Thirteen rock samples and 3 bulk sediment samples were collected over two traverses (upper and lower). Au values returned from Lower traverse were consistently <5 ppb and arsenic did not exceed 25 ppm. The upper traverse returned Au values consistently <5 ppb and arsenic values were <10 ppm. Sediment samples returned values of 15 ppb, 255 ppb, and 147 ppb Au respectively.

In 2008, Glen Hawke Minerals Ltd. ("**Glen Hawke**") utilized low level aerial photography completed in 2002 to create high ortho-photo mosaic and 2 m detailed contour map complete with a digital elevation model to provide a base for geo-referencing historic sample and drill hole locations (Einsiedel, 2008).

The Empirical Property does not have any mineral resources or mineral reserve estimates and there has been no production.

Historical works over the Empirical Property has been summarized in Table 6 and Figures 5 below.

TABLE 6 – Work History of Mineral Occurrence on the Empirical Property

Year	Title Holder	Report ID	Claims	Author	Summary	Comments	Reference
1967	Dalex	1098	Nancy Group	Mouritsen, S.A.	IP Survey	A large split anomaly with a length in excess of 2000 ft. and are open to the southeast.	ARIS_01098, 1967, Geophysical Report on the Induced Polarization Survey for Dalex, on the Nancy Group of Claims, Geofax Surveys, Mouritsen, S.A.
1968	Dalex	1918	Nancy Group	Mouritsen, S.A.	IP Survey: 118 stations occupied, representing 6,600 ft. of surveyed line	An anomalous zone coincident with Cu sulphide showings in surface rocks has a magnitude approx. 6 times that of background (4 milliseconds).	ARIS_01918, 1968, Geophysical Report on the Induced Polarization Survey for Dalex, on the Nancy Group of Claims, Geofax Surveys, Mouritsen, S.A.
1970	Dalex	2530	Nancy Group	Tri-Con Exploration Surveys Ltd.	538 soil samples (400 ft. spaced lines at 200 ft. intervals)	Nickel in rock associated with silicates rather than sulphides but not be significant enough to be economic.	ARIS_02530, 1970, Nancy Property Geochemical Report, Tri-Con Exploration Surveys Ltd.
1979	Duval	7211	Tow 1 and 2	Hollister, V.F.	Map scale: 1:10,000 over 2.5 M m^2; 62 rock chip samples, 33 soil samples	Rock chip sampling disclosed an area in the northern area that has more than 100 ppm (> 0.1%) Mo.	ARIS_07211, 1979, Preliminary Report on the Geology and Geochemistry of the Tow 1 and 2 Claims, Duval.

Year	Title Holder	Report ID	Claims	Author	Summary	Comments	Reference
1979	Duval	7569	Tow 1, 2, 3 and 4	G. McKillop	Map Scale: 1:10,000 over ~1,300 ha; 91 rock chip samples, 10 soils samples, 19 silt samples	Mo occurs as disseminations and fracture coatings in quartz veins with variable amounts of PO and CPY.	ARIS_07569, 1979, Report on the Geology and Geochemistry of the Tow 1, 2, 3, and 4 Claims, Duval.
1980	Duval	8347	Tow 1, 2, 3 and 4	G. McKillop	Map Scale: 1:5,000 Over 40 ha; 1 Silt Sample, 4 Soil Samples, and 49 Rock Samples; 2 Drill Sites, 1 Tent Site, 1 Heliport, Improvement Of 1 Heliport, and Excavation Of 6 Trenches	Northeastern area has >50 ppm Mo over area 500m X 350m, three consecutive 30 m surface chip samples returned 450 ppm Mo. 300 m X 300 m area of the south zone contain >50 ppm Mo and 10m chip samples returned up to 1,260 ppm Mo	ARIS_08347, 1980, Report on Geological and Geochemical Surveys and Physical Work Conducted on the Tow 1, 2, 3and 4 Claims, Duval.
1981	Duval	9405	Tow 1	G. McKillop	220m Drill Hole, Half the Core sent for Sampling	Hole CH81-2 intersected 220.3m of mineralized qtz diorite and siltstone that averaged 299 ppm Mo.	ARIS_09405, 1981, Report on Diamond Drilling on the Tow 1 Claim, Duval.
1981	Duval	9427	Tow 2	G. McKillop	230m Drill Hole, Half the Core sent for Sampling	Hole CH81-3 penetrated 230.7m of mineralized qtz diorite and hornfelsed siltstone which averaged 222 ppm Mo.	ARIS_09427, 1981, Report on Diamond Drilling on the Tow 2 Claim, Duval.

Year	Title Holder	Report ID	Claims	Author	Summary	Comments	Reference
1986	Geostar, Miramar and G. McKillop	14971	Spray 1 and 2; Foam 1, 2 and 3; Brew 1 and 2; Home 1 and 2; and Free 1 and 2	Price, B.J.	83 Rock Chip Samples, 165 Soil Samples	High values returned are up to 545 ppb Au, 935 ppm As, 739 ppm Zn, 403 ppm Cu, and 87 ppm Mo.	ARIS_14971, 1986, Geochemical Report on the Spray and Brew Claim Groups, McKillip, G.
1986	Geostar, Miramar and G. McKillop	14973	Brew 1 and 2	Price, B.J.	Data Compilation	Au values up to 685 ppb returned from Enterprise Creek and 26 soil samples indicate a Au-As anomaly.	ARIS_14973, 1986, Geological Report on the Brew 1 and 2 Claims, Geostar and McKillop, G.
1986	Miramar	15073	Foam 1	Price, B.J. and Ditson, C.	Prospecting; Air-Photo Interpretation	Variation in attitude reveals moderate folding which is terminated by a strong northwesterly trending lineation in northern portion of claim. Structures are abundant. Syncline in the northwest portion is truncated by faulting.	ARIS_15073, 1986, Geological Report: Prospecting and Air-Photo Interpretation of Foam 1 Mineral Claim, Miramar.
1986	G. McKillop and Southern Gold Resources Ltd.	15835	Spray 1 and 2; Foam 1, 2 and 3; and Home 1 and 2	Rebagliati, C.M.	18 Veins Sampled (Rock Chips); 5 Short DBD DDH totaling 264.62m	Au values in the sampled late-qtz veins ranged from 1 to 990 ppb, when geochemically enhanced, the veins generally ranged from 150-350 ppb Au. Au concentrations overall (rock chips and core) ranged from 1 to 3,300 ppb.	ARIS_15835, 1986, Drilling and Geological Report on the Spray Claim Group: Summary Report on Spray Creek Gold Project, McKillop, G.

Year	Title Holder	Report ID	Claims	Author	Summary	Comments	Reference
1988	Kerr Addison	18160	Spray 1 and 2; Foam 1, 2 and 3; Brew 1 and 2; Home 1 and 2; and Free 1 and 2	Grexton, L. and Bruland, T.	Prospecting, Mapping, 225 Samples (Rock, Soil, and Stream Seds), 5 DDH, Total 746.95m	Heavy mineral samples from along Enterprise Creek returned up to 1,900 ppb Au, and up to 420 ppm As, silt samples from the same area returned up to 680 ppb Au and up to 180 ppm As.4 holes were collared in a felsic intrusive described as a porphyritic, fine-med grained tonalite. Mineralization consists of po, py, mo, with locally minor cpy, sp & aspy. The 5th hole (209.8m) intersected 2 tonalite intrusions similar to the holes drilled in the south. No significant gold intersections were located.	ARIS_18160, 1988, Prospecting, Mapping, Sampling and Drilling Assessment & In-House Report, Kerr Addison.
1991	G. McKillop	21181	Brew 1 and 2	G. McKillop	13 Rock Samples, 3 Bulk Sediment Samples	Au values returned from Lower traverse were consistently <5 ppb and As did not exceed 25 ppm. Upper traverse returned Au values consistently <5 ppb and As were <10 ppm. Sediment samples returned values of 15 ppb, 255 ppb, and 147 ppb Au.	ARIS_21181, 1991, Geochemical Report on Brew 1 and 2 Claims, McKillop, G.
2008	Glen Hawke	29554	Spray	Einsiedel, C.A.	Digital Elevation Model and GIS Drill Hole Location Data Compilation	Maps	ARIS_29554, 2008, Technical Assessment Report: Digital Elevation Model and GIS Drill Hole Location Data Compilation, by Einsiedel, C.A. for Glen Hawke.

FIGURE 5 – Empirical Property Historical Work

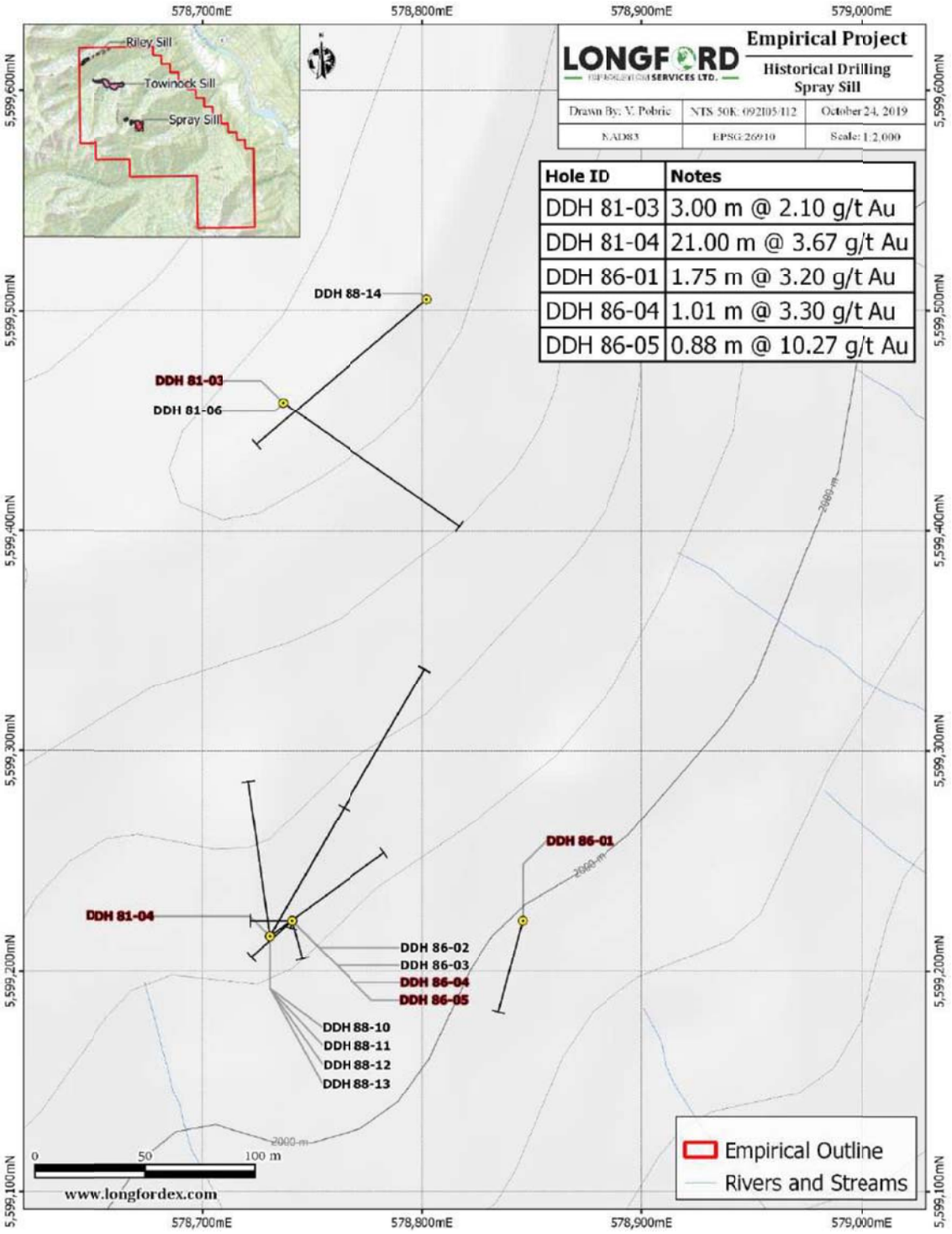


FIGURE 6 – Historical Work at the Spray Sill on the Empirical Property

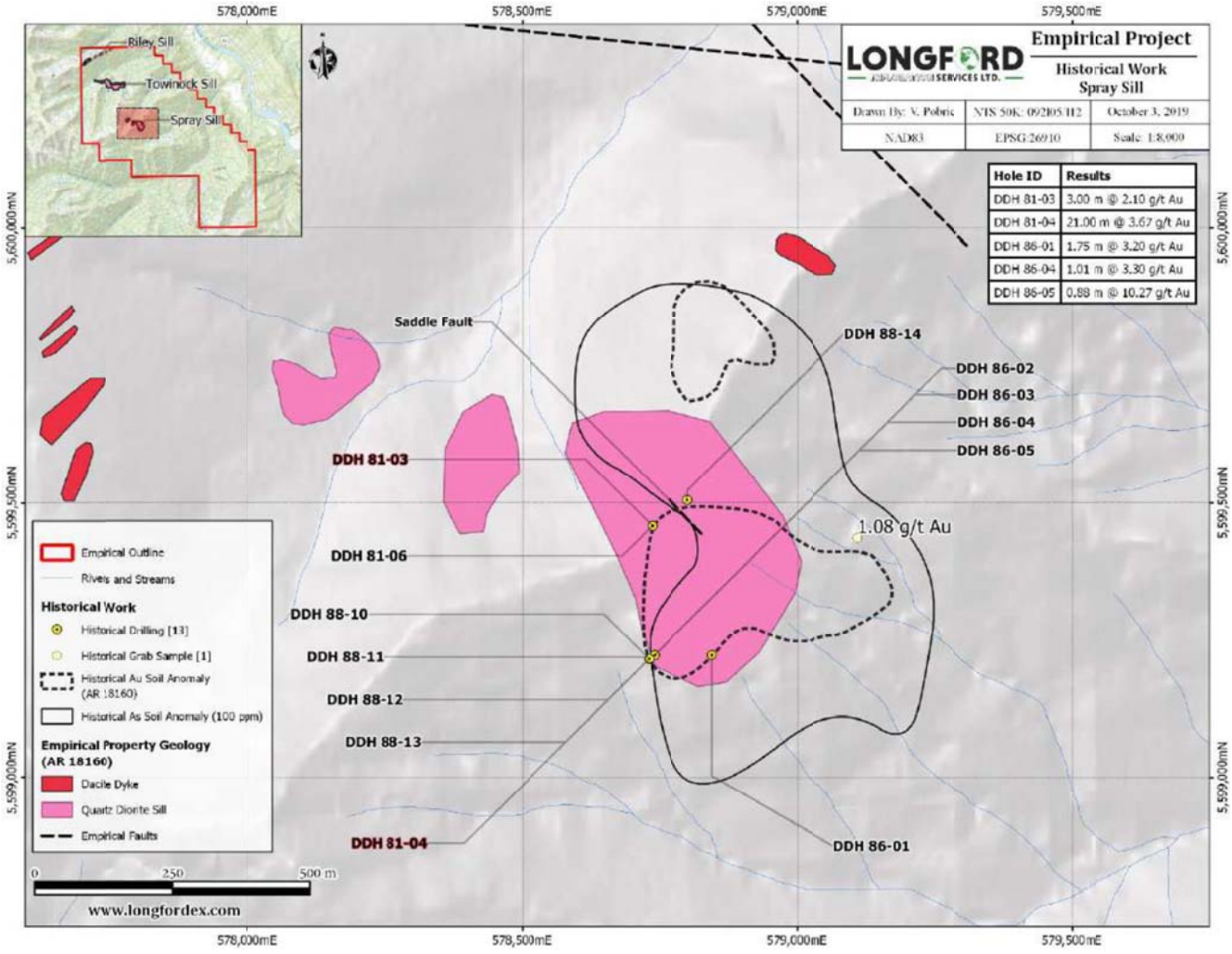


FIGURE 7 – Historical Work at the Towinock Sill on the Empirical Property

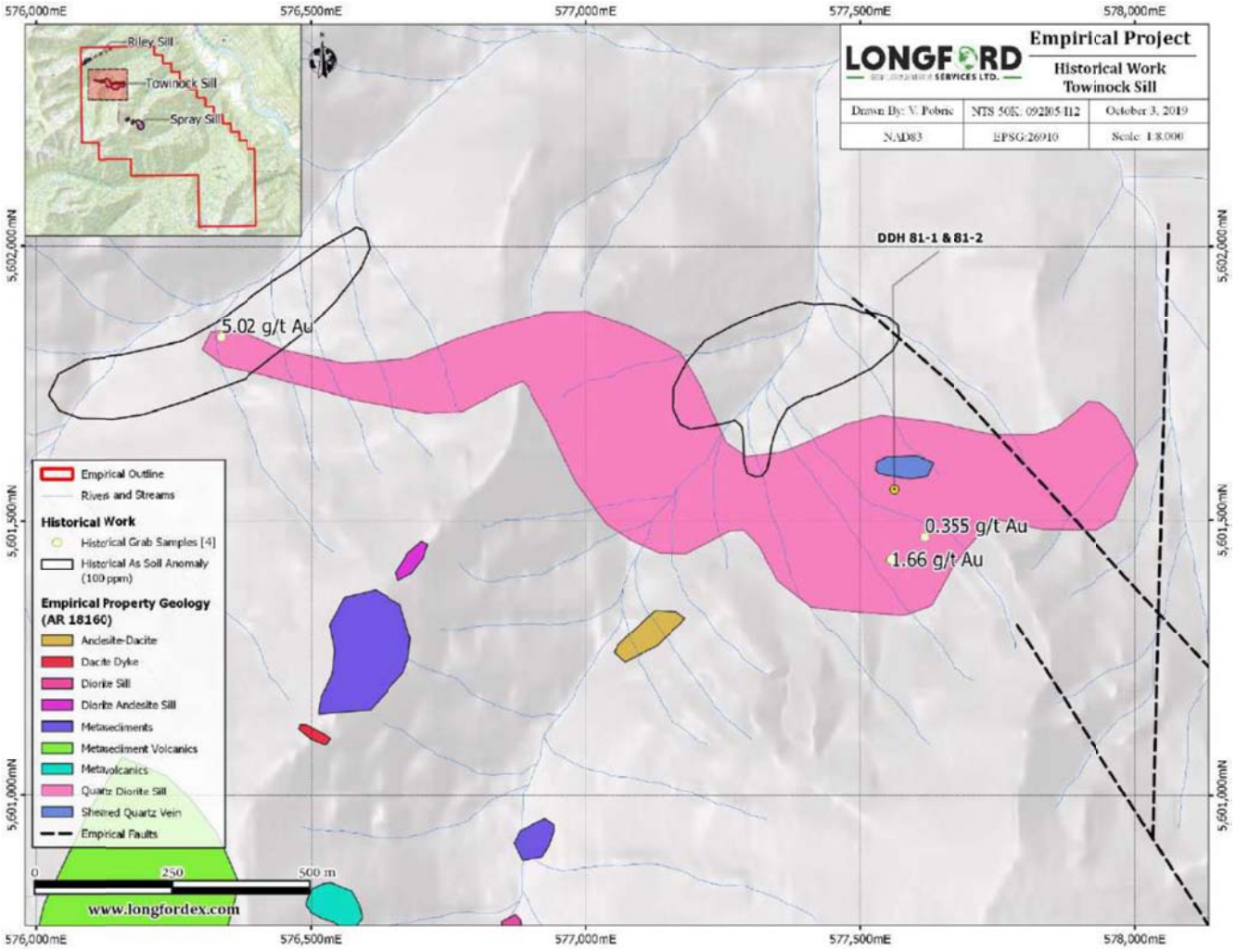


FIGURE 8 – Historical Work at Riley Sill on the Empirical Property

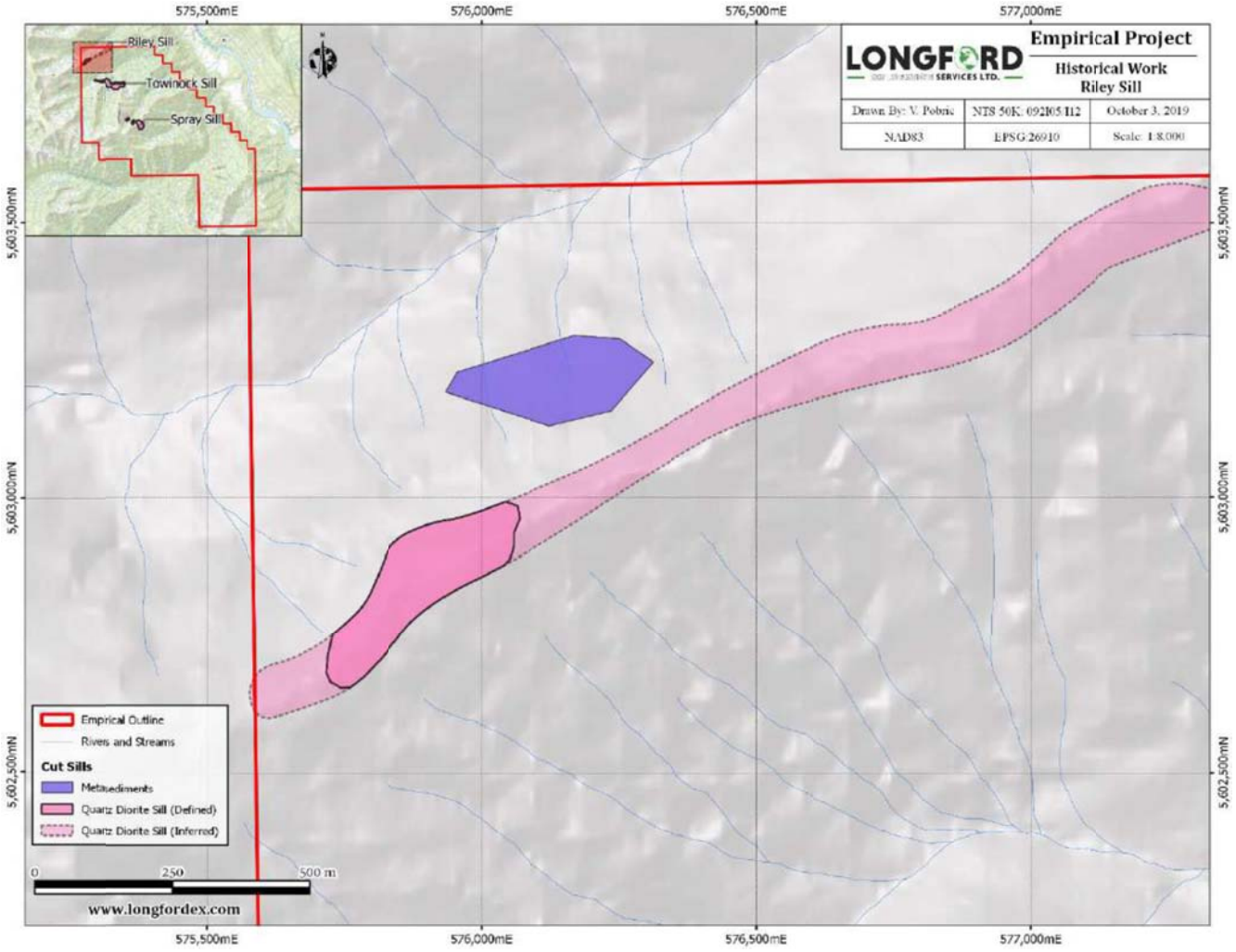


FIGURE 9 – Property Regional Geophysics-First Vertical Derivative

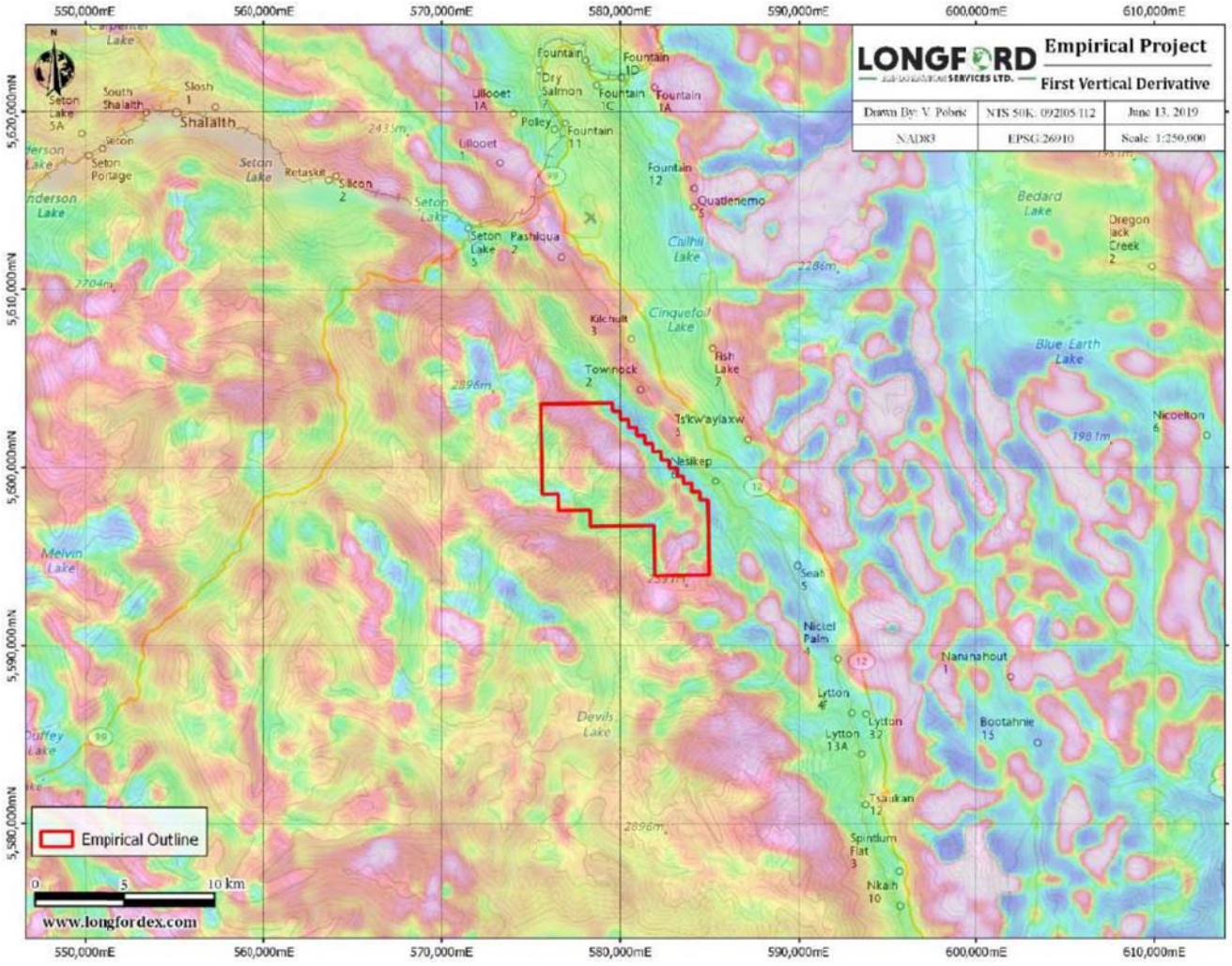
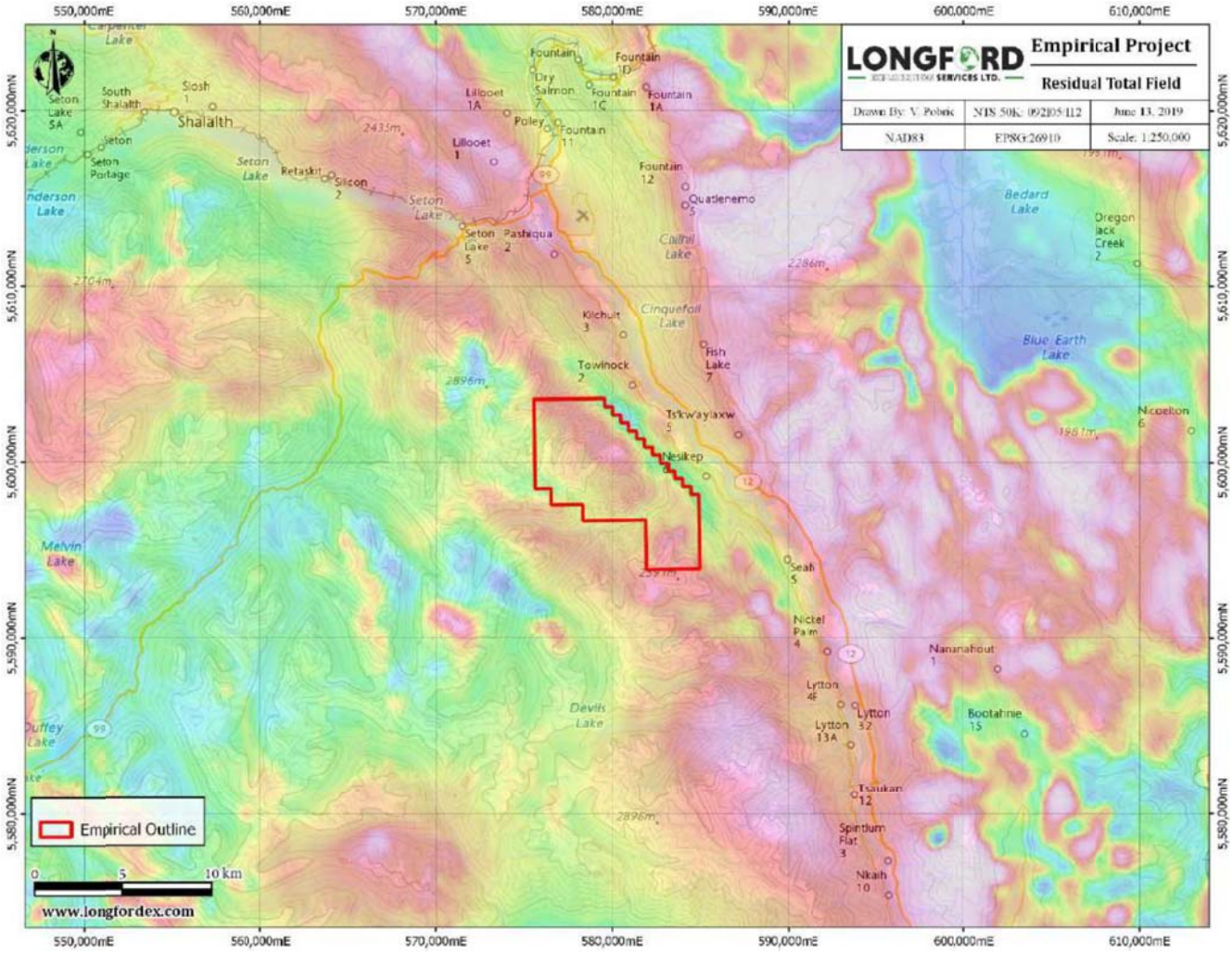


FIGURE 10 – Property Regional Geophysics-Residual Total Field

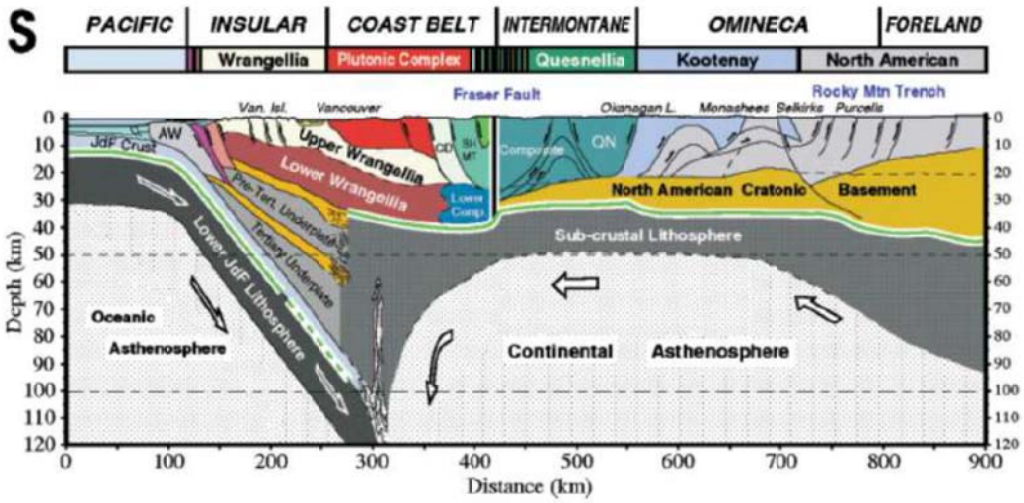


Geological Setting and Mineralization

Regional Geology

Southwestern British Columbia is located within the Coast Mountain Belt of western British Columbia, which formed as a result of the collision of the Insular Super Terrane (Wrangelia and Alexander Terranes), the Intermontane Super Terrane (Stikinia, Cache Creek, Quesnellia, slide Mountain and Kootenay Terranes) which accreted to North America between the early Jurassic and Cretaceous (Price, N.d.). The convergence of these terranes led to the formation of two broad suture belts, both of which are characterized by widespread granitic magmatism, crustal thickening and uplift. The Omineca Belt is situated in the suture zone between the Intermontane Super Terrane and the North American Cordilleran miogeocline and the Coast Mountain Belt lies in the suture zone between the Insular Super Terrane and the Intermontane Super Terrane.

FIGURE 11 – Simplified Cross Section of the Accreted Terranes of North America



* The green line depicts the crust-mantle boundary (Moho). Vertical exaggeration is 2.7:1 (Monger, 2002).

The Coastal Belt

The Coast Belt is one of the largest calc-alkaline batholitic complexes in the world, extending approximately 1,600 km from southern British Columbia, through the Alaskan Panhandle to southern Yukon. Terranes within the Coast Belt include the Bridge River, Cadwallader, Chilliwack, Harrison, Methow, Shuksan, and Taku terranes.

This magmatic arc formed during transpressive accretion of the outboard Alexander and Wrangellia Terranes (Insular Super Terrane) with the Intermontane Super Terrane and North America during the mid-Cretaceous and Eocene (Hammer & Clowes, 2004; Price, N.d.). Ongoing subduction of the Juan de Fuca ("**JDF**") plate beneath the newly accreted continental margin (Insular Super Terrane) resulted in the formation of a continental volcanic arc, known as the Coast Range Arc. Magma rising from the subducted JDF plate ascended through the newly accreted Insular belt, depositing large quantities of granite within older igneous rocks of the Insular Belt and producing volcanoes along the continental margins. Crustal thickening and uplift exposed areas of extensive regional metamorphism and plutonism as well as outward verging thrust and fold belts on both flanks (Price, N.d.). Higher-grade metamorphic rocks of amphibolite and greenschist facies and associated granitic rocks are common in both the Coast and Omineca Belts, while only sub greenschist facies rocks are found within the other three belts (Monger, 2002).

FIGURE 12 – Empirical Property Regional Geology

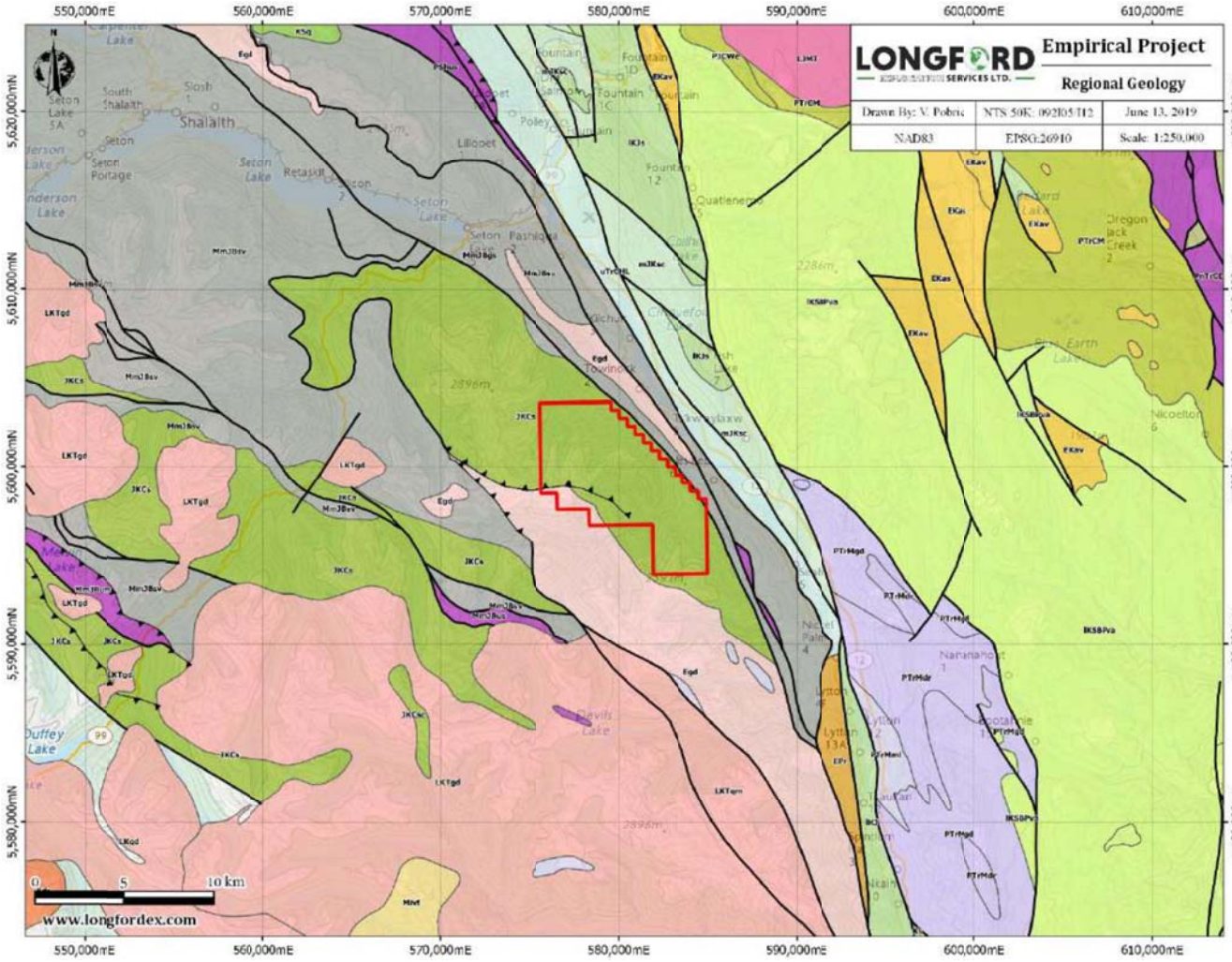


FIGURE 13 – Property Regional Geology Legend

Empirical Property Geology

The Empirical Property is predominantly underlain by the Cayoosh assemblage, a sequence of interbedded turbiditic sandstone which is partially derived from a plutonic-volcanic arc which includes local quartzite, shale and local conglomerate with plutonic clasts and rare volcanic horizons (Price & Monger, 2003). This assemblage is mainly metamorphosed to greenschist facies and shows penetrative deformation; however, it does contain some rare fossils which date the assemblage to somewhere between the Jurassic and Cretaceous period (Price & Monger, 2003). A tertiary granodiorite batholith intrudes the Cayoosh assemblage along its southwestern contact and several quart-diorite sills are located within the northwestern portion of the Empirical Property boundary. The Cayoosh assemblage can be correlated to other metamorphosed clastic units in the southeastern Coastal Belt, namely the Brew Group, Relay Mountain Group, Gun Lake and Downton lake units, and the fossiliferous Truax Creek conglomerate (Price & Monger, 2003).

The Marshall Creek Fault trends northwest along the eastern boundary of the Empirical Property and divides the Cayoosh Assemblage of rocks from the Permian-Jurassic Bridge River Group of metasedimentary rocks. Along the Marshall Creek fault is a large area of carbonate alteration within the greenstones on the southwest side of the fault, and pervasive shear zones approximately 5-30 cm wide (Grexton & Bruland, 1988). Intruding into the Bridge River Complex, south of Reilly Creek and lying between the Marshall Fault and the Lillooet Fault, is a narrow band of Tertiary granodiorite.

