

**SOLDERA MINING CORP.**

(the “Company” or the “Issuer”)

**Form 2A  
LISTING STATEMENT  
Dated September 25, 2020**

**TABLE OF CONCORDANCE**

This table provides the corresponding section to page numbers between the Canadian Securities Exchange Form 2A Listing Statement and the Company’s Final Long Form Prospectus dated September 23, 2020 (the “Prospectus”), filed under the Company’s profile on SEDAR ([www.sedar.com](http://www.sedar.com)), a copy of which is attached hereto as Schedule “A”.

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## CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, **Soldera Mining Corp.** hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Soldera Mining Corp. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia

this 25th day of September, 2020.

/s/ Mark Ireton

**Mark Ireton**  
President, Chief Executive Officer and  
Director

/s/ Faizaan Lalani

**Faizaan Lalani**  
Chief Financial Officer and Director

/s/ Robert Krause

**Robert Krause**  
Director

/s/ Arthur Brown

**Arthur Brown**  
Director

## PROMOTER

/s/ Mark Ireton

**Mark Ireton**  
Promoter

**SCHEDULE A** – Final Long Form Prospectus

**SCHEDULE B** – Form 2A, Section 14 – Capitalization Tables

**SCHEDULE A**

*This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

## PROSPECTUS

New Issue

September 23, 2020

### **SOLDERA MINING CORP.**

1000 – 409 Granville Street  
Vancouver, BC V6C 1T2

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#### **2,164,494 Units on Exercise of 2,164,494 Outstanding Special Warrants**

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This prospectus (the “**Prospectus**”) qualifies the distribution of 2,164,494 units (each, a “**Unit**”) and the common shares and warrants of Soldera Mining Corp. (the “**Company**” or “**Soldera**”) underlying such Units to be distributed, without additional payment, upon the exercise or deemed exercise of 2,164,494 issued and outstanding special warrants (each, a “**Special Warrant**”) of the Company.

**The Special Warrants are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the securities under this Prospectus upon the exercise or deemed exercise of the Special Warrants.**

The Special Warrants were issued by the Company on a private placement basis (the “**Special Warrant Private Placement**”) on May 29, 2020 (the “**Closing Date**”). The Company issued an aggregate of 2,164,494 Special Warrants at a price of \$0.10 per Special Warrant and received gross proceeds of \$216,450 from the sale of the Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one common share (a “**Unit Share**”) of the Company and one share purchase warrant of the Company (a “**Warrant**”), each Warrant exercisable into one common share (a “**Warrant Share**”) of the Company at an exercise price of \$0.20 for two (2) years from the date the Company’s shares commence trading on a Canadian securities exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt (the “**Receipt**”) for a final prospectus to qualify the distribution of the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the Closing Date. Upon exercise or deemed exercise of the Special Warrants, and without additional payment therefor, the Company will issue 2,164,494 Units.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted on any stock exchange or quotation service.

Concurrently with the filing of this Prospectus, the Company intends to apply to list its issued and outstanding common shares (the “**Common Shares**”), the Unit Shares and Warrant Shares qualified under this Prospectus and all other Common Shares issuable as described in this Prospectus on the Canadian Securities Exchange (the “**Exchange**”).

**There is currently no market through which any of the securities being distributed under this Prospectus, may be sold, and purchasers may not be able to resell such securities acquired hereunder. This may affect the pricing of such securities in the secondary market, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation. See “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements”.**

**An investment in securities of the Company involves a high degree of risk and must be considered speculative due to the nature of the Company’s business and the present stage of exploration of its mineral property. The risks outlined in this Prospectus and in the documents incorporated by reference herein should be carefully**

**reviewed and considered by investors in connection with an investment in the Company’s securities. See “Risk Factors”.**

**No underwriter has been involved in the preparation of the Prospectus or performed any review or independent due diligence of the contents of the Prospectus.**

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

Notwithstanding that this Prospectus is being filed to qualify the distribution of all securities issuable upon the exercise or deemed exercise of the Special Warrants, in the event that a holder of Special Warrants exercises such securities prior to the date that the Receipt is received by the Company, the securities issued upon exercise of such Special Warrants will be subject to statutory hold periods under applicable securities legislation and shall bear such legends as required by applicable securities laws.

Investors should rely only on the information contained in this Prospectus and the documents incorporated by reference herein. The Company has not authorized anyone to provide investors with information different from that contained in this Prospectus. The information contained in this Prospectus is accurate only as of the date of this Prospectus.

The Company’s head office is located at 1000 – 409 Granville Street, Vancouver, BC V6C 1T2. The Company’s registered office is located at 6<sup>th</sup> Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6.



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## GLOSSARY

The following is a glossary of certain terms used in this Prospectus. Terms and abbreviations used in the financial statements of the Company may be defined separately and the terms defined below may not be used therein.

“**Author**” means Martin Ethier, P.Geo., the author of the Technical Report;

“**Board**” means the Board of Directors of the Company;

“**Closing Date**” means May 29, 2020;

“**Common Shares**” means the common shares in the capital of the Company and “**Common Share**” means any one of them;

“**Company**” or “**Soldera**” means Soldera Mining Corp.;

“**DTC Eligibility**” means DTC eligibility in respect of the Common Shares;

“**Escrow Agent**” means Odyssey Trust Company;

“**Escrow Agreement**” means the NP 46-201 escrow agreement dated September 22, 2020 among the Escrow Agent, the Company and various Principals and shareholders of the Company;

“**Exchange**” means the Canadian Securities Exchange;

“**First Private Placement**” means the non-brokered private placement financing by the Company conducted on December 16, 2019, and consisting of an aggregate of 1,000,000 Common Shares at a price of \$0.005 per Share;

“**Listing Date**” means the date on which the Common Shares of the Company are listed for trading on the Exchange;

“**Net Smelter Return**” or “**NSR**” means a 2% net smelter royalty interest in the Property granted to the Optionor upon the commencement of commercial production from the Property, as more particularly described in the Property Agreement.

“**NI 41-101**” means National Instrument 41-101 *General Prospectus Requirements* of the Canadian Securities Administrators;

“**NI 43-101**” means National Instrument 43-101 *Standards of Disclosure for Mineral Properties* of the Canadian Securities Administrators;

“**NI 52-110**” means National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators;

“**NI 58-101**” means National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators;

“**NP 46-201**” means National Policy 46-201 *Escrow for Initial Public Offerings* of the Canadian Securities Administrators;

“**NP 58-201**” means National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators;

“**Optionor**” means Alex Pleson, the vendor in the Property Agreement.

“**Pooling Agreement**” means the voluntary pooling agreement entered into among the Company, Mark Ireton and Faizaan Lalani, dated September 22, 2020, pursuant to which the (i) 40% of the Common Shares held by such

Principals may not be traded, sold or otherwise disposed of until 12 months following receipt of DTC Eligibility and (ii) 60% of such shares may not be traded, sold or otherwise disposed of until 18 months following DTC Eligibility;

**“Principal”** of an issuer means:

- (a) a person or company who acted as a promoter of the issuer within two years before the prospectus;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the prospectus;
- (c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering; or
- (d) a 10% holder – a person or company that:
  - (i) holds securities carrying more than 10% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering, and
  - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries;

**“Private Placements”** means the First Private Placement, the Second Private Placement, the Third Private Placement, and the Special Warrant Private Placement, collectively.

**“Property”** or **“Titan Gold Property”** means the claims comprising the the Titan Gold Property located in the Klotz Lake Area, Thunder Bay Mining District of Northwestern Ontario, Canada.

**“Property Agreement”** means the Property Purchase Option Agreement between the Company and Alex Pleson, dated May 7, 2020, pursuant to which the Company has the sole and exclusive right to acquire up to a 100% interest in the Property.

**“Prospectus”** means the final prospectus with respect to the qualification of the distribution of Units, as the case may be;

**“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 Property and of the Technical Report; and
- (c) 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;

**“Receipt”** means a receipt for the final Prospectus to qualify the distribution of the Units received by the Company from the British Columbia Securities Commission.

**“Second Private Placement”** means the non-brokered private placement financing by the Company conducted on February 3, 2020, and consisting of an aggregate of 10,025,000 Common Shares at a price of \$0.02 per Share;

**“Special Warrant”** means a special warrant issued by the Company entitling the holder the right to acquire, without additional payment, one Unit for each Special Warrant held;

“**Special Warrant Private Placement**” means the private placement closed by the Company on the Closing Date of 2,164,494 Special Warrants at a price of \$0.10 per Special Warrant for total gross proceeds of \$216,450;

“**Technical Report**” means the report on the Property prepared for the Company by the Author, dated June 12, 2020, in accordance with NI 43-101;

“**Third Private Placement**” means the non-brokered private placement financing by the Company conducted on February 24, 2020, and consisting of an aggregate of 4,000,000 units at a price of \$0.05 per unit, each such unit comprised of one Common Share and one Third Private Placement Warrant;

“**Third Private Placement Warrants**” means the warrants issued in connection with the Third Private Placement, each such warrant entitling the holder to purchase one Common Share at a price of \$0.10 for a period of two (2) years from the Listing Date;

“**Unit Shares**” means the 2,164,494 Common Shares of the Company to be issued on exercise or deemed exercise of the Special Warrants;

“**Warrants**” means the 2,164,494 share purchase warrants to be issued on exercise or deemed exercise of the Special Warrants, each Warrant to be exercisable into one Warrant Share at an exercise price of \$0.20 for two (2) years from the Listing Date; and

“**Warrant Share**” means a Common Share into which a Warrant is exercisable.

## CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, “forward looking information”) within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Company’s future outlook and anticipated events or results and, in some cases, can be identified by terminology such as “may”, “could”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “projects”, “predict”, “potential”, “targeted”, “possible”, “continue” or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of any proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- proposed expenditures for exploration work, and general and administrative expenses (see “Property Description and Location” and “Use of Available Funds” for further details);
- expectations generally about the Company’s business plans and its ability to raise further capital for corporate purposes; and
- treatment under applicable governmental regimes for permitting and approvals (see “Risk Factors”).

Such forward-looking statements are based on a number of material factors and assumptions, and include the ultimate determination of mineral reserves, if any, the availability and final receipt of required approvals, licenses and permits, sufficient working capital to explore, develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt

markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See “Risk Factors”. Forward-looking statements are based upon management’s beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

Upon becoming a reporting issuer, the Company intends to discuss in its quarterly and annual reports referred to as the Company’s Management’s Discussion & Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in the Prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

Investors are cautioned against placing undue reliance on forward-looking statements.

## PROSPECTUS SUMMARY

*The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.*

**Principal Business of the Company:** The Company is currently engaged in the business of exploration of mineral properties in Canada. Upon the performance of each of the Company's obligations under the Property Agreement, the Company will acquire the 100% right, title and interest in and to the Property, subject to the NSR. The Company's objective is to explore and, if warranted, develop the Property. It is the intention of the Company to remain in the mineral exploration business. Should the Property not be deemed viable, the Company shall explore opportunities to acquire interests in other properties. See "Description of the Business".

**Management, Directors & Officers:**

Mark Ireton            President, Chief Executive Officer and Director  
Faizaan Lalani        Chief Financial Officer, Director  
Robert Krause        Director  
Arthur Brown         Director  
Geoff Balderson     Corporate Secretary  
See "Directors and Executive Officers".

**The Property:** The Property is an exploration stage property that consists of 34 mining cell claims, totalling approximately 2,312.25 hectares in the Klotz Lake Area, Thunder Bay Mining District of Northwestern Ontario, Canada. See "The Titan Gold Property".

**Special Warrants:** This Prospectus is being filed to qualify the distribution in the Province of British Columbia of 2,164,494 Units, and the underlying Unit Shares and Warrants, issuable to the holders of a total of 2,164,494 Special Warrants, upon the automatic exercise of those Special Warrants. The Special Warrants will automatically convert at 5:00 p.m. on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify the distribution of the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the Closing Date.

The Special Warrants were issued on May 29, 2020 at a price of \$0.10 per Special Warrant and there will be no additional proceeds to the Company from the exercise of the Special Warrants.

**Listing:** The Company intends to apply to have its Common Shares listed on the Exchange. Listing is subject to the Company fulfilling all of the requirements of the Exchange, including minimum public distribution requirements. See "Plan of Distribution".

**Use of Available Funds:** The Company's estimated working capital as of August 31, 2020, the most recent month end, is approximately \$425,082. The expected principal purposes for which the available funds will be used are described below:

To pay for the Phase I exploration program expenditures on the Property <sup>(1)</sup>	\$157,630
To pay the second cash installment of the purchase price under the Property Agreement	\$40,000
Initial Listing Fees <sup>(2)</sup>	\$60,000
To pay for general and administrative costs for next 12 months	\$78,000
Unallocated working capital	\$89,452

**TOTAL: \$425,082**

**Notes:**

1. See “The Titan Gold Property – Recommendations”.
2. Including legal, audit, securities commissions and Exchange fees.

**Summary of Financial Information:**

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the period ended May 31, 2020 and the notes thereto included in this Prospectus and should be read in conjunction with those financial statements and related notes thereto, along with the Management’s Discussion and Analysis included in this Prospectus. All financial statements are prepared in accordance with IFRS. The Company’s financial year end is May 31.

	<b>As at and for the period ended May 31, 2020 (\$)(audited)</b>
Revenue	Nil
Total Expenses	75,850
Net loss and comprehensive loss for the period	75,850
Loss per share (basic and diluted)	(0.01)
Current Assets	533,850
Total Assets	573,850
Current Liabilities	12,750
Long Term Debt	Nil
Shareholders’ Equity (Deficit)	561,100

See “Management’s Discussion and Analysis”.

**Risk Factors:**

An investment in the securities of the Company should be considered highly speculative and investors may incur a loss on their investment. The Company only has an option to acquire an interest in the Property. There is no guarantee that the Company will be able to meet its obligations under the Property Agreement. The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: insufficient capital; limited operating history; lack of operating cash flow; there is not presently an active market for the Common Shares; the future price of the Common Shares will vary depending on factors unrelated to the Company’s performance or intrinsic fair value; the Company’s ability to discover, market and develop commercial quantities of ore is uncertain; some aspects of the Company’s operations entail risk that cannot be insured against or may not be covered by insurance; the calculation of the economic value of ore is subject to a high degree of variability and uncertainty; some of the Company’s mineral claims have not yet been surveyed; if the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Property; risks related to the COVID-19 outbreak, the Company is an early stage Company; the Company operates at a loss and may never generate a profit; the Company operates in a highly competitive environment; the Company operates in a highly regulated environment that is subject to changes, some unforeseen, to government policy; unasserted aboriginal title claims and risks related to First Nations land use; the Company operates in an environment with significant environmental and safety regulations and risks; regulatory requirements; the impact of non-governmental organizations, public interest groups and reporting organizations on the Company’s operations and on mining exploration as a whole; volatility of mineral prices; some of the Company’s directors have involvement in other companies in

the same sector; and price volatility of publicly traded securities. See the section entitled “Risk Factors” for details of these and other risks relating to the Company’s business.

## **CORPORATE STRUCTURE**

### **Name and Incorporation**

Soldera Mining Corp. was incorporated under the *Business Corporations Act* (British Columbia) on December 3, 2019. The Company’s registered and records office is located at 6<sup>th</sup> Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6. The Company’s head office is located at 1000 – 409 Granville Street, Vancouver, BC V6C 1T2.

### **Inter-corporate Relationships**

The Company has no subsidiaries.

## **DESCRIPTION OF THE BUSINESS**

The Company is engaged in the business of mineral exploration in Canada and its objective is to locate and, if warranted, develop economic mineral properties.

Upon completing its obligations under the Property Agreement, the Company will hold a 100% interest in the 34 mining claims, totalling approximately 2,312.25 hectares, comprising the Property. The Company’s agreement with the Optionor is an arm’s length transaction. Under the terms of the Property Agreement, the Company shall pay to the Optionor a total of \$140,000 (\$40,000 of which has been paid), incur a minimum of \$360,000 in exploration expenditures, and issue to the Optionor a total of 900,000 Common Shares. Upon the completion of the foregoing, the Company will acquire a 100% interest in the Property, subject to the Company’s grant of a 2.0% net smelter royalty to the Optionor upon the commencement of commercial production from the Property (the “NSR”). The Company has the right to purchase 1.0% of the NSR for \$500,000, thereby reducing the NSR to 1.0%.

As of the date of this Prospectus, the Company has made a payment of \$40,000 to the Optionor under the Property Agreement. The closing of the Property Agreement is conditional on: (i) the Company making a \$40,000 payment on or before the first anniversary of the Listing Date and a \$60,000 payment on or before the second anniversary of the date of the Property Agreement; (ii) the Company incurring a minimum of \$110,000 of exploration expenditures on or before the first anniversary of the date of the Property Agreement, and incurring a minimum of \$250,000 of additional exploration expenditures on or before the second anniversary of the date of the Property Agreement; and (iii) the Company issuing to the Optionor 300,000 Common Shares on or before the first anniversary of the Listing Date and 600,000 Common Shares on or before the second anniversary of the date of the Property Agreement. See “The Titan Gold Property”.

### **Stated Business Objectives**

The Property is in the exploration stage. The Company intends to use the net proceeds raised under the Special Warrants Private Placement to carry out the Phase 1 exploration program for the Property, for which it has budgeted \$157,630. See “The Titan Gold Property - Recommendations” and “Use of Available Funds”.

The exploration, and if warranted, development of the Property may depend on specialized skills and knowledge that are applicable to the mining industry. As of the date of this Prospectus, the Company has two (2) part-time consultants. The Company’s leadership team is composed of the following: (i) Mark Ireton – Chief Executive Officer, President and a Director; (ii) Faizaan Lalani – Chief Financial Officer and a Director; (iii) Robert Krause – a Director; (iv) Arthur Brown – a Director; and (v) Geoff Balderson – Corporate Secretary.

The mineral exploration and development industry is very competitive. As an emerging issuer, the Company is subject to numerous competitive conditions such as need for additional capital and commercial viability of the Property.



## History

Following incorporation, the Company was capitalized by completing the following Private Placements: (i) the First Private Placement, which raised \$5,000 through the issuance of 1,000,000 Common Shares; (ii) the Second Private Placement, which raised \$200,500 through the issuance of 10,025,000 Common Shares; (iii) the Third Private Placement, which raised \$200,000 through the issuance of 4,000,000 units at a price of \$0.05 per unit, each such unit comprised of one Common Share and one common share purchase warrant, each such warrant entitling the holder to purchase one Common Share at a price of \$0.10 for a period of two (2) years from the Listing Date; and (iv) the Special Warrant Private Placement, which raised \$216,450 through the issuance of 2,164,494 Special Warrants. To date, funds raised from the Private Placements have been used to identify and enter into an agreement to acquire a mineral project, specifically, the Property Agreement, for filing fees, professional expenses, regulatory expenses and for general working capital.

## THE TITAN GOLD PROPERTY

The information in this Prospectus with respect to the Property is derived from the Technical Report dated June 12, 2020 prepared for the Company in accordance with NI 43-101 by Martin Ethier, P.Geol. Mr. Ethier is an independent Qualified Person for the purposes of NI 43-101. The full text of the Technical Report is available for review at the registered office of the Company at 6th Floor, 905 West Pender Street, Vancouver, BC V6C 1L6 and is available online under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### *Property Description and Location*

The Property consists of 34 mining claims totalling approximately 2,312.25 hectares land in Klotz Lake / Bicknell Lake Area, Thunder Bay Mining District of Northwestern Ontario, Canada (Figure 1 and 2). It is located about 365 kilometers to the northeast of Thunder Bay. The nearest town to the property is Longlac situated 55 km west of the Property.

Pursuant to the Property Agreement between the Optionor and Soldera, dated May 07, 2020, Soldera holds an option to acquire a 100% interest in the Property by making cash payments, Common Shares issuances and exploration expenditures as follows:

- I. making a \$40,000 payment in cash to the Optionor within 7 days of the signing of the Property Agreement;
- II. incurring a minimum of \$110,000 of exploration expenditures of the Property within one (1) year of the signing of the Property Agreement;
- III. making a \$40,000 payment in cash to the Optionor, and issuing 300,000 of Soldera's Common Shares to the Optionor on or before the first anniversary of the listing of Soldera's common shares on a Canadian stock exchange; and
- IV. making a \$60,000 payment in cash to the Optionor, issuing 600,000 of Soldera's Common Shares to the Optionor, and incurring a minimum of \$250,000 of exploration expenditures on the Property within two (2) years of the signing of the Property Agreement.