Faulting is prevalent in the region with both Marshall Creek fault and Lillooet fault (splays from the Fraser River Fault System) found just to the east of the Empirical Property. The area between Towinock Creek and Spray Creek is extensively faulted and gently folded. The locally major, northwesterly trending fault crossing the Empirical Property was referred to as the Tow Fault by Hollister (1979). The faults follow a predominant northwesterly trend, however north-easterly, northerly, and easterly trends have also been observed on the Empirical Property. Movement along the faults appear to be predominantly dextral and the age of the faulting is uncertain. However, movement appears to have occurred post-dacite emplacement as dyke swarms have been shattered along the Tow fault line (McKillop, 1979).

A large 200 +m thick quartz-diorite boss intrudes the metasediments on the south fork of Towinock Creek which includes both porphyritic and granitic textures (McKillop, 1986). Results from Duval's 1979 work program reported that the boss was largely devoid of magmatic orthoclase, but contained variable amounts of quartz, biotite, hornblende and plagioclase (Hollister, 1979).

The boundaries of two small Cretaceous/Tertiary quartz diorite sills south of Spray Creek were refined by Hollister in 1979, however the bosses were so altered by ground water the precise mineralogy could not be determined. Numerous north-easterly trending, fine-grained dacite dykes were found between these sills and described as fresh mixtures of quartz and plagioclase with lesser orthoclase and mica-believed to be differentiates of the quart-diorite sills (Hollister, 1979; McKillop, 1979). Dyke swarms are vertical to steep, west-dipping and reportedly occur parallel to the major faults on the property suggesting that the emplacement was structurally controlled (McKillop, 1979; McKillop, 1986). Metamorphic grade of rocks also increased at higher elevations suggesting that reverse faulting may be present in the claims area (McKillop, 1979).

The northern most quartz diorite boss (south of Towinock Creek) was reported by Hollister (1979) to show zones of potassic and phyllic alteration with areas of erratic pyritization occurring throughout. However, this was not confirmed by McKillop during the follow-up program of the same year. The follow-up program did suggest that the sericite and biotite alteration observed within the quartz-diorite boss may be related to a northwesterly trending set of quartz veins, as alteration appeared to decrease with increasing distance from the veins (McKillop, 1979). Quartz veins vary from 0.3cm to approximately 1m in width and are predominantly sub-parallel to faulting, however many other directions were also reported (McKillop, 1979). Composition of quartz veins in order of decreasing abundance: pyrrhotite, pyrite, molybdenite, and chalcopyrite (McKillop, 1979).

The southern quartz diorite bosses (south of Spray Creek) were reportedly strongly pyritized, however due to extensive weathering it was no longer possible to categorize hypogene alteration stages at the surface (Hollister, 1979).

FIGURE 13 – Empirical Property Geology

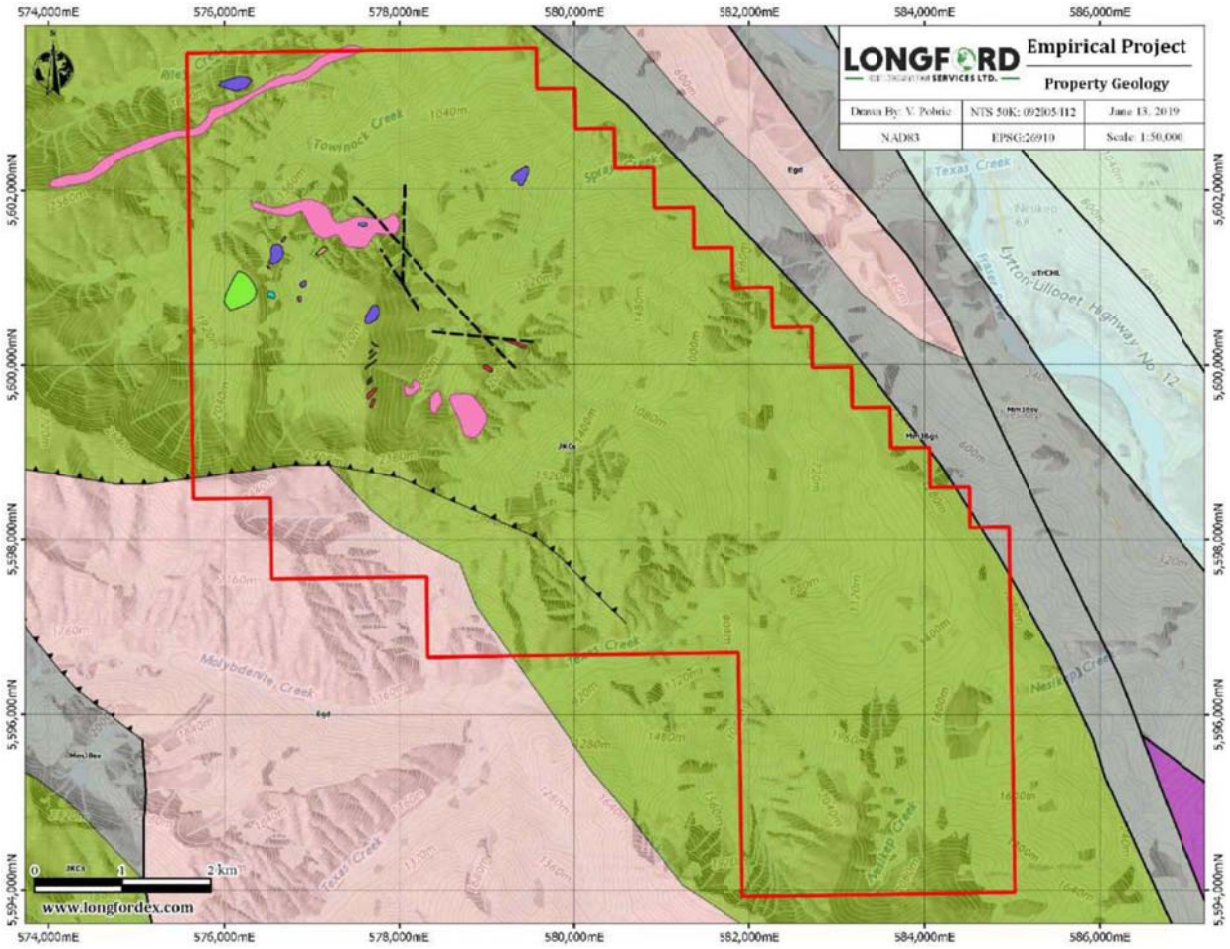
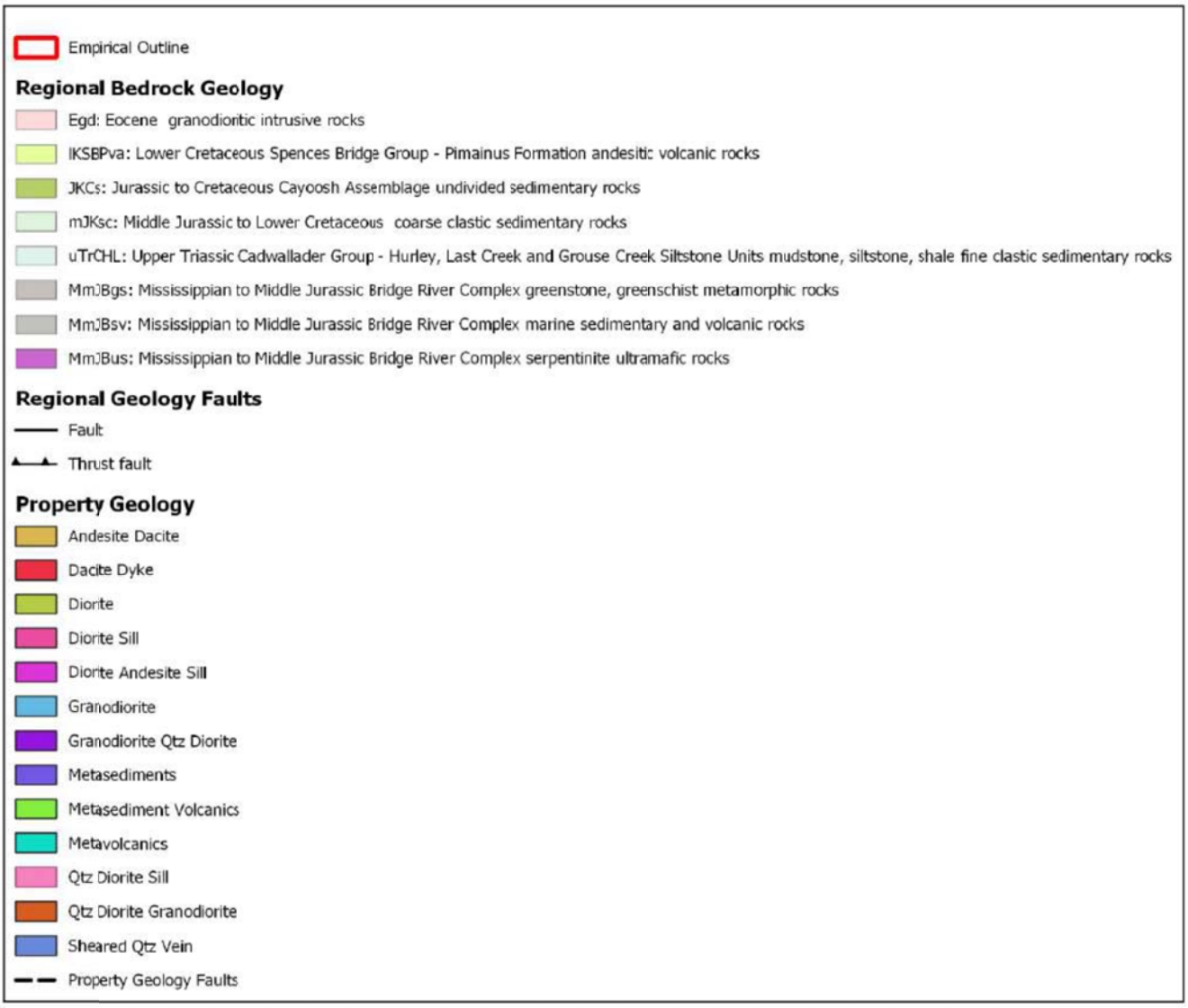


FIGURE 13 – Property Geology Legend



Lithological Units

The lithological units underlying the Empirical Property are described after (Grexton & Bruland, 1988):

Tertiary:

Tgd Granodiorite, felsite, in part Eocene age.

Cretaceuous and/or Tertiary:

KTgd Granodiorite with locally abundant septae of Relay Mountain or Bridge River Group rocks.

Cretaceous:

Kgd, qm Granodiorite, quartz monzonite. Few or no included metamorphics.

UKk Kingsvale Group: Basalt, local volcaniclastics.

IKsb Spences Bridge Group: Andesite, dacite, rhyolite, intercalated volcaniclastics, sandstone, shale, local conglomerate.

lKjm Jackass Mountain Group: Sandstone, conglomerate, shale.

Jurassic and Cretaceous:

JKrm Relay Mountain Group: Argillite, siltstone, sandstone, and metamorphosed equivalents.

JKqd Granodiorite, quartz monzonite.

Permian to Jurassic:

PJbr Bridge River Group: Radiolarian chert, argillite, basalt, local carbonate, serpentine, ultramafics, phyllite, greenstone, schists.

Mineralization

Sulphide mineralization on the Empirical Property consists of widely scattered but rare disseminations of sphalerite in fractures within both intrusive and intruded rocks, and very rare coarse-grained molybdenite in quartz filled fractures (Hollister, 1979, McKillop, 1986). Molybdenite and minor chalcopyrite mineralization associated with the quartz stockwork veining on the Empirical Property is characteristic of porphyry type mineral deposits. Molybdenite mineralization is mainly located in the quartz-diorite stock south of Towinock Creek (north zone), known as the Tow Showing (MINFILE: 092INW090) and the stock located south of Spray Creek (south zone) is known as the Spray Occurrence (MINFILE: 092INW088). Pyrrhotite and lesser pyrite are also common as disseminations and as fracture plane coatings. Pyrrhotite and chalcopyrite are commonly associated with the molybdenite in quartz veins but are less common in higher grade zones (McKillop, 1979). A later set of larger veins (5-160cm) are also reported to contain arsenopyrite, sphalerite, and rare scheelite within quart-diorite stocks (Hollister, 1979, MINFILE: 092INW090). These veins trend between 090° and 130° and cut the quartz-diorite stock and the enclosing sediments (MINFILE: 092INW090). These larger veins tend to occur where rock and soil geochemistry indicated higher concentrations of gold and arsenic within the larger area of anomalous molybdenum values (McKillop, 1981).

Strong stockwork zones are often identified on the surface by a light-yellow stain caused from the weathering of pyrite or pyrrhotite within veins, fractures and as disseminations (MINFILE: 092INW090). It was also noted that ferrimolybdite was observed.

Trace amounts of scheelite was reportedly recovered by panning stream gravel in Towinock Creek just below the north zone sill, but not above it (McKillop, 1979).

Alteration associated with mineralization includes chloritization, sericitization, biotitization, and intense silicification without any evident pattern of alteration zoning (Price & Ditson, 1986). However, an extensive biotite hornfels aureole postdating the porphyry-type mineralization was reported to envelop the intrusion and the sediments (MINFILE: 092INW090).

An investigative drill program carried out by Duval in 1981 yielded significant Au values in two drill holes, with 3m of 2,100 ppb Au (0.06 ounces/ton) in DDH-CH81-3, and 21m of 3,670 ppb Au (0.107 ounces/ton) and 3m interval grading 7,860 ppb Au in DDH-CH81-4 (Price & Ditson, 1986). A series of easterly trending, 70°N-dipping, branching network of quartz veins between 5-130cm in thickness outcrop in the vicinity of DDH-CH81-4 which commonly extend to 30m from the main vein before pinching out (Rebagliati, 1986). Drill core also revealed zones of intense

silicification and sericitization which completely obscure porphyritic textures and most quartz veinlets (MINFILE: 092INW088).

Five short DBD diamond drill holes were drilled in 1986 to follow up on the 1981 program and targeted the auriferous zone in hole CH81-4. All holes intersected a fine to medium grained biotitic porphyritic quartz diorite with irregular intervals of chlorite and silica alteration (Rebagliati, 1986). Porphyry type molybdenum and copper mineralization was reported in every hole and 3 possible modes of gold mineralization were identified: porphyry-type grey quartz stockwork veining; pervasively silicified zones; and late, white, branching quartz vein (Rebagliati, 1986). Hole 86-5 contained an 0.88m interval of disseminated pyrrhotite and pyrite, porphyrytype molybdenum-bearing stringers, and a 13cm thick brecciated grey quartz vein within which graded 10,270 ppb Au (0.289 oz/ton Au) (Rebagliati, 1986). Eighteen late quartz veins were sampled and compared to 9 similar vein intersections in split core which returned gold concentrations between 1 and 3,300 ppb Au (Rebagliati, 1986). Results indicate that gold is not uniformly distributed in the late veins, and no evidence of zoning was identified in the cluster of late veins distributed across the broad geochemical anomaly.

Gold values returned from the stockwork quartz-sulphide vein zone drill core suggests either surface depletion or zoning to higher gold concentration at depth (Price & Ditson, 1986).

FIGURE 14 – Example of Mineralization Found on the Empirical Property

Deposit Type

Cu-Au-Mo Porphyry Style Deposit

The Empirical Property is likely associated with a widespread hydrothermal Cu-Au-Mo porphyry style deposit (Figure 15 below). The mineralized zones are believed to be located within quartz diorite stockworks located just south of Towinock Creek near the Tow Showing and just south of Spray Creek near the Spray Occurrence. This area

is underlain by a thick sequence of schistose argillites of the Jurassic-Cretaceous Relay Mountain Group which have been intruded by porphyritic quartz diorite stocks (MINFILE: 092INW090). The porphyritic quartz-diorite stocks, and to a lesser degree, the enclosing sediments have undergone multiple episodes of fracturing and related quartz veining providing the pathways for sulphide mineralization.

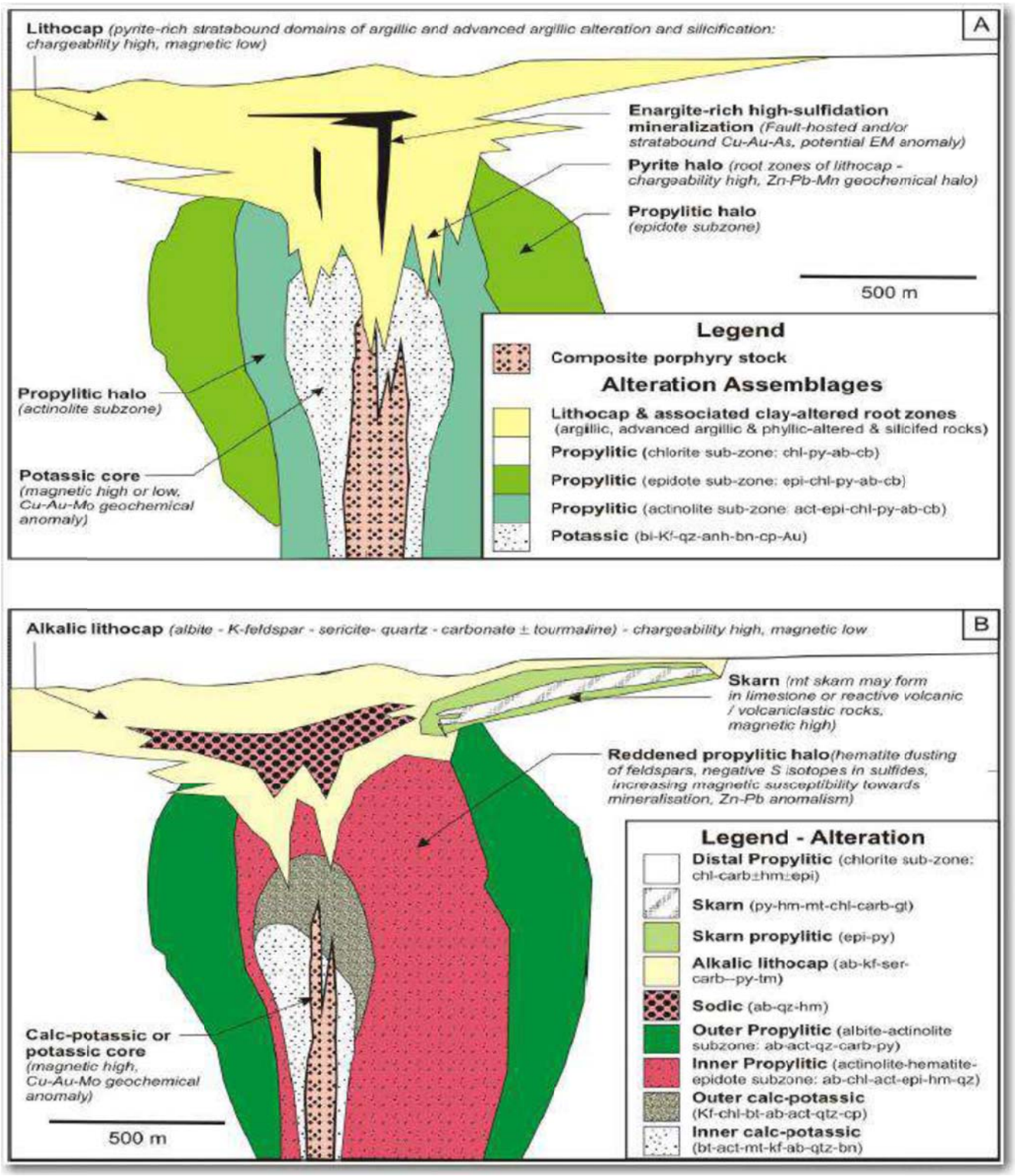
The formation of this style of deposit is related to orogenic belts at convergent plate boundaries (subduction-related magmatism), or extension settings related to strike-slip faulting or back arc spreading during continent margin accretion (Panteleyev, 1995). It is generally recognised that Cu-Au-Mo porphyry deposits are associated with granodiorite, quartz monzonite, quartz diorite granitoid rock types. Cu-Au-Mo porphyries tend to occur as large zones of hydrothermally altered host rock and are closely related to island-arc volcano-plutonic suites. Composition of intrusions range from basalt-andesite volcanic and gabbro-diorite-quartz-diorite associations. These deposits are characterized by quartz stockworks, veins, sulphide bearing veins (pyrite, chalcopyrite, bornite, with lesser molybdenum), closely spaced fractures and fracture selvages. These subvolcanic Intrusions are commonly emplaced by multiple successive intrusive phases and a wide variety of breccias. Grain size may range from coarse-grained phaneritic to porphyritic stocks, batholiths and dike swarms.

The timing of gold mineralization within these systems can be early or late and is related to magmatic or circulating meteoric waters. Early gold mineralization is closely associated with the potassic alteration zone and bornite and late mineralization is associated with pyrite and either sericitic, advanced argillic or skarn-destructive argillic alteration (Gendall, 1994). These deposits may be present in stockwork veins, skarns, or as carbonate and non-carbonate replacement (Gendall, 1994). Copper-gold style porphyries tend to be smaller in size compared to copper molybdenum style porphyries (Gendall, 1994). Regional structures and structural lineaments act as mineralization controls in these systems and therefore the degree of fracturing and veining tends to favour the concentration of Cu and Au in these areas (Gendall, 1994; Panteleyev, 1995).

Mineralized zones occur at depths of 1 km or less and are mainly associated with the development of brecciated zones or preferential replacement in host rocks with a high degree of primary permeability (Panteleyev, 1995). Ore-grade stockworks are linked to zones of intensely developed fractures that are coincident or intersect multiple fracture sets. Propylitic alteration halo is widespread and generally surrounds an early potassic alteration core (which is commonly well mineralized). Overprinting of early mineralization by younger mineralized phyllic alteration is also common. Pyrite is typically the predominant sulphide mineral, and the predominant ore minerals are chalcopyrite, molybdenite, lesser bornite and rare (primary) chalcocite. Subordinate minerals include tetrahedrite/tennantite, enargite and minor gold, electrum and arsenopyrite.

These deposits can be of the silica-oversaturated, silica-saturated and silica-oversaturated subtypes based on the modal composition of the associated alkalic intrusions and to a lesser extent on alteration (Lang & McClaren, 2003). The Empirical Property shows characteristics consistent with that of a silica-oversaturated alkalic copper-gold porphyry deposit on the basis of abundant quartz-sulphide veins, siliceous alteration, widespread, but weak sericitic alteration, and the presence of strong molybdenum mineralization, however the quartz-normative composition has not been reported in historical reports (Lang & McLaren, 2003). This particular style of deposit is favourable because, on average, they contain a greater tonnage of mineralization compared to other alkalic copper-gold porphyry types. Significant examples of silica-oversaturated alkalic copper-gold-molybdenum deposits include Goonombla/North Parks and Cadia-Ridgeway in Australia and Skouries in Greece (Lang & McLaren, 2003).

FIGURE 15 – Zoned Porphyry System Model after Holliday and Cooke, 2007



Exploration

2019 Field Program Sampling Procedures

Rock samples collected were located by GPS in NAD83 UTM Zone 10N, the sample location was recorded in field notebooks, an assay sample tag book and as a waypoint on a Garmin 60CSX GPS unit. Each sample was collected into its own 18" x 12" poly bag labeled with the locale (i.e. "Empirical") and a unique 7-character sample ID (i.e. E6690306) assigned from a barcoded Tyvek sample book. A tear-out tag with the barcode and unique sample ID was inserted in the bag with the sample and the bag sealed with a cable tie in the field. The sample locations are marked in the field with orange flagging type and the unique sample ID number written on the flagging tape.

Soils/talus fine samples were collected at 10 m intervals along lines spaced 10 m apart. All talus sample locations were recorded using hand-held GPS units. Sample sites are marked by flagging tape with the sample number written to it and tied/wrapped around a rock placed at the site. The talus samples were collected from 10 to 20 cm deep holes using hand-held geo-tools with larger rocks and pebbles removed by hand. The samples were placed into individually pre-numbered Kraft paper bags with corresponding sample tags inserted. The talus fine samples were sent to Bureau Veritas in Vancouver, BC where they were dried and screened to -80 mesh, dissolved using an aqua regia digestion and analyzed for 35 elements using the inductively coupled plasma-mass spectrometry technique ("**ICP-MS**").

2019 Exploration Program

Longford Exploration was commissioned by the Company to carry out an exploration program on the Empirical Property. Longford Exploration mobilized a crew of four from Vancouver, British Columbia on October 4, 2019 to carry out a 7-day geological mapping, prospecting and sampling program. The field program ran from October 5, 2019 to October 12, 2019 with the crew being dispatched from the Lillooet Blackcomb Helicopter base or utilizing the Texas Creek forest service road for access.

The program was a first pass exploration plan designed to assess the Empirical Property's potential for gold and copper mineralization and verify historical results and previous workings. A total of 102 rocks and 50 soil samples were collected during the program which are further described in Appendixes B and C of the Empirical Technical Report.

2019 Rock Sampling

Prospecting activities focused on locating structures, contacts, mineralization and observed lithologies, particularly in the area surrounding the Towinock and Spray showings of quartz-diorite sills where previous work (MINFILE: 092INW090 and 092INW088) reported samples returning values of 2,100 ppb Au over 3 m in DDH-CH81-3, 3,670 ppb Au over 21 m, and a 3 m interval grading 7,860 ppb Au in DDH-CH81-4 (Price & Ditson, 1986).

Given the steep terrain and snow, crews sampled along the outcropping quartz diorite found on the ridges of the Towinock and Spray sills. To the north of Towinock Creek, a third, poorly explored, quartz diorite Riley sill was explored and prospected briefly but due to deep snow and cliffs the area was left for future exploration in better conditions. Focus was given to drill collar locations of DDH-81-03 and DDH-81-04 which intercepted 3.00 m and 21.00 m at 2.10 g/t and 3.67 g/t Au during a 1981 program. Historical drill hole collars were identified, and core box stashes were found and prospected for mineralization. Pictures of the core boxes and mineralized core can be seen in Figures 16 and 17 below. The condition of the historic core and boxes is well preserved with some sample tags still legible; future programs might spend time to relog and resample this core.

FIGURE 16 – Example of Mineralized Historical Core Found on the Empirical Property

FIGURE 17 – Property Historical Core (Including DDH-CH81-3)

2019 Rock Results Overview

Table 7 below highlights the average, maximum and minimum values returned by the talus fine samples and results are illustrated in Figures 18 to 22. A detailed description of rock samples and full assay results are available in Appendixes B and D to the Empirical Technical Report.

TABLE 7 – Statistical Analysis of 2019 Property Exploration Program Results

Element	Au (ppb)	Ag (ppm)	Cu (ppm)	Mo (ppm)	Pb (ppm)	Zn (ppm)
Mean	42.82	0.51	39.45	40.87	5.85	125.76
Median	0.80	0.10	34.85	3.70	2.70	57.50
Mode	0.25	0.05	30.80	0.20	1.50	49.00
Max	3,175.40	31.90	117.50	513.00	2.00	5,093.00
Min	0.25	0.05	3.20	0.05	0.40	2.00

FIGURE 18 – 2019 Property Au in rock results (ppb)

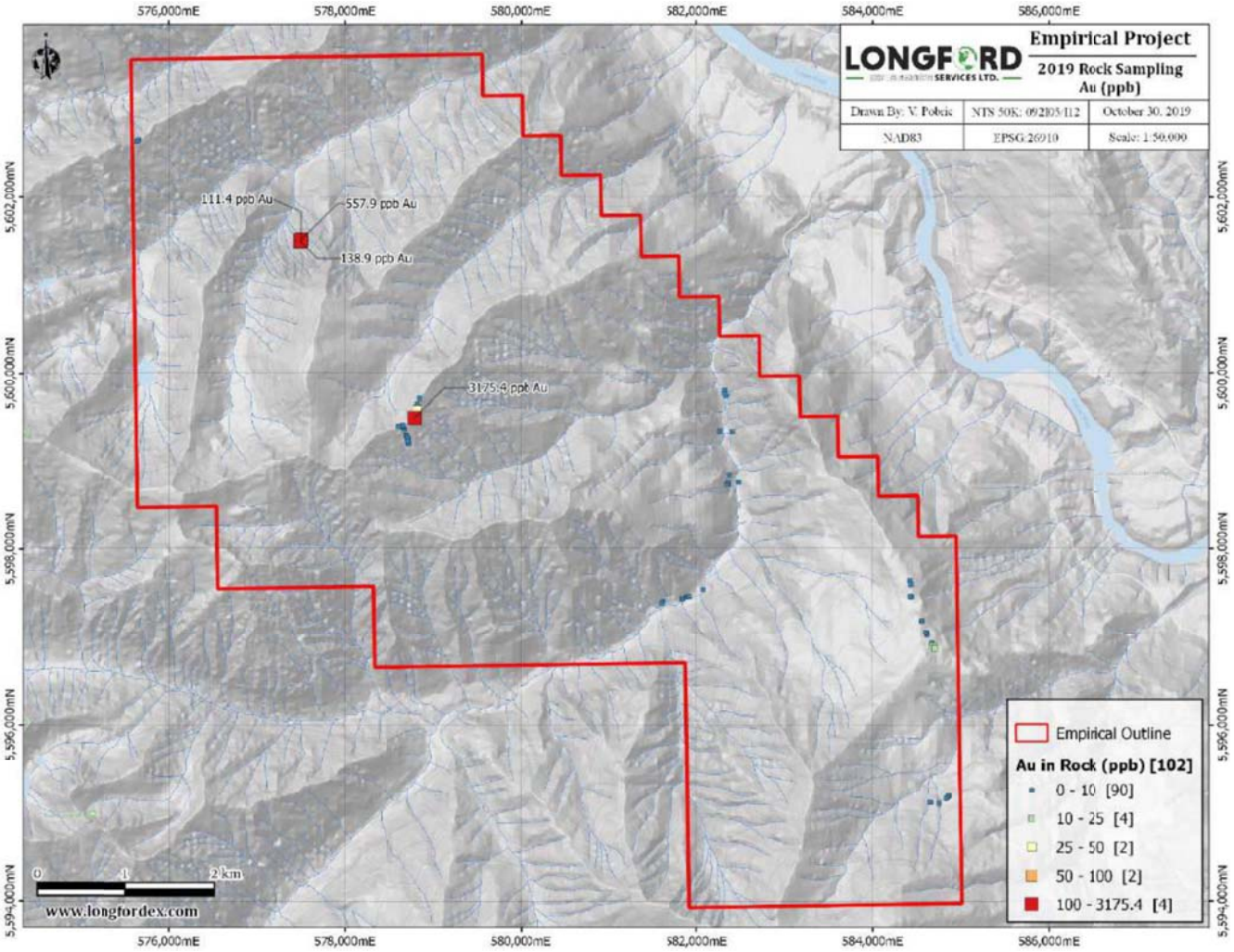


FIGURE 19 – 2019 Property Cu in rock results (ppm)

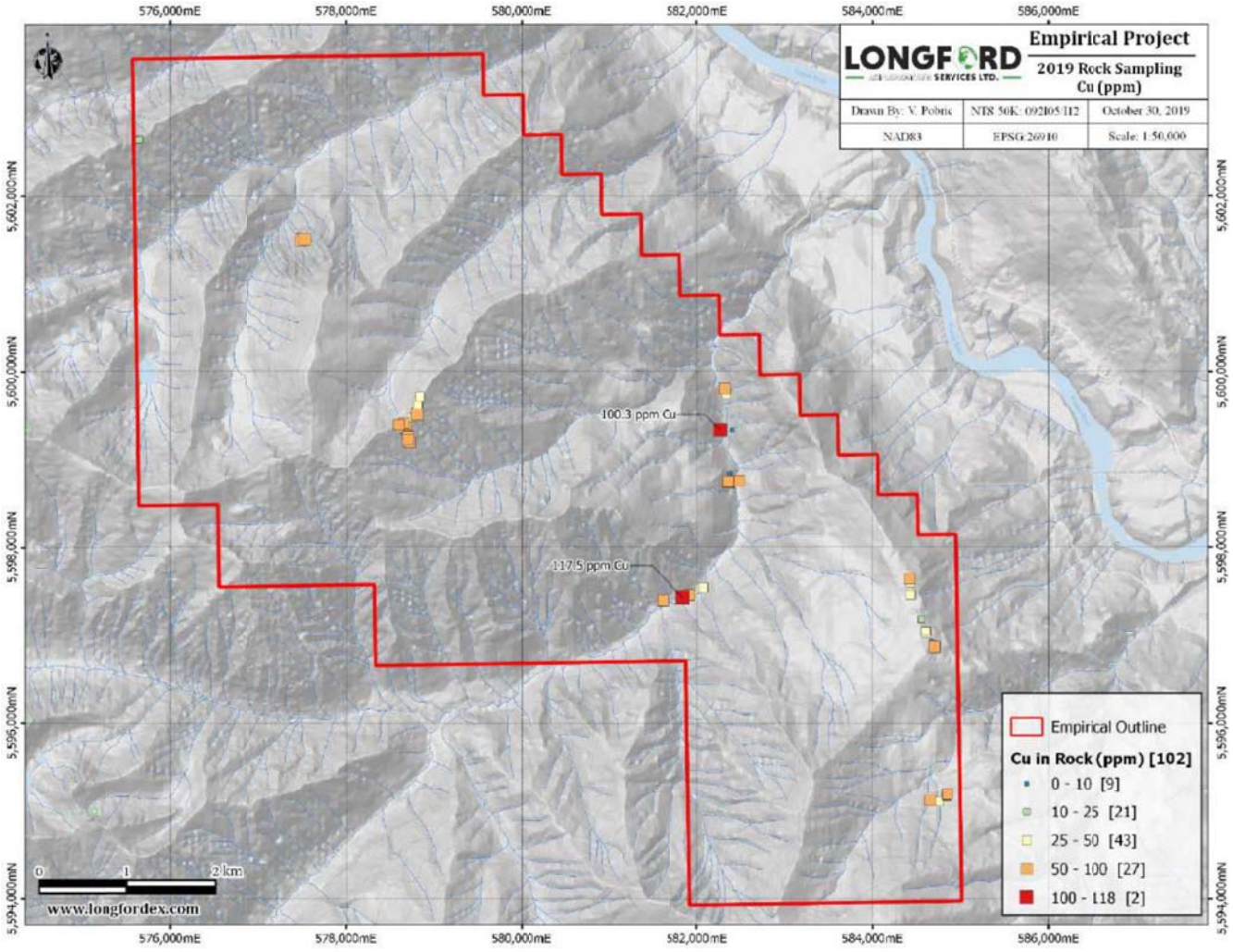


FIGURE 20 – 2019 Property Mo in rock results (ppm)

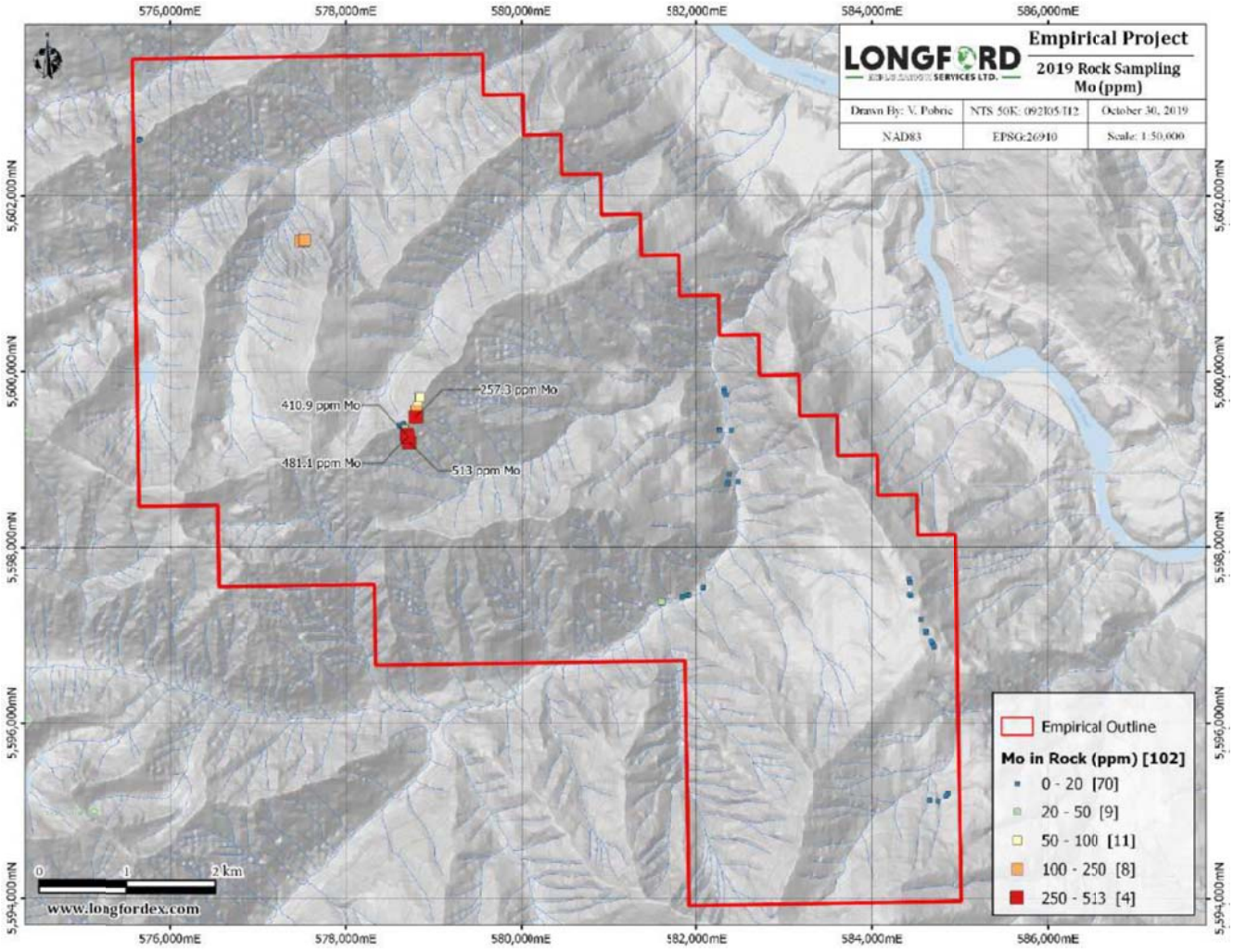
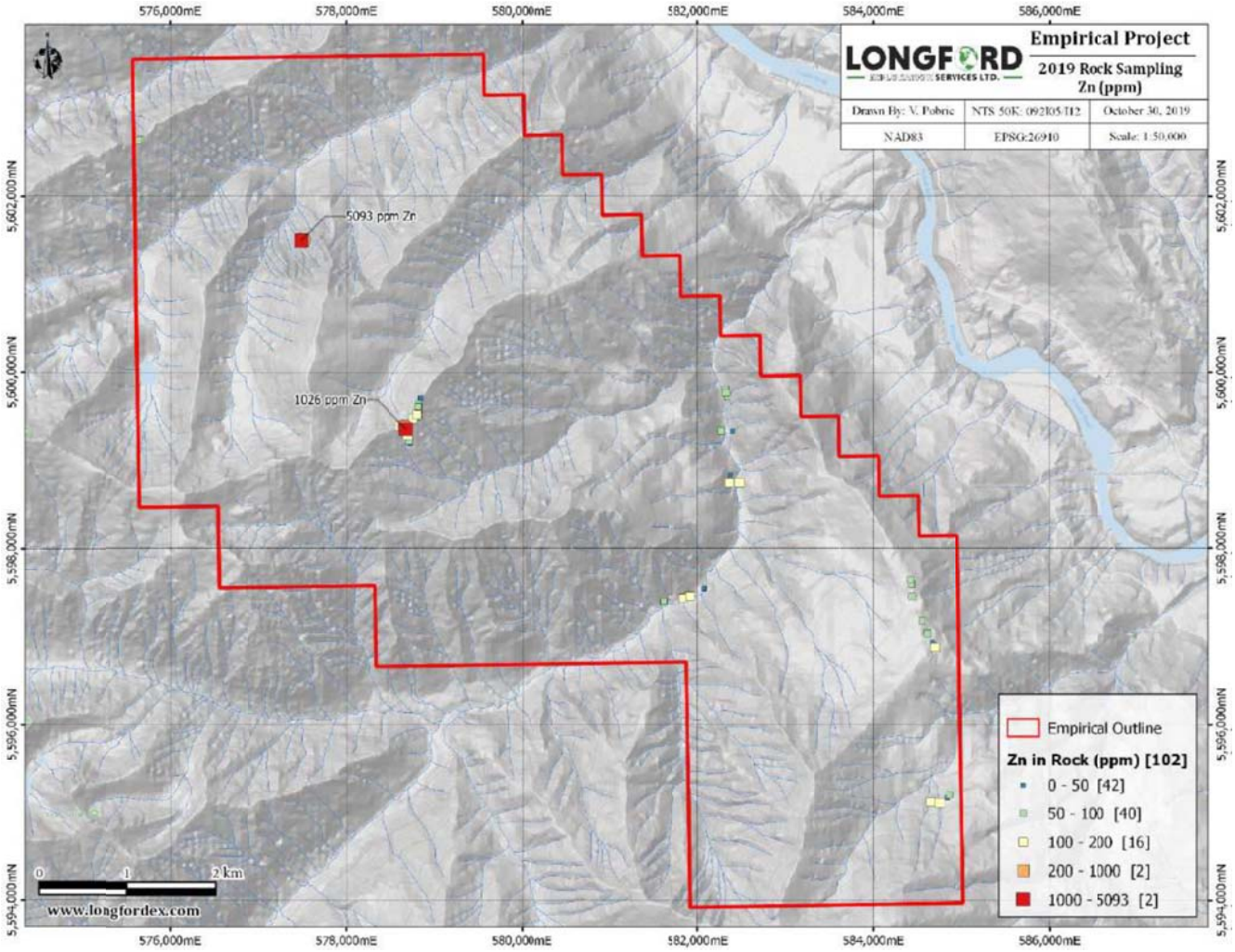


FIGURE 21 – 2019 Property Zn in rock results (ppm)



2019 Talus Fine Sampling

50 talus fine samples were collected across the Spray sill saddle in the vicinity of the historic in soil copper/gold anomalies. Select samples were taken in proximity to areas of historic sampling to verify historically reported analytical results, as well as to the North West and South East of historic samples to test for an extension of highly anomalous results.

2019 Talus Fine Results Overview

Table 8 below highlights the average, maximum and minimum values returned by the talus fine samples and results are illustrated in Figures 22 to 25. A detailed description of talus fines and full assay results are available in Appendixes C and E to the Empirical Technical Report.

TABLE 8 – Statistical Analysis of 2019 Property Exploration Program Talus Fines/Soil Results (n=50)

Element	Au (ppb)	Ag (ppm)	Cu (ppm)	Mo (ppm)	Pb (ppm)	Zn (ppm)
Mean	13.19	0.65	191.20	131.79	21.78	976.86
Median	7.50	0.45	168.40	32.85	14.35	682.50
Mode	1.60	0.20	149.80	13.70	14.10	375.00
Max	88.80	4.50	426.10	748.00	117.90	6,845.00
Min	1.00	0.10	54.40	6.70	5.10	137.00

FIGURE 22 – 2019 Property Au in soil results (ppb)

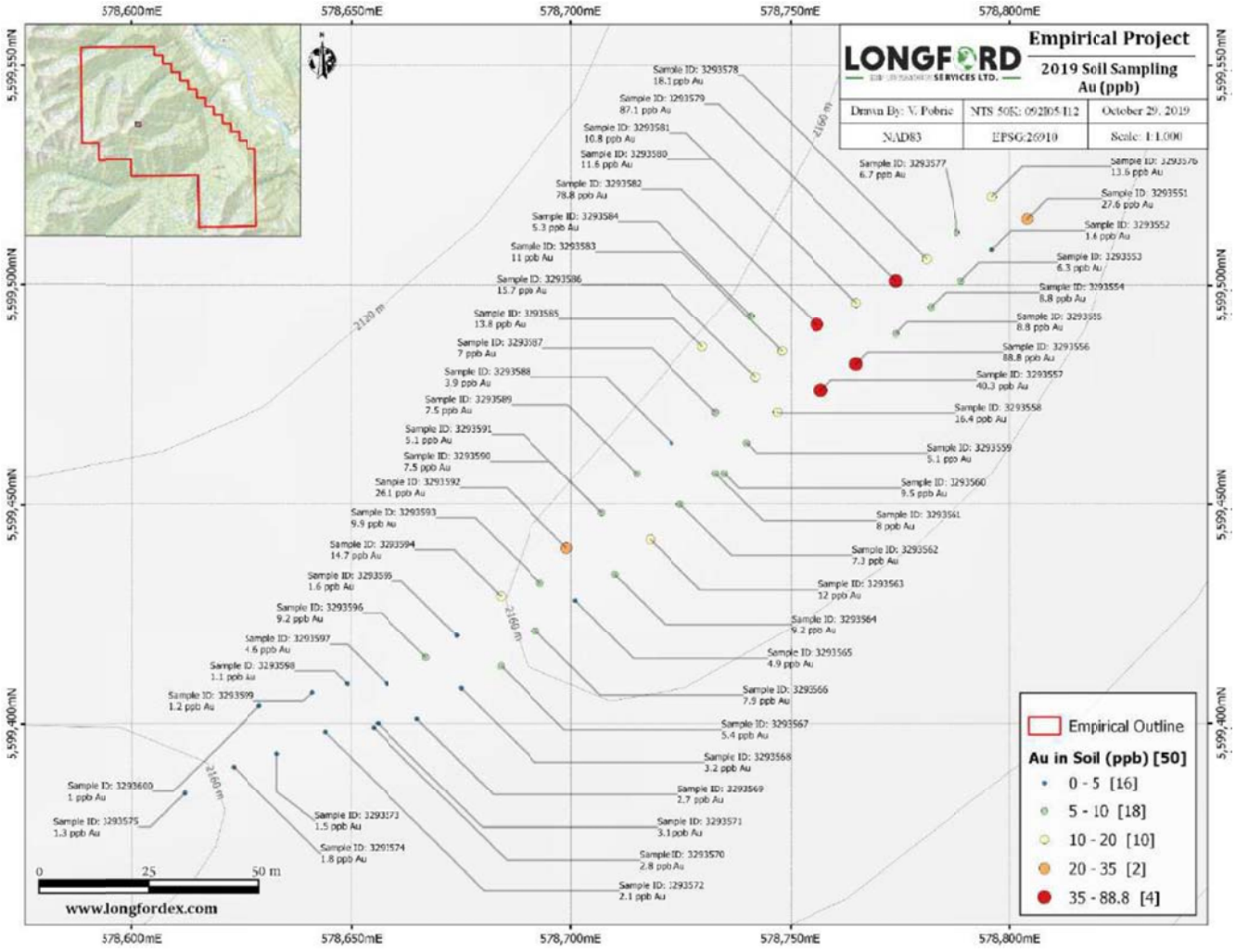


FIGURE 23 – 2019 Property Cu in soil results (ppm)

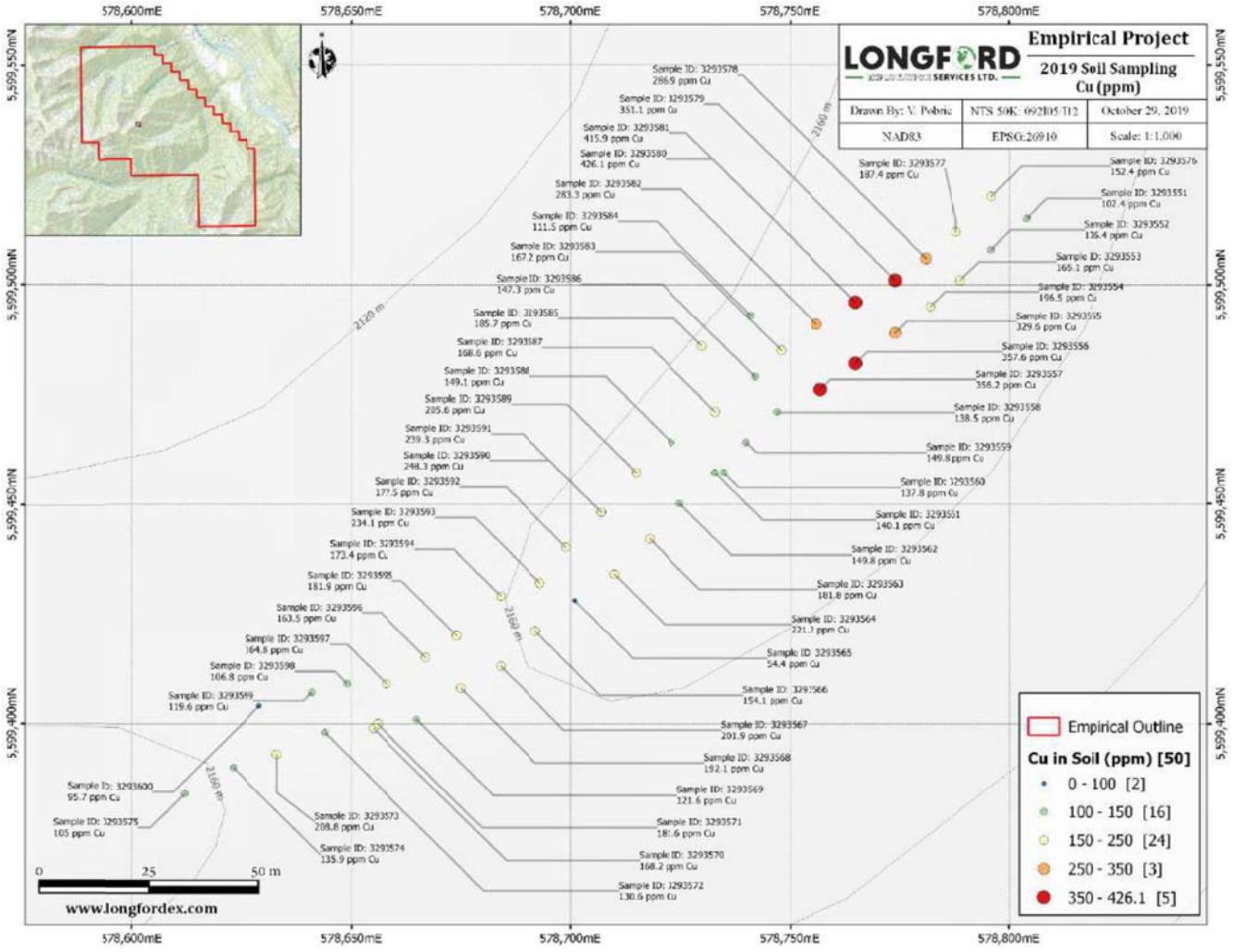


FIGURE 24 – 2019 Property Mo in soil results (ppm)

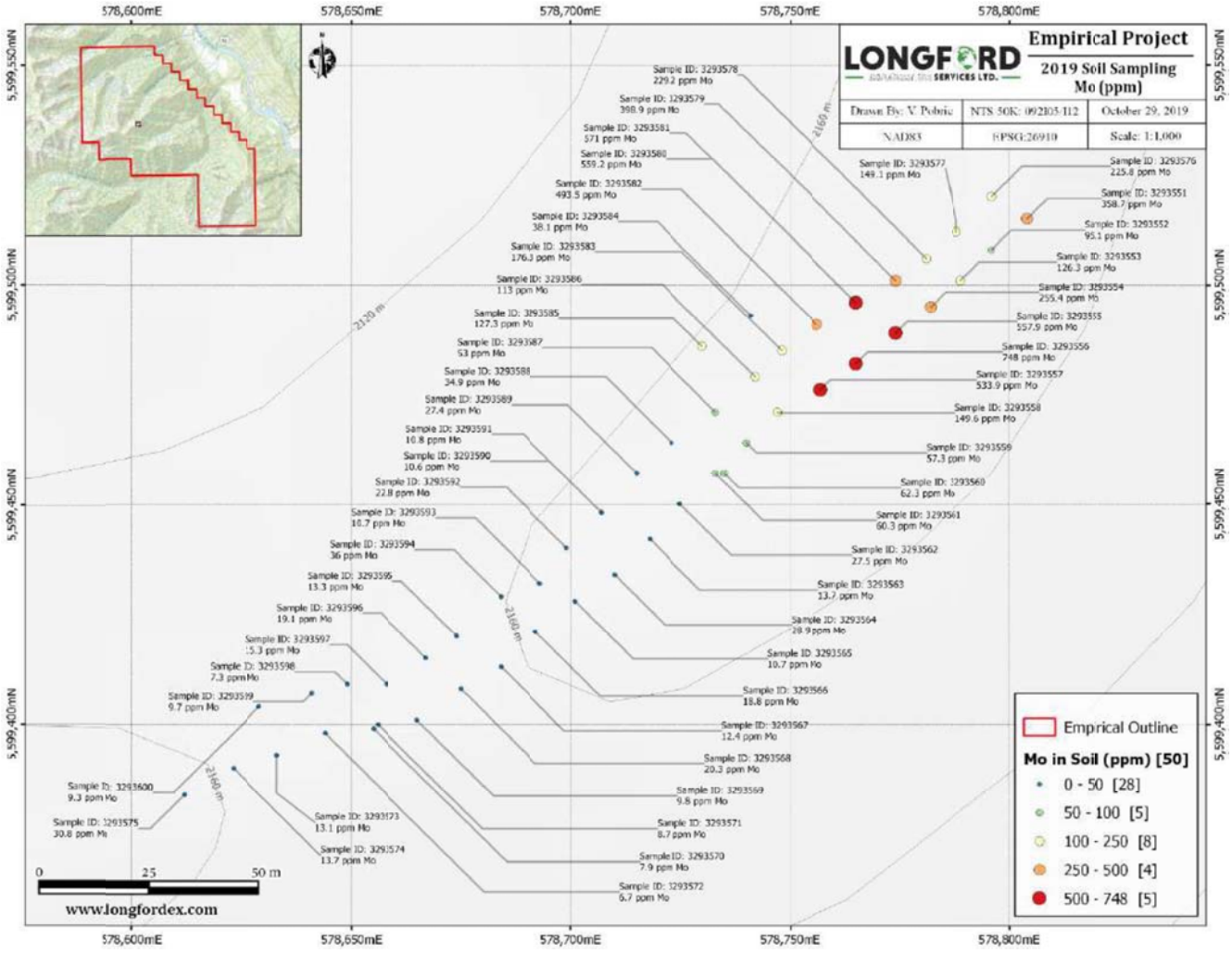
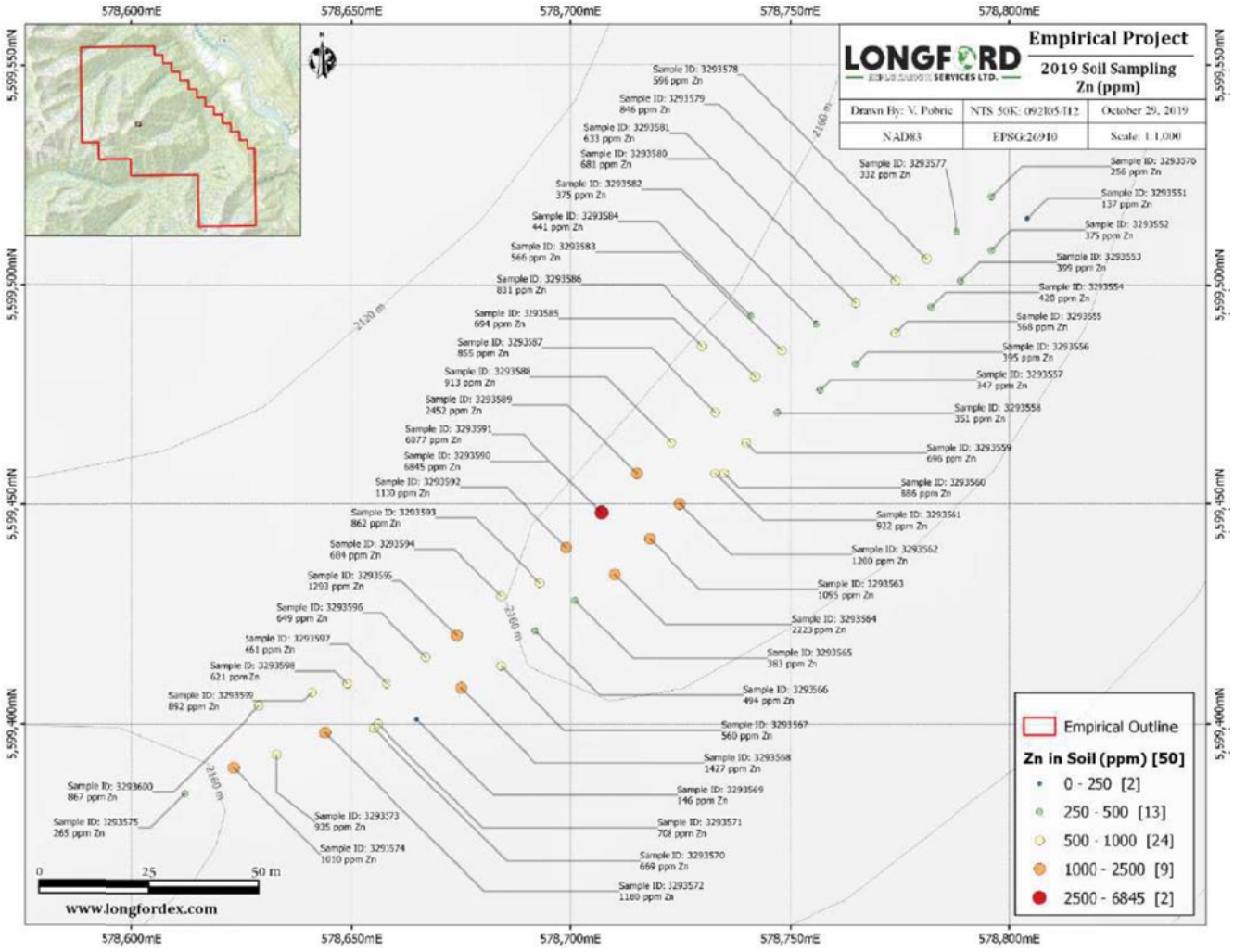


FIGURE 24 – 2019 Property Zn in soil results (ppm)



2019 Program Summary

During the 2019 Property exploration program identified a strongly bedded sequence of meta-sedimentary rocks intruded by quartz diorite and dacite sills/dykes and subsequently folded and faulted on the property. Later intrusions of andesite-dacite feldspar porphyry and basaltic dykes were also observed followed by a lessor folding and faulting event. Metasedimentary rocks observed consisted of locally dominant, argillite with siltstone, phyllite and calcite-chlorite sub schist and minor quartzite and chert. Most sedimentary/volcanic derived rocks were weakly calcareous, with or without calcite-ankerite lenses and laminae. More massive, dark grey-black (graphitic) argillite and intrusive rocks were observed to be non-calcareous. The pervasive, moderately to strongly hornfelsed character of the metasedimentary and volcanic rocks masked the local effects of sill and dyke emplacement. Mineralization was primarily observed in 2-10 cm wide quartz veins and fracture surfaces in the medium to coarse grained light grey quartz diorite found at the Towinock and Spray sills. Blebs of sulphides were found within quartz veins and disseminated throughout the vein selvedges with visible pyrite, chalcopyrite, trace sphalerite, black to red gossanous weathered material and minor molybdenum.

Table 9 below highlights the number of rock and soil/talus samples collected on the Empirical Property which fall within the typically anomalous range. A detailed map showing all rock sample IDs, locations and significant results is also available in Appendix F to the Empirical Technical Report.

TABLE 9 – Statistical Analysis of 2019 Property Exploration Program Talus Fines/Soil Results (n=50)

Element	Crustal Abundance	Typical Anomalous Conc in Rock	No. of Rock Samples within anomalous range	Typical Anomalous Conc in Soil	No. of Soil/Talus Fine Samples within anomalous range
Au	4 ppb	50-100 ppb	2	40-100 ppb	4
Ag	70 ppb	0.5-1 ppm	8	0.2-0.5 ppm	48
Cu	55 ppm	100-200 ppm	3	50-200 ppm	50
Pb	13 ppm	40-100 ppm	0	40-100 ppm	4
Zn	70 ppm	100-500 ppm	20	200-300 ppm	48
Mo	1.5 ppm	5 to 20 ppm	50	2 to 5 ppm	50
W	1.5 ppm	10 to 50 ppm	1	2 to 10 ppm	0
Ni	75 ppm	100-200 ppm	2	100-200 ppm	1
As	1.8 ppm	5 to 10 ppm	41	5 to 20 ppm	50

Drilling

The owner of the Empirical Property has not carried out any drilling on the Empirical Property.

Sample Preparation, Analysis, and Security

During the 2019 program a total of 102 rock samples and 50 soil samples were collected (Table 10 below). These samples were collected and secured in a manner to preserve sample integrity and provenance, enabling detailed sample descriptions and future analytical review.

Rock samples collected were located by GPS in NAD83 UTM Zone 10N, the sample location was recorded in field notebooks, an assay sample tag book and as a waypoint on a Garmin 60CSX GPS unit. Each sample was collected into its own 18" x 12" poly bag labeled with the locale (i.e. "Empirical") and a unique 7-character sample ID (i.e. E6690306) assigned from a barcoded Tyvek sample book. A tear-out tag with the barcode and unique sample ID was inserted in the bag with the sample and the bag sealed with a cable tie in the field. The sample locations are marked in the field with orange flagging type and the unique sample ID number written on the flagging tape.

Soils/talus fine samples were collected at 10 m intervals along lines spaced 10 m apart. All talus sample locations were recorded using hand-held GPS units. Sample sites are marked by flagging tape with the sample number written to it and tied/wrapped around a rock placed at the site. The talus samples were collected from 10 to 20 cm deep holes using hand-held geo-tools with larger rocks and pebbles removed by hand. The samples were placed into individually pre-numbered Kraft paper bags with corresponding sample tags inserted. The talus fine samples were sent to Bureau Veritas in Vancouver, British Columbia where they were dried and screened to -80 mesh, dissolved using an aqua regia digestion and analyzed for 35 elements using the ICP-MS.

Chain of Custody

The Longford Exploration Crew maintained custody of all samples until they were delivered in person to Bureau Veritas Laboratories in Vancouver, British Columbia.

QA/QC

Longford Exploration Services applies a high-level QA/QC program for early stage exploration programs. A duplicate rock sample is collected every twentieth sample, while stream sediment is duplicated every tenth sample to confirm consistency of the data stream. More comprehensive QA/QC procedures are applied to larger systematic sampling programs.

Two check samples (001 and 002, described in Appendixes B and D to the Empirical Technical Report) were also collected by the Empirical Author during the site visit. The results are reasonably in line with the samples Longford Exploration collected in the area.

More comprehensive QA/QC procedures are applied to larger systematic sampling programs.

Sample Analysis

Sample analysis has been and will be carried out by Bureau Veritas at its Vancouver location, which is ISO/IEC 17025:2005 and ISO 9001:2015 certified and independent of the Company.

The Empirical Author-collected check samples were delivered by the Empirical Author to ALS Chemex at its North Vancouver location, which is ISO/IEX 17025:2005 and ISO 9001:2015 certified and independent of the Company.

The analysis methods requested from the lab for the samples collected in the 2019 field exploration program are set out below:

TABLE 10 – Analytical methods requested from Laboratories

Sample Type	Analytical Methods
Analysis-Rock Bureau Veritas	PRP70-250, AQ200
Analysis-Soil Bureau Veritas	SS80, AQ200
Analysis-Rock ALS Chemex	Au-AA23, ME-MS61

Adequacy of Procedures

All sample collection and analysis performed by the Longford Exploration field crew conform to industry best practices and are in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Best Practice Guidelines.

Data Verification

The Empirical Author visited the Empirical Property on October 10, 2019 to confirm the mineral showing identified and review the general geology of the prospect areas. The Empirical Author also reviewed the crew methodology and concepts used in the 2019 exploration work.

The Empirical Author was able to complete a traverse over the mineralized stratigraphy to review the potential of the entire host rock stratigraphy. The traverse focused on a section coincident with the principal showings along Towinock Creek and Spray Creek on the northwest of the Empirical Property.

In the Empirical Author's opinion, the data used for the purposes of the Empirical Technical Report are adequate and reliable.

Mineral Processing and Metallurgical Testing

There is no known mineral processing testing or metallurgical analyses in respect of the Empirical Property.

Mineral Resource Estimates

This is an early stage project and there is no mineral resource estimate on the Empirical Property.

Mineral Reserve Estimates

This is an early stage project and no mineral reserve estimates have been carried out on the Empirical Property.

Advanced Headings

The following headings are not relevant to this early stage property:

- Mining Methods;
- Recovery Methods;
- Project Infrastructure;
- Market Studies and Contracts;
- Environmental Studies, Permitting and Social or Community Impact;
- Capital and Operating Costs; and
- Economic Analysis.

Adjacent Properties

There are currently no past or producing metal mines adjacent to the Empirical Property. However, past producers Fraser River Au Placer and Golden Cache are located 11 km north and 20 km west, respectively, of the centre of the Empirical Property.

The Golden Cache deposit is located on the cliffs above Cayoosh Creek in the metasedimentary rocks of the Bridge River Group. It was mined in the early 1900s for its small but high-grade goldquartz veins. A 10-stamp mill was supported for a short period of time producing a total of 727 ounces of Au from 3,075 tons of ore (0.236 oz/ton) (Price, 1986).

The current list of operating mines in the wider South-Central Region of British Columbia include: Bonanza Ledge, Copper Mountain, Gibraltar, Highland Valley, Mount Polley, and New Afton. A summary of 2018 operating mines including future forecasts, reserves and resources are summarized in Table 11 below (Clarke et al, 2019).

TABLE 11 – Operating metal mines, 2018, forecast mine production, reserves, and resources (Clarke et al, 2019)

Mine	Operator	Commodity, Deposit; MINFILE	Forecast 2018 Production (based on Q1-Q3)	Reserves	Resource	Comments
Bonanza Ledge	Bakerville Gold Mines Ltd.	Au; Au-quartz veins; 093H 140	120,000 t at 6.65 g/t Au diluted (as of December)	N/A	M: 264,000 t 7.3 g/t Au I: 508,300 t 6.2 g/t Au Inf: 173,400 t 4.6 g/t Au	Long hole and cemented rock fill.
Copper Mountain	Copper Mountain Mining Corporation (75%), Mitsubishi Materials Corporation (25%)	Cu, Au, Ag; porphyry Cu-Au, alkalic; 092HSE001	80 Mlb Cu, 27,500 oz Au, 300,000 oz Ag (management's guidance)	P+Pr: 210,079 Kt 0.26% Cu, 0.08 g/t Au, 0.89 g/t Ag	M+I: 322,755 Kt 0.26% Cu, 0.08 g/t Au, 1.05 g/t Ag Inf: 111,855 Kt 0.21% Cu, 0.08 Au, 0.63 g/t Ag	Resources inclusive of reserves. Excludes New Ingerbelle: M+I: 195,647 Kt 0.26% Cu, 0.16 g/t Au, 0.50 g/t Ag Inf: 93,459 Kt 0.23% Cu, 0.14 g/t Au, 0.43 g/t Ag.
Gibraltar	Taseko Mines Limited (75%), Sojitz Corp. (12.5%), Dowa Holdings Co. Ltd. (6.25%), Furukawa Co. Ltd. (6.25%)	Cu, Mo; porphyry Cu+/- Mo+/- Au; 093B 012	130 Mlb Cu+Mo (management's guidance)	P+Pr: 668 Mtons 0.26% Cu, 0.008% Mo	M+I: 1011 Mtons 0.25% Cu, 0.008% Mo	Resources inclusive of reserves
Highland Valley	Teck Resources Limited	Cu, Mo; porphyry Cu+/- Mo+/- Au; 092ISW012, 45	102,500 t Cu, 3266 t Mo (management's guidance)	P+Pr: 589.5 Mt 0.300% Cu, 0.007% Mo	M: 488.4 Mt 0.31% Cu, 0.009% Mo I: 882.6 Mt 0.23% Cu, 0.009% Mo Inf: 382.4 Mt 0.23% Cu, 0.007% Mo	Resources exclusive of reserves.

Mine	Operator	Commodity, Deposit; MINFILE	Forecast 2018 Production (based on Q1-Q3)	Reserves	Resource	Comments
Mount Polley	Imperial Metals Corporation	Cu, Au, Ag; Porphyry Cu-Au, alkalic; 093A 008	15.6 Mlb Cu, 39,500 oz Au (management's guidance)	P+Pr: 58.272 Mt 0.33% Cu, 0.30 g/t Au, 0.86 g/t Ag	M+I: 206.22 Mt 0.285% Cu 0.28 g/t Au, 0.67 g/t Ag Inf: 7.519 Mt 0.308% Cu, 0.24 g/t Au, 1.66 g/t Ag	Reserves in 5 zones. Resources inclusive of reserves. Shutdown of operations announced early 2019.
New Afton	New Gold Inc.	Au, Ag, Cu; Porphyry Cu-Au, alkalic; 092INE023	55,000- 65,000 oz Au, 75-85 Mlb Cu (Guidance) 64.3 Mlb Cu, 58.551 Koz Au, 200 Koz, Ag (Q3 actual)	P+Pr: 54.867 Mt 0.61 g/t Au, 2.0 g/t Ag, 0.78% Cu	M+I: 58.038 Mt 0.63 g/t Au, 2.1 g/t Ag, 0.76% Cu Inf: 15.253 Mt 0.39 g/t Au, 1.3 g/t Ag, 0.41% Cu	A, B and C zones + HW lens resources. Resources exclusive of reserves

* P = Proven; Pr – Probable; M = Measured; I = Indicated; and Inf = Inferred.

The Empirical Author has not been able to independently verify the above reserve information and it is not necessarily indicative of the mineralization on the Empirical Property which is the subject of the Empirical Technical Report.

Other Relevant Data and Information

The Empirical Author is not aware of any other relevant information not included in the Empirical Technical Report.

Interpretation and Conclusions

The presence of visible copper and molybdenum sulphides in veins, associated alteration and multiple generations of intrusions and dykes found within the Empirical Property may support the notion that a Cu-Au-Mo porphyry deposit may underlie the property. The Empirical Property is situated in the Bridge River Terrane of the Coast Belt which is an area that has significant potential for the discovery of new porphyry deposits. The area where the Empirical Property resides is known to host 26 significant porphyry deposits, including Imperial Metal Corporation's historic Huckleberry Mine and Noranda Inc.'s historic Babine Porphyry camp. Potentially analogous Cordilleran Continental Arc porphyries from the South Eastern Coast Mountains within 150 km of the Empirical Property includes:

- Fish Lake (Prosperity) 1,150 Mt @ 0.22% Cu and 0.41 g/t Au
- Poison mountain 808 Mt @ 0.24% Cu and 0.12 g/t Au
- Taseko 15 Mt @ 0.53% Cu and 0.53 g/t Au

The Empirical Property is found in an environment which has a demonstrated potential for hosting porphyry deposits. Confirmed visual mineralization and surface alteration found on the Empirical Property warrants further exploration on the Empirical Property.

Recommendations

During the 2019 exploration program, the Longford Exploration crew located historic workings, visible sulphide mineralization, and verified historically reported assay results. Evidence suggests the Empirical Property could potentially host a larger mineralizing system.

A two-phase exploration program is recommended to further define zones of anomalous mineralization located during the 2019 exploration program. A cost estimate is provided in Table 12 below. The exploration should consist of geological and structural mapping, prospecting, and soil sampling to test the highest-ranking target areas for further mineralization. Geophysics may also be implemented to further define zones of high priority after additional groundwork is undertaken. Close attention should be put to alteration mapping and zonation, both from the geologic and geophysical work, as this will be a key vector to further delineate drill targets. Once more defined areas of mineralization are established, diamond drilling should commence if warranted. Phase 2 work is contingent on positive results from the previous phase of work.

Geophysics

A property wide VTEM™ survey is recommended to define magnetic and conductive anomalies at a higher resolution than currently available in regional data. A clear magnetic survey will help define the property's potential to host a large mineralizing system. VTEM™ Plus Time Domain EM system is excellent for locating discrete conductive anomalies as well as mapping lateral and vertical variations in resistivity. The resistivity mapping can be utilized to interpret alteration fronts and further post-processing can help further refinement of targets.

Prospecting

The magnetic and conductive anomalies identified in the geophysical phase will require prospecting to correlate these known lithological mapped units, alteration and mineralization. This phase of prospecting will be aimed at defining future drill targets over anomalies and will therefore include rock and soil sampling.

Drilling

Data collected from the geophysical and prospecting programs will be used to identify drill targets. Ideally, the drill targets will show soil anomalies, alteration or mineralization at the surface and correlate with a geophysical anomaly to help define dimensions of any target body. Any targets identified from the budgeted program above are recommended to be followed up with drilling.

Proposed Exploration Budget

A budget for a VTEM™ geophysical survey, follow-up prospecting, and drilling has been proposed in the Table 12 below.

	Operator	Estimated Cost
Phase 1	Geological and Structural Mapping, Prospecting, Soil Sampling	
	2 weeks, 4-person crew (1 Project Manager, 2 Geologists, 1 helper)	$50,000
	VTEM™ geophysical survey	$90,000
	Interpretation of results-14 days	$10,000
	Subtotal:	$150,000

	Operator	Estimated Cost
Phase 2	Anomaly Follow Up (contingent on results from Phase 1)	
	500 m of trenching	$100,000
	1,500 m of diamond drilling to test geophysical, geochemical, and mapping targets	$500,000
	Subtotal:	$600,000
	Total:	**$750,000**

References

For a complete list of references used in the Empirical Technical Report, reference should be made to the full text of the Empirical Technical Report which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company's profile on SEDAR at www.sedar.com.

Empirical Option Agreement

The Company entered into the Empirical Option Agreement with the Optionor on October 1, 2019, whereby the Optionor granted the Company an option to acquire a 100% undivided right, title, ownership and beneficial interest in the Empirical Property, subject to the Empirical Royalty, consisting of three unpatented mineral claims totaling approximately 5,401.36 hectares, located in the Lillooet Mining Division, approximately 12km south of Lillooet, British Columbia, the particulars of which are described in greater detail below. The mineral claims are registered in the name of James Rogers and beneficially owned by the Optionor. The Optionor is not at arm's length to the Company. However, at the time of the Empirical Option Agreement's approval by the Board, James Rogers, the current CEO and a director of the Company, was not a director of the Company. Mr. Rogers was appointed as CEO and as a director of the Company on November 1, 2019.

In order to exercise the Empirical Option, the Company is required to: (i) pay cash of $50,000, (ii) issue 2,000,000 Common Shares (issued) and (iii) incur an aggregate minimum of $280,000 ($80,000 incurred) in exploration expenditures on the Empirical Property, in accordance with the following schedule:

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred[(1)]
October 6, 2019		2,000,000 (completed)	-
October 1, 2020	-	-	$80,000 (completed)
October 1, 2021	-	-	$200,000
Within five days of the Common Shares being approved for listing on a stock exchange	$50,000 (paid)	-	
TOTAL:	**$50,000**	**2,000,000**	**$280,000**

(1) Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Empirical Option Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to the Optionor.

The Company's 100% undivided right, title, ownership and beneficial interest in the Empirical Property will be earned through the fulfillment of the obligations listed above. The Empirical Option Agreement grants the Company an option only. The Company is therefore not obligated to meet any of the above option obligations in the event that it chooses to terminate the Empirical Option Agreement and abandon the Empirical Property for any reason.

The Company may terminate the Empirical Option Agreement at any time on 30 days' prior written notice to the Optionor. Under such circumstances, the Optionor is entitled to retain any cash payments or Common Shares received by the Optionor prior to such termination. The Empirical Option Agreement will also terminate if the Company defaults on its obligations to make any payments, issue any shares or complete any exploration expenditures by the dates set out in the Empirical Option Agreement. Alternatively, the exercise of the Empirical Option can be accelerated by making all payments due to the Optionor. Neither the Optionor nor the Company may transfer its interest in the Empirical Option Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of the Empirical Option Agreement. If unexercised, the Empirical Option expires on December 30, 2021 or such other date as mutually agreed to by the Company and the Optionor.

Empirical Royalty

Upon exercise of the Empirical Option, the Company has agreed to grant the Empirical Royalty to the Optionor. The Royalty is a 2% NSR granted by the Company to the Optionor, payable following commencement of commercial production. The Royalty is subject to the Empirical Buyback Right, which Empirical Buyback Right provides that the Company may reduce the Empirical Royalty from 2% to 1% at any time prior to commencement of Commercial Production on payment by the Company to the Optionor of $1,500,000.

Destiny Property

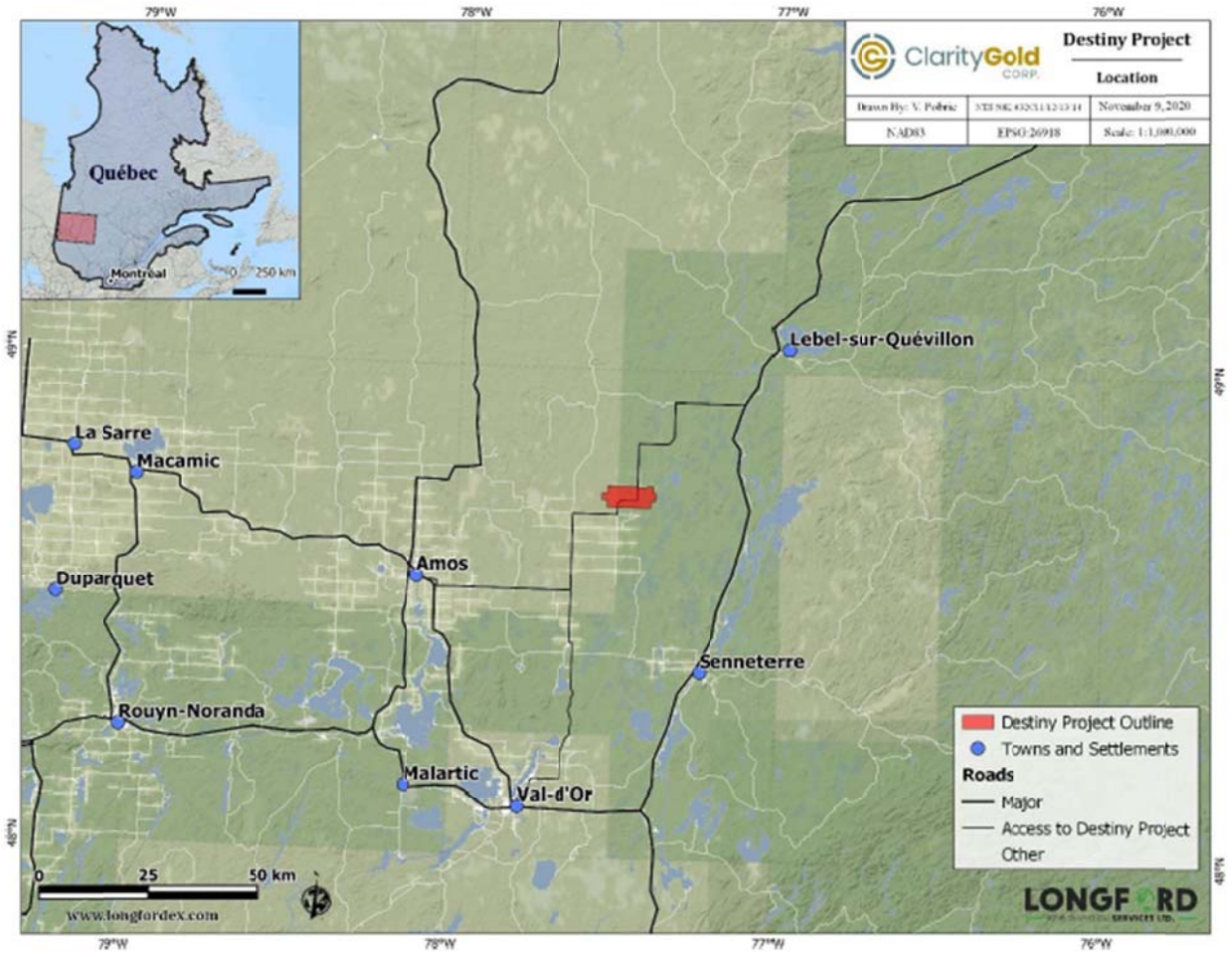
The following represents information summarized from the Destiny Technical Report on the Destiny Property by the Destiny Authors, each Qualified Persons, prepared in accordance with the requirements of NI 43-101. **All figures and tables from the Destiny Technical Report are reproduced in and form part of this AIF. A complete copy of the Destiny Technical Report is available for review on SEDAR.**

Property Description and Location

Location

The Destiny Property is located in the Despinassy Township, approximately 75 km north-northwest of Val-d'Or, in the Abitibi Region, in the province of Québec (see Figure 4-1). The Destiny Property is found within NTS sheets 32C 11/12/13/14 and the centre of the Destiny Property is at latitude 48°44' North and longitude 77°32' West.