The Purchase Agreement also provides for a royalty in the Optionor's favour equal to a 2% Net Smelter Return ("NSR") on the Property. The royalty will be payable to the Optionor for as long as Soldera and/or its successors and assigns hold any interest in the Property. Soldera will have the right to purchase from the Optionor 1% of the NSR for \$500,000, thereby reducing the NSR to 1%.

Twenty-six of the Property claims were originally staked on ground by erecting physical posts as required by earlier claim staking regulations in Ontario. As part of the process to update the provincial *Mining Act*, Ontario has launched a new online, self-service claim staking system in 2018. The new electronic *Mining Lands Administration System* (MLAS) replaces the province's century-old traditional ground staking methods. All the mining claims in Ontario, which existed prior to the modernization (legacy claims in the new parlance), have been converted to what are now known as cell claims or boundary claims. A cell claim is a mining claim that relates to all the land included in one or more cells on the provincial grid. A boundary claim is a claim that is made up of only a part or parts of one or more cells.

In connection with the current COVID-19 situation, and in response to an online request submitted by the Optionor, Ontario Ministry of Northern Development and Mines (“**MNDM**”) has extended the expiry dates of all claims covering the Property that were otherwise set to expire on June 1, 2020 or earlier to December 31, 2020. Such claims’ status is now defined as “Hold Special Circumstances Apply” on claim abstracts shown on MLAS. The remaining claims covering 1,640.25 hectares were staked in 2020 using online staking system and are active until May 2022.

The information posted on Ontario MLAS system respecting the extension granted is provided below:

*“The ministry acknowledges that the COVID-19 outbreak and related public health requirements are special circumstances that have created challenges for all claim holders in Ontario. As a result, we are leveraging the tools available under the Mining Act to provide claim holders with relief through simplified exclusion orders. Claim holders with claim anniversary dates on or before December 31, 2020, will be given an exclusion order by making a brief request via email. There will be no cost for COVID-19 related exclusion requests. The exclusion orders will remove the requirement to carry out assessment work for a period of time of up to 12 months.”*

All cell mining claims are subject to \$200 - \$400 per unit worth of eligible assessment work to be undertaken before their expiry date as shown in Table 1 below. Total work commitment to maintain these claims is \$44,000 per year or the other option is to pay cash in lieu.

Mining claims in Ontario do not include surface rights. The surface rights on the Property are owned by Crown where a permit is required to carry out intrusive exploration work such as line-cutting, trenching and drilling.

First Nation communities within Greenstone municipal boundaries are Long Lake 58, Lake Nipigon Ojibway, Rocky Bay and Sand Point, while Aroland and Ginoogaming First Nations are situated just outside the Municipality, adjacent to the wards of Nakina and Longlac, respectively (Source: <http://greenstone.ca/>). Any exploration and mining work on the Property will need to be carried out in consultation with these communities.

Claim data is summarized in Table 1, while a map showing the Claims is presented in Figure 2. There is no past producing mine on the Property and there were no historical mineral resource or mineral reserve estimates documented.

There are no known environmental liabilities. There is an existing exploration permit in the name of Alex Pleson, the Property Vendor which can be utilized to complete the recommended Phase 1 exploration work until the claims are transferred to Soldera after completion of the Option payments.

**Table 1: List of Property Claims**

<b>Tenure ID</b>	<b>Legacy Claim Id</b>	<b>Township / Area</b>	<b>Tenure Type</b>	<b>Status</b>	<b>Expiry Date</b>	<b>Tenure Ownership Percentage</b>	<b>Work Required</b>
531420		KLOTZ LAKE AREA	Multi-cell Mining Claim	Active	2019-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$4,800
306866	4266307, 4280705	KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$400
282839	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
205825	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
186339	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
186338	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
178908	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
178907	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
133696	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
108740	4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2019-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
313572	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
306870	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
306869	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200

<b>Tenure ID</b>	<b>Legacy Claim Id</b>	<b>Township / Area</b>	<b>Tenure Type</b>	<b>Status</b>	<b>Expiry Date</b>	<b>Tenure Ownership Percentage</b>	<b>Work Required</b>
306868	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
306867	4266307	KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$400
247018	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
239541	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
239540	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
209650	4266307	KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$400
209648	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
190843	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
144839	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
126828	4266307	KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$400
126827	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
107240	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
107238	4266307	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-01-15 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200
294685	4266307, 4280705	KLOTZ LAKE AREA	Boundary Cell Mining Claim	Active	2020-06-01 (Hold Special Circumstances Apply)	Alexander Pleson (100%)	\$200

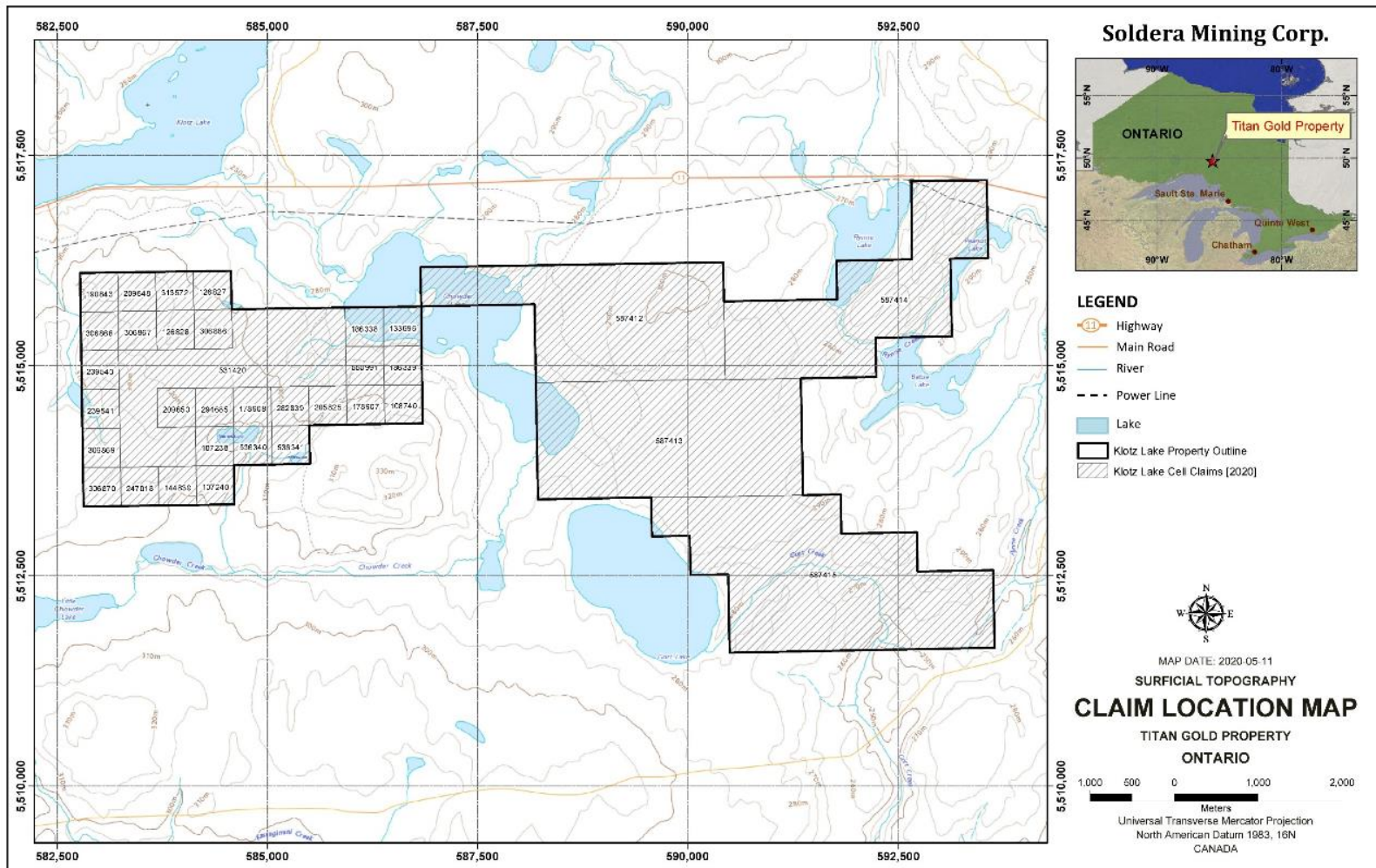
<b>Tenure ID</b>	<b>Legacy Claim Id</b>	<b>Township / Area</b>	<b>Tenure Type</b>	<b>Status</b>	<b>Expiry Date</b>	<b>Tenure Ownership Percentage</b>	<b>Work Required</b>
536341		KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2020-12-12	Alexander Pleson (100%)	\$400
536340		KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2020-12-12	Alexander Pleson (100%)	\$400
550991		KLOTZ LAKE AREA	Single Cell Mining Claim	Active	2021-06-04	Alexander Pleson (100%)	\$400
587415		BICKNELL LAKE AREA, KLOTZ LAKE AREA	Multi-cell Mining Claim	Active	2022-05-05	Alexander Pleson (100%)	10000
587414		BICKNELL LAKE AREA	Multi-cell Mining Claim	Active	2022-05-05	Alexander Pleson (100%)	6800
587413		BICKNELL LAKE AREA, KLOTZ LAKE AREA	Multi-cell Mining Claim	Active	2022-05-05	Alexander Pleson (100%)	8400
587412		BICKNELL LAKE AREA, KLOTZ LAKE AREA	Multi-cell Mining Claim	Active	2022-05-05	Alexander Pleson (100%)	7200
<b>Total</b>		<b>34 Cell Claims</b>			<b>2312.25 Hectares</b>	<b>Work Required</b>	<b>\$44,400</b>

Figure 1: Property Location Map





Figure 2: Claim map with Physiography



Base Map: WMS-Toporama, ESS, NRCan

Prepared by: Shahab Tavakoli, P.Eng.

## Access, Climate, Physiography, Local Resources, and Infrastructure

### Access

The Property covers two claim blocks connected to each other along corners totaling approximately 2,312.25 hectares land, located just south of Highway 11, approximately 365 kilometres from Thunder Bay (Figures 1 and 2). The nearest town to the property is Longlac situated 55 km west of the Property. To access to the Titan gold showing and drill sites, drive on the Trans-Canada Highway 11 for approximately 55 km east of Longlac. Then turn south on the Fish Creek gravel road to Tomorrow Lake where the road ends. Onwards, historical drill roads need four-wheel drive or all-terrain vehicle (ATV) along the Northshore of Morrow Lake to the Titan Gold Showing and historical drill sites.

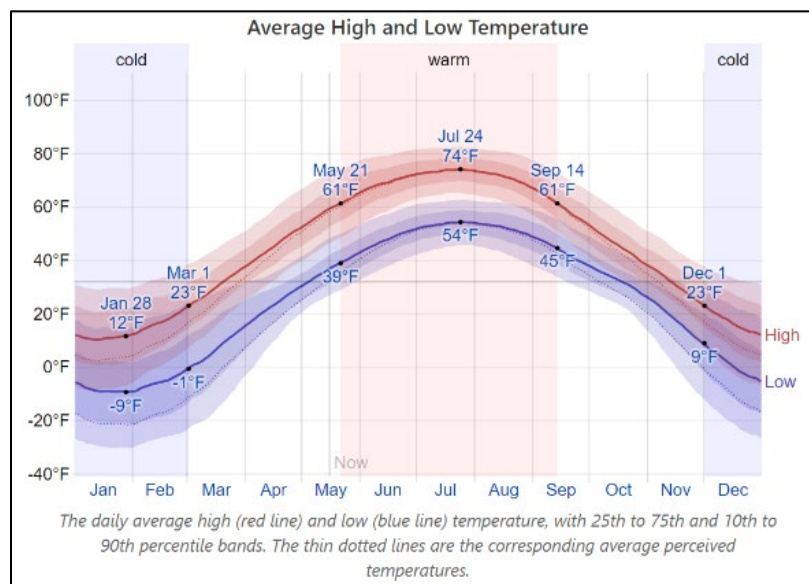
### Climate

The climate on the Property mirrors that of Greenstone and experiences a humid continental climate with cold winters and warm summers. The highest temperature ever recorded in the area was 40°C (104.0°F) on 11 and 12 July 1936 at Longlac. The coldest temperature ever recorded was -50.2 C (-58.4 F) on 31 January 1996 (at Geraldton Airport). The warm season lasts for 3.8 months, from May 21 to September 14, with an average daily high temperature above 61°F (16°C). The hottest day of the year is generally July 24, with an average high of 74°F (23°C) and low of 54°F (12°C). The cold season lasts for 3.0 months, from December 1 to March 1, with an average daily high temperature below 23°F (-5°C). The coldest day of the year is January 28, with an average low of -9°F (-23°C) and high of 12°F (-11°C).

The rainy period of the year lasts for 7.7 months, from March 29 to November 20, with a sliding 31-day rainfall of at least 0.5 inches (1.27 cm). The most rain falls during the 31 days centered around July 3, with an average total accumulation of 3.1 inches (7.87 cm). Snowfall shown in Figure 4 is in liquid-equivalent terms. The actual depth of new snowfall is typically between 5 and 10 times the liquid-equivalent amount, assuming the ground is frozen. Colder, drier snow tends to be on the higher end of that range and warmer, wetter snow on the lower end. Greenstone experiences some seasonal variation in monthly liquid-equivalent snowfall. The snowy period of the year lasts for 7.9 months, from September 27 to May 22, with a sliding 31-day liquid-equivalent snowfall of at least 0.1 inches (0.25 cm). The most snow falls during the 31 days centered around November 23, with an average total liquid-equivalent accumulation of 0.9 inches. Exploration work such as geological mapping, prospecting, trenching, and sampling can be carried out during summer months, whereas drilling and geophysical surveying can be done throughout the year.

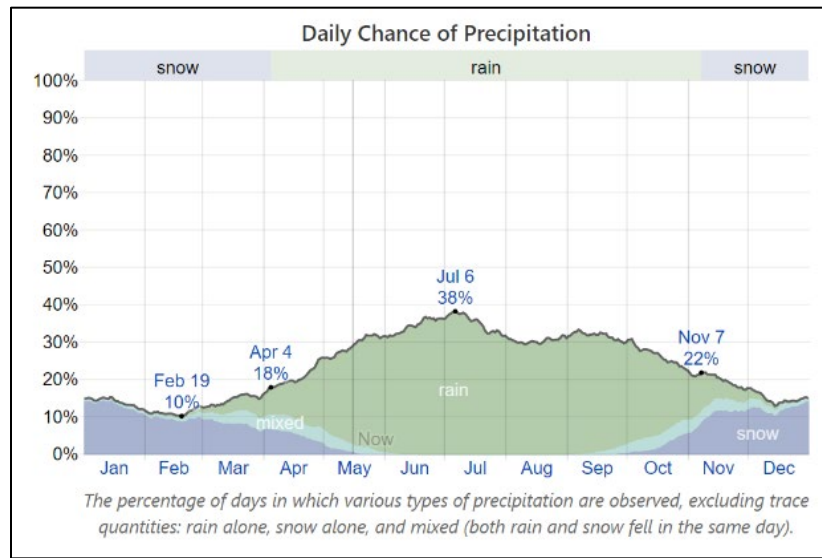
(Climate Data Source: <https://weatherspark.com/y/14340/Average-Weather-in-Greenstone-Canada-Year-Round#Sections-Humidity>).

**Figure 3: Greenstone Average Annual Temperatures**





**Figure 4: Greenstone Average Annual Precipitation**



### Physiography

Physiography of the Property (Figure 2) is typical of the Canadian Shield, with large competent outcrops surrounded by lakes and swamps. The property comprises broadly rolling surfaces of Canadian Shield bedrock that occupies most of northwestern Ontario and which is either exposed at surface or shallowly covered with Quaternary glacial deposits. Late Wisconsinan glacial deposits cover the Property area and the physiography of the Klotz Lake region is defined by glacial activity. The elevation changes are gradual with glacial lakes, muskeg and marshes surrounded by hills, moraines, and ridges of glaciofluvial material and till. Glacial material is typically unsorted sand, silt, and gravel. The height of the land in the Titan property varies between 260 m to 290 m above sea level (Figure 2). Some small sand eskers define the topography to the northeast of the area where the 2012 drilling was focused. Large outcrops of mafic volcanic rocks also create topographic highs and hills locally. Small creeks exist throughout the region and drain into Morrow Lake. Sharp fault valleys and cliffs have been observed in the Titan showing area. Faulting appears to affect the outcrop exposure and distribution in the area which is a mixture of large expansive outcrops and low-lying swamps. The glacial overburden where the drilling was undertaken is typically between one and five metres thick.

Mature coniferous forests cover most of the property, with sporadic young regeneration of deciduous trees due to past logging operations. The Property area is covered by boreal forest with the dominant species being Jack pine and Black Spruce. Willow shrubs and grasses dominate the low marshy areas. The land surface within the area varies somewhat from the region in that there is considerable relief between the lakes in most areas and the ground surface.

### Local Resources and Infrastructure

The nearest town to the property is Longlac situated 55 km west of the Property. Longlac is part of the Municipality of Greenstone which was created on January 1, 2001 by the amalgamation of the former municipalities of the Town of Geraldton, Town of Longlac, the Township of Nakina and the Township of Beardmore, and an extensive area of unincorporated territory including numerous settlement areas such as; Caramat, Jellicoe and MacDiarmid. Geraldton is the largest populated town in the region located 30 km west of Longlac and has an airport, hospital, retail, and banking facilities.

The Property has good road access, located just south of Highway 11. Canadian National Railway (CN Rail) has a northeastern corridor connecting Longlac with Toronto, Thunder Bay and Winnipeg. A high-tension powerline runs along highway 11 just north of the Property. Natural gas is also connected to Longlac. There are several lakes, rivers, and creeks in and around the Property area which can be a source of water for exploration work. The Property size is good enough for future exploration and mining operations.

The Greenstone Regional Airport, owned and operated by the Corporation of the Municipality of Greenstone, is located at Geraldton approximately 90 kilometers to the west of the Property. Airport activity consists of movements by aircraft charters, medevac flights, and Ministry of Natural Resources fire detection and fire response aircraft. The Greenstone Regional Airport also has sea plane facilities located at Hutchison Lake, accessible from Highway 584 (at the intersection of MacOdrum Drive).

The town of Thunder Bay, located about 365 kilometres from the Property, is the largest city in Northwestern Ontario, serving as a regional commercial centre. The town is a major source of workforce, contracting services, and transportation for the forestry, pulp and paper and mining industry. Thunder Bay is a transportation hub for Canada, as the TransCanada highways 11 and 17 link eastern and western Canada. It is close to the Canada-U.S. border and highway 61 links Thunder Bay with Minnesota, United States. Thunder Bay has an international airport with daily flights to Toronto, Ontario and Winnipeg, Manitoba, and the United States. There is a large port facility on the St. Lawrence Seaway System which is a principal north-south route from the Upper Midwest to the Gulf of Mexico.

The city of Thunder Bay has most of the required supplies for exploration work including grocery stores, hardware stores, exploration equipment supply stores, restaurants, hotels, and a hospital. Many junior exploration and mining companies are based in Thunder Bay, and thus the city is a source of skilled mining labour.

### **History**

Historical work on the Property dates back to the 1930's when the L. Morrow staked the claims, and later Gold Showing was discovered by L. Morrow who reportedly collected a 1,833 kg bulk sample of sheared stockworked volcanic rocks from a pit located at the northeast end of Tomorrow Lake in 1951. The sample reportedly returned 31.73 g/t Au. A 15-drill hole program was completed on the Property near Morrow Lake area (Figure 5). L. Morrow in 1958 intersected a mineralized zone 5ft wide averaging 0.17 oz/t Au (5.3 g/t over 1.5m). The same structure was again tested by Getty Resources in 1986 which intersected mineralized tuffaceous units returning wide low grade results with several narrow high grade intercepts (e.g. 75.6 g/t Au over 0.5m and 20.2 g/t Au over 0.5m). Of most significance is that these high grade intercepts were located within a highly carbonate altered chalcopyrite(3%)-pyrrhotite(5%) portion at the end of the hole with a final assay of 223.5-224m (EOH) returning 0.24 oz/t Au (7.5 g/t over 0.5m) (Figures 5-9, Table 4). Between 1993 and 1996, Swereda has completed Beep Mat surveys over the property outlining magnetic anomalies. These areas were subsequently trenched/stripped and blasted. (Source AFRI 2-57590-10).