FIGURE 4-1: Destiny Property Location Map



Mineral Tenure

In the province of Québec, the *Mining Act* (Québec) governs the management of mineral resources and the granting of exploration rights for mineral substances during the exploration phase. It also deals with the granting of rights pertaining to the use of these substances during the mining phase. Finally, the act establishes the rights and obligations of the holders of mining rights to ensure maximum development of Québec's mineral resources.

Claim status was supplied by Clarity and was also verified using GESTIM, the Québec government's online claim management system. As of January 18, 2021, the Destiny Property consisted of a contiguous group of 127 mining claims (see Table 4-1; Figure 4-2) covering approximately 5,013.34 ha. The claims are 100% registered in the name of Alto Ventures Ltd. (now Big Ridge) ("**Alto Ventures**"). Big Ridge has granted the Company an exclusive right to earn a 49% undivided right (Partial Option), title and interest in the claims comprising the Destiny Property or a 100% undivided right (Full Option), title and interest in the claims comprising the Destiny Property.

The Destiny Authors did not verify the legal titles to the Destiny Property or any underlying agreement(s) that may exist concerning the licenses or other agreement(s) between third parties.

All claims comprising the Destiny Property are summarized in Table 4-1.

TABLE 4.1 – Destiny Property Mining Titles List and Details

Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
2000785	Active	2006-02-14	2023-02-13	Alto Ventures Ltd (100%)	CDC	42
2000786	Active	2006-02-14	2023-02-13	Alto Ventures Ltd (100%)	CDC	41.97
2000787	Active	2006-02-14	2023-02-13	Alto Ventures Ltd (100%)	CDC	41.95
2000788	Active	2006-02-14	2023-02-13	Alto Ventures Ltd (100%)	CDC	41.92
2000789	Active	2006-02-14	2023-02-13	Alto Ventures Ltd (100%)	CDC	32.67
2535431	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	12.71
2535432	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	38.43
2535433	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	38.45
2535434	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	8.53
2535435	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	18.21
2535436	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.81
2535437	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.81
2535438	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	12.69
2535439	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	3.17
2535440	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	0.54
2535441	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	49.5
2535442	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.8
2535443	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.8
2535444	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.8

Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
2535445	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	37.4
2535446	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.79
2535447	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.79
2535448	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.79
2535449	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.79
2535450	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	16.45
2535451	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	53.86
2535452	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.78
2535453	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	56.78
2535454	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	21.42
2535455	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	33.72
2535456	Active	2019-03-21	2022-03-20	Alto Ventures Ltd (100%)	CDC	33.75
4472991	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	39.14
4476071	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	44.22
4476072	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	34.36
4527201	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	42.46
4527202	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	42.39
4527211	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	42.39
4527212	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	42.51

Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
4527221	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	42.55
4527222	Active	1986-11-17	2022-09-28	Alto Ventures Ltd (100%)	CL	42.54
4527231	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.57
4527232	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.53
4527241	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.59
4527242	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.48
4527251	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.78
4527252	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.76
4527311	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.15
4527312	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.13
4527321	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.19
4527322	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.16
4527331	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.16
4527332	Active	1986-11-17	2022-09-29	Alto Ventures Ltd (100%)	CL	42.12
4527341	Active	1986-11-17	2022-09-30	Alto Ventures Ltd (100%)	CL	42.28
4527342	Active	1986-11-17	2022-09-30	Alto Ventures Ltd (100%)	CL	42.2
4527351	Active	1986-11-17	2022-09-30	Alto Ventures Ltd (100%)	CL	42.46
4527352	Active	1986-11-17	2022-09-30	Alto Ventures Ltd (100%)	CL	42.27
5157679	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.18

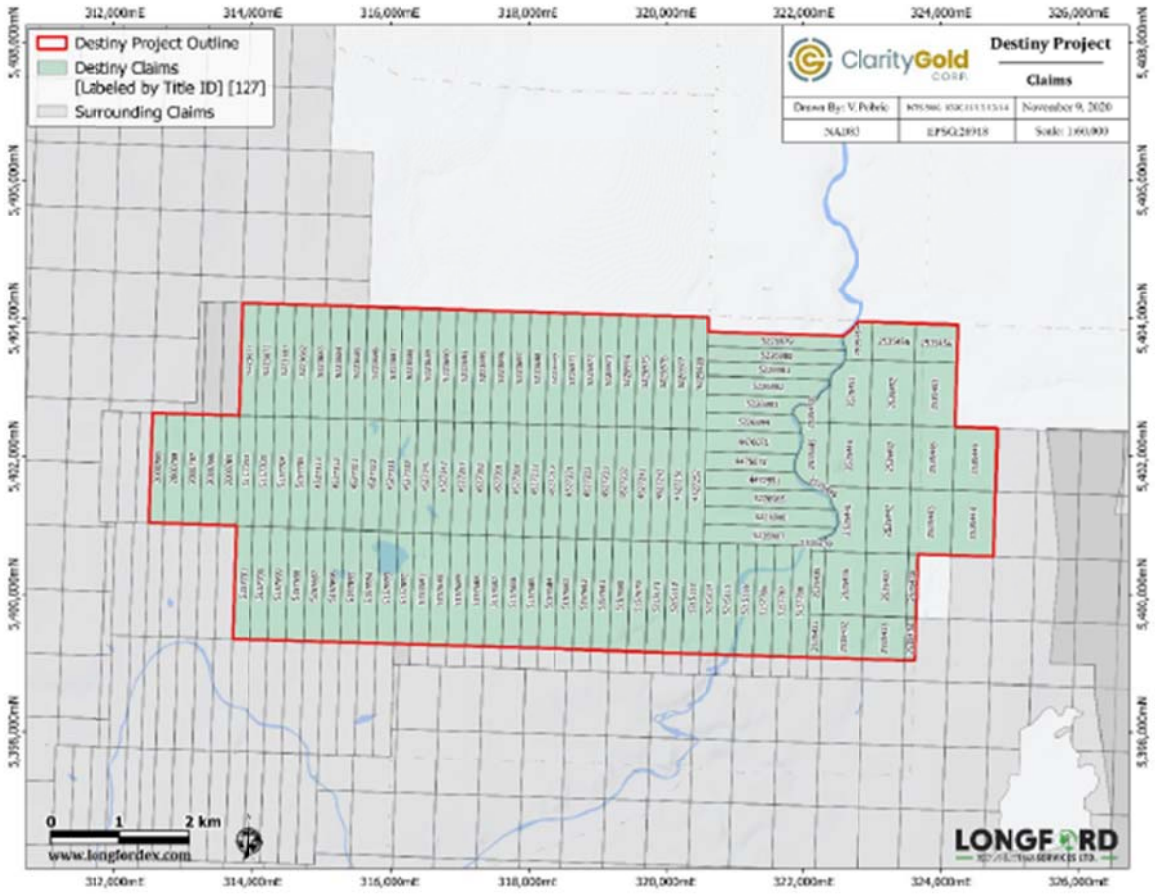
Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
5157680	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.16
5157681	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.22
5157682	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.21
5157683	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.25
5157684	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.27
5157685	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.2
5157686	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.26
5157687	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.4
5157688	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.26
5157689	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.42
5157690	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.39
5157691	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.45
5157692	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.35
5157693	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.45
5157694	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.51
5157695	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.61
5157696	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.6
5157697	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.67
5157698	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.66

Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
5157699	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.69
5157700	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.75
5157701	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.79
5157702	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.04
5157703	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.05
5157704	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.05
5157705	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.09
5157706	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.23
5157707	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.25
5157708	Active	1996-02-01	2023-01-31	Alto Ventures Ltd (100%)	CL	42.57
5215111	Active	1999-08-13	2022-08-12	Alto Ventures Ltd (100%)	CL	42.09
5215112	Active	1999-08-13	2022-08-12	Alto Ventures Ltd (100%)	CL	42.32
5215113	Active	1999-08-13	2022-08-12	Alto Ventures Ltd (100%)	CL	42.23
5215114	Active	1999-08-13	2022-08-12	Alto Ventures Ltd (100%)	CL	42.17
5215115	Active	1999-08-13	2022-08-12	Alto Ventures Ltd (100%)	CL	42.19
5215116	Active	1999-08-13	2022-08-12	Alto Ventures Ltd (100%)	CL	42.2
5223681	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.46
5223682	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	41.74
5223683	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	41.94

Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
5223684	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.47
5223685	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.52
5223686	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.52
5223687	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.52
5223688	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.53
5223689	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.6
5223690	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.53
5223694	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.51
5223695	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.55
5223696	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.56
5223697	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.56
5223698	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.62
5223699	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.55
5223871	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.45
5223872	Active	1998-04-20	2023-04-19	Alto Ventures Ltd (100%)	CL	42.47
5226971	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.56
5226972	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.53
5226973	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.63
5226974	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.57

Claim No.	Status	Issue Date	Anniversary Date	Owner (GESTIM as of January 18, 2021)	Land Claim	Area (ha.)
5226975	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.57
5226976	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.64
5226977	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	42.58
5226979	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	40.87
5226980	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	41.28
5226981	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	38.58
5226982	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	44.4
5226983	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	36.64
5226984	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	34.8
5226985	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	48.27
5226986	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	50.76
5226987	Active	1998-05-11	2023-05-10	Alto Ventures Ltd (100%)	CL	45.81
5229428	Active	1998-10-16	2023-10-15	Alto Ventures Ltd (100%)	CL	42.6
					Total:	**510,268.89**

FIGURE 4-2: The Destiny Property Claims Map



Mineral Rights in Québec

Mineral exploration rights are granted by the provincial Ministry of Energy and Natural Resources ("**MERN**") of Québec and provides the title holder an exclusive right to explore.

Claims are valid for a two-year period and can be extended indefinitely for successive two-year periods (terms) by the application of approved assessment work in variable amounts based on the size of the claim and the number of times it has been renewed and payment of an administrative fee. Excess work credits are banked against the title of the claim for use in future renewals. Assessment work, and/or banked credits, may be applied to a title holder's surrounding claims located within a 4.5 km radius of the centre of the credited claim.

A claim may be converted into a mining lease with an initial term of 20 years (renewable at least three times, for ten years each time) upon demonstrating that a mineable resource exists on the claim.

Property Legal Status

The MERN mineral title management website ("**GESTIM**") confirms that all Property claims, as described in Table 4-1, are in good standing at the date of the Destiny Technical Report, and that no legal encumbrances were registered with MERN against the titles at that date. The author makes no assertion regarding the legal status of the Property. The Property has not been legally surveyed to date and no requirement to do so has existed.

MERN took unprecedented measures to extend all mineral claims from April 9, 2020 onward, for a period of 12 months, as a direct result of travel restrictions put in place to prevent the spread of the COVID-19 virus. These measures will allow title holders the additional time required to carry out assessment work on claims to keep them in good standing.

Nature of Title to Destiny Property

As stated above. The Company, as optionee, and Big Ridge, as optionor, are party to the Destiny Option Agreement whereby Big Ridge has agreed to grant the Company the exclusive option to acquire either:

(1) A forty-nine percent (49%) undivided right, title, ownership, and beneficial interest in and to the Destiny Property, free and clear of any encumbrance; and

(2) A one hundred percent (100%) undivided right, title, ownership, and beneficial interest in and to the Destiny Property, free and clear of any encumbrance (the "**Full Destiny Option**").

Blue Ridge will grant the Company the sole exclusive right to acquire up to 100% earned interest in the Destiny Property for the considerations described in Table 4-2.

TABLE 4-2: Summary of Cash Payments and Share Issuance Amounts for Destiny Option Agreement

Date for Completion	Cash Payment	Number of Common Shares to be Issued[(1)]	Property Interest Earned
Execution of the letter of intent between the parties dated October 29, 2020	$50,000 (paid)	-	-
Within 60 days of execution of the Destiny Option Agreement	$450,000 (paid)	$1,000,000 (completed)	-
Within 12 months of execution of the Destiny Option Agreement	$750,000	$1,000,000	-
Within 24 months of execution of the Destiny Option Agreement	$750,000	$1,500,000	49%
Within 36 months of execution of the Destiny Option Agreement	$1,000,000	$2,000,000	51%
TOTAL:	**$3,000,000**	**$4,500,000**	**100%**

(1) Common Shares at a price to be determined by dividing the dollar amount of Common Shares to be issued at any point in time by the 5 day volume weighted average closing price of the Common Shares on the day before such issuance of such Common Shares, subject to the policies of the CSE.

The Destiny Option Agreement includes the Destiny Royalty, a 1% net NSR, payable to Blue Ridge by the Company upon exercise of the Full Destiny Option following the commencement of Commercial Production. The Destiny Royalty shall be paid within 30 days after receipt of any proceeds of Commercial Production by the Company or its permitted assign(s). The Destiny Royalty may be eliminated at any time within 3 years of the commencement of Commercial Production by cash payment of $1,000,000 by the Company or its permitted assign(s) to Blue Ridge.

In addition to the terms outlined above, the Destiny Property is subject to a number of royalties which predate the Destiny Option Agreement, these royalties are summarized in Table 4-3 and Figure 4-3.

Table 4-3: Summary of Destiny Property Royalties Predating the Destiny Option Agreement

Royalty (%)	Payable To	Applicable Claims	Buyback Terms ($)	Cap ($)	Net NSR After Buyback (%)	Comments
1.00	Big Ridge Gold Corp.	All Claims	1,000,000	None	0.00	-
1.00	UMEX Inc.	A Claims	None	None	1.00	-
1.50	UMEX Inc.	A Claims	None	500,000	1.50	-
1.00	Commander Resources Ltd.	A Claims	500,000	None	0.50	-
0.00	Big Ridge Gold Corp.	A Claims	None	None	0.00	Right of first refusal
0.50	Empress Royalty Corp.	B Claims	None	None	0.50	-
3.00	Battle Mountain (Now Franco Nevada Corp.)	B Claims	1,000,000	None	2.00	-
0.25	Commander Resources Ltd.	B Claims	None	None	0.25	-
0.50	Empress Royalty Corp.	C Claims	None	None	0.50	-
1.00	Commander Resources Ltd.	C Claims	500,000	None	0.50	-
1.00	Empress Royalty Corp.	Other	None	None	1.00	-

As of the effective date of the Destiny Technical Report, there are no other known royalties, back-in rights, payments, environmental liabilities, agreements, or other known risks to which the Destiny Property is subject. No previous mining activities have occurred on the Destiny Property; therefore, no liabilities from mining or waste disposal from mining are evident.

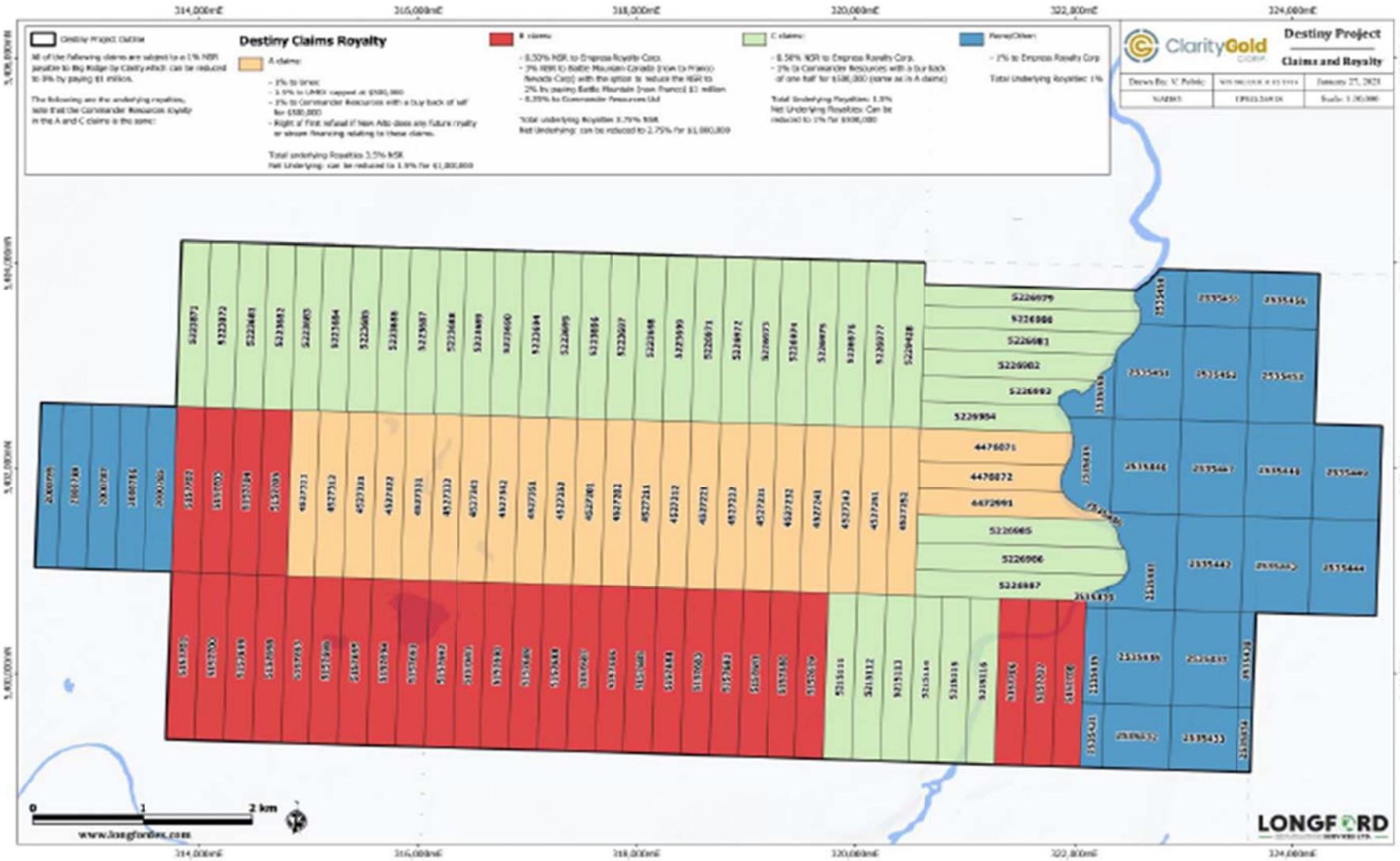


FIGURE 4-3: Destiny Property Claims with Underlying Royalties

Surface Rights in Québec

Surface rights are not included with mineral claims in Québec. Claim holders do not require permission to access and conduct work on Crown Land unless the land is being used to store public equipment. On private land, the claim holder must obtain permission from the landowner and acquire, through amicable agreement or through expropriation, the necessary access rights to carry out the exploration work. On land leased by the Provincial government, the claim holder must obtain the consent of the lessee. If an agreement between the lessee and claim holder cannot be met, the claim holder must pay the lessee an amount fixed by a court with jurisdiction.

Figure 4-4 shows an overview of the current private land ownership situation for the Destiny Property. Based on information provided by Clarity Gold, the authors understand that right of passage has been granted by the private surface rights holders whose rights overlap with the Destiny Property mineral claims. Letters of consent have been signed by the following surface rights holders: Marcel Constantineau, René Constantineau, Claude Constantineau, and Rémi Constantineau. Private Lot data were retrieved from the Québec Land Register.

Permitting

The Québec Government requires that the owner of a claim must consult with the Ministère des Forêts, de la Faune et des Parcs when a tree needs to be cut down (any size or type) or a permanent structure needs to be constructed on the property as a result of exploration work. For example, line-cutting and diamond drilling activities requires a permit (Permis d'intervention) and consultations with First Nations groups before any work can begin. Also, a forestry technician needs to be hired to estimate the volume of merchantable timber that will be cut down during the work in order to assess the proper stumpage fees.

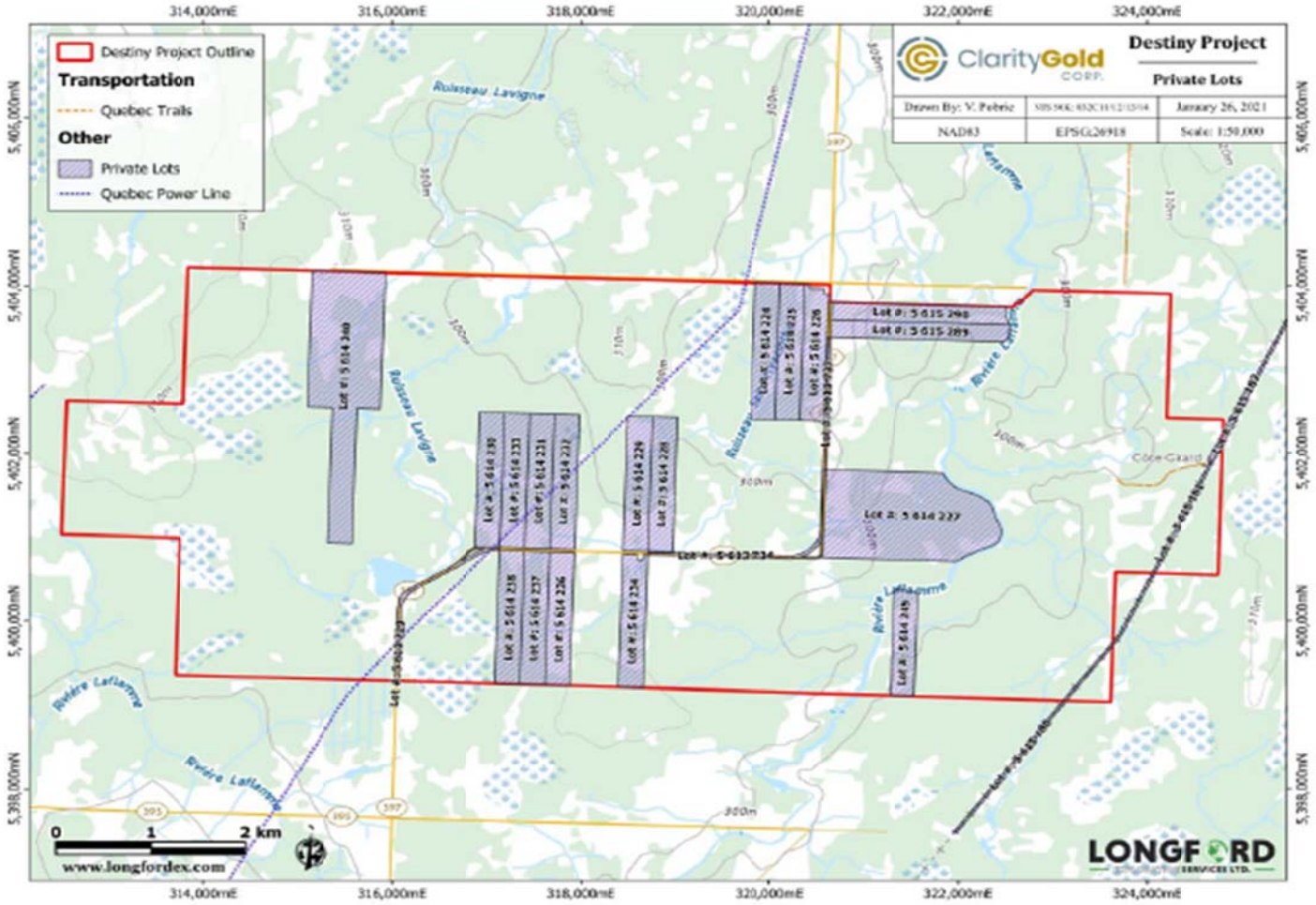
Because First Nations must be consulted before any type of major work is performed on a claim (for example, construction, diamond drilling, line-cutting, stripping or trenching), it is possible that breaks in communication between the Government and First Nations could result in delays with respect to issuing the permits required to begin work. A proactive working dialogue with the relevant First Nations groups and stakeholders is essential to expedite permitting and land access.

The Company is currently in the early stages of permit planning for the 2021 exploration season.

Environmental

At the effective date of the Destiny Technical Report, there were no known environmental liabilities to which the Destiny Property is subject and no other known significant factors and risks that may affect access, title, or the right or ability to perform work on the Destiny Property.

FIGURE 4-4: Private Lot Maps for the Destiny Property Surface Rights Holders



Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Destiny Property can be accessed from Val-d'Or, QC by driving 87 km north-northeast along Route 397 for 1.5 hours. The Property is located about 69 km southwest of Lebel-Sur-Quévillon, 87 km northeast of the Val-d'Or municipality, and 65 km northeast of the Amos municipality, where food and lodging are available (Table 5-1).

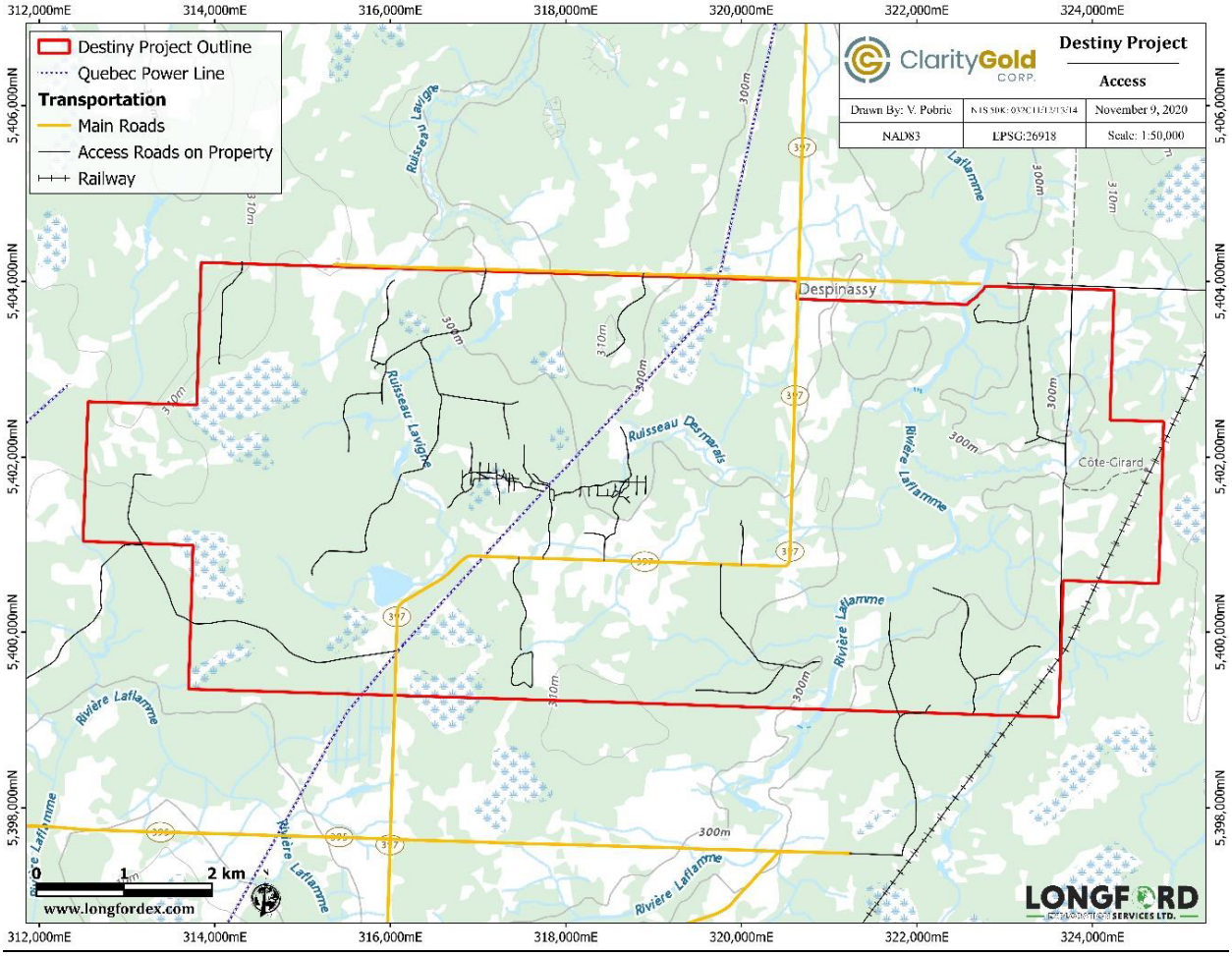
A network of forestry service roads allows access to the entire Destiny Property in addition to major road (Route 397) crossing the middle of the Destiny Property. A high-tension power line passes through the western half of the Property in a northeast-southwest direction and provides a potential northeast-southwest access corridor across the Property (Figure 5-1). The Destiny Property can be accessed year round if required.

TABLE 5-1: Driving Distances to the Destiny Property

Location (population)	Description	Road Distance (km)
La Morandiere (233)	Nearest town	21
Amos (12,823)	Nearest town with services	65
Lebel-sur-Quévillon (2,187)	Nearby town with services	69
Val-d'Or (33,871)	Mining service centre	87
Montreal (4,138,000)	Nearest international airport and port	589

* Source: 2016 Census Canada

FIGURE 5-1: Destiny Property Access Map



Climate

The area experiences a continental subarctic subhumid climate, characterized by short, cool summers and long, cold winters. The nearest weather monitoring station by Environment Canada is the Lebel-sur-Quévillon station, approximately 50 km northeast of the Destiny Property. According to the available data collected at this weather station from 1981 to 2010, the daily average temperature for January was -17.9°C, and the daily average temperature in July was 17.2°C. The record low during this period was -43.0°C, and the record high was 34.4°C.

Data collected from the Lebel-sur-Quévillon weather station from 1981 to 2010 indicates that the total annual precipitation was 927.8 mm, with peak rainfall occurring during July (120.6 mm average), August (103.0 mm average) and September (115.8 mm average). Snowfall is light to moderate, with an annual average of 226.2 cm. Snow typically accumulates from October to April, with a peak snowfall occurring in November (36.9 cm average), December (52.3 cm average) and January (50.2 cm average); during this period, snowpack averages 31.3 cm depth. On average, the Destiny Property is frost-free for 91 days, though discontinuous permafrost exists in the area. Hours of sunlight vary from 16.1 hours at the summer solstice in June to 8.1 hours at the winter solstice in December.

The climatic conditions at the Destiny Property do not significantly impede the Destiny Property or hinder exploration or mining activities, beyond seasonal consideration for certain work (e.g., drilling muskeg swamps during winter freeze).

Local Resources and Infrastructure

Airports, Rail Terminals and Bus Services

The town of Val-d'Or, with a population of approximately 32,900 residents, is approximately 87 km southwest by road from the Destiny Property. Since Val-d'Or foundation in the 1920s, it has been a mining service centre. Val-d'Or is one of the largest communities in the Abitibi region and has all major services including an airport with scheduled service from Montréal. CN railway line crosses the western part of the Destiny Property, connecting east through to Montréal and west to the North American rail network. Val-d'Or is a six-hour drive from Montréal, and there are daily bus services between Montréal and the other cities in the Abitibi region.

Local Work Force

According to the 2016 census prepared by Statistics Canada, the population of the MRC of La Vallée-de-l'Or was 43,226 people, with 66% of the residents aged 15-64, and an average of 41 years old. Male population accounts for 51% of the population, 49% is female, and 8.5% is Aboriginal. In 2016, 64.4% of the population participated in the labour force, with 14.2% of the labour force employed in "mining, quarrying, and oil and gas extraction". This portion of the workforce is experienced in mining operations, as they are currently employed at exploration and gold mines located elsewhere in the Abitibi region. Local resources also include commercial laboratories, drilling companies, exploration service companies, engineering consultants, construction contractors and equipment suppliers. Some limited support services are also available in Amos (population 12,823) located approximately 65 km southwest of the Destiny Property.

Additional Support Services and Infrastructure

Additional services within the town of Val-d'Or include the Val-d'Or Hospital, grocery stores, fuel stations, financial institutions and hotels. Val-d'Or has a Canada Post office and additional shipping/freight services by several providers. Landline telephone, mobile service, high-speed internet and satellite internet are available in town and the nearby vicinity.

A major hydroelectric powerline crosses the middle of the Destiny Property in a northeast-southwest direction and another line lies along provincial Route 397, approximately 800 m to the south.

There is no mining infrastructure currently present on the Destiny Property.

Infrastructure Located Approximately 65 km Southwest of the Destiny Property.

The City of Val-d'Or provides support services, equipment, and skilled labor for both the mineral exploration and mining industry. Rail, national highway, and airport services are also available out of Val-d'Or. Some limited support services are also available out of the town of Amos, QC,

Some parts of the Destiny Property have coverage by cellular service.

Physiography

The Destiny Property has a relatively flat topography with a few ponds, rivers, and swamps. Changes in elevation rarely exceeds five to ten metres and is mostly limited to creek valleys. Overburden consists of thick mantle clay of variable thickness throughout the Destiny Property.

Topographic highs (mounds or dunes) of 5 to 6 m high are in localized areas of the Destiny Property and mainly consist of sandy till or sand. Overburden thickness is approximately 15 m thick on average throughout the Destiny Property, however, thickness thins northward to roughly 10 m. There are no known major bedrock exposures.

The vegetation typical of the area consists of alternating alder-covered humid areas with sparse poplar and spruce growth and heavily wooded areas of mature stands of poplar, spruce and fir.

History

The exploration history of the Destiny Property began in the 1930s and continued up until the late 1940s before taking a hiatus of roughly 20 years. Exploration resumed in the 1970s and has been continuous since.

Table 6-1 summarizes the past ownership, operators and results of work carried out within the current the boundaries of the Destiny Property. All lengths are core lengths unless specified otherwise.

Figure 6-1 and Figure 6-2 illustrate historical drilling that has been carried out on the Destiny Property. Historical diamond drill core is stored with Forage Val-d'Or in a secure yard in Val-d'Or, Québec.

TABLE 6-1: Destiny Property Work History

Year	Title Holder(s)	Operator	Summary	Results
1934	-	Québec Bureau of Mines	Geological Mapping	Map 313, 1:63, 360 scale map
1936-1937	-	Geological Survey of Canada	Geological Mapping	Maps 529A & 553A, 1:63, 360 scale map
1948	-	Geological Survey of Canada	Airborne Magnetic survey	Map 94G, 1:63, 360 scale map
1963	-	Colonisation, Min	Two DDH totaling 140 m	No gold reported
1970	-	Asarco Exploration Company of Canada Ltd.	Line cutting, ground electromagnetic (EM) and magnetic (Mag) surveys. One drillhole totaling 76 m tested for base metals	No gold reported
1972	UMEX Inc.	UMEX Inc.	Ground EM survey, One Drillhole totaling 53 m targeted base metals	
1974		Groupe minier Brossard, Naganta Mining & Development Co. Ltd.	Ground EM and Mag surveys, two DDH totaling 174 m	No gold reported
1974	-	Québec Bureau of Mines	Airborne Input MK VI survey	DP-237
1975	-	Les Mines Riviere La Grande	Line cutting and ground EM survey	

Year	Title Holder(s)	Operator	Summary	Results
1977-1979	-	SOQUEM	Reconnaissance geological mapping, Ground EM and Mag surveys, eleven DDH totaling 1,594 m	8.2 g/t Au over 1.5 m
1981	-	Québec Bureau of Mines	Airborne Input MK VI survey	DP-819
1985	-	MERQ	Geological Mapping	DP-86-21, 1:20,000 scale map
1987	UMEX Inc.	UMEX Inc.	Twelve DDH totaling 1,768 m	16.70 g/t Au over 0.7 m, 2.05 g/t Au over 0.90 m, 1.30 g/t Au over 1.0 m
1988	UMEX Inc.	UMEX Inc.	Line cutting, MAX MIN I survey. Ground Mag survey, five DDH totaling 920 m	16.7 g/t Au over 0.7 m, 2.8 g/t Au over 0.8 m
1996	Hemlo Gold/ UMEX Inc.	Hemlo Gold (now Battle Mountain Canada)	Line cutting, soil geochemistry, ground Mag survey, IP survey	
1998-2000	Cameco Corp. (30%) and Major General Resources Ltd. (70%)	Cameco Gold Inc.	206 km of line cutting and gold refurbishing, 171 line-km ground Mag survey, 4-line-km of Max Min HLEM survey. 11 line-km of gradient IP, 88 line-km of pole-dipole IP, 54 DDH totaling 16, 103 m	3.5 g/t Au over 11.1 m; 1.0 g/t Au over 30.8 m; 8.5 g/t Au over 2.2 m; 5.1 g/t Au over 9.7 m
2000-2001	Cameco Corp. (30%) and Major General Resources Ltd. (70%)	Cameco Gold Inc.	Nine DDH (NQ) totaling 4,398 m	1.0 g/t Au over 11.0 m; 2.1 g/t Au over 4.3 m; 1.1 g/t Au over 29.6 m; 2.7 g/t Au over 21.8 m; 2.2 g/t Au over 12.2 m; 3.8 g/t Au over 7.5 m; 3.1 g/t Au over 12.9 m
2005	Alto Ventures Ltd. (70%) and Commander Resources Ltd. (30%)	Alto Ventures Ltd.	Interpretation: Resistivity/IP, 2D Image inversion and compilation	Six previous resistivity/IP surveys carried out since 1999 were reprocessed by Abitibi Geophysics Ltd., 29 anomalies were interpreted and added to 32 already interpreted from the Gradient survey.

Year	Title Holder(s)	Operator	Summary	Results
2005	Alto Ventures Ltd. (70%) and Commander Resources Ltd. (30%)	Alto Ventures Ltd.	Twenty DDH (NQ) totaling 5,307 m	22.1 g/t Au over 1.4 m; 12.3 g/t Au over 4.9 m; 55 g/t Au over 1.0 m; 10.9 g/t Au over 2.5 m; 6.78 g/t Au over 2.7 m
2006	Alto Ventures Ltd. (70%) and Commander Resources Ltd. (30%)	Alto Ventures Ltd.	Nineteen DDH (NQ) totaling 5,106 m	14.3 g/t Au over 2.1 m; 19.5 g/t Au over 0.7 m; 13.2 g/t Au over 1.0 m
2007	Alto Ventures Ltd. (70%) and Commander Resources Ltd. (30%)	Alto Ventures Ltd.	NI 43-101 technical report and resource estimation	Resource estimate was completed in January 2007 by W. A. Hubacheck Consultants Ltd.
2008	Alto Ventures Ltd. (100%)	Alto Ventures Ltd.	VTEM airborne survey for a total of 9,82 line-km, seventeen DDH (NQ) totaling 4,686 m targeted the Darla Zone, Zone 20 and Zone 21	7.01 g/t over 2.5 m, including 20.63 g/t over 0.8 m ; and 1.37 g/t over 2.0 m, including 2.31 g/t (VG) over 1.0 m in DES08-104, 1.27 g/t over 7.5 m, including 3.82 g/t over 1.4 m and 2.35 g/t over 0.8 m in DES08-106, 1.87 g/t over 3.6 m, including 2.8 g/t (VG) over 2.0 m in DES08-119, 1.38 g/t over 2.0 m, including 5.3 g/t over 0.5 m in DES08-114,0.988 g/t over 6.0 m, including 1.59 g/t over 2.0 m in DES08-111
2009	Alto Ventures Ltd. (100%); Optioned to Pacific Northwest Capital (“**PFN**”) whereby PFN may earn 60% interest	Alto Ventures Ltd./ PFN	Phase domain IP ground survey totaling 17.9 line-km	

Year	Title Holder(s)	Operator	Summary	Results
2009-2010	Alto Ventures Ltd. (100%); Optioned to PFN whereby PFN may earn 60% interest	Alto Ventures Ltd./ PFN	Twenty-one DDH (NQ) totaling 8,639 m of which 16 holes targeted the DAC Deposit	4.3 g/t Au over 6.3 m, including: 44.4 g/t Au over 0.5 m, including 44.4 g/t Au over 0.5 m; 2.4 g/t Au over 5.2 m, including 9.7 g/t Au over 1.0 m; 1.2 g/t Au over 15 m, including 10.8 g/t Au over 1.0 m; 2.9 g/t Au over 4.2 m, including 21.7 g/t Au over 0.5 m; 4.6 g/t Au over 4.4 m, including 35.2g/t Au over 0.5 m; 6.1 g/t Au over 2.0 m, including 21.8 g/t Au over 0.5 m; 3.6 g/t Au over 2.0 m, including 13.6 g/t Au over 0.5 m; 20.5 g/t Au over 1.35 m, including 54.1 g/t over 0.5 m; 3.5 g/t Au over 2.9 m, including 13.5 g/t Au over 0.65 m; 8.4 g/t Au over 3.0 m, including 20.8 g/t Au over 1.1 m
2011	Alto Ventures Ltd. (100%); Optioned to PFN whereby PFN may earn 60% interest	Alto Ventures Ltd./ PFN	2,530 Mobile Metal Ion (MMI) soil geochemical survey	Anomalies identified in all 5 blocks; gold anomalies were indicated in B block only. There are six obvious gold zones (Zone B1 to B-6).
2011	Alto Ventures Ltd. (100%); Optioned to PFN whereby PFN may earn 60% interest	Alto Ventures Ltd./ PFN	NI 43-101 technical report and resource estimation	Report was prepared by Todd McCracken and has an effective date of March 1, 2011. Resource estimation was completed by Wardrop Engineering Inc.
2011	Alto Ventures Ltd. (100%); Optioned to PFN whereby PFN may earn 60% interest	Alto Ventures Ltd./ PFN	Recovery of gold and silver investigation	Scoping level test was conducted on a composite representing the Destiny-DAC resource. The gold and silver head grades for the composite were 1.33 g/t Au and 1.13 g/t Ag. Gravity concentration and leach of gravity tails recovered 98% gold and 83% silver.