**Table 2: Historical work summary 1958-2004**

<b>Year</b>	<b>Work Completed</b>	<b>Company</b>	<b>Report Number (AFRI)</b>	<b>Comments</b>
<b>1958</b>	Diamond Drilling	L. Morrow	42F13SW0011 42F13SW0036	15 drill holes (415m), one of which was drilled on SE corner of legacy claim 4266307 (hole 7). Hole 7 reported 5.0 ft at 0.17 oz/t Au (AFRI #: 42F13SW0036)
<b>1982</b>	Line cutting, Ground Magnetics, prospecting	Banque-Or Inc.	42F13SW0036	5.5 miles of line cut with line separations of 100 and 400 ft, pickets at 50 ft. Total of 4.1 miles were surveyed by ground magnetics.
<b>1985</b>	Ground Mag-EM	Golden Tiger	42F13SW0013	Survey covers NW portion of legacy claim 4266307; 400 ft line spacing, 100 ft picket spacing.

Year	Work Completed	Company	Report (AFRI) Number	Comments
1986	Diamond Drilling	Getty Resources Ltd.	42F13SW0012 42F13SW0031	8 drill holes (1422m), only hole KL-86-23(224m) was completed on legacy claim 4266307. Intersected wide, but low-grade mineralized lapilli tuffs and narrow high-grade carbonate altered portions (e.g. 75.6 g/t Au over 0.5m and 20.2 g/t Au over 0.5m). Hole was ended in best in mineralized portion of hole.
1993	Beep Mat Survey, Soil (20) and Rock samples (16), Trenching (600m <sup>2</sup> )	M. Swereda	42F13SW2001, 42F13SW0003, 42F13SW0005	Soil: up to 249 ppb Au, Mo anomaly(s). Rock: anomalous Cu. Beep Mat anomalies were trenched and local shear zones uncovered (slightly elevated Au results)
1995	Hand stripping	M. Swereda	42F13SW0015	Best sample 0.09 oz/t Au, elevated Cu
1995	Beep Mat survey	S. Shields	42F13SW0011	Completed over the frozen Tomorrow Lake, outlined two anomalies.
1996	Blasting	M. Swereda	42F13SW0023	No significant Au results
2004	Drilling	Clark	42F13SW2003	Only hole KL-04-02 on claim 4266331. Anomalous results returned (i.e. 0.77 g/t over 1m)

There are two gold occurrences on the property which are summarized in Mineral Deposit Identification (MDI) Link of MNDM online database (Table 3 and Figure 5 for location).

**Table 3: Mineral showings summary provided in MDI database**

Name of Showing	Titan Gold Showing - 2012, Titan Zone - 2012, Hardrock East Project – 2012	Morrow Prospect - 1958, Chowder Lake - 1958, Explorations Banque-or Inc. Property - 1983, Chowder Lake Gold Showing - 1980, Solarus Grid - 2012
Exploration History	2011-12: Prodigy Gold / Goldstream Exploration Limited – trenching, Diamond Drilling (DD) -9-2021 m, assays, ground geophysics, mapping, stripping, sampling	1937: L. Morrow and A.H. Ward - staking. 1958-62: L Morrow - DD-15-1363 ft 1980-81: Exchange Mining - ground geophysics, stripping, sampling, DD-7-1043 ft, mag and VLF surveys. 1983: Exploration Banque-Or Inc.- DD-37, ground geophysics. 1983-84: Getty Canadian Metals Ltd.- airborne geophysics, DD-21-3388m, ground geophysics, mapping, and sampling over. 1985: Golden Tiger Mining Exploration Co. Ltd. - ground geophysics, DD-8-1561 ft. 1993: J. Shields - trenching and stripping. 2011: Prodigy Gold Corporation Inc. -

		ground geophysics, DD. 2012: Goldstream Exploration Limited - mapping, prospecting, sampling.
Exploration Results	At Titan, the gold mineralization was traced for 200 m along strike. Visible gold is associated with strongly deformed quartz veins within sheared, fine grained, mafic volcanic or gabbro at Goldstream's newly defined "Morrow Lake Deformation Zone". The showing represents a multiple vein system with at least 4 veins carrying gold. High gold grades were received from the channel sampling program. The quartz veins are smoky grey to white and often display an orange colour due to oxide staining. The Titan Trench zone is located at the site of a fault-bounded fold hinge roughly 300 m north of the regional Klob Lake Fault.	03/28/2014 (A Wilson) - The best assay from the Getty drilling was 4.00 g Au/t over a core length of 1.40 m with a section of 8.65 g Au/t over 0.50 m for hole KL-84-21 that was drilled in the Five Trench Area. Drilling showed good continuity along strike of the tuff horizons which were traced for over 250 m laterally and to 60 m in vertical depth. Tight folding has locally deformed the tuffs. Copper and gold values (minor molybdenum) were noted in diamond-drill logs of Exploration Banque-Or Incorporated and Exchange Mine Holdings Limited.  12/31/1996 (B Nelson) - A mineralized zone 200 m x 6 m x 150 m (deep) was defined by Getty Minerals. Assays up to 2.34 oz/ton Au over 10 feet were realized by Exchange Mining.
Mineralization Comments	03/29/2014 (A Wilson) - Grab samples collected from the Titan Zone returned values of 1.59, 1.21, and 0.96 oz/t Au. The best intersections from the 2012 drilling include 11.16 g Au/t over a core length of 3.0 m from 122.9 m to 125.9 m, in drill hole KL 12-01, including 61.80 g Au/t over 0.5 (from 125.4 m to 125.9 m) and a second zone of 2.95 g Au/t over core length of 4.0 m from 195.3 m to 199.3 m including 7.38 g/t over 0.5 m (from 195.3 m to 195.8 m) and 7.60 g/t over 0.6 m (from 197.5 m to 198.1 m) all hosted in sheared/silicified gabbro. KL-12-02b, drilled beneath KL 12-01, encountered 2.22 g Au/t over 1.3 m from 254.3-254.7 m. Drill hole KL-120-08 approximately 80 m to the east encountered 43.78 g Au/t over 2.5 m from 48.0-50.5 m including visible gold over a 0.4 m section from 49.4-49.8 m assaying 271.00 g Au/t. Visible coarse and fine grained gold is found within multiple granular grey-white quartz veins (pyrite ± minor calcite) in trench A and trench C of the main showing and along hairline fractures in drill core. In some veins galena, and possibly molybdenite and malachite have been observed. These veins, hosted within gabbro, have been tightly folded about hinge axis striking on average 120 to 160 degrees. Host rocks are strongly sheared, silicified and locally carbonatized. Thirty	12/31/1996 (B Nelson) - Gold is associated with a silicified and sheared zone displaying potassium and epidote alteration. In contact with the shear zone is a foliated mafic tuff hosting pyrite, pyrrhotite and extensive biotite (an alteration product).

	seven of the 134 channel samples taken at the three Titan trenches assayed over 0.5 g/t, 9 samples >10 g Au/t. The highest assay values obtained from the channel samples was 31.1 g Au/t and 10.7 g Ag/t over 0.4 m Only one sample, from the Titan showing, returned anomalous molybdenum, of 1,380 ppm in a sample with low gold, 0.2 g Au/t.	
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A total of around seventy-two (72) holes totaling 5,666 m were drilled between 1958 and 2004 on the Property. The more interesting historic drill intersections for gold are presented in Table 4 and locations are shown on Figures 6-10. As several of historical drill holes are not located on the Property, large scale maps are shown on Figures 6-9, and Figure 9 shows location and ID of drill holes majority of which are not on the Property.

A majority of these holes tested gold mineralization hosted within sheared and quartz stockwork mineralized volcanic/gabbro intrusive, amphibolite and sheared diorite rocks in contact with or in close proximity to a large diorite intrusive body or stock. Visible gold was observed in drill core on occasion. Overall, most of the drilling tested gold mineralization to a vertical depth of 50 m with some holes penetrating to around the 150 m depth limit (later follow-up drill programs).

**Table 4: Highlights of historical drill intersections Tomorrow Lake Showing**

COMPANY	HOLE No.	FROM (m)	TO (m)	LENGTH (m)	Au (g/t)
P. Martin and J. Lill (1980)	80-1	28.96	35.37	6.40	46.63
	80-2	35.06	35.98	0.91	69.60
	80-3	22.56	23.87	1.31	6.86
	80-5	10.06	14.88	4.82	4.80
Exploration Banqu-Or Inc. (1983)	BO-83-02	55.48	56.09	0.61	5.49
	BO-83-06	2.44	3.96	1.52	2.18
	BO-83-09	25.76	27.13	1.37	5.17
	BO-83-11	27.60	30.03	2.43	3.64
	BO-83-12	37.65	42.31	4.66	3.33
	BO-83-13	41.92	43.45	1.53	4.97
	BO-83-16	35.97	41.15	5.18	3.53
	BO-83-18	40.55	42.99	2.44	3.38
	BO-83-20	36.13	36.62	0.49	2.23
	BO-83-21	34.76	36.28	1.52	3.33
	BO-83-23	17.20	22.47	5.27	3.50
	BO-83-24	47.71	51.52	3.81	2.91
	BO-83-26	14.76	16.37	1.61	2.14

<b>COMPANY</b>	<b>HOLE No.</b>	<b>FROM (m)</b>	<b>TO (m)</b>	<b>LENGTH (m)</b>	<b>Au (g/t)</b>
	BO-83-27	9.63	14.24	4.60	2.26
	BO-83-29	33.84	34.45	0.61	5.14
	BO-83-33	51.77	66.04	14.27	2.73
	BO-83-34	69.30	74.42	5.12	7.91
Getty Mines Limited (1983)	KL-83-01	26.50	28.00	1.50	2.83
	KL-83-03	106.90	107.90	1.00	2.73
	KL-83-09	107.50	113.00	5.50	3.52
	KL-83-10	144.50	151.00	6.50	2.28

Figure 5: Location of Mineral Showings and Historical Drill Holes

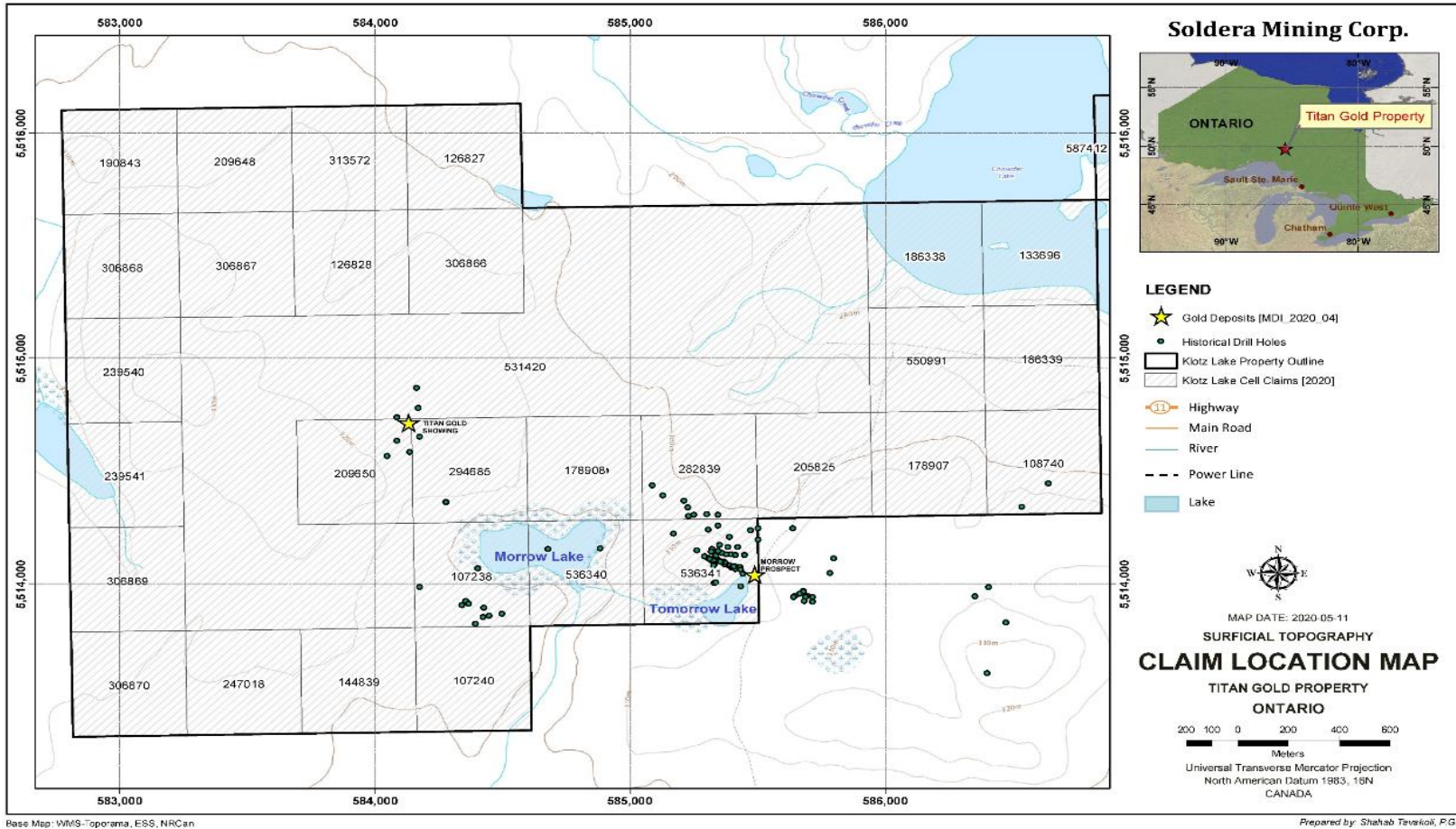




Figure 6: Historical drill hole detailed map A

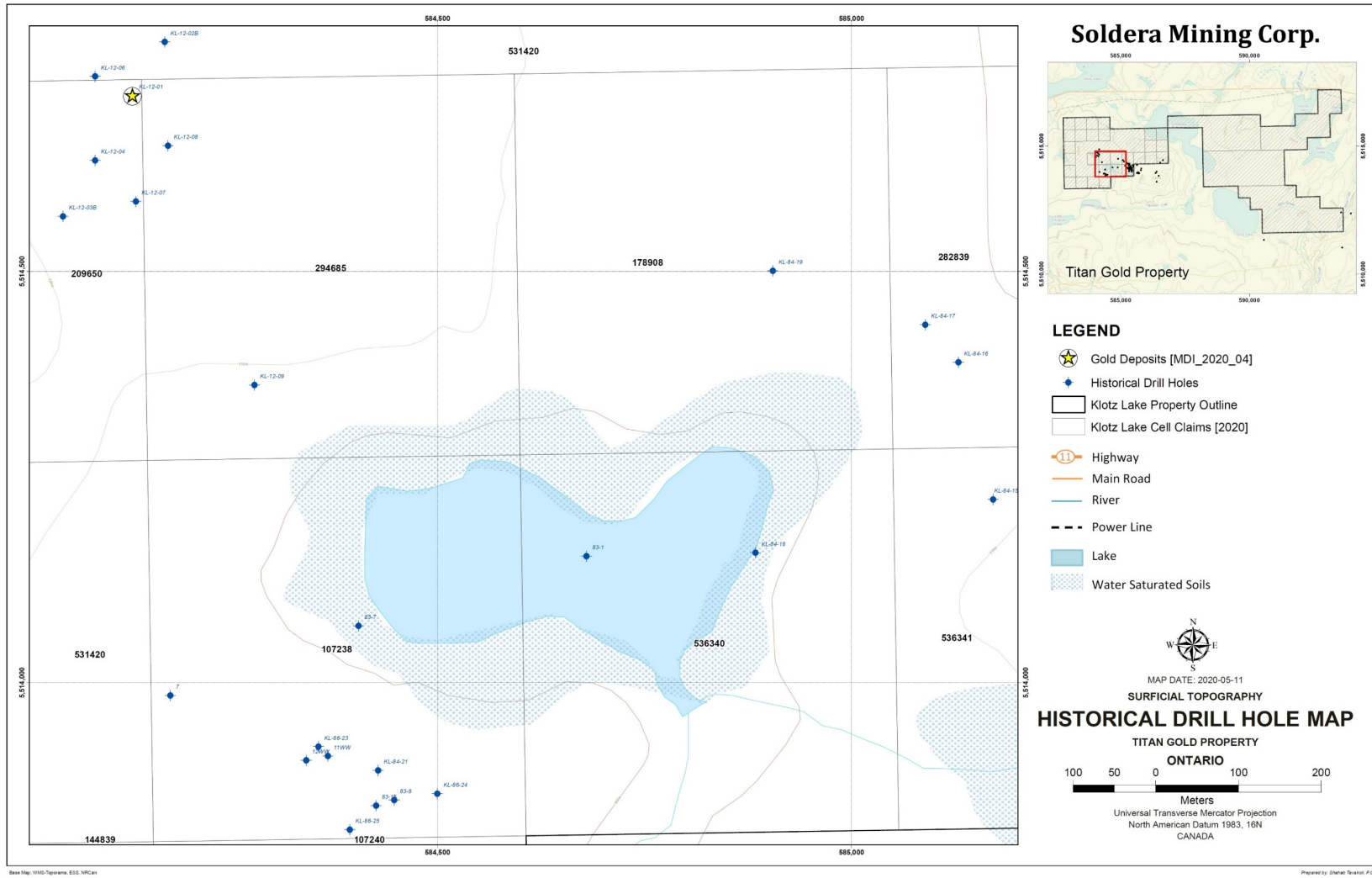




Figure 7: Historical drill hole detailed map B

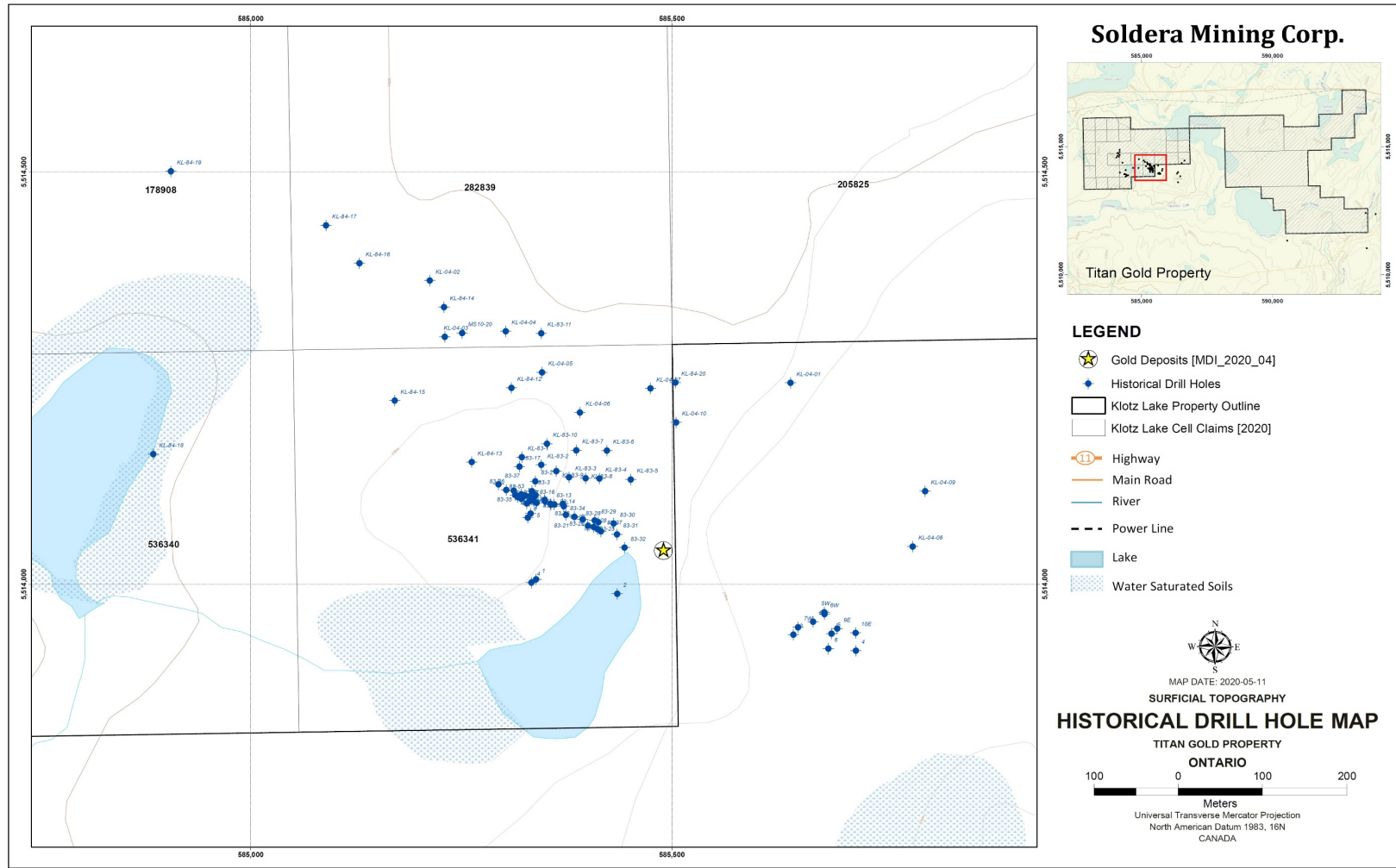


Figure 8: Historical drill hole detailed map C

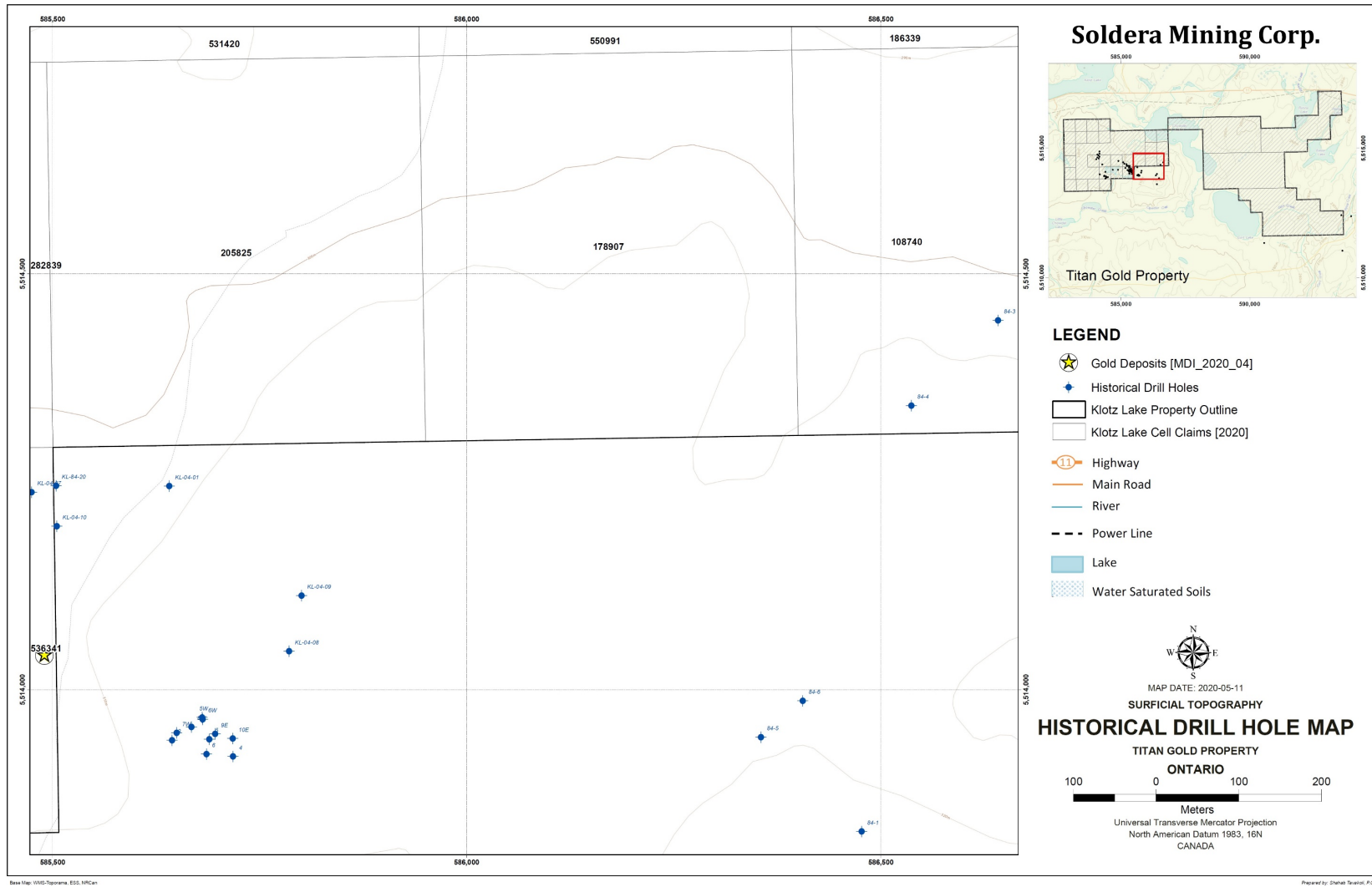
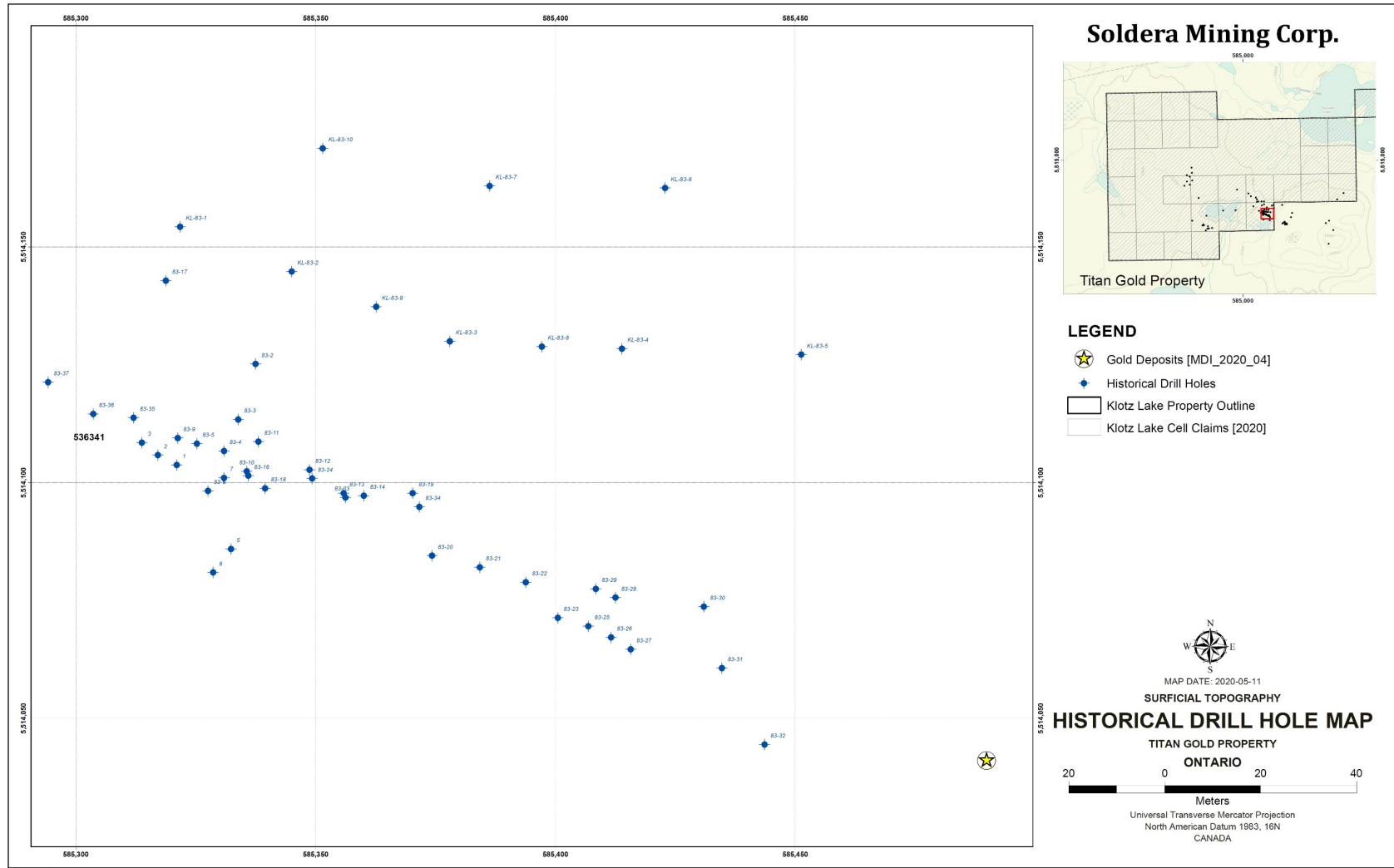


Figure 9: Historical drill hole detailed map D



## Work by Goldstream and Prodigy 2011-12

### **Field Exploration**

During 2011-12 period, Goldstream Exploration and Prodigy Gold completed a field exploration program consisting of line cutting, ground geophysical survey (Induced Polarization and Magnetic), geological mapping, trenching and channel sampling on an established grid in areas of Titan showing, Morrow Lake and Tomorrow Lake. As a result of this work, a total of 42 “high priority” targets were identified throughout the grid. Several of these anomalies coincide with five (5) known gold showings. Prospecting teams followed-up an investigation of these anomalies in the field in the fall of 2011 leading to the discovery of the Titan Showing. Here, quartz veins containing visible gold returned multiple large gold assays. A total of 129 channel samples were taken from three trenches at the Titan showing where gold is found in association with high silver within narrow quartz veins within strongly deformed and folded gabbro rocks. Visible gold within the quartz veins is common. Trench 10A returned the most significant gold assay values (Table 5).

**Table 5: Highlights of 2011 Titan Showing Channel Sampling Program**

<b>Titan Trench</b>	<b>Sample No.</b>	<b>Au g/t</b>	<b>Ag ppm</b>	<b>Length (m)</b>	<b>Host Rock</b>
<b>Trench A (IOA)</b>	C60508	<b>6.24</b>	<b>1.2</b>	0.3	Gabbro
	C60517	<b>3.89</b>	<b>2.8</b>	0.67	Quartz Veined Gabbro
	C60527	<b>12.3</b>	<b>14.2</b>	0.49	Quartz Veined Gabbro
	C60575	<b>31.1</b>	<b>1.6</b>	0.37	Quartz Vein
	C60577	<b>10.9</b>	<b>3.4</b>	0.39	Quartz Vein
	C60591	<b>4.56</b>	<b>2.9</b>	0.44	Quartz Vein
	C60600	<b>1.7</b>	<b>4.2</b>	0.24	Gabbro
	C61634	<b>14.2</b>	<b>20.6</b>	0.58	Quartz Veined Gabbro
<b>Trench C (IOC)</b>	C55809	<b>1.51</b>	<b>0.3</b>	0.35	Gabbro
	C55810	<b>1.01</b>	<b>0.7</b>	0.61	Gabbro
	C55816	<b>25.3</b>	<b>2.2</b>	0.28	Quartz Veined Gabbro
	C55827	<b>2.12</b>	<b>0.4</b>	0.31	Quartz Vein
	C55835	<b>1.19</b>	<b>0.6</b>	0.43	Gabbro

### **Diamond Core Drilling**

Goldstream completed nine (9) drill holes totaling 2,021 m between January 22, 2012 and February 21, 2012. The holes, numbered KL-12-01 to KL-12-09, were all drilled on Titan Showing (Table 6, Figures 5 and 6). This drill program was designed to test the extent of gold mineralization located immediately beneath the Titan Gold Showing as well as test a number of additional IP target anomalies located near surface defined by Matrix. All holes were drilled in a southwesterly direction perpendicular to the northwesterly trending foliations/veining visible at the Titan Showing and parallel to quantitative section lines.

The drilling was carried out under contract by North Star Drilling of Thunder Bay, Ontario, under the supervision of Paul Dunbar, P.Geo., the Goldstream Project Manager and Vice President of Exploration. All drilling utilized a NQ drill string.

The drill core was logged and sampled by geologists Cheyenne Sica and Marc Pateneau at Prodigy’s Bush Lake core facility located off Road 801 north of the Trans-Canada HWY 11. Drill core was split at the Bush Lake facility. During logging, the percentage core recovery and “Rock Quality Designation (“RQD”) was determined and results entered into the drill logs. All drill core was photographed to provide a permanent visual record.

Drill hole collar locations were surveyed using a Trimble RTK survey grade GPS receiver. The drill casing and casing shoe were left in each hole and each casing was capped and stamped with the hole number (Report 20013940).

**Table 6: 2012 Diamond Drill Program**

Hole No.	Collar Coordinates (Zone 16 NAD83)			Dip (deg)	Az. (deg)	Casin g (m)	Lengt h (m)	Start Date	Finish Date	No. of Samples
	Easting	Northing	Elev. (m)							
KL-12-01	584133	5514714	316	-45	210	3.5	251	22-Jan-12	26-Jan-12	374
KL-12-02B	584171	5514779	316	-45	210	3.1	350	31-Jan-12	4-Feb-12	514
KL-12-03B	584048	5514567	316	-45	210	3.0	200	5-Feb-12	7-Feb-12	256
KL-12-04	584087	5514635	315	-45	210	3.2	113	7-Feb-12	8-Feb-12	167
KL-12-05	584165	5514868	315	-60	210	3.5	473	9-Feb-12	15-Feb-12	667
KL-12-06	584087	5514737	317	-45	210	3.0	131	15-Feb-12	16-Feb-12	178
KL-12-07	584136	5514585	315	-48	210	1.5	132	17-Feb-12	18-Feb-12	177
KL-12-08	584175	5514653	312	-45	210	15.0	201	18-Feb-12	19-Feb-12	289
KL-12-09	584279	5514632	317	-45	210	1.5	170	19-Feb-12	21-Feb-12	224
<b>TOTALS</b>							<b>2,021</b>			<b>2,846</b>

### Diamond Core Drilling Results

The drilling program was designed to test the extent and nature of gold mineralization at the new Titan gold showing. The best gold drill hole intersections are presented on Table 7 below.

**Table 7: 2012 Titan Showing Drill Results Highlights**

Hole ID	From (m)	To (m)	g/t Au / core length	Comments
<b>KL-12-01</b>	122.9	125.9	11.16/3.0m	moderately sheared zone within medium-coarse grained gabbro; strong biotite + chlorite + amphibole alteration with weak to moderate carbonate + silica alteration; 10-40% quartz-carbonate stockwork throughout interval; typically 5% pyrite disseminations with up to 10% pyrite disseminations and <=1% pyrrhotite; mineralization is typically concentrated at wallrock/stockwork contacts; <b>main Titan shear zone(?)</b>
including	125.4	125.9	61.8/0.5m	moderately sheared mafic to gabbroic protolith; 10% qtcsw; <=5% pyrite disseminations and <=1% pyrrhotite; hostrock is strongly biotite + chlorite + amphibole altered with moderate silica flooding; <b>main Titan shear zone(?)</b>
<b>KL-12-01</b>	195.3	199.3	2.95/4.0m	moderately to strongly sheared zone within gabbro; strong biotite + chlorite + amphibole alteration with weak to strong silica flooding; 45 - 65% quartz-carbonate stockwork throughout interval; 2 - 15% pyrite disseminations +/- seams; <=5% pyrrhotite mineralized as fracture-fill

Hole ID	From (m)	To (m)	g/t Au / core length	Comments
including	195.3	195.8	7.38/0.5m	strongly sheared zone within a gabbro; gabbro is strongly silicified + amphibole + chlorite + biotite altered gabbro with 50- 65% quartz-carbonate stockwork; 7% pyrite dissems and trace pyrrhotite
and	197.5	198.1	7.60/0.6m	strongly silicified zone with weak chlorite + amphibole + biotite alteration; 70-80% quartz-carbonate stockwork; hostrock contains 15% pyrite with 5% pyrrhotite;
<b>KL-12-02B</b>	42.7	43.2	1.33/0.5m	sheared gabbroic host; hostrock is strongly biotite altered with weak silica flooding; weak to moderate magnetic signature; 10% quartz carbonate veins; 7% pyrite and 1% pyrrhotite northern shear zone (north of main zone)
	253.4	254.7	2.22/1.3m	moderate to strong shear zone within moderate amphibole + biotite + silicified gabbro with weak to moderate magnetic signature; 15% quartz-carbonate stockwork 2% pyrite disseminations; shear zone may be fault terminated by a northwesterly striking fault
<b>KL-12-03B</b>				No significant assays
<b>KL-12-04</b>	101.2	102.3	1.37/1.1m	sheared mafic crystal tuff to gabbro host; strongly amphibole with moderate chlorite + biotite altered; 3% quartz-carbonate veins; 2% pyrite dissems +/- pyrrhotite: southern shear zone (south of main zone)
<b>KL-12-05</b>	273.1	273.9	1.30/0.8m	wkly to moderately sheared zone within fine grained to medium grained gabbro; moderate to strong amphibole + biotite alteration with wk to mod chl + sil; locally wk magnetic signature that increases with shear; 2-4% qcsw with up to 20% carbonate stringers; 1-2% py assoc with stringers, 1-2% po; <b>potential continuation of the northern zone but may also fault terminate</b>
	275.4	275.8	1.84/0.4m	strongly sheared zone within a gabbro, augens evident; gabbro is strongly biotite altered with 70-80% carbonate stringers +/- quartz; 2-3% very fine-grained pyrite dissems +/- pyrrhotite
<b>KL-12-06</b>				No significant assays
<b>KL-12-07</b>	37.3	37.6	1.99/0.3m	weak shear zone within medium to coarse grained gabbro; moderate biotite + chlorite + amphibole alteration; 2-3% quartz- carbonate stockwork; 2% pyrite disseminations associated with stockwork; <b>potential extension of the southern zone</b>
<b>KL-12-08</b>	15.4	23.9	0.45/9.9m	moderately sheared zone within fine grained gabbro; moderate amphibole + silica alteration + mod to strong biotite; 5-10% quartz-carbonate stockwork with 25-80% qcsw locally; 1-2% py dissems in hostrock; <b>main Titan shear zone (?)</b>

Hole ID	From (m)	To (m)	g/t Au / core length	Comments
	48	50.5	43.78/2.5m	this mineralized zone is hosted at the contact of a mafic massive flow and a fine to medium grained gabbro; both units are moderately biotite + chlorite + silica altered; <=5% qctsw; wk to mod mag; ~2% po dissems assoc w/ biotite; 1-2% py; <b>main Titan shear zone (?)</b>
including	49.4	49.8	271.00/0.4 m	<b>Visible gold;</b> fine to medium grained gabbro; mod amph + chl + bio wk to mod sil; <=5% qctsw; wk to mod mag; ~2% po dissems assoc w/ biotite; 1-2% py; <b>main Titan shear zone (?)</b>
<b>KL-12-09</b>	115	121.5	0.65/6.5m	moderate to strong shear hosted by dark grey fine to medium grained gabbro with moderate to strong biotite + amphibole alteration; , str amp, wk sil, abundant fracture controlled cb alteration (10%), ~5% quartz carbonate veins increased in first 1m of section, ~2% py locally up to 5%; <b>extension of northern zone (?), extension of main Titan zone (?)</b>

The drilling intersected mafic pillowed volcanic flows to pillow breccias and synvolcanic gabbro rocks, with smaller mafic pyroclastic and volcanoclastic units. Small, typically less than 0.5 m wide felspar porphyry dykes, often silicified, were also encountered cross cutting the main lithologies.

The program intersected numerous small shear zones, which appear to be striking sub-vertically in a northwesterly direction. The shear zones are interpreted to cross-cut lithologies. This shear system is complex and there has been no previous work completed to test the morphology of the zone. The mineralized shear zones intersected by the drilling program are narrow and typically host between 1.0g/t - 3.0g/t Au over 2.0 m - 4.0 m. High grade gold zones (61.8 g/t over 0.5 m and 271g/t over 0.4 m) are even more narrow and sporadic in nature. The mineralized zones are accompanied by increased shearing and alteration with a sulphide content of typically <5%, dominantly in the form of pyrite disseminations with subordinate pyrrhotite. The zones are hosted by a fine - coarse grained weakly to strongly amphibole + biotite + silica +/- carbonate altered hostrock, with variable amounts of quartz-carbonate stockwork and veining, typically <=5%, with localized increases in modal abundance of quartz.