Year	Title Holder(s)	Operator	Summary	Results
2011	Alto Ventures Ltd. (100%); Optioned to Pacific Northwest Capital ("**PFN**") whereby PFN may earn 60% interest	Alto Ventures Ltd./ PFN	Three DDH totaling 663 m	1.01 g/t Au over 2.25 m; 1.49 g/t Au over 1.3 m; 3.15 g/t Au over 0.95 m in hole-DES09-113X. Hole DES10-140 returned 0.64 to 3.45 g/t Au over 0.3 to 1.5 m
2012	Alto Ventures Ltd. (100%); Optioned to Next Gen Metals Inc. (Next Gen) whereby Next Gen may earn 60% interest	Alto Ventures Ltd./Next Gen Metals Inc. (Next Gen)	Twelve DDH totaling 2,810 m	Holes DES11-141-143: Best assay result of 885 ppb Au over 1.4 m was obtained from hole DES11-141. Holes DES12-144-155: 78.7 g/t Au over 1.0 m, with wider envelope averaging 11.3 g/t Au over 8.0 m in Hole DES12-147. Hole DES12-144 returned 1.05 g/t Au over 10.0 m and 1.04 g/t Au over 11.0 m.
2019	Alto Ventures Ltd. (100%)	Alto Ventures Ltd.	Eleven Sonic drilling totaling 169 m	Kenorland Mineral Ltd. carried out a sonic drilling orientation survey. Bedrock analysis returned <0.2 ppm Ag, 8.3 ppm to 106.5 ppm Cu, <10 ppm Pb, <80 ppm Zn, and gold values were <10 ppb except hole 19CS0019, which returned 49 ppb Au.
2020	Alto Ventures Ltd. (100%)	Alto Ventures Ltd.	Compilation report, geological interpretation	Geoscience North was commissioned to compile all geophysical datasets and generate inversion models.

FIGURE 6-1: Destiny Property Historical Work

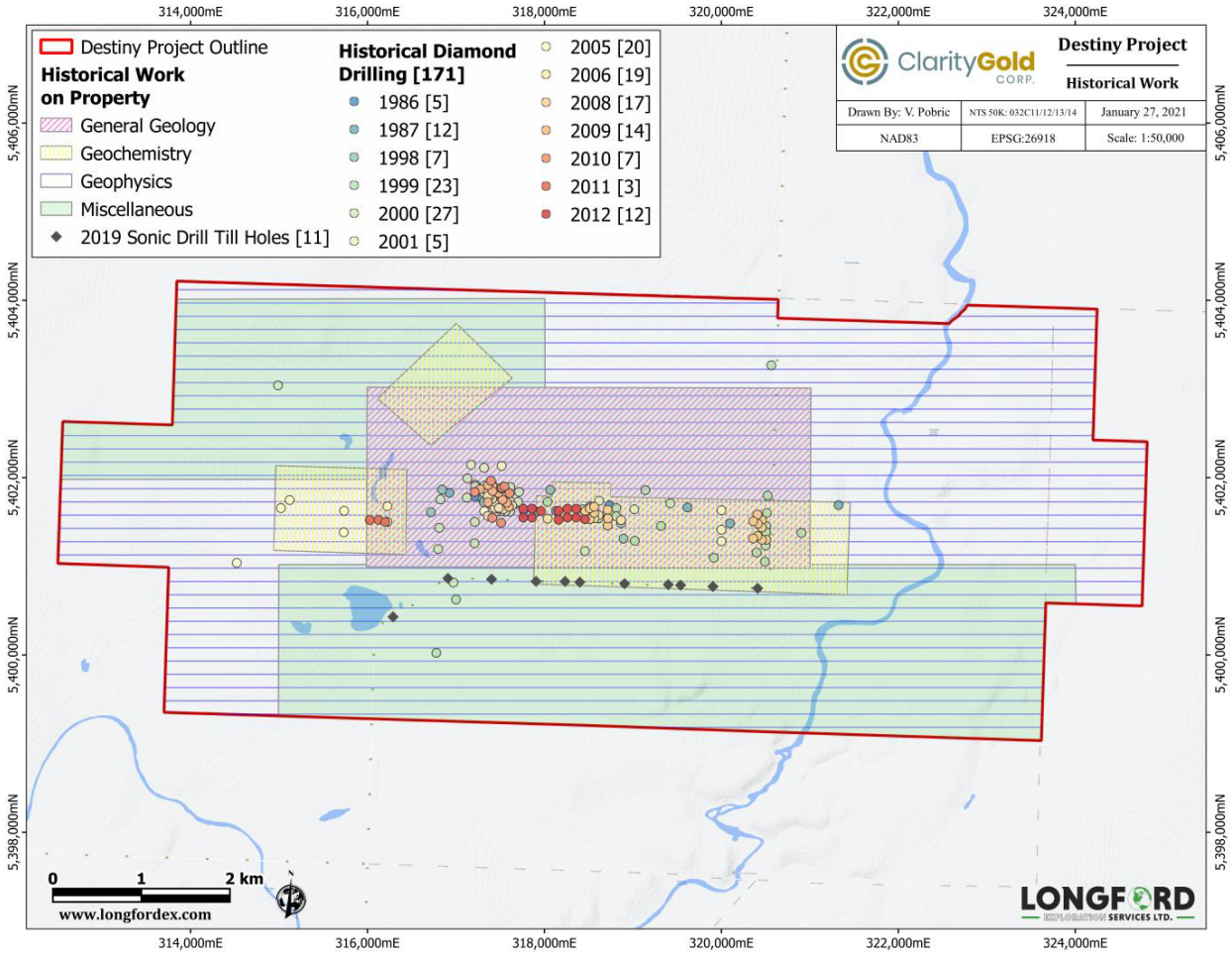
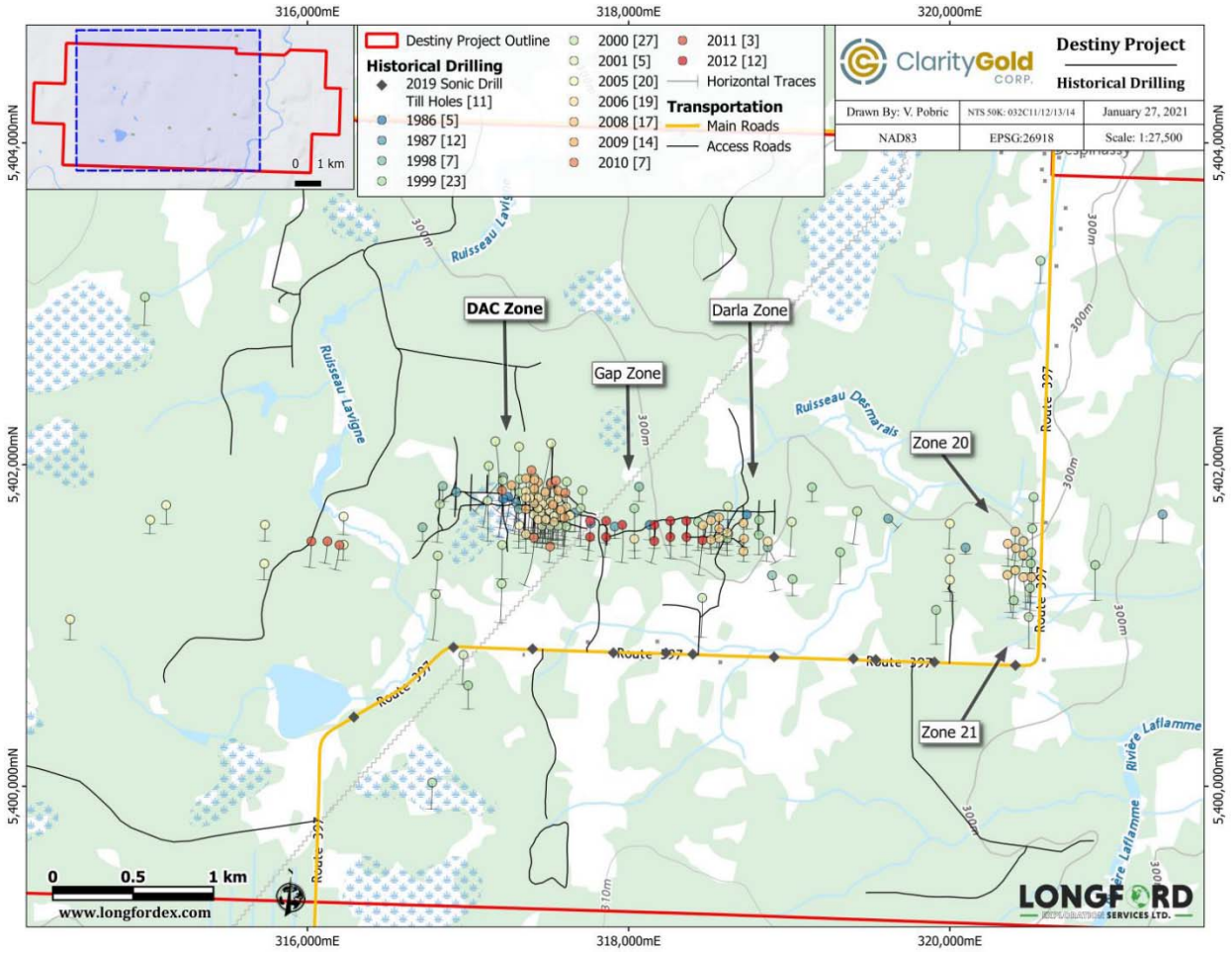


FIGURE 6-2: Historical Drilling over the Destiny Property



Historical Resource Estimates

The historical resource estimates disclosed below are historical in nature.

To make either of the historical estimates current would require updated 3-D modelling, computer assisted grade estimation techniques, and the application of constraining solids such as a pit shell to reflect reasonable prospect of eventual economic extraction.

These historical estimates have been disclosed to demonstrate the Destiny Property is not greenfield in nature and have been subject to considerable efforts by previous operators.

The Destiny Authors have not done sufficient work to classify the historical estimate as current mineral resources and the Company is not treating the historical estimates as current mineral resources.

<u>2007 Hubacheck Historical Resource Estimate</u>

Hubacheck employed the "vertical cross-section method" supported by geostatistical 3D block modelling to estimate the gold resources within the DAC Deposit (Hubacheck, 2007). This type of estimation was common in 2007 yet is not industry standard practice in 2021.

The DAC Deposit resource estimate was supported by 30 drillholes arrayed on a grid layout on 11 drill fence sections from 317280E to 317580E, containing 2,274 assays. The geological interpretation is based on 11 north-south cross-sections spaced at 25 m apart from 317280E to 317580E and one 50 m spaced section (317,280E to 317,580E) covering a strike length of 300 m along the mineralized trend. Level plans spaced at 25 m apart were used to check the geological interpretation.

Computer drafted cross-sections showing mineral zone outlines were provided by Alto Ventures Ltd. The composite control table has 102 mineralized intersections that have zone codes related to the 2A, 2B, 3A, 4A and 5A zones and 2C, 3B and 5B sub-zones.

Detailed drilling on the DAC deposit between sections 317,405E and 317,505E shows good continuity and is of sufficient density on five sections that the gold resource outlined in this region are classified by Hubacheck as "Indicated". At the 3.0 g/t Au cut-off grade, Hubacheck estimates that the Indicated Mineral Resources of the DAC deposit total 166,863 tonnes at an average grade of 6.88 g/t Au and contain 36,892 oz of gold, cutting all high assays to 75 g/t Au. Hubacheck estimates that the Inferred Mineral Resources total 444,753 tonnes at an average cut grade of 4.46 g/t Au and contain 63,839 oz of gold.

The Destiny Authors have not done sufficient work to classify this historical estimate as a current resource and the Company is not treating the historical resource as a current resource.

2011 Wardrop Historical Resource Estimate

The 2011 resource estimation was completed by Wardrop a Tetra Tech Company (Wardrop) using Datamine Studio 3 version 3.13.3638.0. Alto Ventures Ltd. provided Wardrop with the following data: headers, surveys, lithology, assays and numerous tables. At the time of resource estimation, 152 diamond drillholes (DDH) had been drilled on the Destiny Property, however, only drillholes within the areas of interest and with exploration potential were used in the resource estimate calculation (McCracken, 2011).

Five zones were used in the mineral resource estimate, which were sampled by a total of 5,818 assays. Raw assay data was examined to assess the amount of metal that is at risk from high-grade assays. The Datamine Decile function was used to determine if grade capping was required for gold in various zones. Wardrop applied a top cut to the grades that exceeded 40% metal content in the ninetieth (90th) decile and various capping grades were applied to zones based on the 99th percentile.

Wardrop developed three-dimensional wireframe models of mineralization for the five zones based on a gold cut-off >0.3 g/t Au and a minimum 2 m horizontal width. The zones of mineralization interpreted for each area were generally contiguous, however, due to the nature of the mineralization there were portions of the wireframe that had grades <0.3 g/t gold, yet were still within the mineralizing trend (McCracken, 2011).

Variography was completed using the Datamine Studio version 3 software for all five zones individually. Downhole variograms were used to determine nugget effect and then correlograms were modelled to determine spatial continuity in all five zones.

Drillhole spacing varies with the majority of the drilling, tightly spaced from 25 m. Wardrop selected a block size of 5 x 2 x 5 m in order to accommodate the more closely spaced drilling and the narrow nature of mineralization. This type of estimation was common in 2011 yet is not industry standard practice in 2021.

The resource reported as of January 2011 at 0.5 g/t cut-off was 10.8 million tonnes of indicated resource at 1.05 g/t average gold grade (360,000 oz) and 8.3 million tonnes of inferred resource at 0.92 g/t gold (247,000 oz).

The Destiny Authors have not done sufficient work to classify this historical estimate as a current resource and the Company is not treating the historical resource as a current resource.

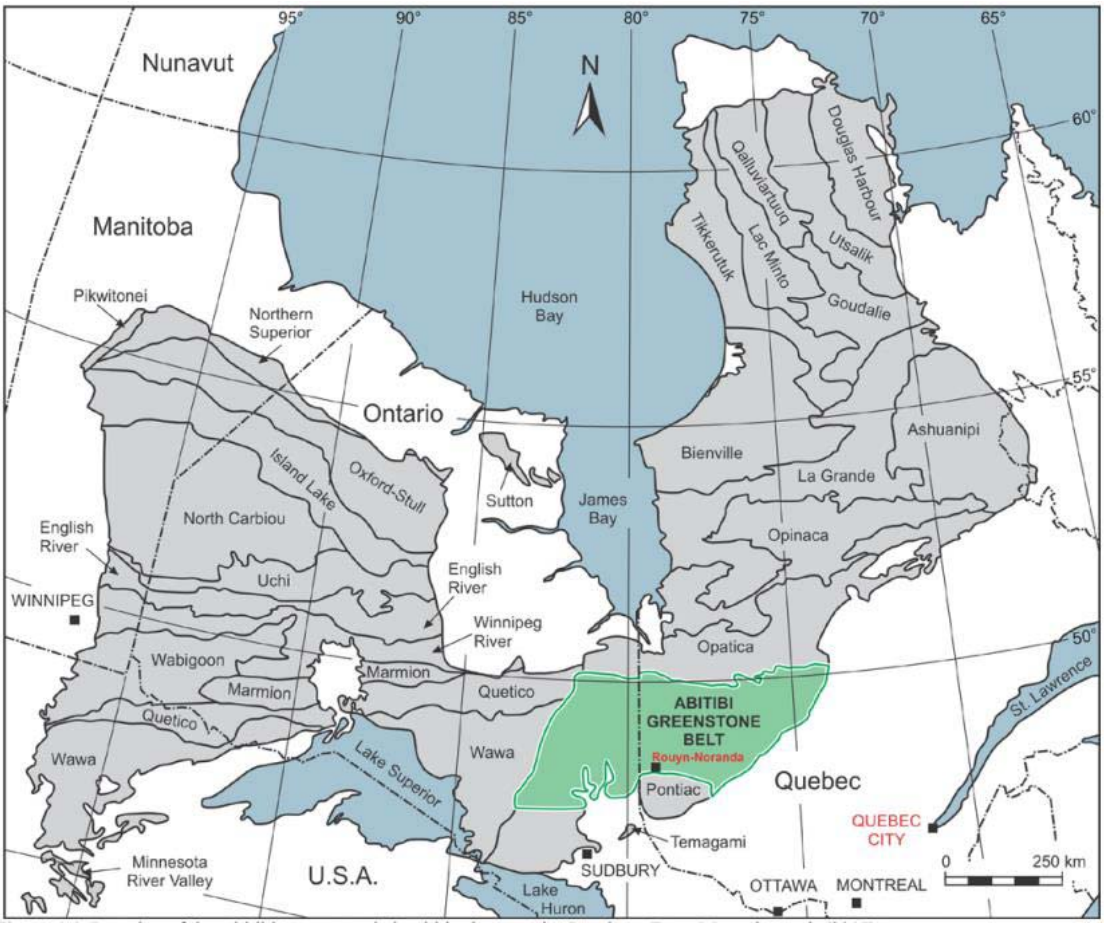
Geological Setting and Mineralization

Regional geology

The Destiny Property is located within the Superior Province, which forms the core of the Canadian Shield. The Superior Province was formed by the successive accretion of orogenic belts in a range of tectonic environments over a period of 1.73 billion years (Percival et al., 2012). The Superior Province is the largest Archean terrestrial craton and covers approximately 1.4 x 106 km^2 and consists mainly of Neoarchean rocks (2.8 Ga to 2.5 Ga), which range in metamorphic grade from sub-greenschist facies to granulite facies (Card & Poulsen, 1998; Percival et al., 2012). The Province's boundaries are mainly tectonic in the north, west and southeast (Trans-Hudsonian and Grenvillian Orogens), while the Penokean Orogen in the south and the Northern Québec Orogen in the northeast are unconformably overlain or overthrust by Paleoproterozoic supracrustal sequences (Card and Poulsen, 1998).

The Superior Province can be divided into four regions based on structural and lithological characteristics: the Western, the Central, the Moyen-Nord and the Northeastern. The Destiny Property is located on the eastern margin of the Central Superior region, in the Abitibi Greenstone Belt (AGB) (Figure 7-1).

FIGURE 7-1: Location of the Abitibi Greenstone Belt within the Superior Province



Abitibi Subprovince

The following description of the AGB is mostly modified and summarized from Monecke et al. (2017) and references therein.

The Neoarchean AGB forms the northeastern portion of the Abitibi-Wawa Subprovince in the southeastern portion of the Superior Province (Figure 7-2). The southern Superior Province consists of a collage of E-trending Mesoarchean to Neoarchean terranes that underwent a complex history of aggregation between 2720 and 2680 Ma (Percival, 2007).

To the north, the AGB is bounded by the Opatica Subprovince, a high-grade metamorphic terrain formed between 2850 and 2702 Ma (Sawyer and Benn, 1993; Davis et al., 1995) that consists of strongly deformed and locally migmatized, tonalitic gneisses and granitoid rocks, with minor outcrop areas of volcanic and sedimentary rocks (Benn et al., 1992; Sawyer and Benn, 1993; Davis et al., 1994; Davis et al., 1995). Geophysical constraints indicate that rocks of the Opatica Subprovince structurally underlie the supracrustal rocks of the AGB (Benn and Moyen, 2008).

To the east and southeast, the AGB is truncated by the Mesoproterozoic Grenville front tectonic zone, which is a southeasterly dipping zone of thrusts that juxtapose granulite facies metamorphic rocks with low-grade of the AGB (Indares and Martignole, 1989; Daigneault et al., 1990; Culshaw et al., 1997; Ludden and Hynes, 2000). To the southeast, the AGB is bounded by the Pontiac Subprovince. Structural studies along the Abitibi-Pontiac contact indicate that the AGB was thrust over the Pontiac Subprovince from the north (Camiré and Burg, 1993; Benn et al., 1994; Daigneault et al., 2002; Bedeaux et al., 2017). To the west, the AGB is interrupted by the 500-km-long NNE-trending Kapuskasing structural zone that exposes granulite facies metamorphic rocks (Percival and West, 1994). The Kapuskasing structural zone is a W-dipping thrust of Paleoproterozoic age along which Archean lower continental crust was upthrust (Percival et al., 1989). The uppermost part of the stratigraphy of the Wawa Greenstone Belt (Williams et al., 1991) to the west of the Kapuskasing structural zone is correlative with the AGB to the east (Percival and Card, 1983; Ayer et al., 2010).

The AGB was formed over a period that spans approximately 150 Ma and is composed of east-trending synclines of largely volcanic rocks and intervening domes cored by synvolcanic and/or syntectonic plutonic rocks (gabbro-diorite, tonalite and granite in composition) alternating with east-trending bands of turbiditic wackes (Ayer et al., 2002; Daigneault et al., 2004; Goutier and Melançon, 2007; Monecke et al., 2017). Most of the volcanic and sedimentary strata have a subvertical dip and the volcanic successions commonly young and away from major intervening domes of intrusive rock (Thurston et al., 2008).

An important geologic feature of the AGB is the occurrence of major, E-trending ductile-brittle fault zones that separate abruptly volcanic and sedimentary packages. These zones cut across the entire belt from the Kapuskasing structural zone in the west to the Grenville front in the east, dividing the supracrustal rocks and intervening domes into distinct lozenge-shaped domains. The two most important fault zones in the southern AGB are Destor-Porcupine fault zone (DPFZ) in the north and Larder Lake-Cadillac fault zone (CLLFZ) in the south. These faults are subvertical (70°-90°) and dip either to the north or the south. They have highly variable widths, ranging from tens to hundreds of metres (Poulsen, 2017), and are generally marked by intense ductile-brittle deformation and penetrative fabric development. They display evidence of overprinting deformation events including early thrusting, and later strike-slip and extension (Daigneault et al., 2004; Benn and Peschler, 2005; Bateman et al., 2008). Most geologists agree that the fault zones are long-lived structures that controlled sedimentation and volcanism in the AGB since at least 2679 Ma (Dimroth et al., 1982; Mueller et al., 1991, 1994; Cameron 1993; Mueller and Corcoran, 1998; Daigneault et al. 2002; Bleeker, 2012).

The CLLFZ is transcrustal and inherited from the accretion suture between the Pontiac and the AGB. The fault is important not only for its metallogenic wealth, but also for its geodynamic implications and the juxtaposition of varied lithologic assemblages along its subsidiary faults. As the E-W and ESE-WNW segments of the fault cross through the AGB, they reflect a deep asymmetry, a feature that influenced the styles and episodes of gold

mineralization. In addition, the AGB is cut by numerous late-tectonic plutons ranging in composition from gabbro to granite with lesser dykes or plugs of syenite, lamprophyre and carbonatite.

The greenstone belt is affected by a widespread greenschist facies metamorphism (Jolly, 1978; Dimroth et al., 1983; Powell et al., 1993; Benn et al., 1994; Faure, 2015). The grade of metamorphism increases to amphibolite at the fringes of some plutons and approaching the Pontiac and Opatica Subprovinces or the Proterozoic Grenville Province.

According to Monecke et al. (2017 and references therein), the AGB is subdivided into eight discrete stratigraphic episodes or assemblages, depending on the authors, based on groupings of U-Pb zircon ages. Submarine volcanism mostly occurred between 2750 and 2695 Ma and was followed by sedimentation in large deep basins and then by large-scale thin-skin folding and thrusting. New U-Pb zircon ages and recent mapping by the Ontario Geological Survey and Géologie Québec clearly shows similarity in timing of volcanic episodes and ages of plutonic activity between the northern and southern AGB. Two ages of unconformable sedimentary basins are recognized: early, widely and laterally extensive distributed Porcupine-style basins of fine-grained clastic rocks (turbidites), followed by Timiskaming-style basins of coarser aerial clastic and minor volcanic rocks, which are largely proximal to major faults where strike-slip movements occurred (Thurston and Chivers, 1990; Mueller et al., 1992; Ayer et al., 2002; Goutier and Melançon, 2007).

These assemblages spans over 50 Ma and are listed below from oldest to youngest:

- Pacaud Assemblage (2750-2735 Ma);
- Deloro Assemblage (2734-2724 Ma);
- Stoughton-Roquemaure Assemblage (2723-2720 Ma);
- Kidd-Munro Assemblage (2720-2710 Ma);
- Tisdale Assemblage (2710-2704 Ma);
- Blake River Assemblage (2704-2695 Ma);
- Porcupine Assemblage (<2690-2685 Ma);
- Timiskaming Assemblage (<2679-2669 Ma).

Volcanic rocks older than 2750 Ma are found locally in the AGB, as indicated by recent studies southwest of Chibougamau and southeast of Lebel-sur-Quévillon, where 2795 Ma to 2759 Ma volcanic rocks were mapped (Mortensen, 1993; Bandyayera et al., 2004; Davis and Dion, 2010; Leclerc et al., 2011, 2012).

Numerous calc-alkaline granodioritic-tonalitic intrusives and subconcordant to discordant sill-like intrusions of subvolcanic to post-kinematic origin and a suite of early- to post-kinematic feldspar/quartz - feldspar/porphyry dykes occur throughout the region.

Regional Mineralization

Several mineral occurrences are known to occur in the Superior Province which include the following style of deposits (Percival, 2007):

(1) Iron-Formation hosted gold deposits.

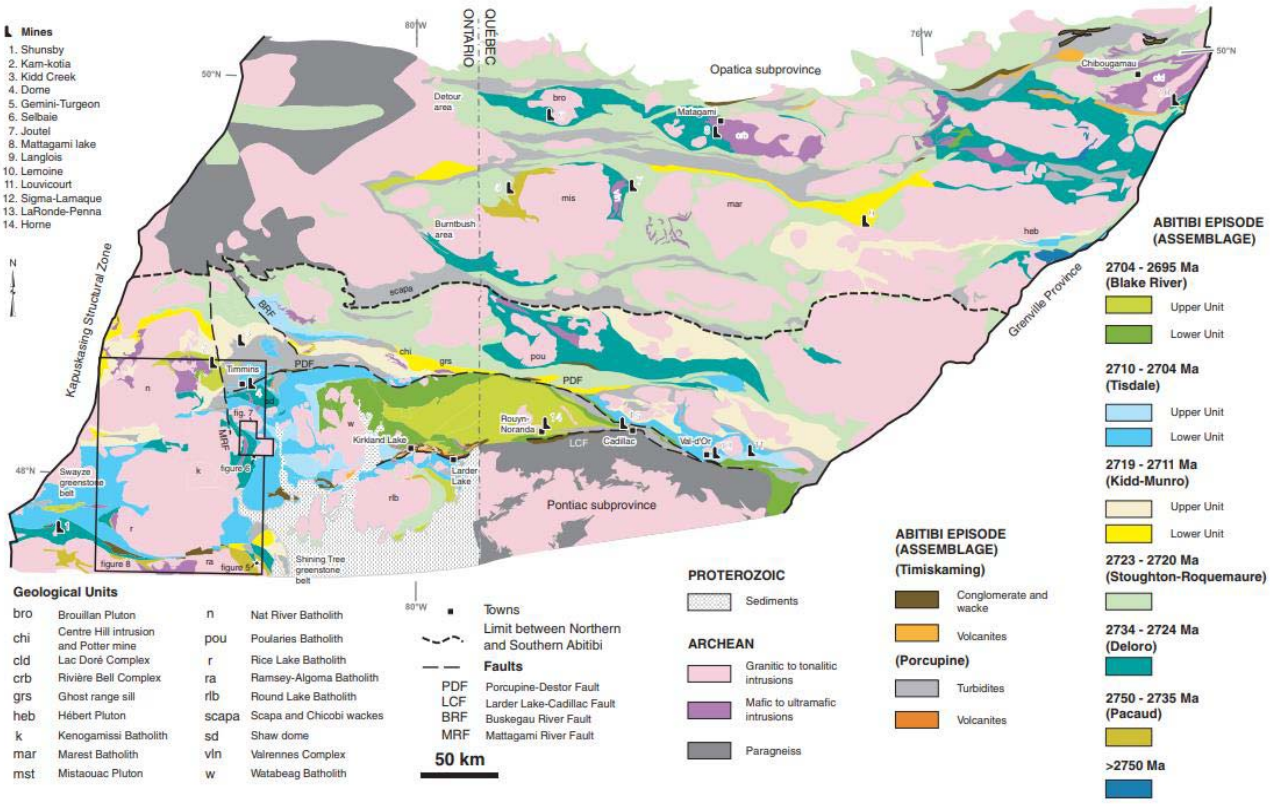
(2) Magmatic Ni-PGE deposits.

(3) Volcanogenic massive sulphide deposits.

(4) Rare element pegmatite deposits.

(5) Orogenic lode-gold deposits (GQC).

FIGURE 7-2: Stratigraphic Map of the Abitibi Greenstone Belt



Destiny Property Geology

Following information on the Destiny Property geology was taken from (McCracken, 2011) unless specified otherwise.

The Destiny Property is predominantly underlain by metavolcanics of the Amos Group (Lower Formation), which is characterized by tholeiitic basalts that have been intruded by thick ultramafic (gabbroic) sills (Figure 7-3). The southern extent of the Destiny Property is underlain by rocks of the Harricana Group (Upper Figuery Formation), which is comprised of porphyritic andesite, volcaniclastic turbidite, conglomerate, iron formation, dacite and rhyolite.

The majority of the Destiny Property is interpreted to be underlain by strongly foliated mafic volcanics, interbedded with minor amounts of siltstone, graphitic mudstone, and sulphide iron formation. In drill core, the mafic volcanics are described as very fine grained and mainly composed of chlorite and amphibole with minor amounts of feldspar. The volcanics appear to be variably altered to carbonate (ankerite and calcite), biotite, sericite, which localized areas of millimetre to centimetre-thick bands of silica and disseminations of pyrite, pyrrhotite, and minor amounts of sphalerite, galena, and chalcopyrite.

A series of granitic intrusions (dykes, sills, and plugs), interpreted to be related to the Bernetz batholith, intrudes the lithologies in the northeast part of the Destiny Property. The granitic rocks contain up to 5% disseminated magnetite and consequently exhibit a strong magnetic susceptibility (Figure 7-4). A late monzonitic to granodioritic dyke-swarm oriented NW-SE was encountered in drilling in the southwest corner of the Destiny Property and cross-cuts all lithologies there. The dyke swarm is reported to be approximately 150 m thick and more than 3 km long. It is represented by a low magnetic signature on the ground magnetometer survey. The dyke contacts are very irregular and often brecciated. The relation of this dyke swarm to the Bernetz batholith is not known.

The DAC gold zone, which hosts the DAC gold deposit, consists of a zone that is >150 m wide regional east-west shear zone, called the Despinassy Shear Zone. Along this shear zone, gold mineralization has been outlined over a strike length of nearly 5 km on the Destiny Property. The majority of the Destiny Property is covered in overburden with very few known rock exposures over the DAC Deposit or Darla Zone.

FIGURE 7-3: Destiny Property Local Geology Map

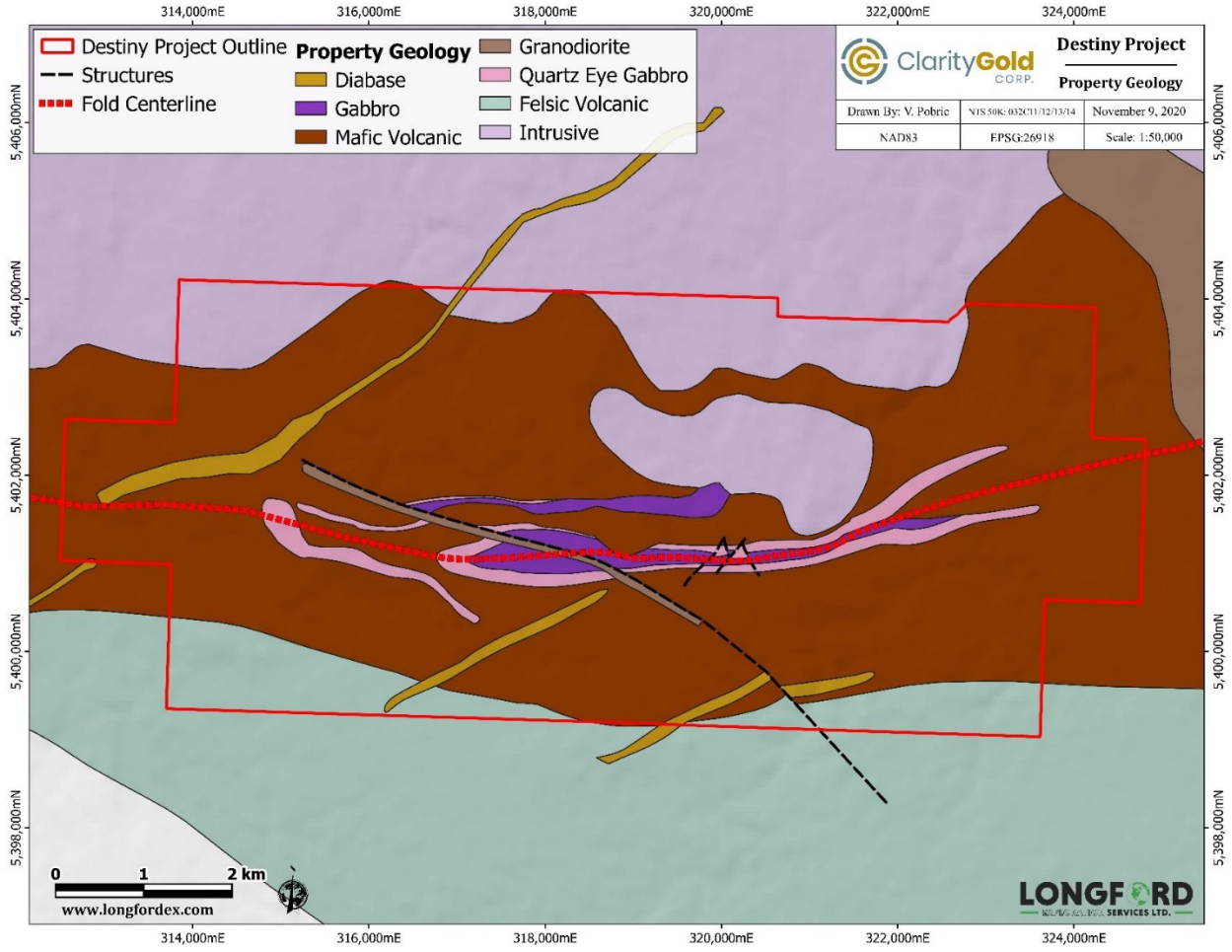
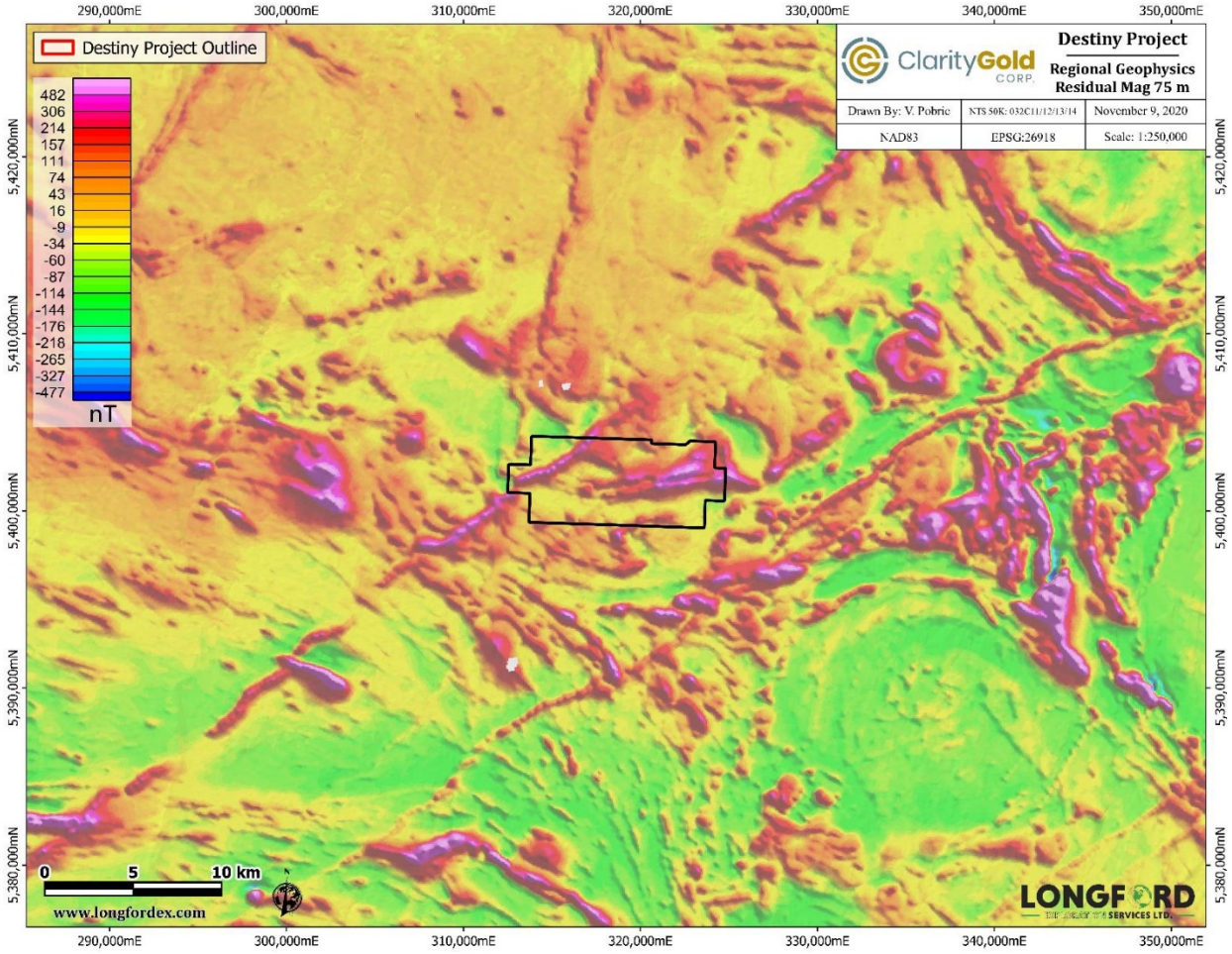


FIGURE 7-4: Destiny Regional Geophysics-Residual Magnetics 75 m



East of the DAC Deposit are two, gold-bearing shear zones. These zones lie along, or with close proximity to the north and south boundaries of the mafic volcanic assemblages. These shear zones have been intruded by locally thick (>10 m) felsic quartz eye intrusive dykes and sills that display a very proto-mylonitic to mylonitic texture. Strong biotite, sericite, ankerite, and localized silica alteration appears to be correlated to the shearing. This unit is flanked to the north and south by blue quartz eye and magnetic gabbros. The gabbros contain gold mineralization that occurs locally in narrow shears (cored over 1 m or less) lying parallel to the gold-bearing shears of the mafic volcanics.