#### 2016 Exploration Work

In November 2016, Pleson Geoscience carried out exploration work on Legacy Claim 4266307 which included compilation of historical data, prospecting, and channel sampling of outcrops. The data compilation work was performed by geologist Ben Kuzmich. The fieldwork was carried out from November 14-17, 2016. Results of seven channel samples indicated gold values in the range of 0.011 g/t to 51.1 g/t (1.8 ounces per ton). One channel sample came back with 5.37 g/t gold over one-meter length (AR 2.57590, March 2017). Total cost of this work was \$11,734.

**Table 8: 2016 sampling results**

Sample ID	Easting	Northing	Assay (g/t)	Type	Description
1192101	584124	5514700	0.077	Channel	Start of channel, 0-1m, azimuth 175, silicified metavolcanic, highly foliated, no sulphides.
1192102	584124	5514700	5.37	Channel	1-2m same azimuth, fine grained disseminated po 3%, tr chalcopryrite, 1% fine grained blebs of pyrite associated to quartz vein in a sheared, silicified MMVOL, highly foliated.

1192103	584124	5514700	0.986	Channel	2-3m, same azimuth, same lithology, and structure as last sample. Less quartz veinlets than previous sample.
1192104	584119	5514697	0.011	Grab	MMVOL- carb alteration, no sulphides, late stage fracture fills w/ quartz-carb.
1192105	584111	5514694	0.085	Grab	MMVOL- carb alteration, no sulphides, late stage fracture fills w/ quartz-carb.
1192106	584126	5514701	51.1	Grab	MMVOL- highly sheared siliceous, 2% bleby f.g py with strong quartz veinlets and tr cpy.
1192107	584129	5514643	0.166	Grab	Iron Formation sample, fragment of IF in southwest portion of MVOL shear zone, strongly fractured with blue quartz infills, tr diss py in quartz vein, highly magnetic.

#### 2019 – 20 Exploration Work by Pleson Geoscience

Alex Pleson, the Property Vendor carried out exploration work on the Property from September 2019 to May 2020 which included prospecting, geological mapping, trenching, channel sampling, ground geophysical surveys and assaying. Total cost of exploration work from September 2019 to May 2020 is \$82,500 and is summarized in the following sections.

#### **Mapping, Prospecting, Trenching, Sampling**

This work was completed in two fieldwork campaigns, where the first fieldwork was done from September 18-24, 2019 and its purpose was mainly to carry out prospecting and geological mapping in the areas adjacent to the historical showings to find extension of the targeted mineralization trend. The second round of fieldwork was completed during May 1-10, 2020 period. It included trenching and stripping in Morrow Lake and Titan areas to further expose the mineralized shear zones. This work was followed by a prospecting program.

During this work, a total of 27 samples were taken and 14-line kilometers area was mapped (Figures 10 and 11). Additionally, a total area of 200 square meter was excavated through trenching to expose bedrock and 5 kilometers of trail were made to improve access to the Property using a D5 Cat Dozer and an excavator Kubota KX040.

The results of prospecting and geological work sampling indicated lower values of gold with only one sample indicated 2.84 g/t (Table 9).

**Table 9: Grab samples details**

Sample ID	Easting	Northing	Type	Description	Au (g/t)
467751	585903	5514360	Grab	Ultramafic contact to fel vol. 1% py	0.006
467752	585817	5514480	Grab	mafic vol with 1% on fracture planes	0.006
467753	585801	5514478	Grab	M. Vol on contact with F. Vol. fine grained, diss 1% py, <1% cpy	2.84
467754	585827	5514505	Grab	mafic w/ qtz stringers 1% py	0.16
467755	585839	5514549	Grab	5cm wide qv, tr py, 2% py in wallrock	0.006
467756	585744	5514571	Grab	M.Vol. fine grained, trace disseminated py	0.007
467757	585737	5514581	Grab	old trench, felsic dyke, tr of py	0



Sample ID	Easting	Northing	Type	Description	Au (g/t)
467758	585717	5514500	Grab	QV, white quartz, rusty but no observed sulphides	0.02
467759	585673	5514545	Grab	Gabbro, magnetic, m.g.	0.007
467760	585684	5514576	Grab	ultramafic, >1% py	0
467761	585905	5514614	Grab	M. Vol, strongly foliated, siliceous, 1.5% diss f.g py	0.152
467762	585202	5514342	Grab	gabbro, massive sulphides	0.038
467763	585264	5514448	Grab	gabbro, tr py	0
467764	585393	5514057	Grab	bull qtz	0.09
467765	585278	5514201	Grab	Gabbro	0.045
467766	584604	5514332	Grab	gabbro, 1% py	0.021
467767	584617	5514363	Grab	1cm wide qtz, massive py	0.227
467768	584707	5514424	Grab	felsic volcanic, f.g. massive texture	0.011
467769	584756	5514406	Grab	gabbro, tr. Bleb primary py	0.009
467770	584900	5514570	Grab	M.Vol	0.021
467771	584901	5514567	Grab	F.Vol, with minor qtz-carb stringers, no sulphides	0.008
467772	585007	5514385	Grab	QV, stockwork through dark v.f.g, massive m. vol,	0.009
467773	585097	5514392	Grab	Alt. mafic volcanic, schisty, no sulphides	0.005
467774	585112	5514310	Grab	QV, milky white, biotite and tourmaline on margins	0.056
467775	585200	5514474	Grab	QV, white, slightly rusty on margin	0.012
467776	585192	5514589	Grab	QV, white, slightly rusty on margin	0.008
467777	585672	5514551	Grab	QV, white, slightly rusty on margin	0.017

**Figure 10: 2019-20 Sampling and Trench Location Map**

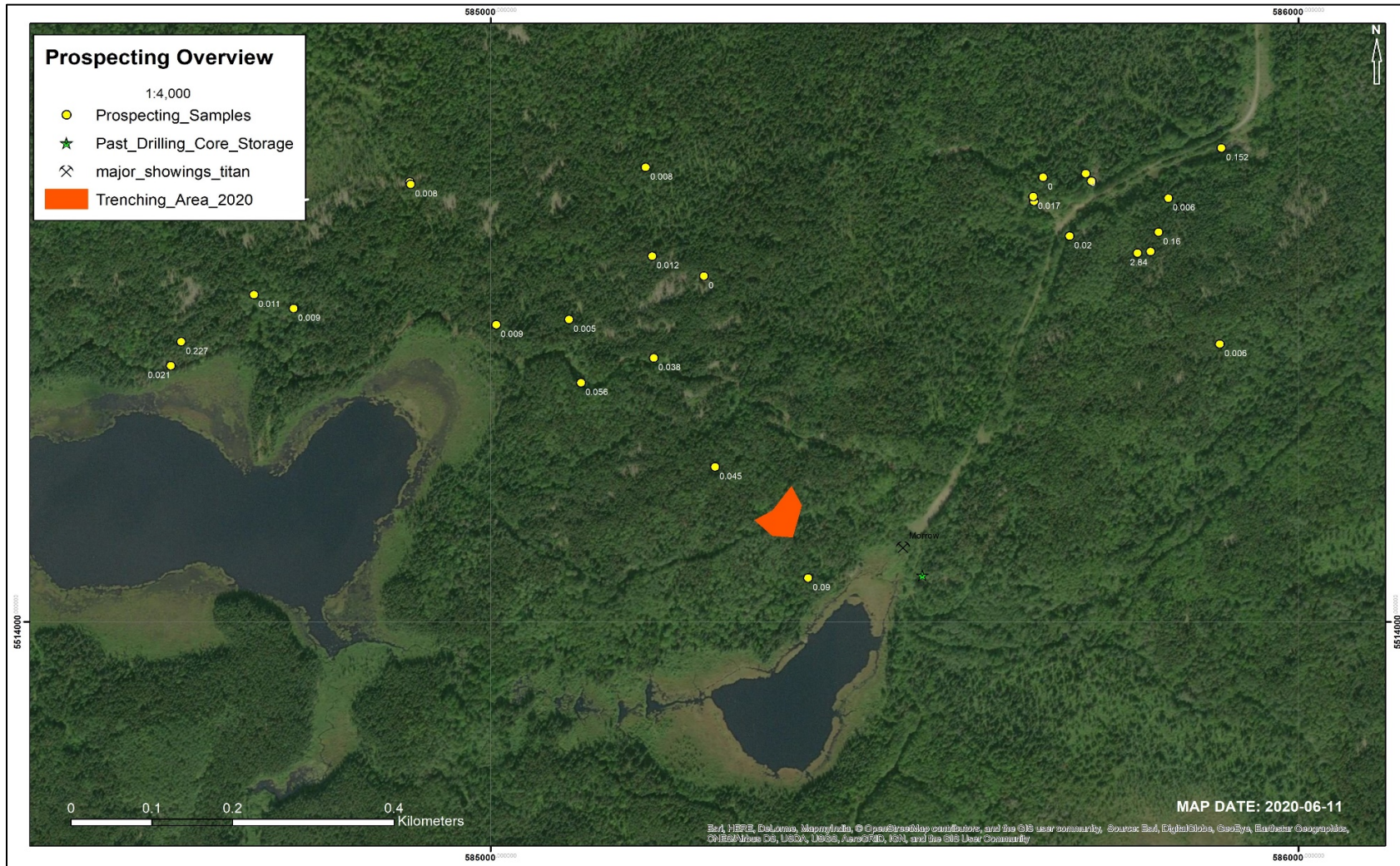
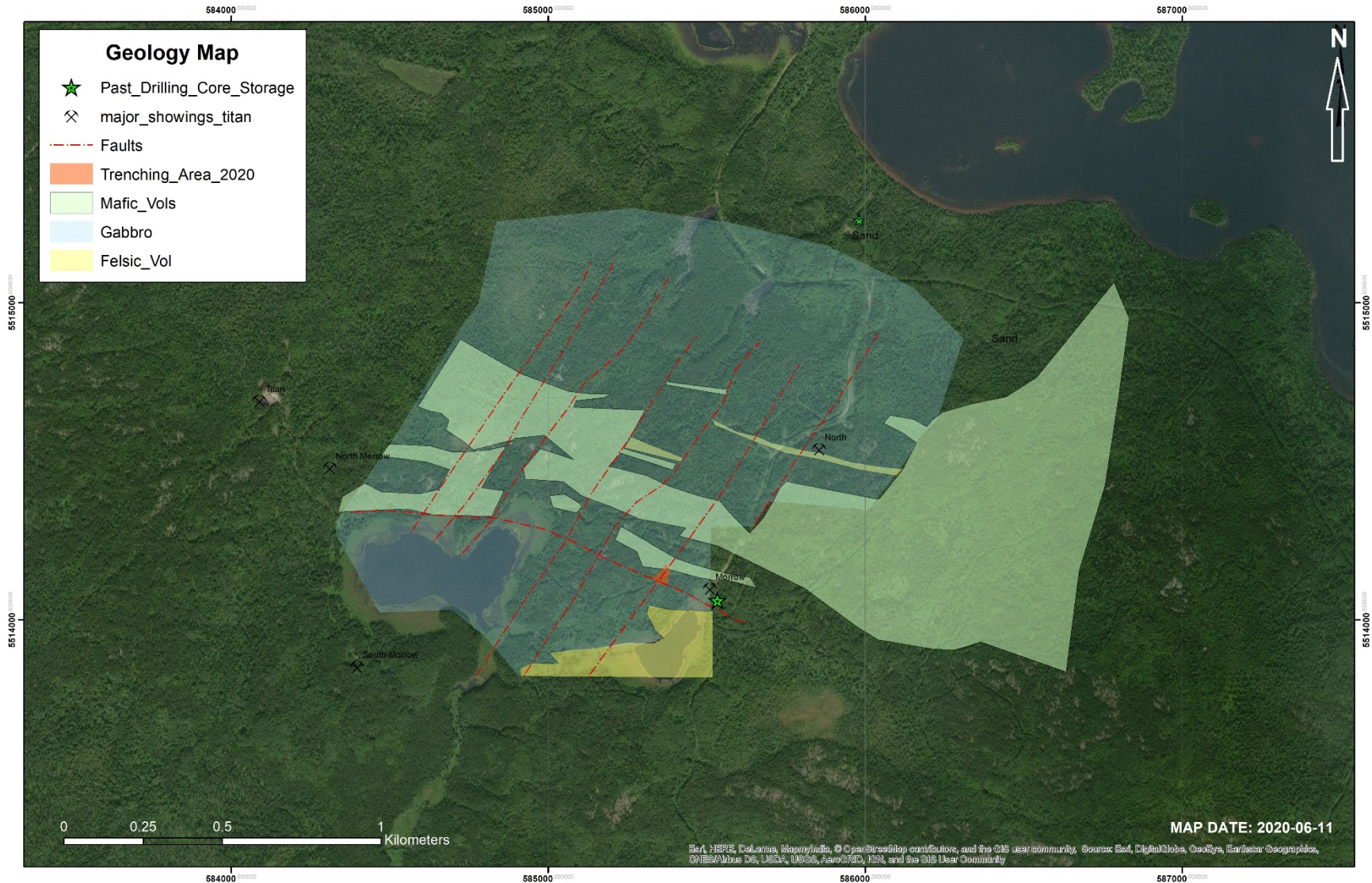




Figure 11: 2019 Updated Map of the Property Geology



## **Ground Geophysical Survey 2020**

A VLF and ground magnetic survey was completed on the Iron Grid from January 5-15, 2020 with a total 14 line-km at 50m line spacing and 25m stations (Figures 12 and 13). Similarly, a second magnetic / VLF was completed on the Morrow Grid from May 1-10, 2020 with a total 14 line-km at 50m line spacing and 25m stations (Figures 12 and 14).

The magnetic surveys utilized the Scintrex IGS-MP4 proton precession magnetometer having an accuracy of  $\pm 1$  nT. The variations of the magnetic field were monitored by a Scintrex IGS-MP4 recording base station magnetometer. It was located within the grids being surveyed or within a nearby grid. The magnetometer field observations were corrected for the day-to-day and diurnal variations of the magnetic field.

The VLF-EM surveys were carried using a Geonic's model EM16 (serial# 3353). It measures the in-phase and quadrature components and the horizontal field strength of the VLF-EM field. The VLF transmitter located at Cutler, Maine (NAA) operating at a frequency of 24.0 kHz provided the primary electromagnetic field. The interpretation results of the survey are presented on Figures 13 and 14.

VLF surveying involves measurement of the earth's response to EM waves generated by transmitters a great distance from the survey site. The source fields are effectively planar and of fixed orientation, so the response depends on the orientation of subsurface lithology, mineralization and structures with respect to the source fields.

Although there is a gap of approximately 700 m between the two survey grids, the results of surveys have shown that the mineralization trend which was explored at Morrow Lake through historical drilling and trenching can further extend to the east along strike for approximately two kilometres. It is recommended to fill the gap in survey grids to get a complete picture of the area and see the continuity of structures.