The most extensive and mineralized gold zones occur where the two shear zones and felsic intrusives are strongly folded, brecciated and silica flooded in the large “Z” fold structure, approximately 150 m in amplitude. This fold is host to four broad zones of metre to decametre-thick mineralized shearing, coupled with smaller zones, in what has been described as the DAC deposit.

Within the fold structure, the most extensive and strongest gold mineralization occurs along the axial plane area, in the shear zone designated as Zone 2. This zone also comprises abundant felsic intrusives, which were cored over intervals ranging from 15 m to 20 m.

The intrusive rocks display strong brecciation, silicification and quartz flooding. Gold is potentially directly linked to this quartz and occurs in the native state.

Drilling along the DAC zone has consistently cored a sulphide-rich cherty unit which marks the northern contact between the sheared volcanic unit and the gabbro. The cherty sulphide unit generally varies from less than 1 m to over 3 m in thickness and is flanked by a metre-thick siliceous unit, which may represent a thermally metamorphosed felsic volcanic flow.

Near the contact, the gabbro becomes fine grained making it difficult to distinguish with the underlying mafic. With the help of the often-magnetic character of the gabbro and the presence of the cherty sulphide unit, the contact can generally be positioned with good accuracy.

The cherty unit (tuffite) hosts semi-massive to massive sulphides (pyrite and/or pyrrhotite) bands up to 0.5 m in thickness, including strong sphalerite and chalcopyrite locally. When present in the area of the DAC Deposit, the sulphide horizon usually occurs from 20 m to 70 m in the hanging wall above the gold zones.

The DAC Deposit is one of several gold zones along a 4-km segment of the Despinassy Shear Zone. The Darla Zone lies 1 km east of the DAC Deposit; previous drilling has intersected high grades including 19.5 g/t gold over 2.1 m and 20.6 g/t over 0.8 m within strongly altered rocks similar to those hosting the gold zones at the DAC Deposit (McCracken, 2011). The large area of almost 1 km between the DAC Deposit and the Darla Zone has been tested by only two drillholes in the past. Both holes intersected the Despinassy Shear Zone containing anomalous gold values. This is an indication that the gold system persisted between these two areas and that there is potential for discovery of new gold zones between the DAC Deposit and the Darla Zone.

Mineralization

Following information on the Destiny Property geology was taken from (McCracken, 2011) unless specified otherwise.

Assays with anomalous gold values (>100 ppb Au) appear to be associated with variably altered and deformed zones that have been intersected within a corridor extending for more than 4 km in length and 1.1 km wide. Sporadic drilling in this area, has tested the corridor along its length and locally to below 670 m vertical depth.

Two distinct mineralization events have been observed between lines 1+00W and 7+00W: (1) an early phyllosilicate-calcite-sulphide-silica event; and (2) a younger superimposed base-metal-bearing auriferous milky white quartz veining event. The first event is associated with anomalous (>100 ppb Au) to low-grade gold concentration (<5 g/t Au) and consists of fine-grained brown biotite and grey-buff carbonate (mainly calcite with minor ferro-dolomite-ankerite) and local, weak-to- strong, yellow sericite alteration. The area of alteration was concentrated in 1 cm to 2 cm wide bands. These zones were also characterized by locally occurring, grey, boudinaged calcite-quartz veins/veinlets, trace to 20% disseminated and vein-type pyrite, pyrrhotite and minor light brown to reddish sphalerite.

Mineralization event type (1) appears to be genetically related to the emplacement of the felsic porphyry dykes. The alterations zones are generally centered on the felsic dykes and the alteration is commonly more intense and wider at the footwalls of those dykes.

Mineralization event type (2) is predominantly characterized by younger quartz veins and veinlet stockworks that are generally <1 m wide, but stockworks of up to 10 m wide have been observed. These veins crosscut the earlier mineralization and the S1 foliation but are boudinaged and broadly folded along the S2 foliation-late syn-kinematic. These veins typically contain higher-grade gold mineralization compared to the phyllosilicate event and commonly grade more than 5 g/t Au, up to 178.5 g/t Au over 1.0 m (Hole DES06-85; McCracken, 2011). Auriferous veins are always accompanied by disseminated to stringer pyrite along with variable amounts of pyrrhotite, sphalerite, galena, chalcopyrite, and visible gold (VG).

The coarseness of the sulphides and the higher concentration of gold in the milky white quartz veins may possibly indicate remobilization and concentration of pre-existing metals associated with the earlier event.

Structural Geology

The Destiny Property area was subjected to a minimum of two deformation events. The early biotite-sericite-calcite- sulphide alteration, the calcite-quartz veinlets and the felsic dykes are interpreted to have been overprinted and transposed by a strongly penetrative S1 foliation (orientation unknown), developed during the first deformation event. Therefore, the main alteration would have been emplaced pre- to syn-D1 deformation. Subsequently, the alteration, the felsic dykes and S1 were folded around younger S2 axial plane cleavages, developed during D2 event. The general orientation of the S2 cleavage (axial plane of folds) measured in drill core is 263°/62° and it is showing a strong mineral lineation along cleavage surfaces oriented at 310º/40º. Small-scale folds measured in drill core are estimated to plunge at 280º/20º.

Foliation intensity appears to be directly related to the degree of early phyllosilicate alteration with the strongest alteration associated with the felsic dykes and their immediate wall rocks. The absence of well-developed kinematic indicators such as S-C, extensional crenulation cleavage or shear bands (C'), Riedel and Riedel' shears, or widespread asymmetric augen structures suggests the intense penetrative fabric probably did not develop in response to non-coaxial simple shear. The strong foliation development is interpreted to largely represent non-rotational or pure shear flattening about a broadly north-south axis of principal shortening (σ1). However, the presence of zones or intervals of more intense penetrative 'shear' fabric, locally with minor rotational components, reflects heterogeneous strain due to local anisotropy and rheological contrasts, notably between altered and unaltered lithologies and near the contacts of dykes. These local shears are often better developed along the overturned upper limbs of D2 folds. Auriferous and base metal-bearing milky white quartz veins are provisionally interpreted as late syn-tectonic tension and shear type veins related to the development of these local shears and the S2 foliation during D2.

Based on vergence indicators, it would appear that the drillholes examined intersect the overturned upper limb (e.g., north-dipping) of a larger macroscopic synform, whereas the lower portions of the drillholes appear to intersect the hinge zone of this synform. The relatively wider intersections noted for Zone 3 possibly reflects structural thickening of the alteration and mineralization in the fold hinge of this inferred synform. The reversal in structural facing directions below Zone 3 indicates the presence of a larger antiformal structure to the south of the area examined (as proposed also by the ground magnetic survey).

Deposit Types

Archean Greenstone-Hosted Orogenic Gold Deposits

Based on the regional metallogeny and understood local geology, the Destiny Property presents characteristics of an Archean greenstone-hosted orogenic gold deposit. The following description is taken from Simard et al. (2013) unless specified otherwise.

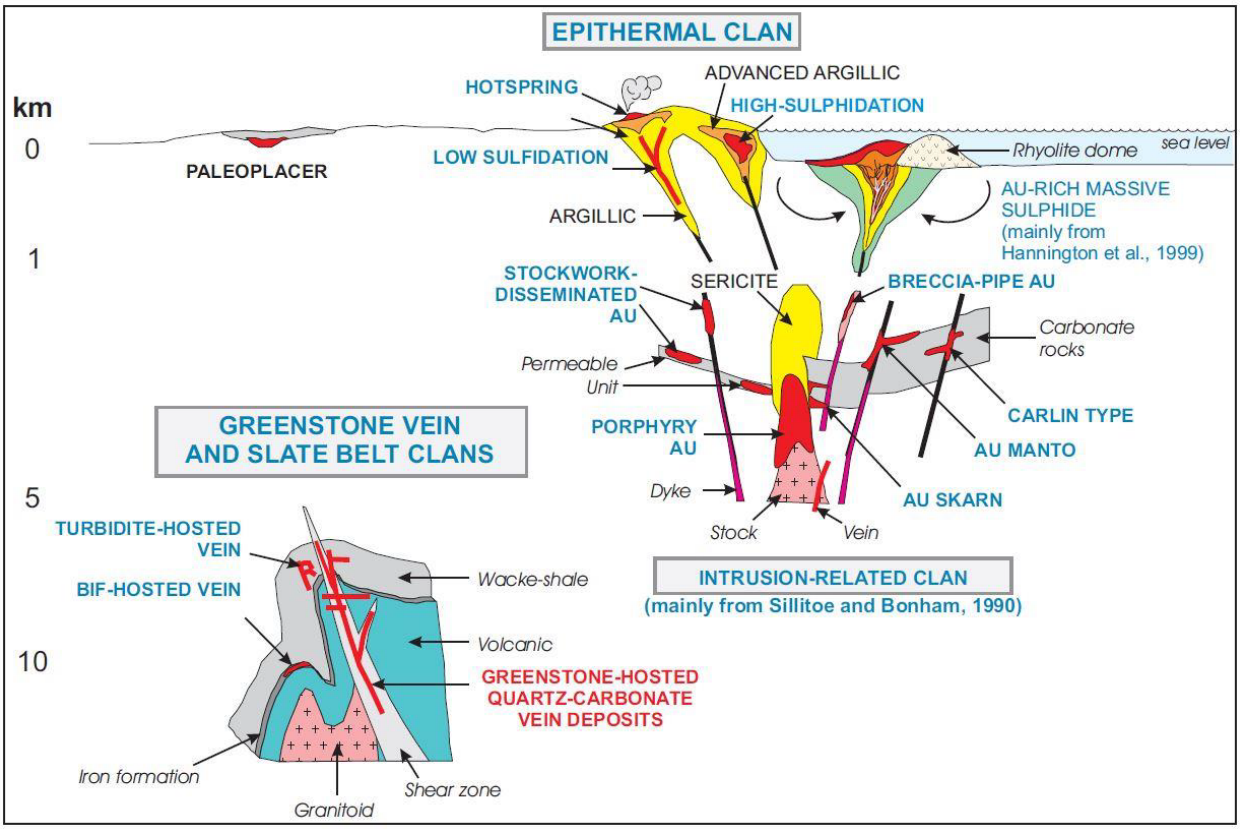
Greenstone-hosted quartz carbonate vein deposits occur in deformed greenstone belts of all ages elsewhere in the world, especially those with variolitic tholeiitic basalts and ultramafic flows intruded by intermediate to felsic porphyry intrusions, and sometimes with swarms of albitite or lamprophyre dykes (Dubé and Gosselin, 2007).

Archean greenstone-hosted orogenic gold deposits are typically distributed along first-order compressional to transpressional crustal-scale fault zones (Figure 8-1), characterized by several strain increments (e.g., Cadillac–Larder Lake Fault Zone) that mark the convergent margins between major lithological boundaries, such as volcano-plutonic and sedimentary domains. Large-scale carbonate alteration is also commonly distributed along those major fault zones and associated subsidiary structures (Dubé and Gosselin, 2007). This gold deposit type is, however, seldom located within these first-order structures. Major, or first-order faults are interpreted as primary hydrothermal pathways to higher crustal levels (Eisenlohr et al., 1989; Colvine, 1989; McCuaig and Kerrich, 1998; Kerrich et al., 2000; Neumayr and Hagemann, 2002; Kolb et al., 2004; Dubé and Gosselin, 2007); however, only a few significant gold deposits are hosted in major faults such as the Ajjanahalli mine, Dharwar Craton, South India (Kolb et al., 2004), and the McWatters mine and the Orenada deposit, Abitibi Subprovince, Canada (Robert, 1989;

Morin et al., 1993; Neumayr et al., 2000; 2007). Significant mineralized quartz veins are commonly hosted in second- and third-order shear zones (Eisenlohr et al., 1989; Figure 8-2). Structurally, these shear zones vary from brittle–ductile to ductile, depending on their depth of formation (Hodgson 1993; Robert and Poulsen, 2001). They are formed at intermediate depths ranging from 5 km to 10 km (Dubé and Gosselin, 2007). At depths greater than 10 km, quartz veins are seldom located within shear zones and gold mineralization is mostly associated with disseminated sulfides (Witt and Vanderhor, 1998).

At the deposit scale, the nature, distribution and intensity of the wall-rock alteration is largely controlled by the composition and competence of the host rocks and their metamorphic grade. Typically, the alteration haloes are zoned and characterized at greenschist facies by iron-carbonatization and sericitization, with sulphidation of the immediate vein selvages; sheared ultramafics commonly display pervasive chromium or vanadium-rich green micas (fuchsite and roscoelite) and ankerite with zones of quartz-carbonate stockworks (Dube & Gosselin, 2007).

FIGURE 8-1: Inferred Crustal Levels of Gold Deposition showing the Different Types of Gold Deposits and the Inferred Deposit Clan

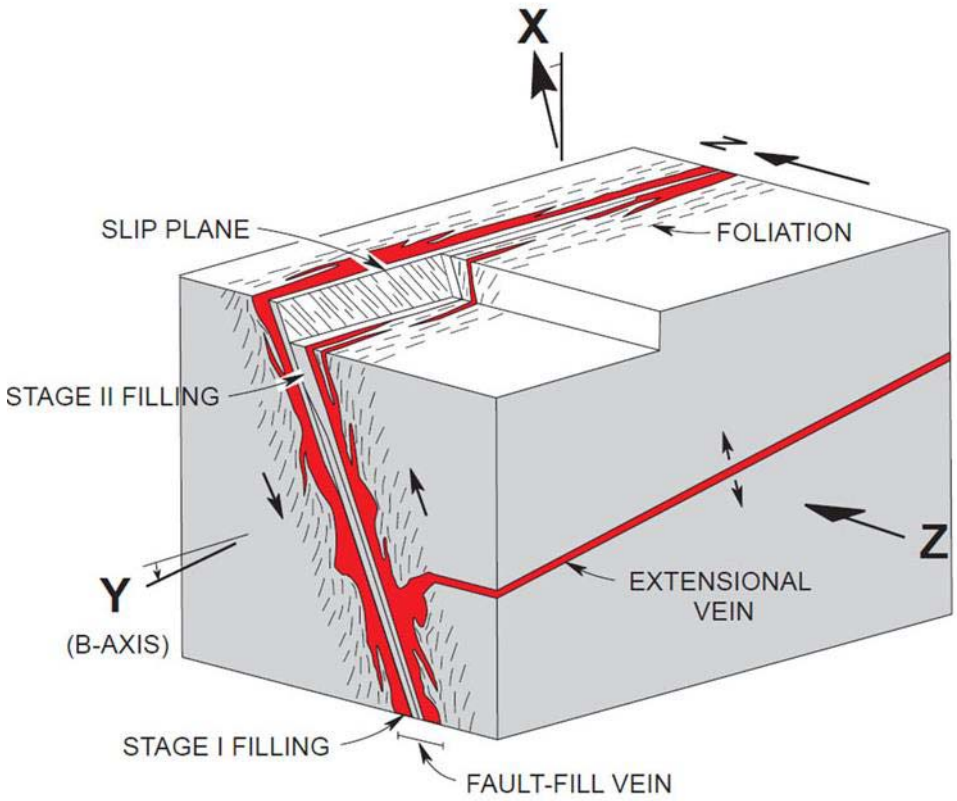


The main gangue minerals are quartz and carbonate with variable amounts of white micas, chlorite, scheelite and tourmaline. The sulphide minerals typically constitute less than 10% of the ore. The main ore minerals are native gold with pyrite, pyrrhotite and chalcopyrite without significant vertical zoning. The mineralization is syn- to late-deformation and typically post-peak greenschist-facies or syn-peak amphibolite-facies metamorphism (Dubé and Gosselin, 2007).

There is a general consensus that the greenstone-hosted quartz-carbonate vein deposits are related to metamorphic fluids from accretionary processes and generated by prograde metamorphism and thermal re-equilibration of subducted volcano-sedimentary terranes. The deep-seated gold transporting metamorphic fluid has been channeled to higher crustal levels through major crustal faults or deformation zones. Along its pathway, the fluid has dissolved various components, notably gold, from volcano-sedimentary packages, including a potential gold-rich precursor. These hydrothermal fluids are characterized by a low salinity, a neutral to alkaline pH, and are mainly composed of $H_2O + CO_2\text{-}H_2S \pm CH_4 \pm N_2$ (Ridley and Diamond, 2000). The fluid is then precipitated as vein material, or wall rock replacement, in second and third order structures at higher crustal levels through fluid pressure cycling processes and temperature, pH and other physico-chemical variations (Dubé and Gosselin, 2007). Though the source of gold is contentious, it is generally accepted that fluids originate from mantle or magmatic sources, or metamorphic devolatilization (Ash & Alldrick, 1996; Dube & Gosselin, 2007).

Host rock lithologies of higher competency generally form tabular fissure veins and veinlets, whereas stringer veins tend to occur within less competent lithologies (Ash & Alldrick, 1996). Veins commonly occur as complex systems of gold-bearing, laminated quartz-carbonate fault-fill veins, en echelon veins on all scales, and usually have sharp contacts with wall rocks. Individual vein thickness may vary between a few centimetres up to 5 metres and may be 10 to 1,000 m in length. Characteristic textures of GQC veins include massive, ribboned or banded, and stockworks with anastomosing gashes and dilations, all of which may be modified, overprinted or destroyed by subsequent deformation events (Ash & Alldrick, 1996; Dube & Gosselin, 2007).

FIGURE 8-2: Schematic Diagram of the Geometric Relationship between the Structural Elements of Veins and Shear Zones and the deposit-Scale Strain Axes



Exploration

The Company has not carried out any exploration on the Destiny Property as of the date of the Destiny Technical Report.

Drilling

All drilling information presented in the Destiny Technical Report is historical in nature. The Company did not carry out any drilling on the Destiny Property since their acquisition of the Destiny Property as of the date of the Destiny Technical Report. This section is mostly modified from McCracken (2011).

Historical Drilling

A total of 189 surface diamond drillholes (DDH) have been carried out over the Destiny Property by various operators since the mid-1960s (Table 10-1).

TABLE 10-1: Summary of Historical Drilling on the Destiny Property

Year	Number of DDH	Name	Length of drilling (m)	Company
1963	2	2, 4	140	Colonisation (GM 13832)
1970	1	54	76	Asarco Exploration Company of Canada Ltd. (GM 26987)
1972	1	DU-14	53	UMEX Inc. (GM 28265)
1974	2	ND-74-X	174	Groupe minier Brossard, Naganta Mining & Development Co. Ltd. (GM 30185, GM 30239)
1977-1979	11	10-437-XX	1,594	SOQUEM
1986	5	DT-XX	920	UMEX Inc.
1987	12	S-XX	1,768	UMEX Inc.
1998-2001	63	DES98XX	20,501	Cameco
2005-2012	92	DES05-XX	27,210	Alto Ventures Ltd.
Total	**189**		**52,436**	

Historical drill logs, assay summaries, and assay certificates for the majority of historical drillholes from 1986 onwards are available and have been compiled into a digital format to support historical resource estimates. The Destiny Property database contains 172 surface diamond drillholes (DDH) totaling 50,399.71 m. Table 10-2 summarizes the drillholes by year and the company.

TABLE 10-2: Summary of Project Historical Drilling Database per Year

Year	Number of DDH	Length of drilling (m)	Company
1986	5	920.10	UMEX Inc.
1987	12	1,767.98	UMEX Inc.
1998	7	1,389.30	Cameco
1999	23	6,032.50	Cameco
2000	28	10,135.50	Cameco
2001	5	2,943.80	Cameco
2005	20	5,307.41	Alto Ventures Ltd.
2006	19	5,105.50	Alto Ventures Ltd.
2008	17	4,685.50	Alto Ventures Ltd.
2009	14	5,601.88	Alto Ventures Ltd.
2010	7	3,037.04	Alto Ventures Ltd.
2011	3	663.10	Alto Ventures Ltd.
2012	12	2,810.10	Alto Ventures Ltd.
Total	**172**	**50,399.71**	

The drillhole in the Destiny Property database are presented in Figure 10-1. Figure 10-2 shows a typical drillhole cross section on the Destiny Property. A list of the drillhole collars is provided in Appendix A. A summary of the significant intervals is provided in Appendix B. A significant interval is considered to have a minimum length of 1.0 m and greater than 0.5 g/t gold average grade. Sample lengths reflect downhole lengths and are approximately 80% true width of the mineralization, depending on the orientation of the drillhole and the dip of the mineralization at the point of intersection.

FIGURE 10-1: Historic Drillholes Location

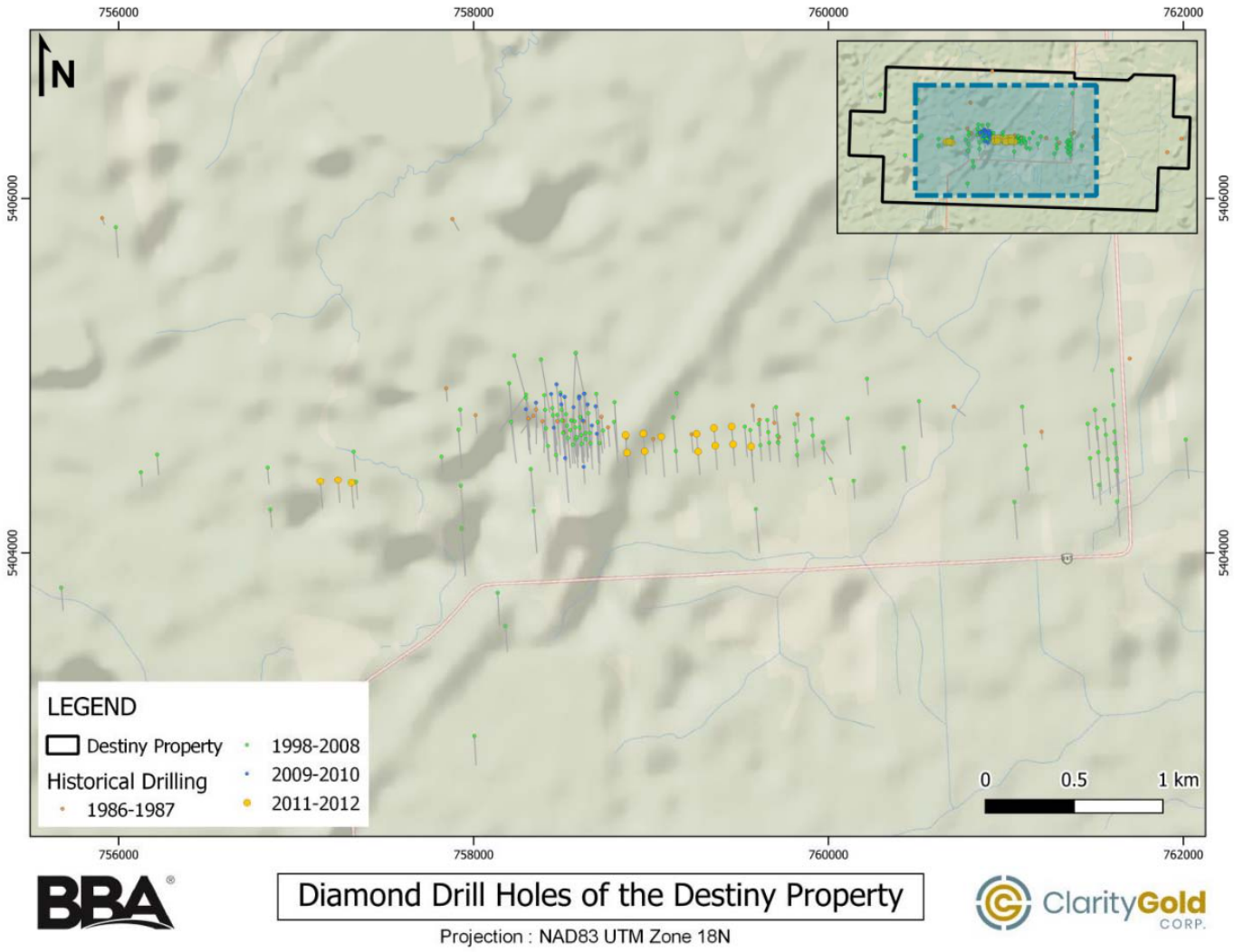
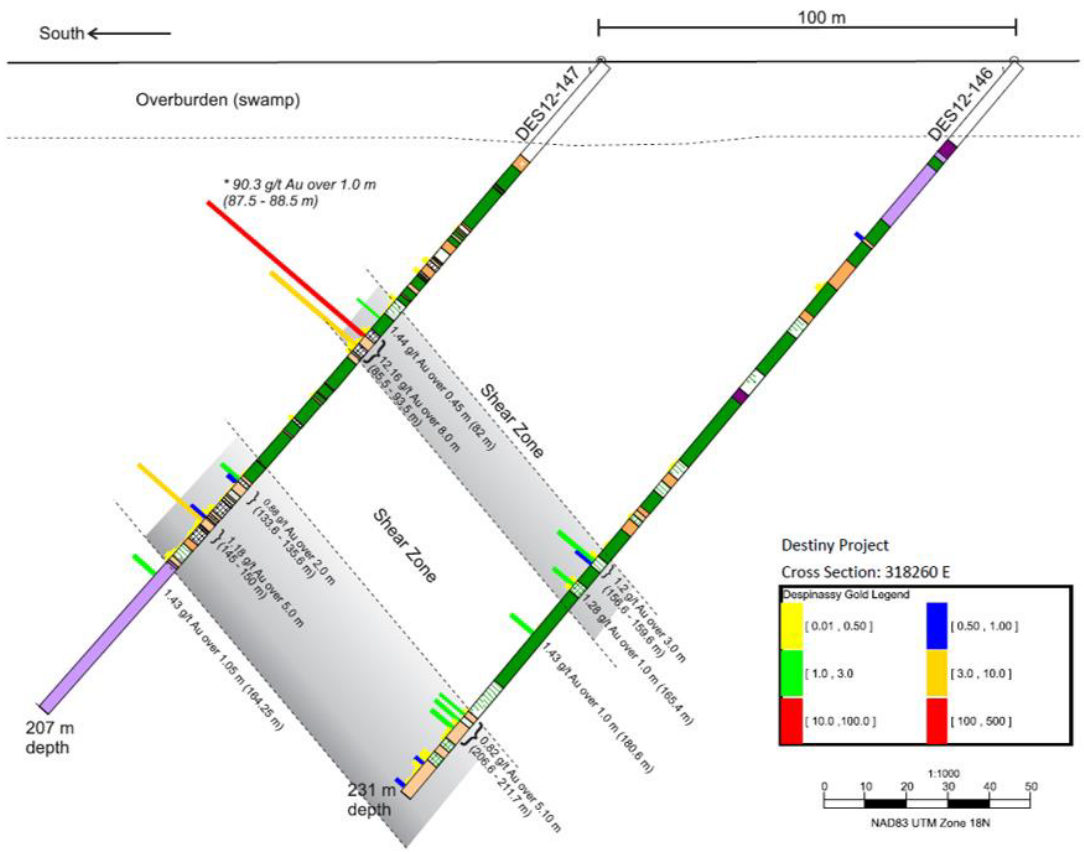


FIGURE 10-2: Destiny Project Cross Section (DE S12 – 146 and DE S12-147)



Cameco 1998-2001 and Alto 2005-2008 Drill Campaigns

Cameco was the first operator to start drilling the Destiny Property in earnest. Mr. Koziol, Alto Ventures Ltd.'s President, has been involved on the Destiny Property during the entire time that Cameco and Alto Ventures Ltd. operated the Destiny Property, and according to Mr. Koziol, the diamond drill procedures have been consistent throughout this time period.

When Alto Ventures Ltd. took over the Destiny Property, a re-logging program was initiated, focusing on alteration and structural features, which were incorporated into a logging program. Data collected during Alto Ventures Ltd.'s core logging programs was entered directly on a lap top computer, utilizing the DHLogger program, developed by Century Systems, now owned by Datamine. All sample intervals were selected and marked by the project geologist and then recorded in assay booklets.

Alto and PFN 2009-2010 Drill Campaigns

The drilling conducted by Alto Ventures Ltd. and PFN during the 2009-2010 drilling campaign was designed to:

- Fill-in large (50-75 m) gaps left untested on the DAC gold deposit between past drill intercepts above the -300 m level, to obtain additional geological and assay data in order to update the NI 43-101 compliant resource estimate;
- Better define the eastern and western limits of the DAC deposit;
- Test deeper levels below the DAC deposit; and

- Test the western projection of the DAC deformation zone.

Drilling was competed by Forage Mercier Inc. based in Val-d'Or, Quebec, using a single LM-75 surface drill rig. A total of 19 new holes were drilled by Alto Ventures Ltd. and PFN during the 2009-2010 winter drilling campaign of which 16 targeted the DAC deposit. All holes were drilled NQ and all drill runs were 3.04 m in length.

Data collected during Alto Ventures Ltd.'s core logging programs was entered directly on the DHLogger program. All sample intervals were selected and marked by the project geologist and then recorded in assay booklets

Alto and Next Gen Metals 2011-2012 Drill Campaign

A diamond drilling program consisting of 3,473 m in 15 holes was completed on the Destiny Project between November 2011 and March 2012. Three holes (DES11-141 to 143) between 700 m and 900 m to the west of the DAC Deposit were tested for continuation of the Despinassy Shear Zone. Twelve holes (DES12-144 to 155) between the DAC Deposit and the Darla Zone were completed to test the 900 m strike length of the Despinassy Shear Zone.

The drill program was carried out by Forage Multi-Drilling of Rouyn-Noranda and Forage Du Nord of Val-d'Or, from January 22, 2012 to March 15, 2012.

Data collected during Alto Ventures Ltd.'s core logging programs was entered directly on DHLogger program. All sample intervals were selected and marked by the project geologist and then recorded in assay booklets.

Historic Drilling Procedures

Drill Collar

The Cameco- Alto Ventures Ltd. grid was established by Cameco in 1997 and has been used to provide reference for surface geophysical surveys and diamond drill programs. The baseline for the cartesian grid is located approximately 750 m north of Highway 397 and oriented at an azimuth of approximately 270°. The baseline origin was set at 4+00 Northing and line 0+00 Easting.

In 2000, Corriveau and Associates carried out a GPS Trimble survey locating drillhole collars and grid lines (McCracken, 2011). The drillhole collars were referenced to a UTM coordinate system using the NAD 83 projection with the baseline origin coordinates converted to 5401650N/317800E. The collar locations for the 2009-2010 surface drill programs was determined by chaining from surveyed drillhole casings and measurements with a chain from picket locations on cut grid lines. The 2011-2012 drilling report does not describe how the collar locations were determined (McCracken, 2011).

The azimuth for the drillholes was determined by turning off angles from cut grids with a compass or by establishing foresight and back sight azimuths using pickets on cut lines.

The casing for all drillholes, with the exception of the first few holes, completed by Cameco are left in the ground and are capped with a marked casing cap to allow for easy location and identification.

Downhole Survey

Downhole surveys were collected at approximately 50 m intervals using the acid test for the 1986-1987 campaign, and the Reflex E-Z shot or single shot Flexit instruments for the campaigns since 1998.

Core Logging

For the Cameco and Alto Ventures Ltd. drilling campaigns, logging was conducted utilizing the DHLogger software. The core was logged by geologists at a rented facility near the Val-d'Or airport with the core stored on racks at Forage Val-d'Or compound in Val-d'Or.

The drill logs recorded major lithological units, alteration, structure, mineralization, veining, textures and minor lithological units as well as the sample intervals. The drill logs do not specifically record core recovery.

Sample Preparation, Analysis, and Security

All drilling information presented in the Destiny Technical Report is historical in nature. The Company did not carry out any drilling and sample collection on the Destiny Property since their acquisition of the Destiny Property as of the date of the Destiny Technical Report. Therefore, this section describes the sample preparation, analysis or security protocols of the historical drill campaigns when the information was available.

Historic Sample Preparation

The sample preparation methods are summarized from the various company drill reports.

Cameco Gold – 1998-2001

The Cameco drill reports do not describe the sample preparation methodology conducted by Chimite Bondar Clegg of Val-d'Or (Babin, 2000; Babin, 2001).

Alto Ventures Ltd. – 2005-2008

The Alto Ventures Ltd. drill reports do not describe the sample preparation methodology conducted by the various laboratories (Tremblay 2005; Tremblay 2007; Tremblay 2008).

Alto Ventures Ltd. – 2009-2010

Sampling was done by geologists with a variable length ranging from 20 cm to 2 m in order to not cross lithological boundaries. Once the sample bags were sealed in rice bags, the samples were stored in the core logging facility waiting shipment (McCracken, 2011). Samples were first shipped by Manitoulin Transport trucking firm to Accurassay's preparation facilities in Sudbury where they were dry, crushed (90% less than 8 mesh), and a 500-gram pulp was prepared (90% passing 150 mesh). The pulp was then shipped to Accurassay Laboratories in Thunder Bay for analyses (Tremblay 2010). Accurassay was an accredited facility, conforming to requirements of CAN P-–4E ISO/IEC 17025, and CAN–P–1579 (McCracken, 2011).

Alto Ventures Ltd. – 2011-2012

The NQ-size cores were sawed in half and one half was delivered to a commercial laboratory. The samples were delivered to the SGS Mineral Services preparation laboratory in Sudbury where they were crushed, and a 250-gram pulp was prepared. The pulp was then shipped to SGS Mineral Services in Toronto for analyses (Desjardins and Pilote, 2012).

Historic Sample Analysis

The sample analysis methodologies are summarized from the various company drill reports.

Cameco Gold – 2001

The Cameco drill reports do not describe the sample analysis methodology conducted by Bondar Clegg of Val-d'Or (Babin, 2000; Babin, 2001).

Alto Ventures Ltd. – 2005

Assaying for gold and analysis for other elements were completed at ALS-Chemex Chimitec's Val-d'Or laboratory (Tremblay, 2005).

Altogether, 1,594 samples were sent in for analysis. All samples were analyzed for gold by fire assay (30 g) with a finish by atomic absorption (AA). Results were delivered in grams per tonne. Selected samples returning elevated gold grades were re-analyzed by metallic sieve analysis, which involves total dissolution of samples.

Alto Ventures Ltd. – 2006

Assaying for gold and analysis for other elements were completed at ALS-Chemex's Val-d'Or laboratory (Tremblay, 2007).

Altogether, 1,979 samples were sent in for analysis. All samples were analyzed for gold by fire assay (30 g) with a finish by atomic absorption. Results were delivered in grams per tonne. Selected samples returning elevated gold grades were shipped to Accurassay Laboratories facility in Thunder Bay to be re-analyzed by metallic sieve analysis, which involves total dissolution of samples.

Alto Ventures Ltd. – 2008

Assaying for gold was completed at Bourlamaque Laboratories in Val-d'Or. Analysis for 33 other elements using ICP detection methods were completed by Accurassay Laboratories in Thunder Bay, Ontario (Tremblay, 2008).

Altogether, 1,526 samples were analyzed for gold and 242 samples were also analyzed for 33 other elements by ICP methods. All samples were analyzed for gold by fire assay (30 g) with a finish by atomic absorption. Results were delivered in grams per tonne. Selected samples returning elevated gold grades were re-analyzed by metallic sieve analysis, which involves total dissolution of samples.

Alto Ventures Ltd. – 2009

Assaying for gold and analysis for other elements were completed at Accurassay Laboratories of Thunder Bay, Ontario. The gold assaying method used a standard fire assay with AA finish technique on a 30-gram aliquot taken from the 500-gram pulp. The laboratory prepared and analyzed a second 500-gram pulp from the reject for those samples that indicated gold values of between 1 g/t and 5 g/t on the initial analysis. The gold assaying method on the re-split used a standard fire assay with gravimetric finish technique on a 30-gram aliquot. Pulp metallic assays were performed on all samples that returned greater than 5 g/t gold on the first assay (Tremblay, 2010).

Altogether, 2,347 core samples were sent in for gold analysis by fire assay (30 g) with a finish by atomic absorption. Finally, ICP multi-element analyses were completed on all samples assayed for gold, in addition to other selected samples.

Alto Ventures Ltd. – 2010

Altogether, 416 core samples were sent in for gold analysis by fire assay (30 g) with a finish by atomic absorption. Finally, ICP multi-element analyses were completed on all samples analyzed for an additional 30 elements (Tremblay, 2010).

Assaying for gold and analysis for other elements were completed at Accurassay Laboratories of Thunder Bay, Ontario. The gold assaying method used a standard fire assay with AA finish technique on a 30-gram aliquot taken from the 500-gram pulp. The laboratory prepared and analyzed a second 500-gram pulp from the reject for those samples that indicated gold values of between 1 g/t and 5 g/t on the initial analysis. The gold assaying method on the re-split used a standard fire assay with gravimetric finish technique on a 30-gram aliquot. Pulp metallic assays were performed on all samples the returned greater than 5 g/t gold on the first assay. This method is often used to determine true gold grades of core characterized by the presence of native gold, which is commonly distributed in an erratic fashion.

Alto Ventures Ltd. – 2011-2012

The gold assaying method uses a standard fire assay with ICP finish technique on a 30-gram aliquot taken from the 250-gram pulp. Commercially prepared standards and blanks were inserted by Alto Ventures Ltd. every 25 samples to ensure precision of the results. The laboratory performed routine repeat check assays on pulps of selected samples to ensure internal lab quality control (Desjardins and Pilote, 2012).

The laboratory was instructed to prepare and analyze a second 250-gram pulp from the reject for those samples that indicated gold values of greater than 1 g/t on the initial analysis. The gold assaying method on the re-split uses a standard fire assay with gravimetric finish technique on a 30-gram aliquot.

In total, 1,459 core samples were sent in for gold analysis by fire assay (30 g) with a finish by atomic absorption. Finally, ICP multi-element analyses were completed on all samples analyzed for an additional 30 elements.

Historical Quality Assurance and Quality Control (QA/QC) Programs

Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects recommends mining companies reporting results in Canada to follow the CIM Best Practice Guidelines. The guidelines describe which items are required to be in the reports, but do not provide guidance for Quality Assurance and Quality Control (QA/QC) programs.

QA/QC programs have two components: Quality Assurance (QA) deals with the prevention of problems using established procedures, while Quality Control (QC) aims to detect problems, assess them and take corrective actions. QA/QC programs are implemented, overseen and reported on by a Qualified Person as defined by NI 43-101.

QA programs should be rigorous, applied to all types and stages of data acquisition and include written protocols for: sample location, logging and core handling; sampling procedures; laboratories and analysis; data management and reporting.

QC programs are designed to assess the quality of analytical results for accuracy, precision and bias. This is accomplished through the regular submission of standards, blanks and duplicates with regular batches of samples submitted to the lab, and the submission of batches of samples to a second laboratory for check assays.

The materials conventionally used in mineral exploration QC programs include standards, blanks, duplicates, and check assays. Definitions of these materials are presented hereunder:

- Standards are samples of known composition that are inserted into sample batches to independently test the accuracy of an analytical procedure. They are acquired from a known and trusted commercial source. Standards are selected to fit the grade distribution identified in the Destiny Property mineralization;
- Blanks consist of material that is predetermined to be free of elements of economic interest to monitor for potential sample contamination during analytical procedures at the laboratory;

- Duplicate samples are submitted to assess both assay precision (repeatability) and to assess the homogeneity of mineralization. Duplicates can be submitted from all stages of sample preparation with the expectation that better precision is demonstrated by duplicates further along in the preparation process;
- Check Assays consist of a selection of original pulps that are submitted to a second analytical laboratory for the same analysis as at the primary laboratory. The purpose is to assess the assay accuracy of the primary laboratory relative to the secondary laboratory.

There are no records of a formalized QA/QC program prior to Alto Ventures Ltd. operating the Destiny Property.

The results of the QA/QC programs undertaken after the last technical program (McCracken, 2011) were not reviewed for the purpose of the current report but records of insertion of Certified Reference Material (CRM) as QA/QC program appears in the drilling reports starting at the 2005 Alto Ventures Ltd. drilling program (Tremblay, 2005) and seems to be current practice during the 2005-2012 Alto Ventures Ltd. drilling programs as well as blank insertion starting at the 2009 drilling program. No duplicates samples or check assays were conducted on the Property.

2009-2010 QA/QC Program (McCracken, 2011)

Alto Ventures Ltd.'s QA/QC programs consisted of the insertion of blanks, CRM samples into the sample stream at set intervals. Commercial gold standards of three different grades were inserted every 25 samples submitted for assay. These samples bear numbers ending with 00, 25, 50 and 75. A commercial blank was inserted every 50th sample intervals, in numbers ending with 33 and 83.

Alto Ventures Ltd. did not include any field duplicates in the QA/QC program. In addition to the field-inserted QA/QC program, the laboratories operate their own laboratory QA/QC system. The labs insert quality control materials, blanks and duplicates on each analytical run.

The results of the various QA/QC samples are further presented in the McCracken (2011) report. McCracken (2011) noticed that in all three CRM used in the 2009-2010 drilling program, the mean values were lower than the certificated values and concluded that this could mean that the sample values are slightly underestimated. He also noticed that there was a lot of variance in the average and high-grade CRM sample results throughout the campaign and recommended to investigate with the lab.

2011-2012 QA/QC Program

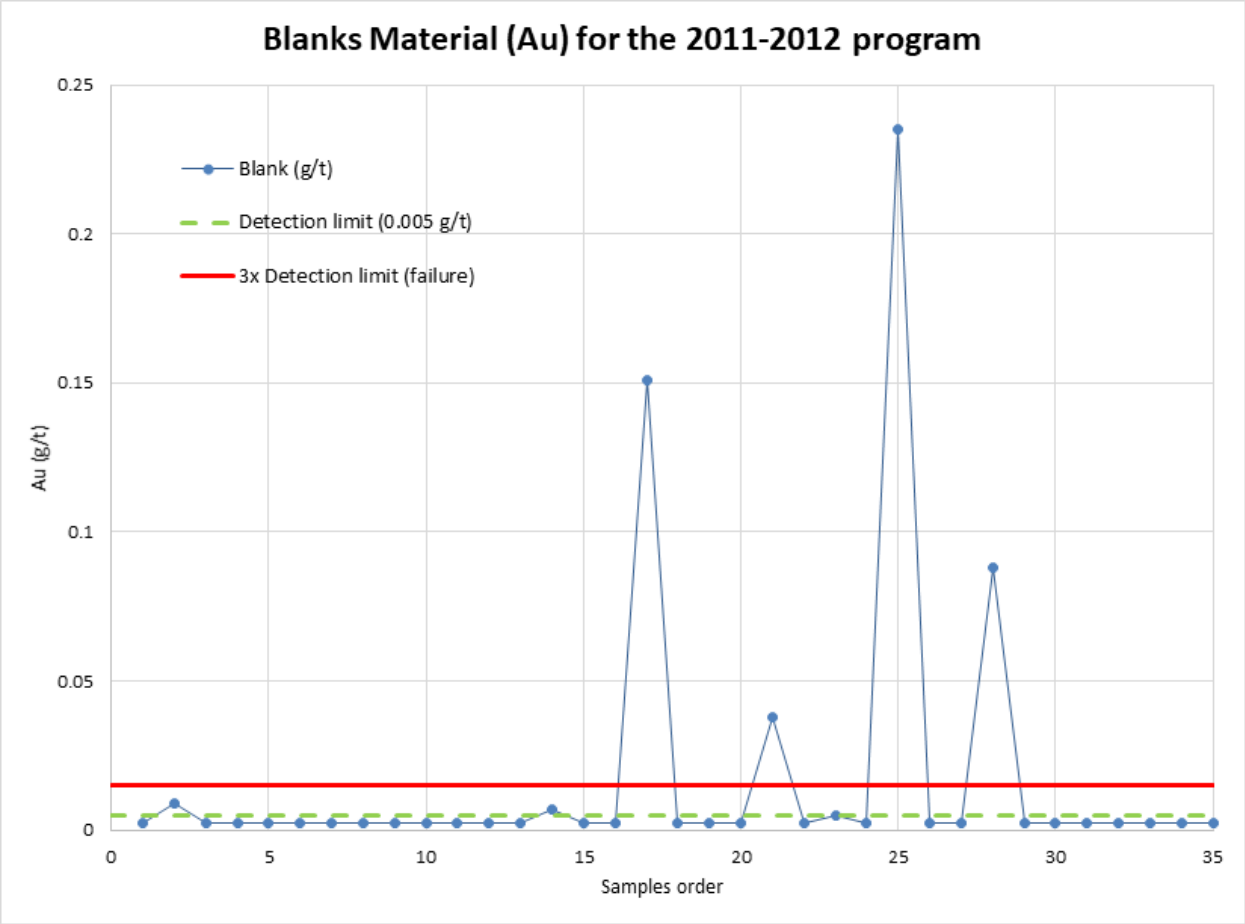
Alto Ventures Ltd.'s QA/QC programs consisted of the insertion of blanks, CRM samples into the sample stream.

The laboratory also performed routine repeat check assays on pulps of selected samples to ensure internal lab quality control.

CRM of three different grades were inserted every 25 samples submitted for assay. These samples bear numbers ending with 00, 25, 50 and 75. The CRM database was provided to BBA but was incomplete at the time of the Destiny Technical Report, hence could not be assessed.

Commercial blanks were inserted at 50 sample intervals in numbers ending with 33 and 83. Figure 11-1 shows the results of the blank material used during the 2011-2012 drilling program on the Destiny Property.

FIGURE 11-1: Results for Blanks used by Alto Ventures Ltd. during the 2011-2012 Drilling Programs on the Destiny Property



Generally, the blank indicates little contamination at the laboratory. There were four failures (out of 35). There are no records of actions taken by Alto Ventures Ltd.in the provided database.

QP Opinion

It is the Destiny Authors' opinion that the sample preparation, security, and QA/QC program in place during the Alto Ventures Ltd. program from 2005 to 2012, although could be improved, met the acceptable industry standards of the time.

It is the Destiny Authors' opinion that the sample preparation, analysis, and security are suitable to be used for the purpose of Destiny Technical Report.

However, according to CIM guidelines (2019), historical drillhole data should be supported with newly completed drillholes and sampling. Therefore, the Destiny Authors recommend the following actions before the data is suitable for use in mineral resource modelling:

- Conduct a resampling program of 5% to 10% of the whole assay database with insertion of QA/QC samples.

Data Verification

All drilling information presented in the Destiny Technical Report is historical in nature. The Company did not carry out any drilling on the Destiny Property since their acquisition of the Destiny Property as of the date of the Destiny Technical Report.

For the purpose of the Destiny Technical Report, the Destiny Authors performed a basic verification on the entire project database. All data were provided by the Company in UTM NAD 83 Zone 18 coordinates.

The Destiny Property database contains 172 surface diamond drillholes (DDH) totaling 50,399.71 m (17 holes completed between 1986 and 1987 by UMEX Inc., 63 holes completed between 1998 and 2001 by Cameco and 92 holes completed between 2005 and 2012 by Alto Ventures Ltd.. Much of the data presented in the Destiny Technical Report has been compiled from assessment reports retrieved from Québec's publicly available reports, various publications, news releases and technical reports.

Site Visit

Charlotte Athurion, P. Geo. and QP, and Clovis Auger, P. Geo., both from BBA, visited the Destiny Property on January 30, 2021. The 2021 site visit included visual inspections of selected mineralized drill core samples, a tour of the core storage facility, a survey of numerous drillhole casings in the field and an independent resampling program of 10 samples.

In 2010, Todd McCracken, P. Geo, visited the Destiny Property and reviewed several drill collars from the field and carried out an independent resampling program of six samples, which confirmed the presence of gold on the Destiny Property and its erratic nature (McCracken, 2011). This site visit is no longer considered current.

Sample Preparation, Analytical, QA/QC and Security Procedures

Alto Ventures Ltd. (2005-2012) procedures are described in Chapters 10 and 11 of the current report. The site visit allowed to confirm that Alto Ventures Ltd.'s procedures were adequately applied.

The Destiny Authors reviewed several sections of mineralized core while visiting the Destiny Property. All core boxes were labelled and properly stored. Sample tags were present in the boxes and it was possible to validate sample numbers, the insertion of QA/QC samples, and confirm the presence of mineralization in witness half-core samples from the mineralized zones (Figure 12-2).

The UMEX Inc. and some of the Cameco data used in the Destiny Technical Report was collected before the implementation of the NI 43-101 norm.

Little information is available about sample preparation, analytical, QA/QC or security procedures for historical exploration work carried out prior to 2005. Furthermore, no analytical quality control data was available for review of those holes.

Although it is reasonable to assume that these companies conducted their exploration activities in accordance with prevailing industry standards at the time, the QP conducted basic statistics (Table 12-1) and statistic analysis (Figure 12-1) in order to ensure that there was no bias between the two sets of data.

TABLE 12-1: Basic Statistics Comparing the Pre-2005 and Post-2005 Assays

	Count of AU		Average of AU	
	Pre-2005	**Post-2005**	**Pre-2005**	**Post-2005**
All data	9,572	7,378	0.31	0.33
20	252	514	0.07	0.06
21	523	424	0.10	0.09
DAC	5,471	4,154	0.48	0.46
Darla	549	959	0.16	0.21
Gap	538	962	0.18	0.29
West	112	365	0.14	0.02

Figure 12-1 compares the nature of grade between two populations; it graphically display average grades of all pairs of data from both populations at increasing distances. It can be used to compare different populations. If there is a significant difference in grade across different datasets (i.e. RC versus DDH, historical holes versus recent holes, etc.), the geologist must figure out a way to take that into consideration, and in some cases discard one of the population. Conversely, if a more gradual change in grade occurs in the first few metres, the two datasets can be used as if they were from a single dataset.

Figure 12-1 demonstrates that both populations are similar in nature and that no bias is believed to exist. Therefore, the QP concludes that the two populations are similar in nature and are adequate for the purpose of the Destiny Technical Report.

FIGURE 12-1: Statistic Analysis on Pairs of Raw Assays between the Pre-2005 and the Post-2005 Assays taking into Account Distance (m) and Grade

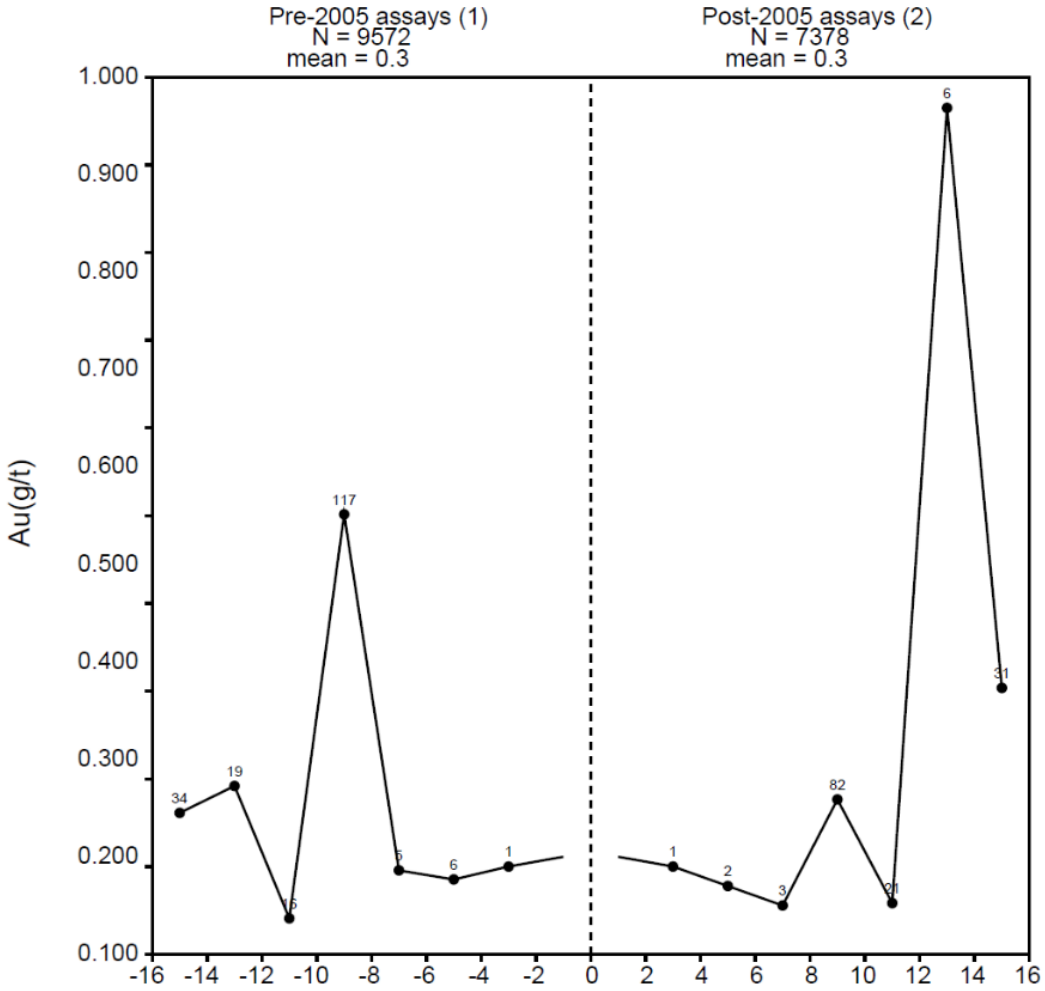
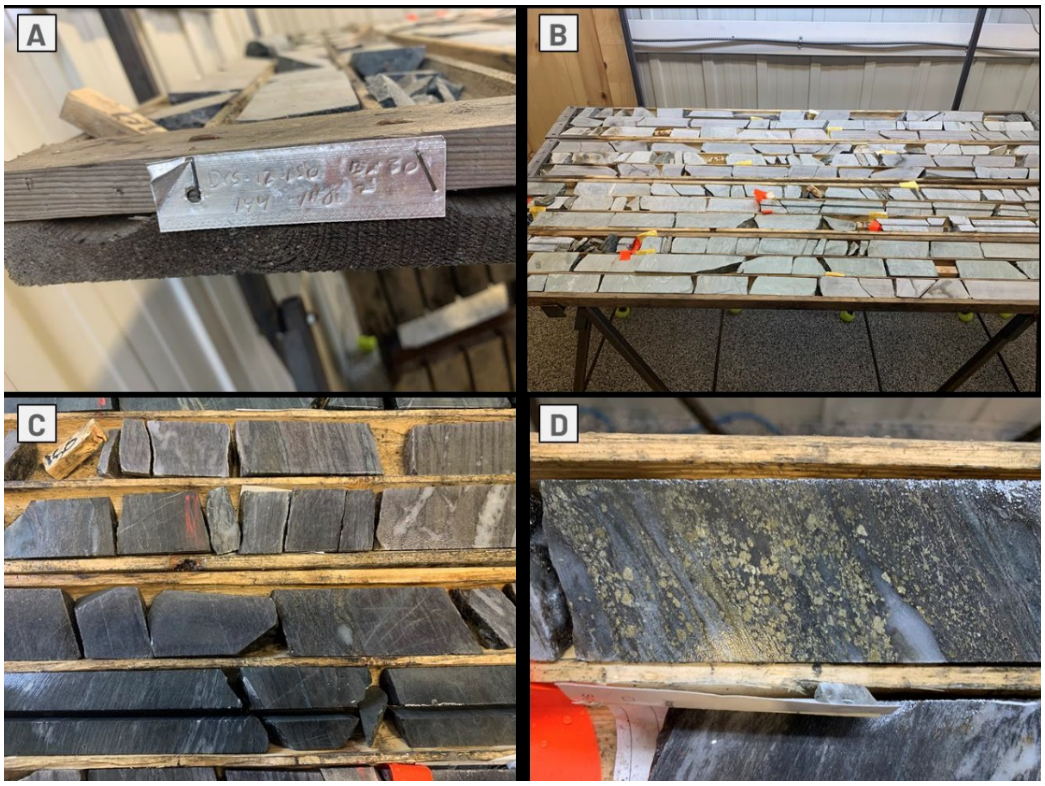


FIGURE 12-2: Core Review During the Site Visit Showing: A) the label of the core box; B) half-core samples and samples' tags; C and D) half-core mineralized intervals



Independent Resampling Program

During the site visit conducted in 2021, Charlotte Athurion collected 10 independent samples of mineralized split drill core (¼ core) for check assaying representing different mineralization grade ranges (Figure 12-3). The samples were bagged, sealed on site and delivered to ALS Minerals (ALS) in Val-d'Or by the QP, Charlotte Athurion. The samples were prepared in Val-d'Or and analyzed in Val-d'Or. ALS is independent and accredited to international quality standards through the International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 17025 (ISO/IEC 17025 includes ISO 9001 and ISO 9002 specifications) with CAN-P-1579 (Mineral Analysis).

The ten samples were analyzed for gold using analysis package Au-AA24, which is a fire assay with an AA finish on a 50 g sample. One standard and one blank were also inserted in the batch for QA/QC purpose.

Figure 12-4 and Table 12-2 show the results of the 2021 independent resampling program. This program confirms the presence of gold in the system with a correlation coefficient R of 90% between original data and the independent resampling samples.

FIGURE 12-3: Photographs of Core Resampled by BBA: A) original core; B) remaining quarter-core witness samples (7 to 8 rows). Hole DES-12-149

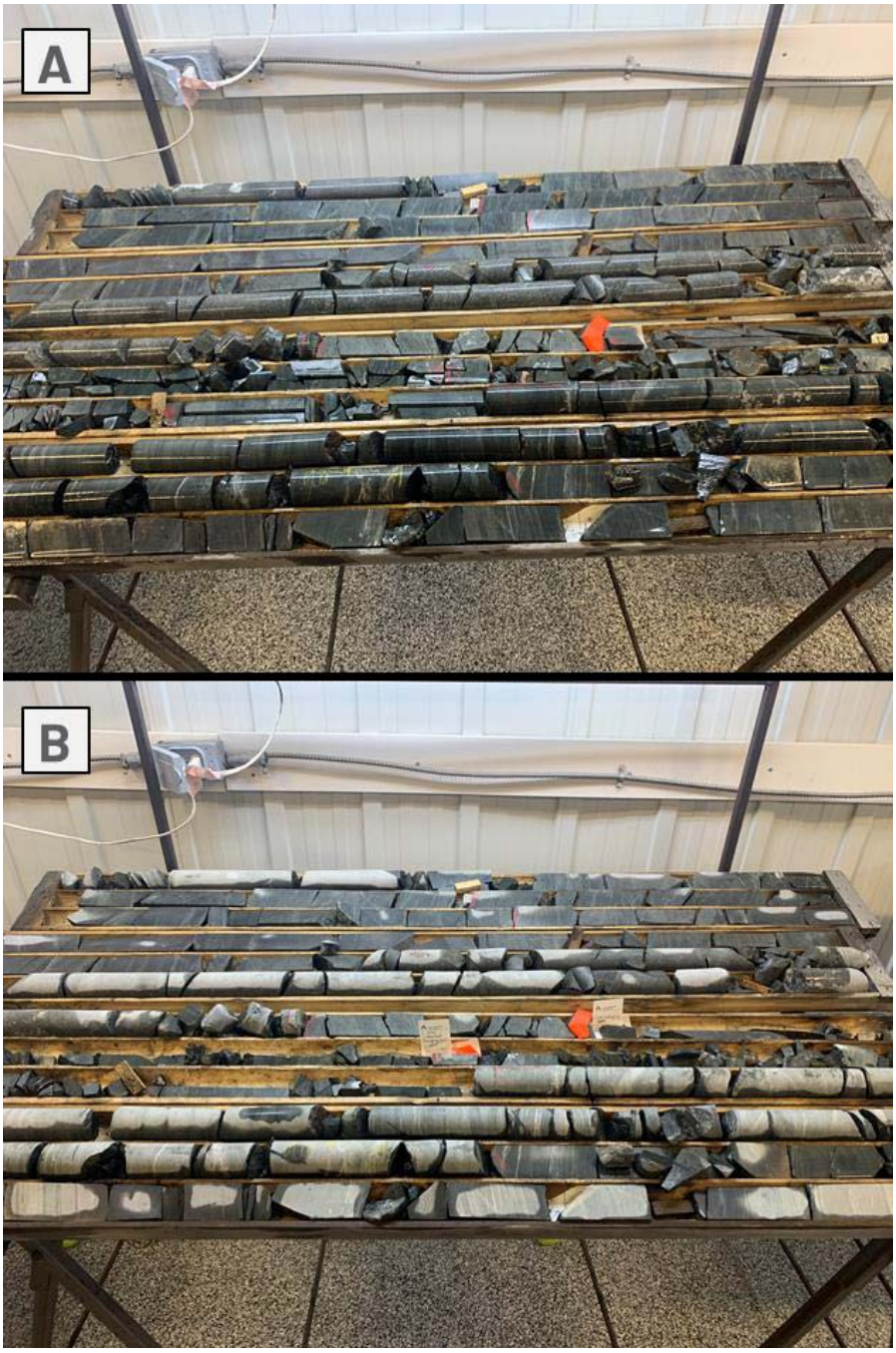


FIGURE 12-4: Scatterplot Showing the Results of the 2021 Independent Resampling against Clarity Database

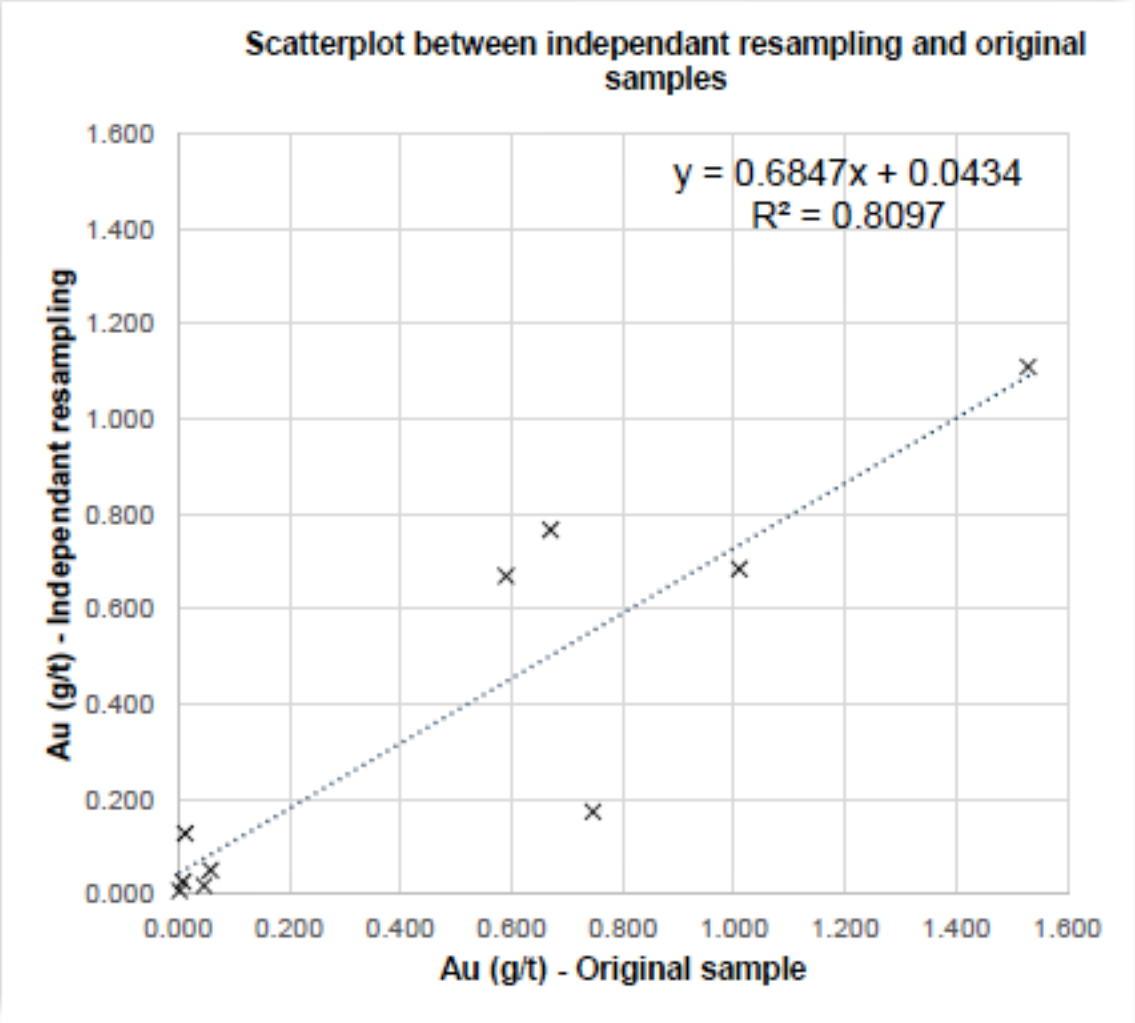


TABLE 12-2: Results of the 2021 Independent Resampling Program

BHD	From (m)	To (m)	Original Sample ID	BBA Sample #	BBA_AU_AA (g/t)	Clarity_Au_AA (g/t)
DES-11-143	74.20	75.05	48767	98122	0.128	0.013
DES-11-143	75.85	77.35	48769	98123	0.026	0.009
DES-12-149	76.10	77.10	104520	98124	0.670	0.590
DES-12-149	77.10	78.50	104521	98125	0.007	0.003
DES-12-150	153.50	154.50	104619	98126	0.174	0.746
DES-12-150	154.50	155.50	104620	98127	0.050	0.058
DES-12-150	155.50	156.50	104621	98129	0.018	0.047
DES-12-150	157.50	158.50	104623	98130	0.767	0.670
DES-12-145	117.20	118.20	104258	98131	1.110	1.530
DES-12-145	118.20	119.20	104259	98132	0.685	1.010

During the site visit conducted in 2010 (McCracken, 2011), Todd McCracken collected six independent samples of mineralized split drill core (¼ core) for check assaying representing different mineralization grade ranges. The samples were bagged, sealed on site and delivered to ALS Minerals (ALS) in Val-d'Or. The samples were prepared in Val-d'Or and the pulps were shipped by ALS to Vancouver, British Columbia for analysis. ALS is accredited to international quality standards through the International Organization for Standardization /International Electrotechnical Commission (ISO/IEC) 17025 (ISO/IEC 17025 includes ISO 9001 and ISO 9002 specifications) with CAN-P-1579 (Mineral Analysis).

The 2010 check samples confirm the presence of gold in the system and the erratic nature of the mineralization (McCracken, 2011).

TABLE 12-3: Results of the Independent Resampling Program Conducted by McCracken in 2010

BHD	From (m)	To (m)	Alto Sample #	Alto Au-AA (g/t)	Alto Au grav (g/t)	Wardrop Sample #	Wardrop Au-AA (g/t)	Wardrop Au-grav (g/t)
DES09-124	219	220	683430	0.73		40309	0.81	
DES09-124	286	286.5	685503	1.73	1.60	40310	1.52	1.63
DES09-133	375	376	830054	3.56	5.49	40311	2.89	3.07
DES09-133	384.1	384.8	830065	0.70		40312	4.88	5.07
DES10-137	223.6	224.4	830715	1.37	1.08	40313	1.12	1.27
DES10-137	384.5	385.2	830812	2.18	2.06	40314	1.91	2.50

Historical Drillhole Database

For the purpose of the Destiny Technical Report, the Destiny Authors performed a basic verification of the collar, survey, assays and lithology tables on the entire project database.

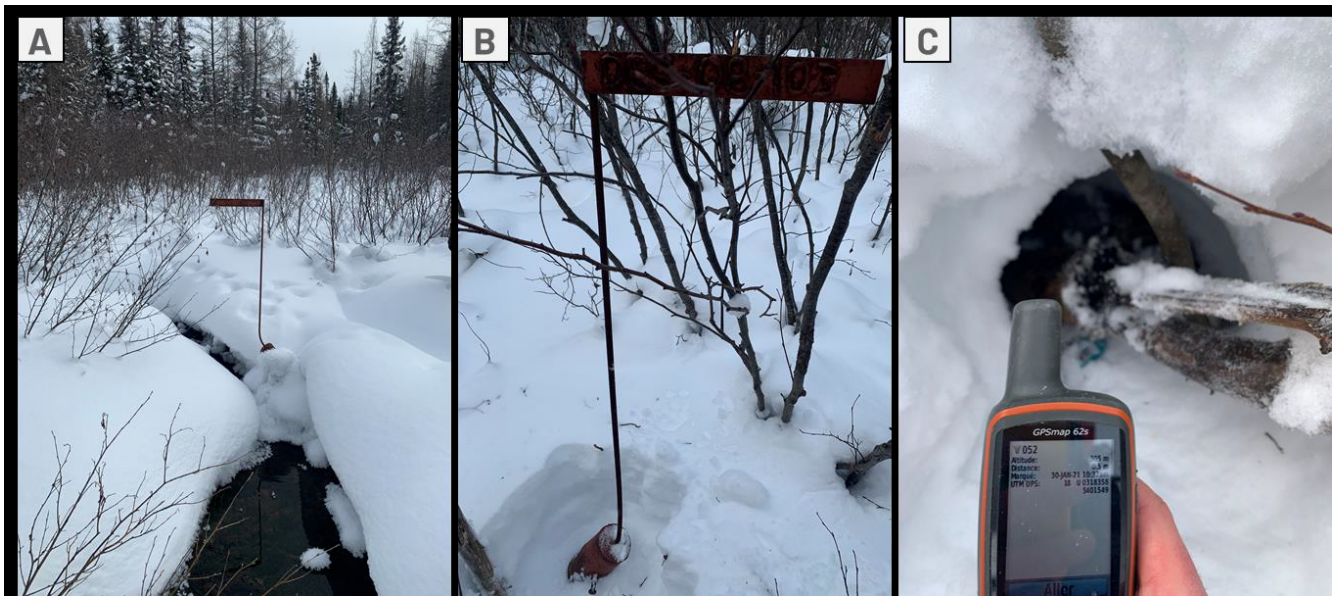
Drillhole Location

During the site visit, Charlotte Athurion, the QP, performed a drillhole collar validation (Figure 12-5). Random field checks with handheld GPSMAP® 62S were conducted for eight drillholes during the site visit. The differences between the database location and the recorded measurements are mostly within the order of precision of the handheld GPS (+/- 5 m). Located collars were from different drilling programs (2006, 2008, 2012; Table 12-3), and were different than the ones verified during the site visit of McCracken in 2011.

TABLE 12-4: Drillhole Collar Location Validation from the 2021 Site Visit

DDH	Alto Database		BBA Measurements		Distance Difference (m)
	Easting	Northing	Easting	Northing	
DES06-90	318613	5401578	318617	5401578	3.9
DES08-103	318513	5401533	318517	5401532	3.7
DES08-104	318563	5401603	318562	5401603	0.8
DES08-106	318513	5401653	318517	5401648	6.0
DES12-144	318160	5401625	318165	5401623	5.7
DES12-146	318260	5401650	318258	5401644	6.4
DES12-149	318360	5401550	318358	5401548	2.7
DES12-155	318460	5401530	318460	5401532	2.2

FIGURE 12-5: Drill Collar Review During the Site Visit



During the 2010 site visit, Todd McCracken performed a drillhole collar validation of five surface drillhole collars. Todd McCracken collected the collar locations using a Garmin GPSMAP® 60Cx handheld GPS unit. Table 12-5 displays the results of the collar validation. The accepted error for the 60Cx GPS unit is typically +/-5 m range. Three of the five holes had collar coordinates that differed by more than ten metres. This was primarily in the northern direction. Although the hand-held GPS is not deemed to be truly accurate, McCracken (2011) recommended that Alto Ventures Ltd. have all the collars' locations resurveyed in order to verify the locations.

TABLE 12-5: Results of the Drillhole Collar Location Validation Conducted by McCracken During the 2010 Site Visit

BHID	Alto Ventures Ltd.			Wardrop			Difference
	Easting	Northing	Elevation	Easting	Northing	Elevation	
DES09-120	317560	5401838	302	317556	5401851	302	13.7
DES09-123	317527	5401750	302	317527	5401756	301	5.8
DES09-124	317480	5401829	302	317485	5401844	305	15.9
DES10-136	317548	5401900	303	317548	5401919	304	19.0
DES10-137	317605	5401830	303	317608	5401834	307	6.1

Downhole Survey

Downhole survey data for the drilling programs were checked for discrepancies. Consistency of the whole downhole survey table was checked by the QP with automatic check of large variation of dip or azimuth in Excel.

Assays

The Company provided BBA with the assay certificates for all holes drilled by Alto Ventures Ltd. (2005-2012) on the Destiny Property in a PDF format. All the assay results for the recent drillholes (drilled since the publication of the latest NI 43-101 technical report) were verified. The assays recorded in the database were compared to the original certificates from the different laboratories and no significant discrepancies were detected.

In the assay table, the value recorded as the "final" gold value seems to always be the value obtained by fire assay with AA finish. The lower detection limits were set to half the detection limit.

In 2010, McCracken carried out an internal validation of the diamond drillholes data files against the original drillhole logs and assay certificates. The validation of the data files was completed on 15 of the 152 drillholes in the total database or 10% of the dataset as of March 1, 2011. The assay file contained 45 entries that were corrected, primarily due to minor calculation discrepancy in the averaging of the assays. This represents less than 0.3% errors within the entire assay dataset. Corrections were made to the data set only if the difference in the assays were greater than 0.1 g/t. All assays entered as zeros (0) were converted to half the detection limit and were not considered to be errors in the data.

QP Opinion

It is the Destiny Authors' opinion that the database has been adequately validated and is suitable for the purpose of the Destiny Technical Report.

However, according to CIM guidelines (2019), historical drillhole data should be supported with newly completed drillholes and sampling. Therefore, the QP recommends the following actions before the data is suitable for use in geological or mineral resource modeling:

- Conduct a professional survey of the collar coordinates of the drillhole performed after 2000;
- Conduct a resampling program of 5% to 10% of the whole assay database with insertion of QA/QC samples.

Mineral Processing and Metallurgical Testing

The Company did not conduct any metallurgical test work.

Historic Metallurgical Testing

Alto Ventures Ltd. conducted a preliminary metallurgical recovery test with SGS Mineral Services' facility in Vancouver in 2011 (SGS, 2011).

Sample Receipt and Preparation

Material totaling 119 kg in the form of drill core from the five mineralized zone at DAC was shipped to the SGS sample preparation facility in Delta, British Columbia.

Each zone composite was stage crushed to -6 mesh, blended and 19 kg was riffled out to form the master composite for the test program. Following this, a 10 kg sample was selected for the grindability tests, and the remaining composite was crushed to -10 mesh and 2 kg test charges prepared on a composite sample. The gold and silver head grades for the composite were 1.33 g/t and 1.13 g/t, respectively.

Grindability

The Bond ball mill work index for the composite was 17.1 kWh/t and is considered hard relative to the SGS internal database.

Metallurgical Test Program

The metallurgical test program consisted of:

- Gravity separation of whole feed;
- Flotation testing of whole feed and gravity tailings;
- Cyanide leaching of whole feed and gravity tailings;
- Environmental testing of whole feed:

Gravity Separation

The gravity separation of the whole feed used a Knelson concentrator followed by a Mozley mineral separator. Recovered was 49% and 16% of the gold silver, respectively.

Flotation Testing

Whole feed rougher flotation testing using optimized grind conditions recovered 96% gold and 75% silver at a grind of 80% passing 44 µm using traditional sulphide collectors. Gold and sulphur are strongly correlated and both exhibited fast flotation kinetics. Batch cleaner testing demonstrated that the rougher concentrate can be upgraded to 61 g/t Au and 41 g/t silver.

Cyanide Leach

All whole feed leach tests produced gold leach recoveries ranging between 97% and 99%. The first 4-hour gold and silver leach kinetics were such that CIP is recommended as the means of recovering the precious metals. The projected silver leach recoveries ranged between 57% and 70%. The cyanide consumptions ranged between 0.5 kg/t and 0.9 kg/t and are considered moderate to low. The lime consumption ranged between 0.3 kg/t and 0.5 kg/t and is considered low.

Flotation of gravity tail resulted in the recovery of 92% Au and 88% Ag.

In a conceptual flowsheet with gravity concentration followed by leaching of gravity tail recovered 98% gold and 83% silver.

Environmental Testing

A sample of the feed was subjected to a modified Acid Base Accounting (ABA) test. The test determines the potential for acid generation (AP) and the neutralization potential (NP). With a NP:AP ratio between 2 and 4, the potential for acid generation from the material tested is low.

Mineral Reserve Estimates

This is an early-stage exploration project. Mineral reserve estimates are not relevant to the Destiny Property at this time.

Mining Methods

This is an early-stage exploration project. Mining methods are not relevant to the Destiny Property at this time.

Recovery Methods

This is an early-stage exploration project. Recovery methods are not relevant to the Destiny Property at this time.

Project Infrastructure

This is an early-stage exploration project. Project Infrastructure is not relevant to the Destiny Property at this time.

Market Studies and Contracts

This is an early-stage exploration project. Market studies and contracts are not relevant to the Destiny Property at this time.

Environmental Studies, Permitting, and Social or Community Impact

This is an early-stage exploration project. Environmental studies, permitting and social or community impact are not relevant to the Destiny Property at this time.

Capital and Operating Costs

This is an early-stage exploration project. Capital and operating costs are not relevant to the Destiny Property at this time.

Economic Analysis

This is an early-stage exploration project. Economic analysis is not relevant to the Destiny Property at this time.

Adjacent Properties

The Destiny Project lies along the Chicobi Fault Zone. The DAC Deposit is located along the 6 km segment of a second order structure called the Despinassy Shear Zone. Some mining and junior exploration companies are active in the area (Figure 23-1). Charlotte Athurion, P. Geo. from BBA, has not been able to verify the information presented below and the information is not necessarily indicative of the mineralization on the Destiny Property area (the subject of the Destiny Technical Report).

Chicobi Project

The Chicobi Project covers 51,257 ha and over 45 km of strike along the Chicobi Deformation Zone (CDZ). It is located west and south of the Destiny Project. The Chicobi Project is held under an earn-in option to joint venture agreement with Sumitomo Metal Mining Canada Limited (SMMCL) where SMMCL has an option to earn up to 51% interest.

The Chicobi Project was acquired by Kenorland through map staking in October 2016 and was optioned to NX Gold in April 2017. NX Gold completed various geophysical work on the property. Kenorland received 100% of the property back after NX Gold terminated the option agreement in May 2018. In 2019, 217 drillholes from a sonic drilling program targeted glacial till that lies beneath ~10 m of glaciolacustrine clay in the area. An additional 165 sonic drillholes have been completed throughout 2020 infilling to an approximate 800 m x 500 m grid (Kenorland Minerals, 2021).

Val-d'Or Mining Corp. Project

Val-d'Or Mining Corp has two blocks of mining claims located west and east of the Destiny Project for a total of 175 mining claims (9,565.6 ha). Detailed information about that project is not available on their website.

North American Exploration Project

North American Exploration Ltd. has a property located south of the Destiny Project for a total 99 mining claims (5,636 ha). Detailed information about that project is not available on their website.