Figure 12: Ground 2019-20 geophysical survey grid location

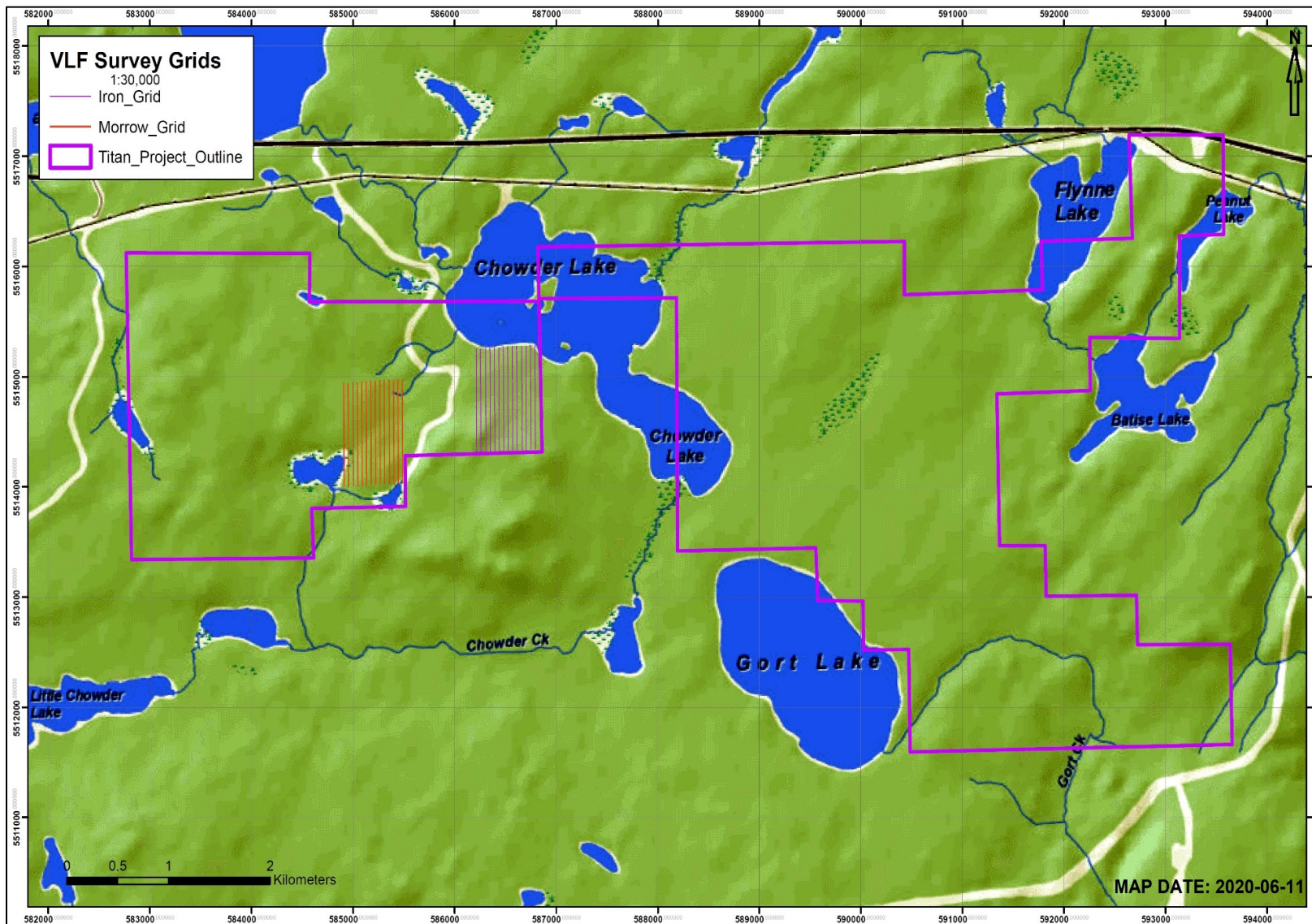


Figure 13: Iron grid geophysical survey interpretation map

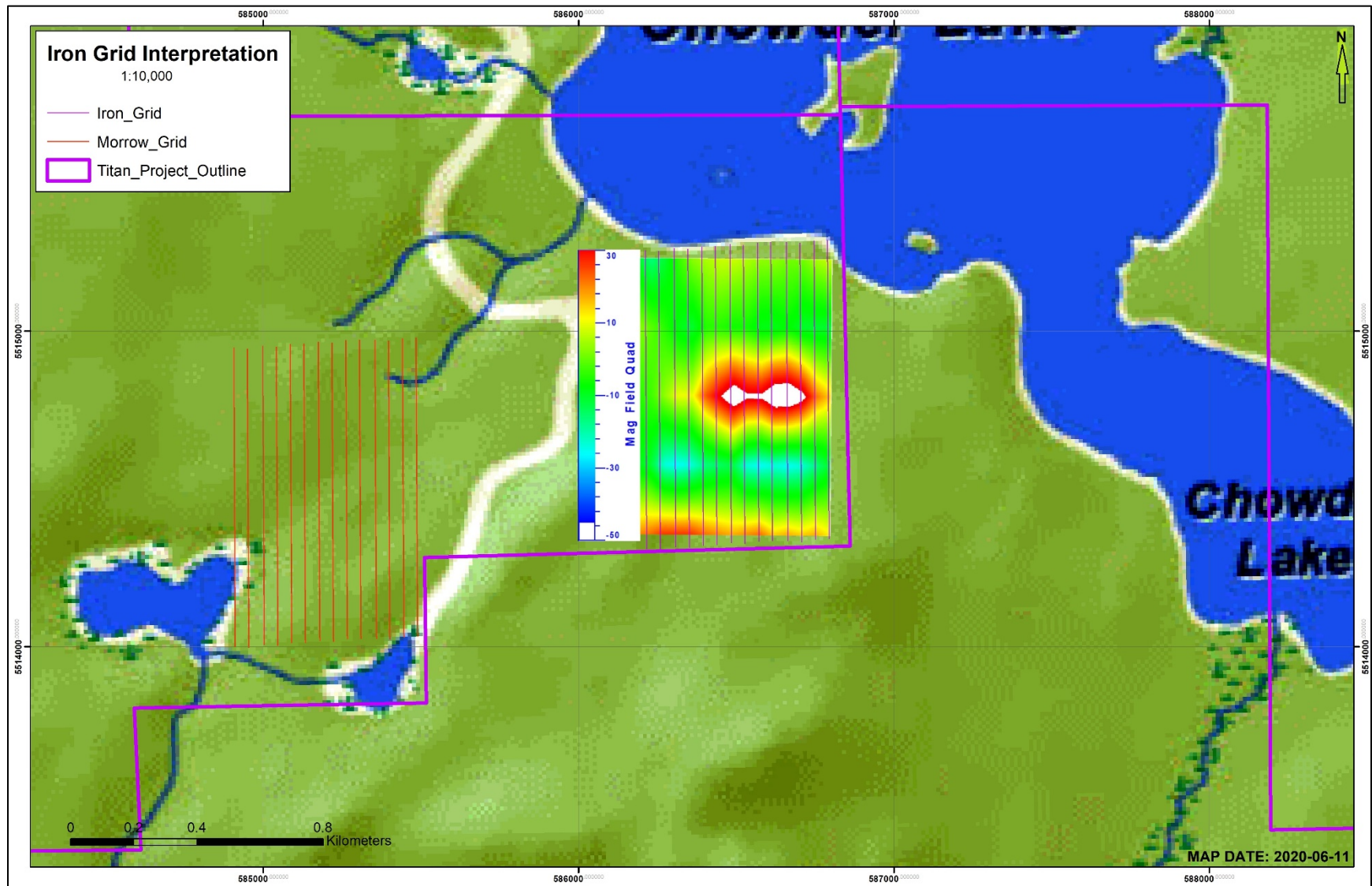
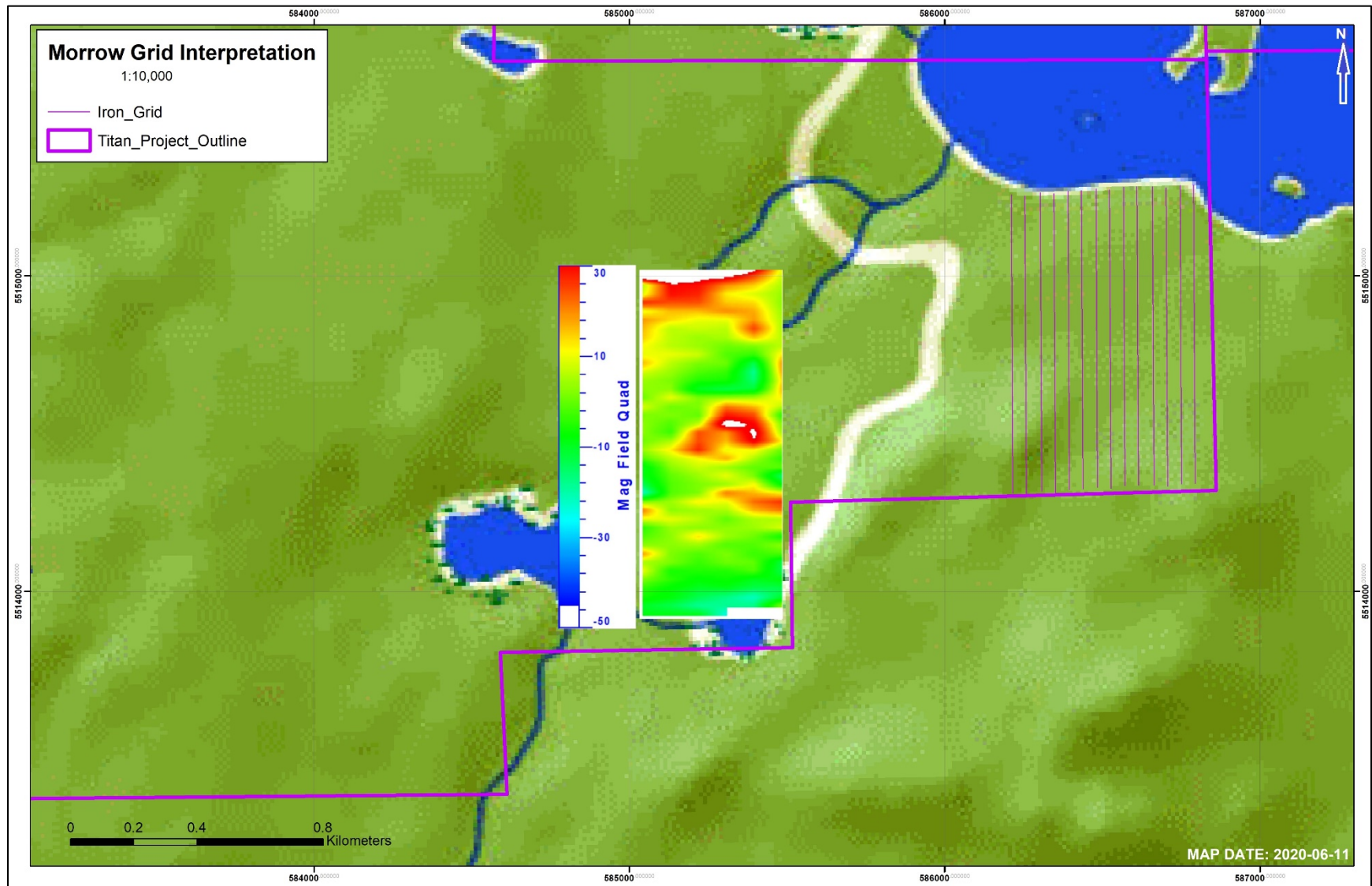




Figure 14: Geophysical survey map of Morrow Grid



## ***Geological Setting and Mineralization***

### **Regional Geology**

The Property is situated in the Wabigoon Subprovince of the Superior Geological Province. This Subprovince consists mainly of Archean metavolcanic and metasedimentary rock sequences intruded by larger granitoid plutons, mainly granodiorite to granite in composition (Figure 15). The Klotz Lake area is underlain by late Archean rocks of the Beardmore Geraldton greenstone belt (BGB). The BGB extends from Lake Nipigon to the east of Long Lac, for a total length of approximately 150km and width of 30km. The Titan property lay on the eastern most end of the BGB. The BGB is a relatively small greenstone belt located at the boundary between the Quetico Subprovince and the eastern Wabigoon Subprovince of the Superior Province (Figure 15). The Onaman - Tashota greenstone belt, part of the Wabigoon Subprovince, contacts the BGB to the north. The Wabigoon is ~70% basaltic metavolcanics with thin inter-formational chemical + clastic metasedimentary units. The metavolcanics & metasediments have been intruded by felsic to intermediate intrusives (including the gold bearing Elmhirst Lake Stock and Kaby Lake Stock), ranging from trondhjemite to granodiorite, and quartz-monzonite. The metavolcanics and metasediments have undergone greenschist metamorphism.

The Quetico Subprovince lays to the south of the BGB and is composed dominantly of clastic metasediments with inter-formational chemical metasediments. The clastic metasediments represent a strongly metamorphosed turbidite sequence varying from arenaceous to argillaceous with local conglomerates units (Smyk *et al.* 2005). Banded iron formations within the metasediments consist of ferruginous chert, oxide (magnetite-chert) and sulphide (sulphide-chert) facies with localized graphite. There are numerous pegmatite and diabase dykes cross-cutting the clastic and chemical metasediments. General younging is to the north, but there are local south overturns. The rocks of the Quetico Subprovince have undergone lower amphibolite metamorphism.

Regional structural trends defined by lithologic contacts, foliations, gneissosity and faults are aligned mainly easterly to northeasterly in the central Wabigoon Subprovince area and indeed in most of the western Superior Province. The easterly trending boundary between the Quetico and Wabigoon subprovinces represents the most regionally extensive structural element in the area. Most structures dip subvertically although local areas of low-dip fabric are observed.

The BGB consists of six fault-bounded belts, three metavolcanic and three metasedimentary, all trending east. Smyk *et al.* (2005) purpose the belts to represent rock packages of tectonic thrust slices, or accretionary wedges. The southern metavolcanic belts are dominantly mafic, tholeiitic, massive, and pillowed flows, and are intruded by concordant, synvolcanic gabbro bodies. Lesser intermediate to felsic volcanics and volcanoclastics are common in the central and northern belts. The southern metasedimentary belts are characterized by clastic sequences of feldspathic and quartzofeldspathic sandstones of turbidite facies. Polymictic conglomerate and banded iron formations are also common in the Property claim blocks. Several large granodiorite, diorite, and quartz diorite synvolcanic intrusives exist on the Property claims and are regarded as important factors in gold re-distribution and concentration in the Geraldton area. Middle to Late Proterozoic diabase dykes post-date the granitic intrusions and crosscut all other rocks. Dykes occur as sets that strike northeast and northwest and range in thickness from 10 to 15m. Dykes are offset and terminated by numerous faults in the area.

Regional shear or deformation zones occur along large lateral faults, typically striking east- west between terrain boundaries, such as the Paint Lake Fault. The Paint Lake Fault is a regional dextral transcurrent fault that separates the BGB from the Onaman - Tashota greenstone belt. In the eastern portion of the BGB, the Paint Lake Fault system may join with the dextral transcurrent Klob Lake Fault, which extends over the Property area. Splays (both east-west and northwest to northeasterly striking) are common suggesting regional-scale fault systems. Rocks within shear zones are typically strongly sheared and or brecciated, commonly with strong carbonate + siliceous alteration. Localized shearing is common at contacts between gabbro/mafic and the more competent felsic intrusives. Northeasterly faults are also common in the Property claim blocks.

### **Property Geology**

In the Property area, the Titan Gold Showing is located approximately 300 m north of the regional east-west striking Klob Lake fault at the intersection of a set of northeasterly and northwesterly striking faults (Figures 15-18). The Klob structure is inferred to continue southeast around Morrow and Tomorrow Lakes and along the northern contact between a synvolcanic diorite body and gabbro/mafic volcanic rocks. Northwest trending faults dominate the Titan showing area and may offset rock units towards the south by 150 m to 700 m.



The local geology surrounding the Titan Showing is defined by block faulted mafic volcanics +/- volcanoclastics and gabbro dykes and sills. These units trend approximately east-west and are commonly terminated, or are offset, by the northeasterly trending faults. Some of these faults have been intruded by strongly magnetic diabase dykes. A large diorite body or stock intrudes the metavolcanic belt at Tomorrow Lake. The metavolcanic belt hosting the Titan Showing is underlain by the Southern Meta-Sedimentary Belt (SMB) of dominantly sandstone and slates and includes broadly folded iron formation units. The contact between the volcanic rocks and the SMB has been interpreted as a thrust fault.

The mineralogy of the rocks surrounding Titan showing suggests a metamorphic facies grade of upper greenschist to lower amphibolite as determined by the presence of both a greenschist facies assemblage of chlorite + albite + epidote +/- actinolite and an amphibolite mineral assemblage of hornblende + plagioclase +/- epidote, biotite, diopside, although retrograde metamorphism of amphibolite to greenschist is possible.

### Mineralization

In the Klotz Lake region, gold mineralization is dominantly hosted within shear zone structures associated which splay off the regional Klob Lake fault structure. To date, the highest gold assays, in the multiple g/t Au range, have been returned from quartz and quartz- carbonate veined gabbro intrusive rocks and to a lesser extent in granodiorite and mafic volcanic rocks. There are various shear hosted high grade gold mineralization occurrences on the Property, out of which most important are: the Titan and Tomorrow Lake showings (Figure 18) are discussed below:

#### **The Titan Showing**

The Titan showing was discovered by Goldstream in the fall of 2011. Here, the highly deformed and quartz veined volcanic/gabbro rocks contain visible gold. The showing consists of sporadic outcrop exposures covering an area measuring roughly 60 m north-south by 20 m east-west.

Visible gold is associated with strongly deformed quartz veins within sheared fine-grained mafic volcanic and gabbro rocks. The visible gold occurs as splashes and specks in associated with quartz vein fracture-fillings. The showing represents a multiple vein system with at least four gold-bearing veins. These veins are typically comprised of granular smoky grey quartz with strongly sheared and gossened wallrock along their contacts. The veins frequently displayed strong parasitic folding and canoeing, as well as augen-type shear structures. In addition to visible gold, the veins host a variety of sulphide minerals including pyrite, chalcopyrite, arsenopyrite, galena and molybdenite.

#### **Tomorrow Lake Showing**

The Tomorrow Lake Showing is located proximal to the contact between mafic volcanic/gabbro rocks and a large diorite stock (Figure 4). In 1983, Banque Or's best drill hole BO-83-34 returned 7.91 g/t over 5.12 m (Table 4). Gold mineralization is hosted at the shear contact between a strongly sheared chlorite + carbonate altered mafic volcanic/gabbro (2% 'bleby' pyrite clusters) to the north and a weakly sheared strongly silicified + epidote altered + oxidized diorite stock hosting 8 - 10% pyrite disseminations in the south. The hostrock is 5% quartz stockwork veined. Shearing penetrates all rock types. The showing is bounded on the east and west ends by northeasterly fault structures.

Figure 15: Regional geology map of Beardmore – Geraldton Greenstone Belt

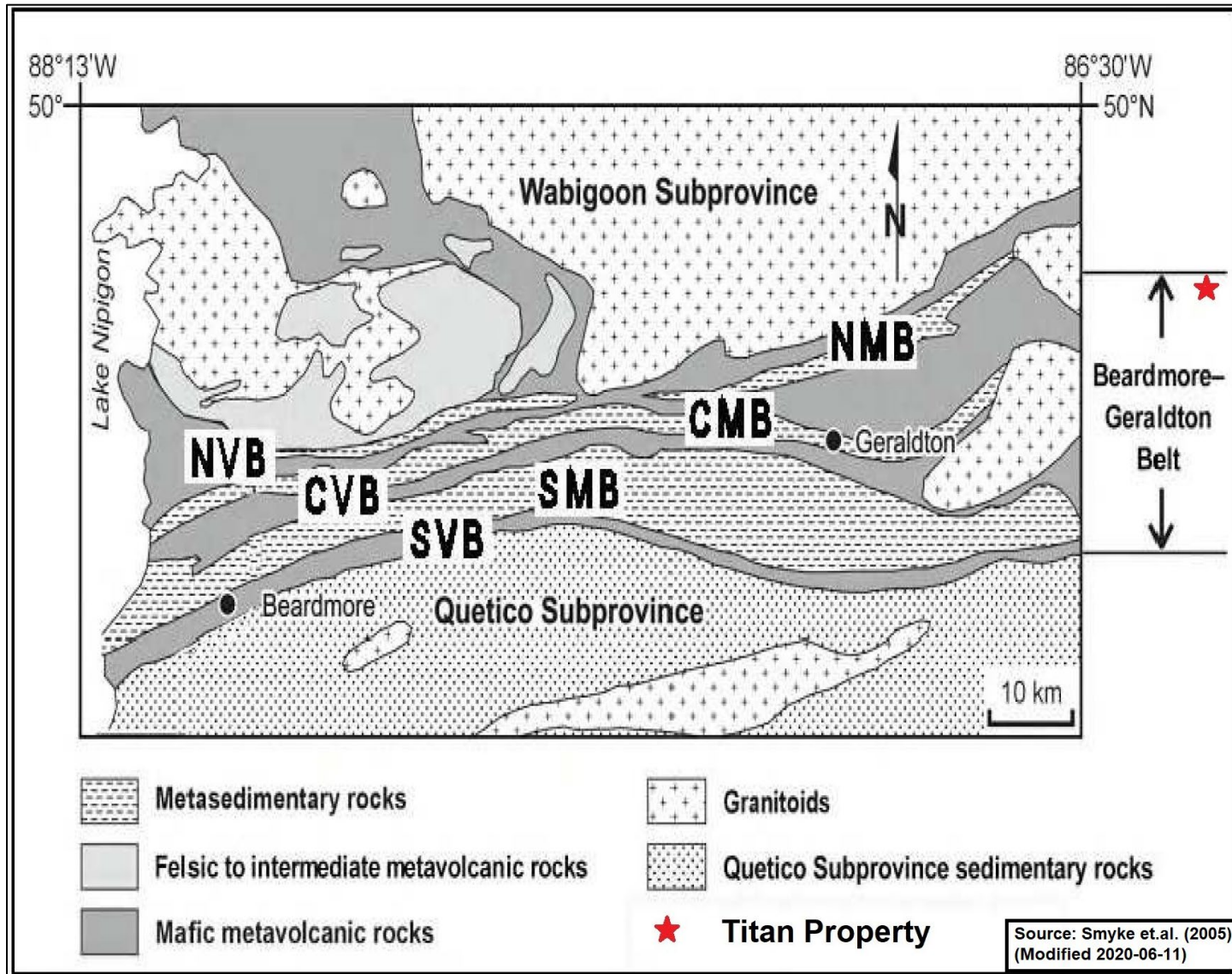
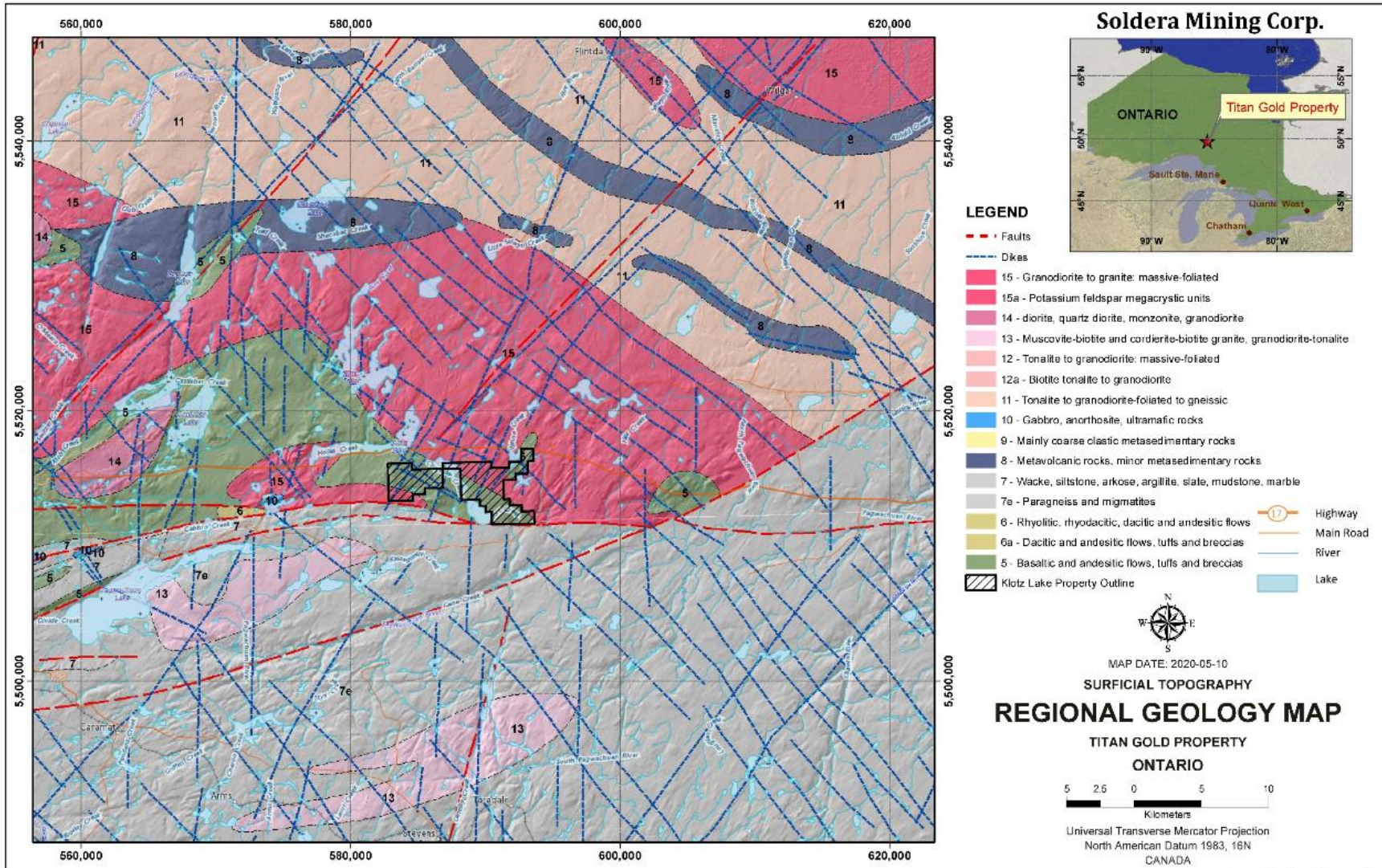