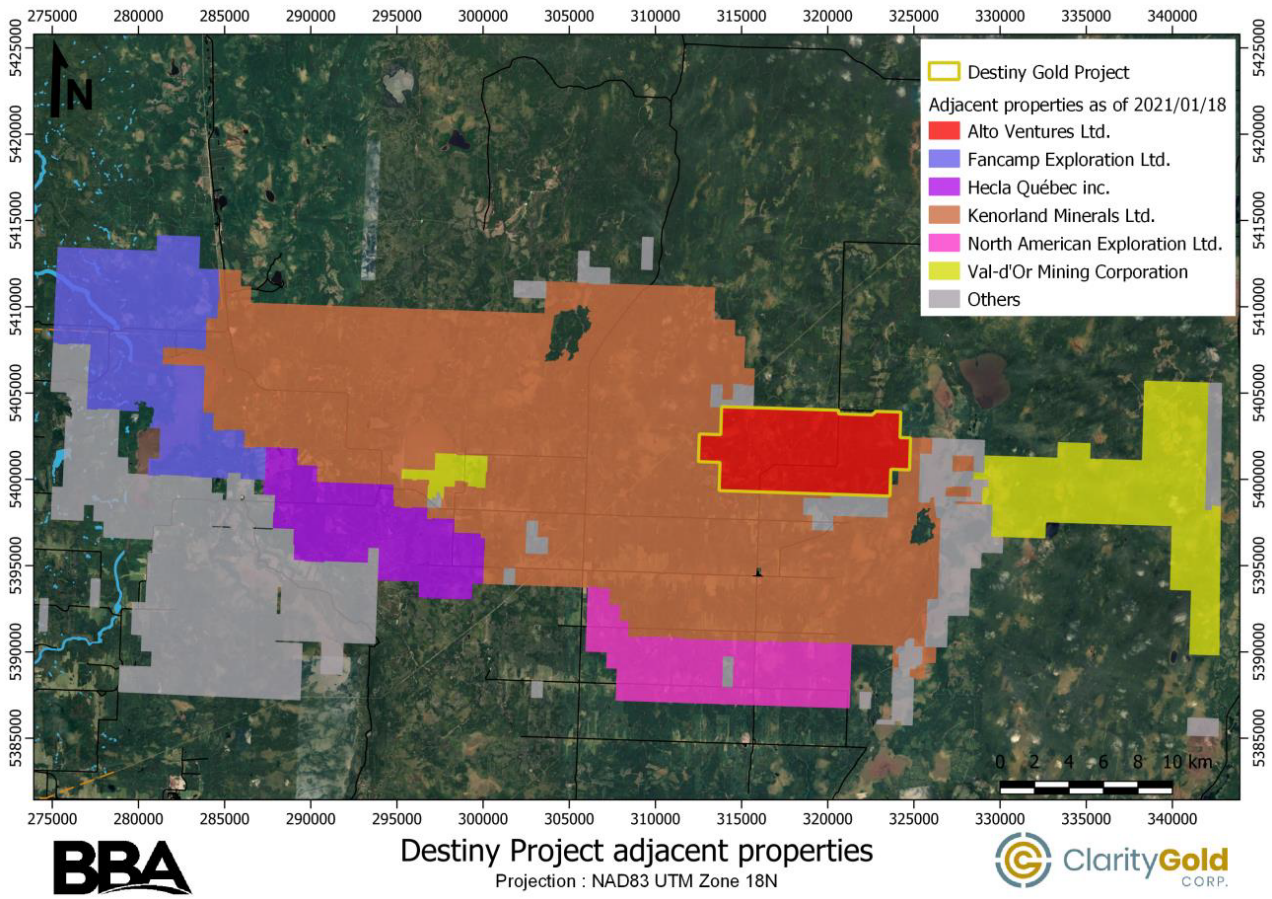
Duverny Project

Hecla-Quebec owns the exploration project Duverny near Lac Castagnier. The property is located south of the Lac Castagnier regional deformation corridor. It consists of 123 mining claims for a total of 5,700 ha.

Fancamp Exploration Ltd. Project

Fancamp Exploration Ltd has a property located west of the Destiny Project for a total of 171 mining claims (9,624.2 ha). Detailed information about that project is not available on their website.

FIGURE 23-1: Destiny Project Adjacent Properties



Other Relevant Data and Information

To the Destiny Authors' best knowledge, all the relevant data and information has been provided in the preceding text.

Interpretation and Conclusions

Overview

The Destiny Property is located in the Despinassy Township, approximately 75 km north-northwest of Val-d'Or, in the Abitibi region, in the province of Québec. The Destiny Property is found within NTS sheets 32C 11/12/13/14 and the centre of the Destiny Property is at latitude 48°44' North and longitude 77°32' West. The Destiny Property consists of 127 mining claims totaling approximately 5,013 ha. The claims are held 100% be Alto Ventures Ltd., a wholly-owned subsidiary of Big Ridge.

The Company has an option agreement signed with Big Ridge, whereby the Company can earn 49% interest in the claim titles by making total cash payments of $2,000,000 and issuing a total of $3,500,000 in common shares to Big Ridge within twenty-four months of closing the agreement. The Company can earn 100% in the property by paying an additional $1,000,000 in cash and $2,000,000 worth of shares with thirty-six months of closing.

Access to the Destiny Property is through a network of forestry service roads in addition to major road (Route 397) crossing the middle of the Destiny Property. A high-tension power line passes through the western half of the Destiny Property in a northeast-southwest direction and provides a potential northeast-southwest access corridor across the Destiny Property.

Services and Infrastructure

Services and infrastructure to support exploration and diamond drilling on the Destiny Property are readily available in the region. The city of Val-d'Or is a full service community providing support for exploration and mining.

Geology

The Destiny Property is predominantly underlain by strongly foliated mafic volcanics, interbedded with minor amounts of siltstone, graphitic mudstone, and sulphide iron formation of the Amos Group (Lower Formation). In drill core, the mafic volcanics are described as very fine grained and mainly composed of chlorite and amphibole with minor amounts of feldspar. The volcanics appear to be variably altered to carbonate (ankerite and calcite), biotite, sericite, which localized areas of millimetre to centimetre-thick bands of silica and disseminations of pyrite, pyrrhotite, and minor amounts of sphalerite, galena, and chalcopyrite.

The DAC gold zone consists of a zone that is >150 m wide regional east-west shear zone, called the Despinassy Shear Zone. Along this shear zone, gold mineralization has been outlined over a strike length of nearly 5 km on the Destiny Property. The most extensive and mineralized gold zones occur where the two shear zones and felsic intrusives are strongly folded, brecciated and silica flooded in the large "Z" fold structure, approximately 150 m in amplitude. This fold is host to four broad zones of metre to decametre-thick mineralized shearing, coupled with smaller zones.

Within the fold structure, the most extensive and strongest gold mineralization occurs along the axial plane area, in the shear zone designated as Zone 2. This zone also comprises abundant felsic intrusives, which were cored over intervals ranging from 15 m to 20 m.

Two distinct mineralization events have been observed: (1) an early phyllosilicate-calcite-sulphide-silica event; and (2) a younger superimposed base-metal-bearing auriferous milky white quartz veining event. The first event is

associated with anomalous (>100 ppb Au) to low-grade gold concentration (<5 g/t Au) and consists of fine-grained brown biotite and grey-buff carbonate (mainly calcite with minor ferro-dolomite-ankerite) and local, weak-to-strong, yellow sericite alteration. The area of alteration was concentrated in 1 cm to 2 cm wide bands. These zones were also characterized by locally occurring, grey, boudinaged calcite-quartz veins/veinlets, trace to 20% disseminated and vein-type pyrite, pyrrhotite and minor light brown to reddish sphalerite.

The Destiny Property displays the characteristics of an Archean greenstone-hosted orogenic gold deposit.

Diamond Drilling

Clarity Gold has not conducted any diamond drilling on the Destiny Property.

A total of 189 diamond drillholes dating back to 1963 have been identified as having been drilled on the Destiny Property through a search of assessment records. The digital drillhole database contains the records for 172 holes totaling 50,399 m from between 1986 and 2012.

UMEX Inc. completed 17 holes totaling 2,688 m between 1986 and 1987. Cameco completed 63 holes totaling 20,501 m between 1998 and 2001. Alto Ventures Ltd. completed 92 holes totaling 27,210 m between 2005 and 2012.

Drilling, logging sampling and analytical procedures were conducted in agreement with industry best practices at the time.

Data Verification

Data validation was completed in the form of a site visit, inspection of drill collar locations, inspection of drill core, collection of check samples and a review of the digital database relative to drill logs and assay certificates.

Alto Venture had a QA/QC program was in place from 2005 to 2012. The program met industry best practice at the time. There is no QA/QC program prior to 2005 as it was not industry standard at the time. It is the Destiny Authors' opinion that the database has been adequately validated and is suitable for the purpose of the Destiny Technical Report.

Metallurgy and Processing

The Company has not conducted any metallurgical test work on the Destiny Property.

Alto Ventures Ltd. completed a metallurgical test on two composite samples totaling 119 kg. A conceptual flowsheet recovered 98% gold and 83% silver using gravity concentration followed by leaching of gravity tail.

Recommendations

It is Destiny Authors' opinion that additional exploration expenditures are warranted. Two separate exploration programs are proposed. Phase 2 is independent on the results of Phase 1 and can be completed concurrently or separately from the Phase 1 program.

Phase 1 – Gap Infill Drilling

The Phase 1 program is designed to diamond drill test the Gap mineral zone. Drilling will infill between existing drillholes and test the extension of the mineralization at depth. The estimated budget to complete Phase 1 is summarized in Table 26-1.

TABLE 26-1: Phase 1 Exploration Budget

Phase of Work	Description	Expenditures ($)
1	7,000 m of diamond drilling (@$200/m)	1,400,000
	Personnel (1 geologist and 2 assistants)	150,000
	Assays (2,000 @ $50)	100,000
	Room and Board, Core Shack	10,000
	Transportation (truck and snowmobile)	15,000
	Line/Trail Cutting	15,000
	Modelling and Reporting	50,000
	Phase 1 Total	**1,740,000**

Phase 2- DAC Infill Drilling

The Phase 2 program is designed diamond drill test the DAC mineral zone. Drilling will infill between existing drillholes and test the extension of the mineralization at depth. The estimated budget to complete Phase 2 is summarized in Table 26-2.

TABLE 26-2: Phase 2 Exploration Budget

Phase of Work	Description	Expenditures ($)
2	20,000 m of diamond drilling (@$200/m)	4,000,000
	Personnel (2 geologists and 2 assistants)	250,000
	Assays (10,000 @ $50)	500,000
	Room and Board, Core Shack	30,000
	Transportation (truck and snowmobile)	45,000
	Line/Trail Cutting	10,000
	Modelling and Reporting	50,000
	Phase 2 Total	**4,885,000**

Other Recommendations

The following recommendations are proposed to assist in moving the Destiny Property forward:

- For future drilling programs, collect specific gravity measurements for the various rock types and alteration styles. Approximately 4% to 5% of the database should have a specific gravity measurement. This will allow for a more accurate calculation of the tonnage in future mineral resource estimates.
- Due to the presence of coarse gold, any assay over 1 g/t should be run with a metallic screen assay.
- The drillhole database should be updated to include columns for both the coarse and fine factions of the metallic screen assays, not just the total assay.

- Conduct a professional survey of all collar coordinates of the drillholes performed after 2000 as well as several control sites across the Destiny Property to develop an accurate digital terrain model.

- Conduct a resampling program of 5% to 10% of the whole assay database with insertion of QA/QC samples as all of the drilling information are historical in nature.

- All future drill programs should collect basic geotechnical data to support future geotechnical studies.

References

For a complete list of references used in the Destiny Technical Report, reference should be made to the full text of the Destiny Technical Report which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company's profile on SEDAR at www.sedar.com.

Specialized Skills and Knowledge

Successful exploration, development and operation of the Company's properties will require access to personnel in a wide variety of disciplines, including geologists, geophysicists, engineers, drillers, managers, project managers, accounting, financial and administrative staff, and others. Since the project locations are also in jurisdictions familiar with and friendly to resource extraction, management believes that the Company's access to the skills and experience needed for success is sufficient.

Competitive Conditions

The Company's activities are directed towards the exploration, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of mineral deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts, and the Company may not be able to successfully raise funds required for any such capital investment. See "*Risk Factors – Risks Related to the Company, its Business and Industry*" below for more information.

Business Cycles

Mining and mineral exploration is a cyclical industry and commodity prices fluctuate according to global economic trends and conditions. See "*Risk Factors – Risks Related to the Company, its Business and Industry*" below for more information.

Environmental Protection

The Company's exploration and development activities, as applicable, are subject to various levels of federal, state and local laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. See "*Risk Factors – Environmental Risks*" below.

Employees

As of the date of this AIF, the Company did not have any employees and the services of Chief Executive Officer, Chief Financial Officer and Corporate Secretary were provided by contractors.

RISK FACTORS

The following specific factors could materially adversely affect the Company and should be considered when deciding whether to make an investment in the Company. The risks and uncertainties described in this AIF and the information incorporated by reference herein are those the Company currently believes to be material, but they are not the only ones the Company will face. If any of the following risks, or any other risks and uncertainties that the Company has not identified or that it currently considers not to be material, actually occur or become material risks, the Company's business, prospects, financial condition, results of operations and cash flows, and consequently the price of the Common Shares could be materially and adversely affected. In all these cases, the trading price of the Company's securities could decline, and prospective investors could lose all or part of their investment.

Investors should carefully consider the risk factors set out below and consider all other information contained herein and in the Company's other public filings before making an investment decision.

Any reference to "the Company" or "Clarity" in the risk factors refers to the Company and its subsidiaries together on a consolidated basis.

Risks Related to the Company, its Business and Industry

The Company will be affected by operational risks and may not be adequately insured for certain risks.

The Company will be affected by a number of operational risks and the Company may not be adequately insured for certain risks, including: labour disputes; catastrophic accidents; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's technologies, personal injury or death, environmental damage, adverse impacts on the Company's operation, costs, monetary losses, potential legal liability and adverse governmental action, any of which could have an adverse impact on the Company's future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which the Company cannot insure or which the Company may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor.

The risks discussed below also include forward-looking statements and actual results may differ substantially from those discussed in these forward-looking statements. See "*Cautionary Statement Regarding Forward-Looking Statements*" in this AIF.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Company's interest in the Empirical Property or Destiny Property. The Company's unallocated working capital may not suffice to fund the recommended exploration programs on its Empirical Property or Destiny Property.

Limited Operating History

The Company is an early stage company and both the Empirical Property and Destiny Property are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current states of the Empirical Property and Destiny Property require significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

Lack of Operating Cash Flow

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. Further exploration and development of the Empirical Property and Destiny Property will require the commitment of substantial financial resources. It may be several years before the Company may generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

Resale of Common Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility.

Property Interests

The Company does not own the mineral rights pertaining to the Empirical Property or the Destiny Property. Rather, it holds an option to acquire the mineral rights. There is no guarantee the Company will be able to raise sufficient funding in the future to explore and develop the Empirical Property or Destiny Property, as applicable, so as to maintain its interests therein. If the Company loses or abandons its interest in either property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CSE. There is also no guarantee that the CSE will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Empirical Property or Destiny Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Company. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of its Property as described herein will result in the discovery of commercial quantities of ore. The Company has no history of operating earnings and the likelihood of success must be considered in light of problems, expenses, etc. which may be encountered in establishing a business.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs at the Empirical Property or Destiny Property will result in the definition of bodies of commercial mineralization. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. Most of the above factors are beyond the Company's control.

Exploration, Development and Production Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of properties in which the Company has an interest will have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Company's properties will be located, often in poor climate conditions.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory

properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Mineral Resources and Reserves

Because the Company has not defined or delineated any proven or probable reserves on any of its properties, mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Unless otherwise indicated, mineralization figures presented in this AIF are based upon estimates made by the Company, personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis which may prove to be unreliable. There can be no assurance that these estimates will be accurate; resource or other mineralization figures will be accurate; or such mineralization could be mined or processed profitably.

Obtaining and Renewing Licenses and Permits

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Empirical Property and the Destiny Property. Obtaining or renewing the necessary governmental licenses or permits is a complex and time consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from each of the Empirical Property and the Destiny Property. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

No Assurances

There is no assurance that economic mineral deposits will ever be discovered, or if discovered, subsequently put into production. Most exploration activities do not result in the discovery of commercially mineable deposits. The Company's future growth and profitability will depend, in part, on its ability to identify and expand its mineral reserves through additional exploration of both the Empirical Property and Destiny Property and on the costs and results of continued exploration and development programs. Mining exploration is highly speculative in nature, involves many risks and frequently is not productive. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any anticipated level of recovery of mineral reserves will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. There can be no assurance that the Company's exploration efforts at the Empirical Property will be successful.

Aboriginal Title

The Supreme Court of Canada decision of June 26, 2014 in *Tsilhqot'in Nation v. British Columbia* (the "**Tsilhqot'in Decision**"), which declares aboriginal title for the first time in a certain area in Canada and outlines the rights associated with aboriginal title, could potentially have a significant impact on the Company's mineral properties, including the Empirical Property and the Destiny Property.

While the Company's Property is not located within the areas involved in the Tsilhqot'in Decision, there is a risk that the Tsilhqot'in Decision may lead other communities or groups to pursue similar claims in area where the Empirical Property is located. Although the Company relies on the Crown to adequately discharge its obligations in order to preserve the validity of its actions in dealing with public rights, including the grant of mineral titles and associated rights, the Company cannot accurately predict whether aboriginal claims will have a material adverse effect on the Company's ability to carry out its intended exploration and work programs on its properties.

Given this, the Company's mineral properties may now or in the future be the subject of First Nations 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 material property interests and/or potential ownership interests of its mineral properties in the future, 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 its mineral property interests are 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 its mineral properties, 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 Company's mineral properties, including the Empirical Property and the Destiny Property.

Many lands in Canada and elsewhere are or could become subject to Aboriginal land claim to title, which could adversely affect the Company's title to its properties.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Company's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated; their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Company can give no assurance as to the validity of title of the Company to those lands or the size of such mineral lands. Further, the Company does not own the Empirical Property and only has a right to earn the ownership interest therein pursuant to the Empirical Option Agreement. In the event that the Company does not fulfill its obligations contemplated by the Empirical Option Agreement, it will lose its interest in the Empirical Property.

Loss of Interest in Properties

The Empirical Property and the Destiny Property are respectively subject to the Empirical Option Agreement and Destiny Option Agreement which requires the Company to incur exploration and development expenditures in order to maintain and/or earn its interests in such properties. The Company's ability to maintain and/or earn its interest in the Empirical Property or Destiny Property, as applicable, may be dependent on its ability to raise additional funds by equity financings. Failure to obtain additional financing may result in the Company being unable to make periodic payments required for the maintenance or acquisition of the Empirical Property or Destiny Property and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in the Empirical Property or Destiny Property and/or termination of the underlying option agreements related thereto.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not

to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Additional Funding Requirements

The exploration and development of the Empirical Property and Destiny Property will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favorable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the gold and copper industries in particular), the Company's status as a new enterprise with a limited history, the location of the Empirical Property and the Destiny Property, the price of commodities and/or the loss of key management personnel. Further, if the price of gold, copper and other metals on the commodities markets decreases, then potential revenues from the Empirical Property and Destiny Property will likely decrease and such decreased revenues may increase the requirements for capital. Failure to obtain sufficient financing will result in a delay or indefinite postponement of development or production at the Empirical Property and Destiny Property.

Environmental Risks

All phases of the Company's operations with respect to the Company's mineral properties will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for non-compliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Company's mineral properties, including the Empirical Property or Destiny Property, that are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating Company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

Regulatory Requirements

Even if the Empirical Property or Destiny Property are proven to host economic reserves of precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of the Empirical Property or Destiny Property, as applicable, environmental legislation and mine safety.

Volatility of Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in United States dollars.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, 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 mineral properties, including the Empirical Property and the Destiny Property. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Empirical Property, the Destiny Property, or other mineral properties owned by the Company will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Executive Employee Recruitment and Retention

The success of the Company will be dependent upon the performance of its management and key employees. The loss of any key executive or manager of the Company may have an adverse effect on the future of the Company's business. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional

key financial, administrative, geologic and mining personnel as well as additional operations staff. There is no assurance that it will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

Adverse General Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector, were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets, a lack of market liquidity, natural disasters, public health crisis (such as the recent global outbreak of a novel coronavirus ("**COVID-19**") and other events outside of the Company's control. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline.

COVID-19 Coronavirus Outbreak

The current global uncertainty with respect to the spread of COVID-19, the rapidly evolving nature of the pandemic and local and international developments related thereto and its effect on the broader global economy and capital markets may have a negative effect on the Company and the advancements of the Empirical Property or Destiny Property. While the precise impact of the COVID-19 outbreak on the Company remains unknown, rapid spread of COVID-19 and declaration of the outbreak as a global pandemic has resulted in travel advisories and restrictions, certain restrictions on business operations, social distancing precautions and restrictions on group gatherings which are having direct and indirect impacts on businesses in Canada and around the world and could result in travel bans, closure of assay labs, work delays, difficulties for contractors and employees getting to site, and diversion of management attention all of which in turn could have a negative impact on development of the Company's mineral properties, including the Empirical Property and the Destiny Property, and the Company generally. The spread of COVID-19 may also have a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could affect the business, financial condition, results of operations and other factors relevant to the Company, including its ability to raise additional financing.

Force Majeure

The Company's Property now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Competition

All aspects of the Company's business will be subject to competition from other parties. Many of the Company's competitors for the acquisition, exploration, production and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Dividends

To date, the Company has not paid any dividends on their outstanding shares. Any decision to pay dividends on the shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

Reporting Issuer Status

As a reporting issuer, the Company will be subject to reporting requirements under applicable securities law and stock exchange policies. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations.

The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Management of the Company expects that being a reporting issuer will make it more expensive to maintain director and officer liability insurance. This factor could also make it more difficult for the Company to retain qualified directors and executive officers.

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to the circumstances by each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisors prior to subscribing for Common Shares.

Operating Hazards, Risks and Insurance

The ownership, exploration, operation and development of a mine or mineral property involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on Company property, and punitive awards in connection with those claims and other liabilities.

It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of our securities. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact its business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses. These could include loss or forfeiture of mineral interests or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by personnel.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company's authorized share structure consists of an unlimited number of Common Shares.

As of the date hereof, 28,042,592 Common Shares are issued and outstanding, 1,650,000 incentive stock options each exercisable for one Common Share and 4,145,422 warrants, each exercisable for one Common Share. See "*Market for Securities – Prior Sales*" for more information.

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

MARKET FOR SECURITIES

Trading Price and Volume of Common Shares

The Common Shares are listed and posted for trading on the CSE under the symbol "CLAR". The following table sets forth the price range (high and low prices) in Canadian dollars of the Common Shares and volume traded on the CSE, for the periods indicated.

2021	High ($)	Low ($)	Volume
May 1 to May 19, 2021	$1.21	$0.73	1,723,828
April	$1.82	$0.87	2,667,755
March	$1.55	$1.37	1,143,149
February	$1.70	$1.48	1,198,886
January	$1.53	$1.13	2,290,540
2020			
December	$1.31	$1.15	1,987,069
November	$1.28	$1.15	674,448
October	$1.30	$1.10	474,412
September	$1.10	$1.05	152,104
August	$1.09	$0.95	192,211
July	$1.00	$0.25	628,753
June[(1)]	$0.22	$0.22	5,100

(1) The Company completed the listing of its Common Shares for trading on the CSE under the symbol "CLAR" on June 29, 2020.

Prior Sales

The following table summarizes the issuances of unlisted securities for the period from inception on September 11, 2019 to the Effective Date:

Date of Issuance	Securities	Number of Common Shares Issued/Issuable or Aggregate Amount	Exercise Price per Security ($)
September 11, 2019	Common Shares	500,000[(1)]	$0.005
October 1, 2019	Common Shares	2,000,000[(2)]	$0.005[(1)]
December 31, 2019	Common Shares	7,150,000[(3)]	$0.2

February 13, 2020	Common Shares	400,000[4]	$0.10
June 25, 2020	Agent options	621,000[5]	$0.175
July 31, 2020	Warrants	2,158,000[6]	$0.35
July 31, 2020	Agent options	79,310[6]	$0.30
January 11, 2021	Warrants	1,563,956[7]	$1.25
January 11, 2021	Finder's Warrants	58,694[7]	$0.96
January 28, 2021	Warrants	3,167,340[8]	$1.25
January 28, 2021	Finder's Warrants	155,270[8]	$0.96

(1) Issued upon incorporation of the Company.

(2) Issued pursuant to the Empirical Option Agreement at a deemed price of $0.005 per Common Share.

(3) Issued prior to the completion of the Company's initial public offering on June 25, 2020.

(4) On June 25, 2020, the Company completed its IPO by issuing 6,900,000 Common Shares at $0.175 per share for gross aggregate proceeds of $1,207,500.

(5) On July 31, 2020, the Company completed a non-brokered private placement consisting of 2,158,000 units at a price of $0.30 per unit for gross proceeds of $647,400. Each unit is comprised of one Common Share and one half of one Common Share purchase warrant. One full warrant is exercisable into one additional Common Share at a price of $0.35 per Common Share until July 31, 2022. The Company paid a $10,000 finder's fee and issued 79,310 agent options. Each agent option is exercisable into one Common Share at a price of $0.30 per share until July 31, 2022.

(6) On January 11, 2021, the Company issued an aggregate of 1,563,956 units at a price of $0.96 per unit for gross proceeds of $1,501,397.76. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each whole warrant is exercisable into one additional Common Share at a price of $1.25 per Common Share for a period of one year from the closing date. The Company paid cash finder's fees of $56,347 and issued 58,694 finder's warrants to certain finders in connection with the private placement. Each finder's warrant is exercisable into one additional Common Share at a price of $0.96 per Common Share until January 11, 2022.

(7) On January 28, 2021, the Company issued an aggregate of 3,167,340 units at a price of $0.96 per unit for gross proceeds of $3,040,646.40. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each whole warrant is exercisable into one additional Common Share at a price of $1.25 per Common Share for a period of one year from the closing date. The Company paid cash finder's fees of $149,061.29 and issued 155,270 finder's warrants to certain finders in connection with this private placement. Each finder's warrant is exercisable into one additional Common Share at a price of $0.96 per Common Share until January 28, 2022.

ESCROWED SECURITIES

The following table summarizes the Company's securities that remain in escrow or subject to restrictions on transfer as of the date hereof:

Designation of Class	Number of securities held in escrow or that are subject to contractual restriction on transfer	Percentage of Class[3]
Common Shares	2,062,500[1]	7.35%
Common Shares	1,600,000[2]	5.71%

(1) In connection with the listing of the Common Shares for trading on the CSE, an aggregate of 2,750,000 Common Shares were deposited in escrow with National Securities Administrators Ltd. 10% of such Common Shares were released from

escrow on the date the Common Shares were listed on the CSE, and 15% will be release from escrow every six months thereafter, subject to acceleration provisions provided for in National Policy 46-201 – Escrow for Initial Public Offerings.

(2) Notwithstanding the escrow restrictions imposed by NP 46-201, certain non-principal shareholders who participated in the founder's round of financing voluntarily entered into the Voluntary Escrow Agreement, such that an additional 3,200,000 Common Shares were deposited into escrow with the Voluntary Escrow Agent and subject to the restrictions provided therein. 25% of such Common Shares were released from escrow four months from the date the Common Shares were listed on the CSE, 25% of such Common Shares were released from escrow on February 29, 2021, 25% of such Common Shares will be released on June 29, 2021 and 25% of such Common Shares will be released on October 29, 2021.

(3) Percentages based on 28,042,592 Common Shares issued and outstanding as of the date hereof.

DIVIDENDS AND DISTRIBUTIONS

The Company has not declared or paid a dividend. Other than the requirements of the BCBCA, there are no restrictions on the Company that would prevent it from paying a dividend. However, as of the Effective Date, the Board intends to retain any future earnings (when available) for reinvestment in the Company's business, and therefore, it has no current intention to declare or pay dividends on the Common Shares in the foreseeable future. Any future determination to pay dividends on the Common Shares will be at the sole discretion of the Board after considering a variety of factors and conditions existing from time to time including its earnings, financial condition and other relevant factors.

DIRECTORS AND OFFICERS

As at the date hereof, the Board is comprised of six individuals. The following table sets forth the names and municipalities of residence of the current directors and executive officers of the Company, their respective positions and offices with the Company and the date first appointed or elected as a director and/or officer and their principal occupation(s) within the past five years.

Name, Occupation and Security Holding

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the past five years
James Rogers[(1)] *Vancouver, British Columbia, Canada*	Chief Executive Officer and a Director (November 1, 2019)	James Rogers is a mining professional who has been active in the mineral exploration industry for 10 years. He is currently President and CEO of Longford Exploration, an international exploration services company that performs services for numerous exploration companies Mr. Rogers studied Geology at Simon Fraser University. Mr. Rogers is currently a director of Global UAV Technologies Ltd. and of Jazz Resources Inc.
Peter Nguyen *Vancouver, British Columbia, Canada*	Chief Financial Officer and Corporate Secretary (December 31, 2019)	Peter Nguyen is a Chartered Professional Accountant with over 10 years of experience and holds a degree from the University of British Columbia. Mr. Nguyen is the CFO of reporting issuers Cameo Industries Corp. (formerly Cameo Cobalt Corp.), AgraFlora Organics International Inc., 1014379 B.C. Ltd. and MegumaGold Corp. He has held senior financial positions for both public and private companies where he provided assurance, corporate finance, tax and business advisory services.

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation within the past five years
Andrew Male[(1)(2)] *Vancouver, British Columbia, Canada*	Director (September 11, 2019)	Mr. Male is an experienced director and officer of international public and private investment, mining and oil & gas companies. Mr. Male is a former founder and CEO of a Top 50 TSX Venture Exchange ranked company, which, during his tenure, he guided the company through its initial financing phases, project acquisitions, deployment of exploration programs, development financing, transitioning mining assets from greenfield to brownfield and the acquisition of adjacent producers. Mr. Male also negotiated the financing and joint venture with a private equity firm resulting in the eventual takeover and consolidation into their business operations. Presently, Mr. Male works with several "family offices" (private wealth management advisory firms that serve ultra-high-net-worth investors) and specific investors that seek access to an array of transformational opportunities. He is an Associate of Columbus Energy Partners, an incubator and accelerator of companies in the energy sector.
Theo van der Linde[(1)] *North Vancouver, British Columbia, Canada*	Director (January 17, 2020)	Mr. van der Linde is a Chartered Accountant with 22 years extensive experience in finance, reporting, regulatory requirements, public company administration, equity markets and financing of publicly traded companies. He has served as a CFO & Director for a number of TSX Venture Exchange and Canadian Securities Exchange listed companies over the past several years. Mr. van der Linde has extensive experience in financial services, manufacturing, oil & gas, mining and retail industries. Most recently, he has been involved with future use trends of natural resources as well as other disruptive technologies. Mr. van der Linde received a B.Comm. (Hons) in Finance, is a Chartered Accountant and is a member of good standing of the Institute of the Chartered Public Accountants of British Columbia.

(1) Member of the Audit Committee.

(2) Chairman of the Audit Committee.

As at the date hereof, the directors and senior officers of Clarity, as a group, beneficially own or control, directly or indirectly, 2,802,250 Common Shares or 9.99% of the issued and outstanding Common Shares.

The directors listed above will hold office until the next annual meeting of the Company or until their successors are elected or appointed.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than disclosed below, to the knowledge of management, no director or executive officer as at the date hereof, is or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Clarity), that (a) was subject to an order 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 an order 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. For the purposes hereof, "order" means (a) a cease trade order, (b) an order similar to a cease trade order, or (c) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

To the knowledge of management, other than as disclosed herein, no director or executive officer of Clarity, or a shareholder holding a sufficient number of securities of Clarity to affect materially the control of the company (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including Clarity) 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 the 10 years before the date hereof, 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 director, executive officer or shareholder.

James Rogers was Chief Operating Officer and a director of Navis Resources Corp. ("**Navis**") when Navis failed to file certain Form 45-106F1 Reports of Exempt Distributions as required under section 6.1 of National Instrument 45-106 – *Prospectus Exemptions* in connection with certain distributions of its securities between January 1, 2017 and July 31, 2018 (collectively, the "**Required Filings**"). As a result of its failure to file the Required Filings, the BCSC issued a cease trade order (the "**CTO**") against Navis on November 23, 2018. On November 27, 2018, Navis filed the Required Filings and the CTO was revoked on December 17, 2018.

Andrew Male was CEO and a director of Cancana Resources Corp. ("**Cancana**") when it was unable to complete its financial statements and the requisite filings for the year ended December 31, 2012 within the prescribed timeframe. Therefor Mr. Male personally agreed to a management cease trade order (the "**MCTO**") in an effort to allow the auditor of Cancana sufficient time to complete the audit and make the filing. The MCTO was issued on June 3, 2013 by the Alberta Securities Commission, the audited financials were completed and filed on July 31, 2013 and in turn the MCTO was lifted at the close of business on August 6, 2013.

Penalties or Sanctions

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

There are potential conflicts of interest to which the directors and officers of Clarity will be subject to in connection with the operations of Clarity. In particular, certain of the directors and officers of Clarity are involved in managerial or director positions with other companies whose operations may, from time to time, be in direct competition with those of Clarity or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of Clarity.

In accordance with the applicable corporate and securities legislation, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with Clarity are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of Clarity. Certain of the directors and each of the executive officers of Clarity have either other employment or other business or time restrictions placed on them and accordingly, these directors of Clarity will only be able to devote part of their time to the affairs of Clarity. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable corporate law.

AUDIT COMMITTEE

Audit Committee Charter

The full text of the Company's Audit Committee Charter is included as Schedule A to the AIF.

Audit Committee Composition

The following are the members of the Audit Committee as at the date hereof:

Audit Committee Members		
Andrew Male (Chairman)	Independent[1]	Financially Literate[2]
James Rogers	Not Independent[1]	Financially Literate[2]
Theo van der Linde	Not Independent[1]	Financially Literate[2]

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of the issuer, is considered to have a material relationship with the issuer.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

Andrew Male - Chairman

Mr. Male is an experienced director and officer of international public and private investment, mining and oil & gas companies. Mr. Male is a former founder and CEO of a Top 50 TSX Venture Exchange ranked company, which, during his tenure, he guided the company through its initial financing phases, project acquisitions, deployment of exploration programs, development financing, transitioning mining assets from greenfield to brownfield and the acquisition of adjacent producers. Mr. Male also negotiated the financing and joint venture with a private equity firm resulting in the eventual takeover and consolidation into their business operations. Presently, Mr. Male works with several "family offices" (private wealth management advisory firms that serve ultra-high-net-worth investors) and specific investors that seek access to an array of transformational opportunities. He is an Associate of Columbus Energy Partners, an incubator and accelerator of companies in the energy sector.

Theo van der Linde

Mr. van der Linde is a Chartered Accountant with 22 years extensive finance, administration and public accounting experience in diverse industries including mining, oil & gas, financial services, manufacturing and retail. During the last nine years of his career Mr. van der Linde has been focused on the mining industry working with Junior Exploration and producing mining Companies at various stages of growth and in several jurisdictions including South Africa, West- Africa, Peru, Sri-lanka and the United States.

James Rogers

Mr. Rogers is a mining professional who has been active in the mineral exploration industry for 10 years. Mr. Rogers has also served as a director of Global UAV Technologies Ltd. and of Jazz Resources Inc., through which he has gained an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as a member of the Audit Committee.

Each member of the Audit Committee has:

- 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;

- experience with 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

- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of the Company's financial year ended December 31, 2019, was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's financial year ended December 31, 2019, has the Company relied on any exemption from NI 52-110, including Section 2.4 of NI 52-110 (De Minimis Non-Audit Services), or an exemption granted under Part 8 of NI 52-110.

The Company has relied upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its audit committee.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other members of the Audit Committee of such non-audit or additional work.

External Auditor Service Fees

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees[1] ($)	Audit Related Fees[2] ($)	Tax Fees[3] ($)	All Other Fees[4] ($)
2020	$25,000	Nil	Nil	Nil
2019[5]	$5,000	Nil	Nil	Nil

(1) "**Audit Fees**" include fees necessary to perform the annual audit and quarterly reviews of our 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**" for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported as audit fees. The services provided in this

category include due diligence assistance, accounting consultations on proposed transactions, and consultation on International Financial Reporting Standards conversion.

(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.

(4) "**All Other Fees**" includes all fees other than those reported as Audit Fees, Audit-Related Fees or Tax Fees.

(5) For the period from incorporation on September 11, 2019 to December 31, 2019.

PROMOTERS

James Rogers, the CEO of the Company, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Rogers owns 2,052,250 Common Shares indirectly through Longford Capital Corp., a company controlled by Mr. Rogers, which represents 7.32% of the Common Shares outstanding as at the date of this AIF.

Mr. Rogers was Chief Operating Officer and a director of Navis Resources Corp. ("**Navis**") when Navis failed to file certain Form 45-106F1 Reports of Exempt Distributions as required under section 6.1 of National Instrument 45-106 – *Prospectus Exemptions* in connection with certain distributions of its securities between January 1, 2017 and July 31, 2018 (collectively, the "**Required Filings**"). As a result of its failure to file the Required Filings, the BCSC issued a cease trade order (the "**CTO**") against Navis on November 23, 2018. On November 27, 2018, Navis filed the Required Filings and the CTO was revoked on December 17, 2018.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Clarity is not, and has not been at any time within the most recently completed financial year, a party to any legal proceedings, nor is or was Clarity's property the subject of any legal proceedings, known or contemplated, that involves a claim for damages exclusive of interest and costs that met or exceeded 10% of the Company's current assets.

Further, there have not been any (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the year ended December 31, 2020, (b) any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, or (c) settlement agreements entered into by the Company before a court relating to securities legislation or with a securities regulatory authority during the year ended December 31, 2020.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as previously disclosed, the Company is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or any shareholder holding more than 10% of the Common Shares or any associate or affiliate of any of the foregoing in any transaction within the three most recently completed financial years or during the current financial year or any proposed or ongoing transaction of the Company which has or will materially affect the Company.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Smythe LLP, Chartered Professional Accountants, located at 1700 – 475 Howe Street, Vancouver BC V6C 2B3.

The transfer agent and registrar for the Common Shares is National Securities Administrators Ltd., located at Suite 702, 777 Hornby Street, Vancouver, BC, V6Z 1S2.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Company as of the date hereof, or which will be entered into prior to the Closing and which are regarded presently as material are:

1. Stock Option Plan adopted February 24, 2020.

2. Transfer Agent Agreement dated February 24, 2020 between the Company and the Transfer Agent.

3. Escrow Agreement dated May 5, 2020 among the Company, the Escrow Agent, and the Escrow Securityholders. See "*Escrowed Securities*".

4. Voluntary Escrow Agreement dated May 5, 2020 among the Company, the Voluntary Escrow Agent, and the Voluntary Escrow Securityholders. See "*Escrowed Securities*".

5. Empirical Option Agreement dated October 1, 2019 between the Company and the Optionor. See *"General Development of the Business"*.

6. Agency Agreement dated May 28, 2020 between the Company and Leede Jones Gable Inc. See "*Plan of Distribution*".

7. Longford Exploration Consulting Agreement dated October 31, 2019 between the Company and Longford Exploration. See "*Executive Compensation*".

INTERESTS OF EXPERTS

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, or related to, the Company's most recently completed financial year other than Smyth LLP, the Company's auditors.

Smythe LLP are the auditors of the Company and have confirmed that they are independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada and any applicable legislation or regulations.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.SEDAR.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Clarity's securities and securities authorized for issuance under equity compensation plans, where applicable, will be contained in Clarity's information circular for the next annual meeting of shareholders that involves the election of directors and additional information as provided in Clarity's comparative financial statements for its most recently completed financial year. Clarity will provide this information to any person, upon request made to the Chief Financial Officer of Clarity at 915 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The documents will also be located on SEDAR at www.sedar.com.

Additional financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the period ended December 31, 2020, which are also available on SEDAR.

Schedule A

CLARITY GOLD CORP.
AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Clarity Gold Corp.'s (the "**Company**") audit committee (the "**Audit Committee**"), or its Board of Directors (the "**Board**") in lieu thereof. The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

1. Composition

(a) *Number of Members*. The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.

(b) *Chair*. If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.

(c) *Financially Literacy*. All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. Meetings

(a) *Quorum*. The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.

(b) *Agenda*. The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.

(c) *Notice to Auditors*. The Company's auditors (the "Auditors") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.

(d) *Minutes*. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

(a) *Selection of the external auditor*. Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.

(b) *Scope of Work*. Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.

(c) *Compensation*. Recommend to the Board the compensation to be paid to the external auditors.

(d) *Replacement of Auditor*. If necessary, recommend the replacement of the Auditor to the Board of Directors.

(e) *Approve Non-Audit Related Services*. Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.

(f) *Direct Responsibility for Overseeing Work of Auditors*. Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.

(g) *Resolution of Disputes*. Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

(h) *Review Audited Financial Statements*. Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.

(i) *Review of Interim Financial Statements*. Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.

(j) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports*. Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.

(k) *Auditor Reports and Recommendations*. Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

(l) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.

(m) *Financial Management*. Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.

(n) *Accounting Policies and Practices*. Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.

(o) *Litigation*. Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.

(p) *Other*. Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

(q) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.

(r) *Employee Complaints*. The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

(a) *Auditor*. The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.

(b) *To Retain Independent Advisors*. The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

(a) the Auditor's independence;

(b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;

(c) the reappointment and termination of the Auditor;

(d) the adequacy of the Company's internal controls and disclosure controls;

(e) the Audit Committee's review of the annual and interim consolidated financial statements;

(f) the Audit Committee's review of the annual and interim management discussion and analysis;

(g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and

(h) all other material matters dealt with by the Audit Committee.