Figure 16: Regional Geology map

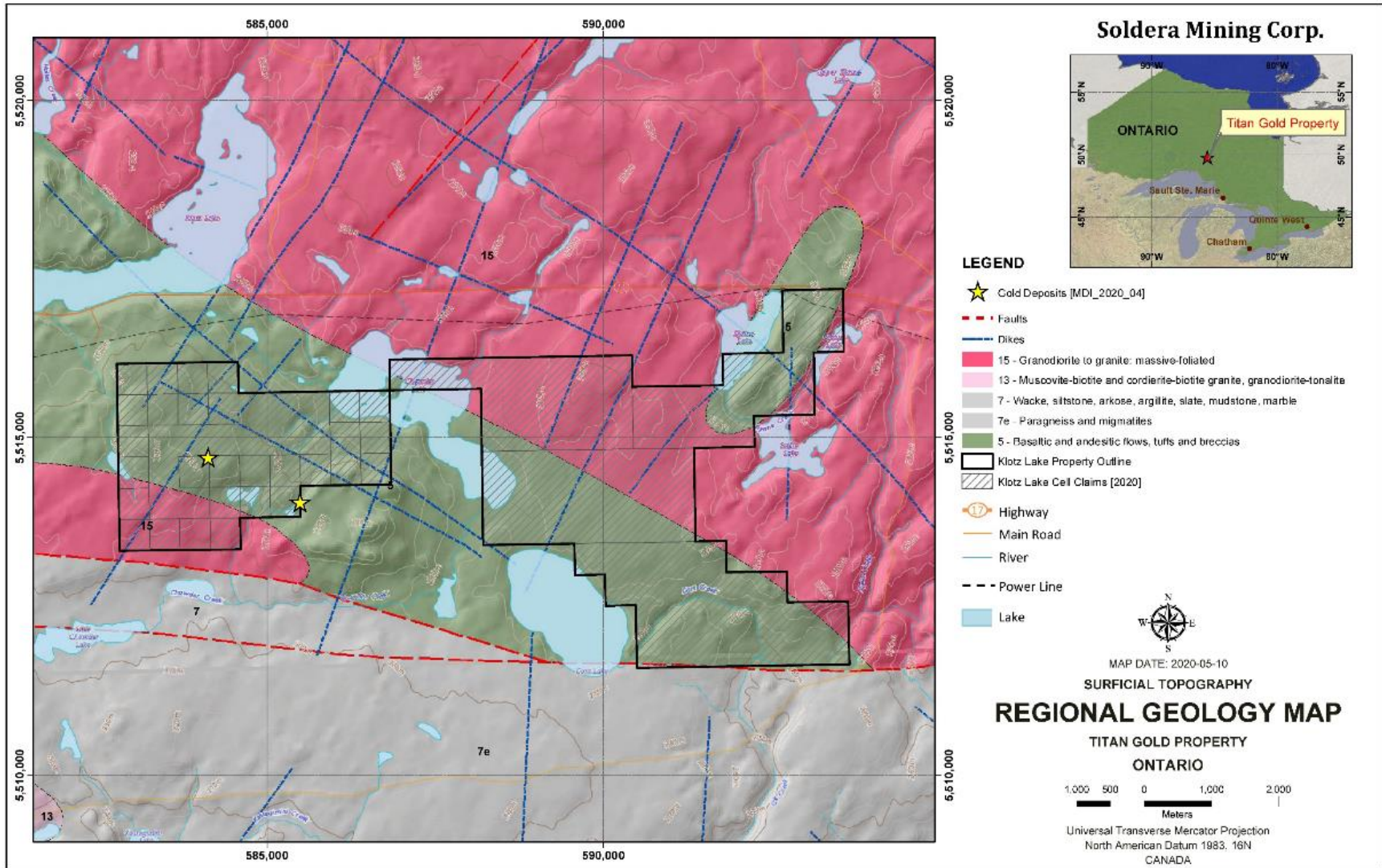


GEOLOGY: Bestrock Geology of Ontario (MRD126). Ontario Geological Survey 2011. A seamless vector dataset based on the 1:250,000 scale map of bestrock geology of Ontario.

Prepared by: Shahab Tavakoli, P.Geo



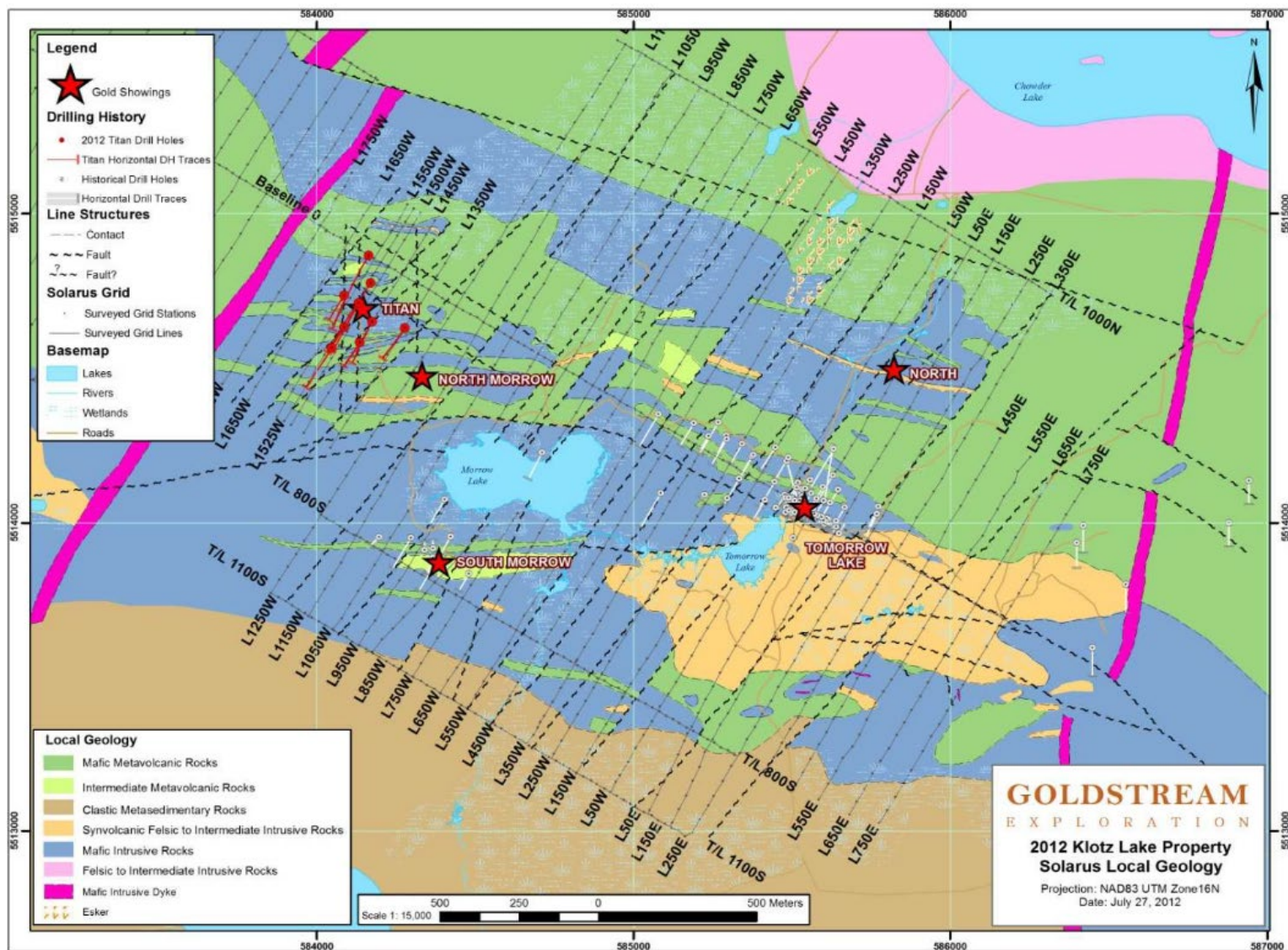
Figure 17: Property Geology Map



GEOLOGY: Bedrock Geology of Ontario (MRD126), Ontario Geological Survey, 2011. A seamless vector dataset based on the 1:250,000 scale map of bedrock geology of Ontario.

Prepared by: Shahab Tavakoli, P.Geo.

Figure 18: Property geology map with historical Solarus Grid





## *Deposit Types*

The Superior Province is the largest exposed Archean craton in the world which is known for its gold deposits. Mineralization style for Property suggests a lode type Mesothermal Archean Lode Gold deposit model.

One prominent characteristic of all significant gold deposits in the Superior Province is their occurrence within or immediately adjacent to greenstone belts. They are not, however, preferentially hosted by a specific greenstone lithology or lithological assemblage but occur within all greenstone lithologies. A second, equally prominent, characteristic of the gold deposits is their occurrence within major tectonic zones which comprise linear composite shear systems. These shear systems, or deformation zones, are commonly of regional extent, exhibit systematic orientations and sense of shear, and may truncate all Archean lithologies. The faults, and associated splays, which control gold mineralization, are typically part of a larger deformational zone that can reach kilometers in thickness and several hundred kilometers in strike. Structural and stratigraphic continuity are locally completely disrupted by late shearing, associated with the major deformation zones. Locally, gold mineralization at the Property scale is more controlled by regional and local structures while lithology has little control. There are three types of gold mineralization identified in the area: (a) in quartz veins hosted in volcanic rocks and felsic dikes within shear zones, (b) in narrow semi-massive sulphide bands filling fissures, and (c) in altered rocks within shear zones with or without quartz veins.

Gold-bearing quartz veins are the most common type of mineralization in the area. The veins have wispy to well-layered “crack-seal” textures, with sericite, chlorite, ferroan carbonate, 1-5% sulphides, and occasionally tourmaline along the selvages. Gold is concentrated in the “crackseal” fractures and in selvages along the quartz vein margins. Calcite filled fractures within quartz veins also carry gold. Narrow gold-bearing semi-massive sulphide filled fractures within fissile zones also contain significant gold values. Pervasive ferroan carbonate alteration, disseminated sulphides, and very small barren quartz veinlets characterize the fissile zones. Sulphides are predominantly pyrite, with variable amounts of chalcopyrite. The gold tenor appears to be related to the quantity of pyrite present in the wall rock and in the veins.

The following controls of gold mineralization is identified in MNDM report “Archean Lode Gold Deposits in Ontario”.

### A. Lithological Controls

1. Mafic and ultramafic volcanic and intrusive rocks have been suggested as preferred host rocks to gold.
2. Clastic metasediments host mineralization in a frequency approximately proportional to their belt-wide occurrence.
3. Felsic metavolcanic rocks have a somewhat higher incidence in the mineralized areas than within greenstone belts as a whole.
4. Chemical metasediments such as banded iron formations are only a minor proportion of greenstones and more frequently associated with economically poorer deposits.
5. The post-volcanic felsic plutons are minor in volume; however, these post-volcanic intrusions are very common in mineralized areas. In several deposits, gold mineralization is either completely (e.g. The Young-Davidson Mine at Matachewan) or predominantly (e.g. the Macassa Mine at Kirkland Lake) hosted by felsic to intermediate, silica-saturated to undersaturated intrusions which cut the folded and tilted supracrustal package.

### B. Structural Controls

1. **Zones of anomalously high strain within a deformation zone.** Examples include the mines of the Red Lake and Hemlo camps and the Detour Lake and Macassa Mines in Ontario, and the Sigma Mine at Val d’Or in Quebec. Both brittle (fracture and breccia vein systems) and ductile (replacement vein systems) deformation styles are recorded in these deposits, perhaps reflective of the depth in the crust at which they formed.
2. **pre-existing structural anisotropies.** An excellent example of this control of mineralization is the Cameron Lake deposit near Titan, in which the mineralization occurs where sympathetic, bedding-controlled splays to a shear zone intersect that shear. The plunge of the ore zone parallels the lineation formed by the intersection of the shears.
3. **a preferred lithology, where a strong competency contrast exists between adjacent rock types.** Structurally more competent lithologies can be preferentially mineralized. Examples include ore zones in the Macassa and Sigma Mines and the Dupont deposit on Lake of the Woods, in which felsic intrusive rocks contain more mineralization than surrounding, less competent lithologies. The competency difference may be a result of

original lithological differences or may result from alteration processes. The later control is displayed in the Dome Mine at Timmins and the Cochenour-Willans Mine at Red Lake, where metasomatic ankerite - rich units were more competent than enclosing lithologies and deformed in a brittle manner.

4. ***fold limbs and fold noses.*** Folding of sequences of rocks of contrasting thicknesses and competencies has long been known to create permeable zones that may host mineralization. Other folding - related surfaces (e.g. between layers in fold limbs, or an axial planar cleavage) may also be preferred sites for mineralization, "Saddle reef gold deposits in fold noses have long been known. Examples of this control of mineralization in Ontario include ore zones at Geraldton and the Musselwhite deposit at Opapimiskan Lake, where gold is hosted in fold noses and foliation - parallel veins. Many of the lode gold deposits contain an apparently complex assemblage of gold - bearing veins. However, the types of veins, their orientations, and the temporal relationships that they display can be explained in terms of the deformation processes under which they formed.
5. **Gold - bearing veins include replacement, extension, breccia, and fracture types.** In most cases, veins transect lithological contacts, and are not restricted to a specific rock type. However, veins may be stratabound where they are controlled by the competency or chemistry of a particular unit. Such is the case at Geraldton, where veins occur largely in layers of iron formation.

### ***Exploration***

Soldera has not carried out any exploration work on the Property.

### ***Drilling***

No drilling has been done on the Property by Soldera.

### ***Sample Preparation, Analyses and Security***

The Author visited the property on May 23, 2020. A total of six grab samples were collected by the Author from historical channel sampling and other exploration areas. All samples were under the care and control of the author. The samples were bagged and tagged using best practices and were handed over personally to Polymet Labs in Cobalt, Ontario for sample preparation and analyses. Polymet is a commercial, accredited ISO Certified Laboratory independent of Soldera and Pleson Geoscience (the Optionor). No officer, director, employee or associate of Soldera or Pleson Geoscience was involved in sample preparation and analysis.

### **2011-12 Drill Core Samples Goldstream and Prodigy**

All drill core from 2011-12 was selected and sent for logging and sampling. Sample lengths, although often 1.0 m in length on average, were set up by the geologist based on lithology and mineralization, veining, and alteration. The core was split down the centre using a diamond-edge table rock saw. The bottom half was sent to the lab for assay and the top half returned to the core box for future reference. The core handling, splitting, and bagging was supervised by the drill geologist(s).

All split core samples were bagged in plastic sample bags and sample number written on the bag with black permanent marker. The bags are then secured with plastic security ties and placed in rice bags. The split samples are temporarily stored in the locked and secured core shack at Bush Lake until they can be shipped to the laboratory. Once the splitting was completed for a hole, the sample submission paperwork was filled out by the geologist on site. The samples were transported by Goldstream personnel to Activation Laboratories ("Actlabs") sample preparation facility and assay lab in Geraldton for gold analysis (method 1A3-50) by 50 gm Fire Assay/gravimetric finish. A 36 Multi-element analysis was completed on selected samples at the Actlabs located in Thunder Bay (method 1E3). Activation Laboratories is an independent group of laboratories accredited by the Standards Council of Canada to ISO/IEC 17025 guidelines for gold analysis.

A total of 2,846 core samples were taken for analyses during the drill program; samples included split cores, Canadian Standards, coarse and powdered blanks. At the completion of the 2012 diamond drilling program, Goldstream dispatched a total of 282 pulp samples, or approximately 10% of the total samples taken, from Actlabs in Geraldton to Accurassay in Thunder Bay for gold assay verification. Accurassay is an ISO certified laboratory. The sample pulps were sent directly from Actlabs to Accurassay. Each sample was assayed for gold only (Assessment Report #20013940).

### **Samples from Other Exploration Work**

The samples for the 2010, 2011-12, 2016 to 2020 exploration work were also analyzed at Activation Laboratories (ACTLABS) in Thunder Bay, Ontario. The procedure for Fire Assay and ICP-OES is described below:

## Fire Assay

A sample size of 5 to 50 grams can be used but the routine size is 30 g for rock pulps, soils or sediments (exploration samples). The sample is mixed with fire assay fluxes (borax, soda ash, silica, litharge) and with Ag added as a collector and the mixture is placed in a fire clay crucible, the mixture is preheated at 850°C, heated at an intermediate 950 °C and finished at 1060 °C. The entire fusion process should last 60 minutes. The crucibles are then removed from the assay furnace and the molten slag (lighter material) is carefully poured from the crucible into a mould, leaving a lead button at the base of the mould. The lead button is then placed in a preheated cupel which absorbs the lead when cupelled at 950°C to recover the Ag (doré bead) + Au.

## ICP-OES

The Ag doré bead is digested in hot (95°C) HNO<sub>3</sub> + HCl. After cooling for 2 hours, the sample solution is analyzed for Au by ICP-OES using a Varian 735 ICP.

### Code 1A2-ICP (Fire Assay-ICP-OES) Detection Limits (ppb)

Element	Detection Limit	Upper Limit
Au	2	30,000

Samples from 1986 drill program were analyzed for gold by Fire Assay at Bell-White Analytical Laboratories Ltd. of Haileybury, Ontario, Canada.

### Author Collected Samples

The samples collected by the Author during his May 23rd, 2020 visit were prepared and analyzed at Polymet Labs in Cobalt, Ontario, which was formerly established by the MNM. The samples were assayed using Fire Assay package for gold and silver (50 g, Fire assay, AAS finish). The laboratory is an independent Canadian certified lab.

In Conclusion, the author considers that the sample preparation, security, and analytical procedures of historical and current sampling are adequate to ensure credibility of the assays. The QA/QC procedures and protocols employed during historical work are sufficiently rigorous to ensure that the data are reliable.

### *Data Verification*

The Author visited the Property on May 23, 2020 to verify historical exploration work including trenching and drill programs, to examine mineralized outcrops and to collect necessary geological data. During the visit of the Property, GPS coordinates using NAD 83 datum were recorded for the drill hole casing and trench location.

A total of six samples were collected by the Author from historical channel sampling and other exploration areas (Figure 19, Table 10) and were delivered to Polymet Laboratories in Cobalt, Ontario for analyses. All samples were under the care and control of the author and are considered representative.

The sample assay results (Table-10) indicated gold (Au) values in the range of 0.057 grams per ton (g/t) to 4.03 g/t while one sample (31523) was below laboratories detection limits (0.028 g/t). Highest Silver values of 26.31 were in sample 31518 and the lowest 1.3 g/t was sample 31523 while four samples were below the laboratories detection limits. These results are consistent with historical trenching results.

Overall, the Author is of the opinion that the data verification process demonstrated the validity of the data and considers the Property database to be valid and of sufficient quality.

Historical exploration work from 1980s, 2011-12 Goldstream and Prodigy, and 2017-2020 by Pleson Geoscience was carried out under the supervision of professional geologists. No officer, director, employee or associate of Soldera was involved in sample preparation. The author was able to verify location of historical channel sampling areas during his Property visit. A limited search of tenure data on the ENDM Ontario website on May 20, 2020, conforms to the data supplied by Soldera. However, the limited research by the author does not express a legal opinion as to the ownership status of the Property.

Historical grades and assay data are taken from ENDMF assessment reports and OGS geological reports which are deemed reliable. Historical geological descriptions taken from different sources were prepared and approved by the professional geologists or engineers and are deemed reliable.





**Photo 1: Titan showing looking NW (May 23 Property visit)**



**Photo 2: Historical drill core (May 23 Property visit)**



**Photo 3: Taking verification sample along historical channel cut (May 23 Property visit).**

Field description and results of samples collected during the Property visit is provided in the following table.

**Table 10: Sample description from May 23, 2020 Property visit**

Sample ID	Easting	Northing	Description	Au (ppm) g/t	Ag (ppm) g/t
31518	584130	5514684	Grey rusty quartz vein (taken between old sample tag 61634 and 61636)	1.93	26.31
31519	584127	5514687	Sugar textured quartz veining (taken near tag 60597)	1.93	<0.028
31520	584113	5514700	Grey rusty quartz vein (taken in middle of 4 tags C-62084-c62083 top and C-62098-C62096 bottom)	0.11	<0.028
31521	584108	5514703	Sulfide dark alt volc. (taken in middle of C62080-C62079)	0.057	<0.028
31522	585113	5514308	Dark met volc sulf take on middle of trail (old sample 46774)	4.03	<0.028
31523	585311	5514286	Dirty quartz in middle of bulldozer trail (old sample 33540) this would be good place to wash off outcrop	<0.028	1.3

The data collected during the present study is considered reliable because it was collected by the author. The data quoted from other sources is also deemed reliable because it was carried out under the supervision of professional geoscientist and geophysical contractors and taken from ENDM Ontario, published reports by the Ontario Geological Survey (OGS), the Geological Survey of Canada (“GSC”), various researchers, and personal discussions.



**Figure 19: Location of samples collected by the Author**



### ***Mineral Processing and Metallurgical Testing***

No metallurgical testing was done on the Property by Soldara.

### ***Mineral Resource Estimates***

No mineral resource estimates were done on the Property by Soldara.

### ***Adjacent Properties***

Titan Property is located in the heart of the mineral rich Canadian Shield, on the western edge of Northwestern Ontario, in close proximity to Manitoba to the east and Ontario's Ring of Fire to the west. In Ontario there are several mines and exploration projects that are in close proximity to the property.

The Property is located in an active and historical mining and mineral exploration region where many operators carried out exploration and/ or development work on the Property and the surrounding area. The following information is taken from the publicly available sources which are identified in the text and in Section 27 of the Technical Report. The writer has not been able to independently verify the information contained. The information is not necessarily indicative of the mineralization on the Property, which is the subject of the Technical Report.

**Cautionary statement: Investors are cautioned that the mineralization located on the adjacent properties may not be indicative of the potential mineralization on the Property. It has been provided only for illustration purposes.**

### **Prodigy Gold's Hardrock East Project**

Prodigy Gold is the owner the adjoining land which is known as Hardrock East Project. The Hardrock East Gold Project consists of a land package totaling approximately 200 square kilometres covering the eastern portion of the Beardmore-Geraldton gold camp in Northern Ontario. The land position includes claim blocks known as Milestone, Adel and Klotz Lake. In October of 2011, Goldstream entered into an agreement with Prodigy which allowed Goldstream, through various financing and work commitments, to acquire a 100% interest in the Hardrock East project. Prodigy Gold is now owned by Argonaut Gold Inc. which is listed on Toronto Stock Exchange (TSX-V: AR).

Exploration by Prodigy occurred mainly during 2010 and 2011 and included extensive geologic study and fieldwork. In December of 2012, Goldstream contracted AMEC to conduct a non-compliant resource estimate on the Milestone target. The resultant resource from this study was designated only as a mineral inventory with no economic parameters applied except for using varying cutoff grades.

### **Greenstone Gold Mines Group Viper Property**

Greenstone Gold Mines is a 50/50 partnership between Centerra Gold Inc. and Premier Gold Mines Limited for the joint ownership and development of the Hardrock, Brookbank and Viper Properties.

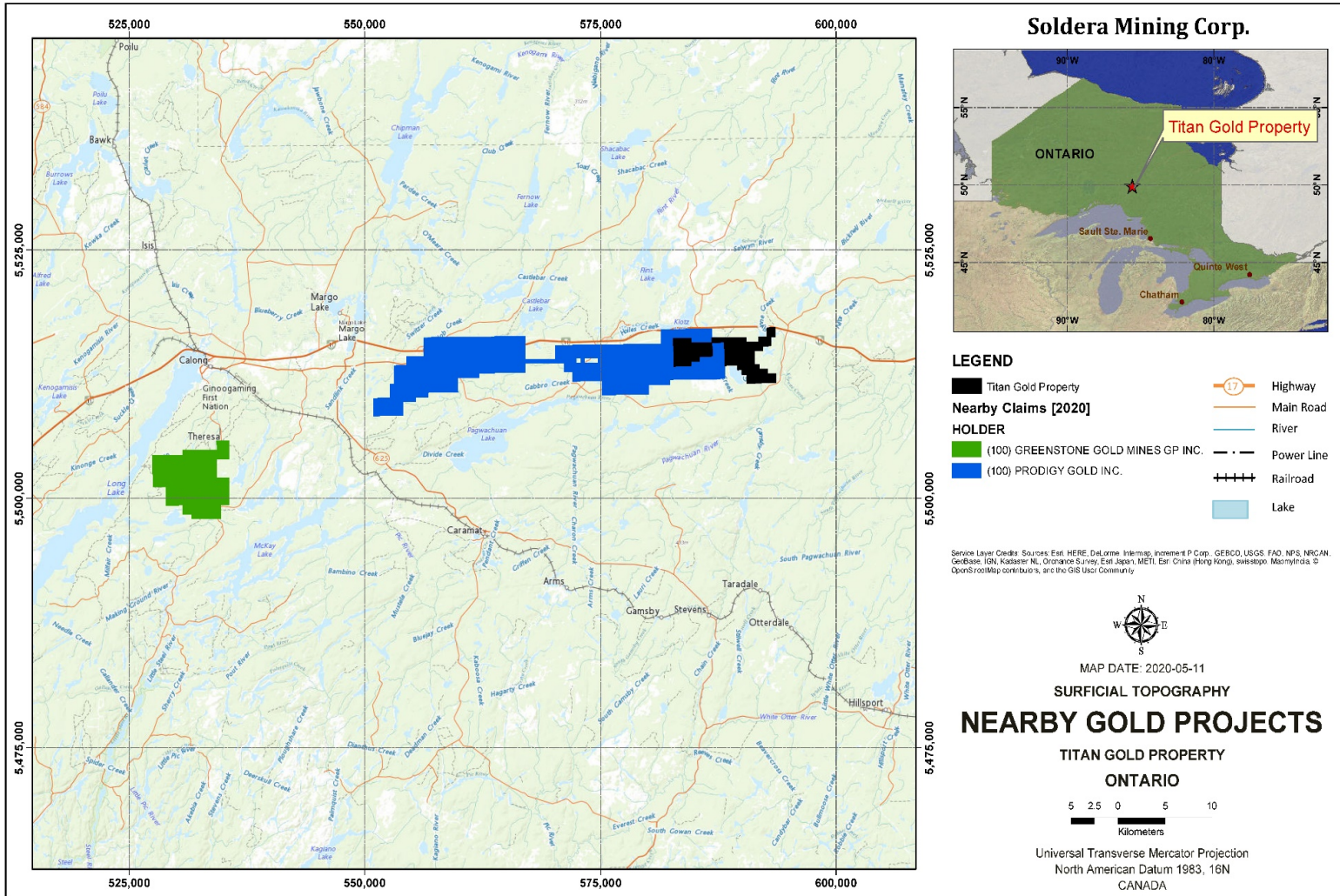
Greenstone Gold Mine GP Inc.'s Viper Property is a contiguous block of 17 mining claims. The property covers a total approximate area of 3,410 hectares and is located in the McBean Lake Area Township.

The Viper Property resides in a location of the Beardmore-Geraldton Greenstone Belt where the Central Meta-Volcanic Unit and the Southern Meta-Sedimentary Unit are strong folded together. The central meta-volcanic unit is comprised of massive and pillowed basalts and andesite with mid-ocean ridge basalt geochemical affinity, interlayered with thin sedimentary and tuffaceous beds. The central meta-volcanic unit differs from the southern meta-volcanic unit by thicker deposits of pyroclastic rocks and an abundance of large amygdules in the flow rocks, suggesting shallow-water or subaerial volcanism. The majority of the flow rocks are andesites and dacites of calc-alkaline affinity with trace and rare-earth element patterns suggesting deposition in an emergent volcanic arc above a subduction zone. There are also numerous young diabase dykes running roughly north-south crosscutting all other rocks. The southern meta-sedimentary unit is comprised of clastic and chemical sedimentary rocks.

Polymictic conglomerate occurs as thin horizons (<5m) within a thick sequence of thinly to thickly bedded feldspathic sandstone interlayered with thinly bedded siltstone and argillite. Banded iron formation, a minor component of the unit, occurs as fine magnetite-rich laminae and jasper-hematite beds within 3-30m thick horizons interlayered with thinly bedded green argillite, siltstone, and sandstone. In the middle of the folded southern meta-sedimentary unit there is a large felsic porphyry plug. The felsic porphyry body is folded and is only slightly younger than the surrounding clastic meta-sediments.



Figure 20: Adjacent Properties Map



## ***Other Relevant Data and Information***

### **Environmental Concerns**

There is no historical production from the Property, and the author is not aware of any environmental liabilities which have accrued from historical exploration activity. An exploration work permit was issued for the Property in the name of Alex Pleson (the Vendor) which can be used for further exploration work by extending its time.

### ***Interpretation and Conclusions***

Geologically, the Property is situated in the Wabigoon Subprovince of the Superior Geological Province. This Subprovince consists mainly of Archean metavolcanic and metasedimentary rock sequences intruded by larger granitoid plutons, mainly granodiorite to granite in composition. Mafic volcanic rocks form ~90% of the sequence in the Titan area, typically tholeiitic mafic flows. Felsic-metavolcanic and metasedimentary units comprise the remainder of the volcanic-sedimentary lithologies. These units typically exhibit evidence of at least greenschist facies of metamorphism. Regional deformation tends to trend in the east/northeast direction which is also the direction of alignment of regional structures. Within the Property, area is dominated by a large quartz diorite intrusion that extends past its eastern boundary on contact to a tonalite pluton. The western contact of the quartz diorite consists of interlayered mafic and felsic metavolcanic rocks. Gold mineralization is typically associated near the boundaries of the major shear zones that have been previously mapped on the Property.

The historical exploration work suggests that the Titan and Morrow showings represent an exposed ductile shear zone, exposed to high stress and strain, with multiple narrow gold carrying quartz veins within the Morrow Lake Deformation Zone (MLDZ). Gold mineralization at Titan and elsewhere on the Solarus grid, is associated with splay faults emanating off the regional east- west striking Klob Lake Fault; a regional fault system that might act as the principal plumbing/conduit network for important gold bearing fluids throughout portions of the Beardmore-Geraldton Greenstone Belt.

High gold values are associated with quartz +/- carbonate stockwork veins, less just quartz veins and highly altered variably sheared mafic/gabbroic rocks. The shear zones range in thickness from 0.5 m to 30 m, cross-cut stratigraphy, and are oriented northwest / southeast. Wider auriferous zones are of lower grade, with sporadic, < 0.5 m wide, high grade shoots. Various drill programs tested potential for gold mineralization along a strike. It is also clear from the drilling that the stratigraphy dips shallow, not steeply north at around 50° north.

Drilling at Titan did not intersect gold mineralization immediately underlying the showing where visible gold was found in strongly folded narrow quartz veins. This would indicate that the vein system may dip in the opposite direction and the optimum drill direction should have been grid north instead of grid south. The surface projection of the significantly mineralized zones from drilling also suggest that the high-grade mineralized zones may form canoe-shaped shear structures rather than simple linear shears indicating that the Titan mineralization has been strongly folded. Therefore, it is possible that the mineralization must fold or plunge to the east or west of the surface gold showings and, according to IP results, may reside at vertical depths in excess of 250 m.

Significant gold mineralized zones are typically <10.0 m wide although shear/altered zones with pyrite +/- pyrrhotite mineralization can be up to 30 m wide. Assay values for gold are typically over 1.0 g/t with high grade offshoots grading 61.80 g/t Au over a core length of 0.5 m (Hole KL-12-01) and 271.0 g/t Au over a length of 0.4 m (Hole KL-12-08). The exact depth of this mineralized system is unknown with the deepest best gold intersections occurring at a vertical depth of ~275 m (hole KL-12-05). No significant mineralization was intersected west of the Titan showing, and northwest striking fault defined by the IP survey.

In addition to folding, faulting (post and pre-mineralization events) may also add to the complexity of the exploration working model of the Property. According to the ground geophysical survey results, the resistivity and chargeability and magnetic anomalies that coincide with the Titan showing can be followed on strike east southeast to the Tomorrow Lake showing where gold mineralization has been previously drill tested. This zone appears to have been locally displaced laterally by a series of northeast trending faults. These observations imply that there is further potential to find additional gold mineralization within this structure for a minimum strike length of 1.675 km. The chargeability anomaly appears to continue widening to the west forming a semi-linear structure curving to the northwest, suggesting a continuation of the mineralization associated with Titan. The regional scale (1:20,000) airborne magnetics mirrors the chargeability anomaly suggesting a folded or semi-linear structure curving to the northwest. A combination of airborne magnetic, ground magnetic and IP survey results indicate a total strike length of this structure for a total of around 4.0 km within the MLDZ. The results of VLF / magnetic survey of 2020 have shown that the mineralization

trend which was explored at Morrow Lake through drilling and trenching can further extends to the east along strike for approximately two kilometres.

To date, most of known mineralization discovered on the Solarus grid is closely associated with increased magnetic signatures. Pyrrhotite, locally up to 10 modal percent, was found in most of the shear zones intersected by the recent drill program which may account for the magnetic anomalies. Considering the magnetic anomaly appears to more closely coincide with the gold mineralization occurrences, it is possible that the magnetic anomalies may define exploration targets more accurately for future exploration programs. So far, IP and magnetic susceptibility over the west end do not show any explicit correlation, which may be due to a possible iron depleted nature of mineralized zones, if present. Furthermore, the fact that gold mineralized shear zones cross-cut geological units suggests a structural control is more important in controlling gold mineralization than a lithological control.

Soldera has not carried out any exploration work on the Property.

Mineralization style for Property suggests a lode type Mesothermal Archean Lode Gold deposit model in Superior Geological Province. One prominent characteristic of all significant gold deposits in the Superior Province is their occurrence within or immediately adjacent to greenstone belts. The faults, and associated splays, which control gold mineralization, are typically part of a larger deformational zone that can reach kilometers in thickness and several hundred kilometers in strike. There are three types of gold mineralization identified in the area: (a) in quartz veins hosted in volcanic rocks and felsic dikes within shear zones, (b) in narrow semi-massive sulphide bands filling fissures, and (c) in altered rocks within shear zones with or without quartz veins.

The Author visited the Property on May 23, 2020 to verify historical exploration work, including various drill programs, trenching and channel sampling programs, mineralized outcrops and to collect necessary geological data. A total of six samples were collected by the author from historical channel sampling and other exploration areas and were delivered to Polymet Laboratories in Cobalt, Ontario for analyses. The sample assay results indicated gold (Au) values in the range of 0.057 grams per ton (g/t) to 4.03 g/t while one sample (31523) was below laboratories detection limits (0.028 g/t). Highest Silver values of 26.31 were in sample 31518 and the lowest 1.3 g/t was sample 31523 while four samples were below the laboratories detection limits. These results are consistent with historical trenching results.

The data presented in this report is based on published assessment reports available from Soldera, Ontario ENDMF, the Geological Survey of Canada, and the Ontario Geological Survey. All the consulted data sources are deemed reliable. The data collected during present study is considered enough to provide an opinion about the merit of the Property as a viable exploration target.

There are some risks associated with this Property. Although historical exploration work has been carried out on the Property with some good results, it is still an early stage exploration Property with no mineral resource.

Based on its favourable geological setting indicating shear hosted gold mineralization in trenches and drill holes and the findings of the present study, it is concluded that the Property is a Property of merit and possesses a good potential for discovery of economic concentration of gold mineralization through further exploration. Good road access, availability of exploration and mining services in the vicinity makes it a worthy mineral exploration target. The historical exploration data collected on the Property provides the basis for a follow-up work program.

The Author believes the present study has met its original objectives.

### ***Recommendations***

In the Author's opinion, the character of the Property is enough to merit the following two-phase work program, where the second phase is contingent upon the results of the first phase.

#### **Phase 1 – Geophysical Surveys, Prospecting, Trenching and Sampling**

The historical work at the Property was mainly focused on the main Titan and Morrow showings, however the geophysical survey data indicates a northwest southeast trending structural corridor of 1.67 to 4 kilometres in length along strike within Morrow Lake Deformation Zone (MLDZ) which can be a potential target for further exploration. The results of ground geophysical survey indicate that magnetic anomalies provide better control of finding gold mineralization for exploration. It is recommended to fill the gap in 2020 through magnetic and VLF surveys, and continue prospecting, trenching, and sampling work along MLDZ. As majority of the MLDZ is covered with overburden, an effective way to identify potential near surface targets is a combination of ground magnetics / VLF with a follow up prospecting, stripping overburden and trenching work to find rock outcrops.

Total estimated budget for Phase 1 program is \$157,630 (Table 11) and it will take about three months' time to complete this work.

#### Phase 2 – Detailed Drilling and Resource Estimation

If results from the first phase are positive, then a detailed drilling program would be warranted to check the most promising targets identified during geological mapping, trenching, and sampling work in Phase 1. The scope of work for drilling and location of drill holes would be determined based on the findings of Phase 1 investigations.

**Table 1: Phase 1 budget**

Item	Unit	Unit Rate (\$)	Number of Units	Total
<b>Mapping, Trenching and Sampling</b>				
Geological mapping (geologist 1)	days	\$600	7	\$4,200
Geological mapping (geologist 2)	days	\$600	7	\$4,200
Prospecting (2-person crew)	days	\$800	14	\$11,200
Ground geophysical survey	line-km	\$2,000	15	\$30,000
Excavator for stripping	hrs.	\$120	60	\$7,200
Mob and demob of excavator	ls	\$1	2000	\$2,000
Channel cutting and sampling	m	\$500	25	\$12,500
Accommodations and Meals	day	\$250	100	\$25,000
Supplies	ls	\$5,000	1	\$5,000
Sample Assays	sample	\$100	150	\$15,000
Transportation Road	km	\$1	10,000	\$10,000
Data Compilation	days	\$700	10	\$7,000
Report Writing	days	\$700	10	\$7,000
Project Management	days	\$750	4	\$3,000
Sub Total				<b>\$143,300</b>
Contingency 10%				<b>\$14,330</b>
<b>Total Phase 1 Budget</b>				<b>\$157,630</b>

### USE OF AVAILABLE FUNDS

The Company is not raising any funds in conjunction with this prospectus. Accordingly, there are no proceeds.

**The Company has historically generated negative cash flows and there is no assurance that the Company will not experience negative cash flow from operations in the future. For the period commencing December 3, 2019 and ended May 31, 2020, the Company sustained net losses from operations and had negative cash flow from operating activities of \$50,434. All funds available to the Company will be used to fund future and anticipated negative cash flow from its operating activities.**

#### **Funds Available and Principal Purposes**

The Company had working capital of \$521,100 as of May 31, 2020, its most recent financial year end, representing the remaining funds from the first three Private Placements. Of the aggregate \$405,500 raised from the first three Private Placements, \$50,434 has been previously spent on operating expenditures, and \$40,000 has been spent on the first payment under the Property Agreement. As of May 31, 2020, the Company had net accounts payable of \$12,750. The gross proceeds of the Company under the Special Warrant Private Placement were \$216,450.



The approximate working capital of the Company as of August 31, 2020, being the most recent month end, is therefore \$425,082, representing the remaining proceeds from the Private Placements, which will be used for the purposes described below:

<b>Use of Available Funds</b>	
Complete recommended Phase 1 exploration program on the Property <sup>(1)</sup>	\$157,630
Pay second cash installment under the Property Agreement	\$40,000
Initial Listing Fees <sup>(2)</sup>	\$60,000
General and administrative costs for next 12 months <sup>(3)</sup>	\$78,000
Unallocated working capital	\$89,452
<b>TOTAL:</b>	<b>\$425,082</b>

**Notes:**

- (1) See "The Titan Gold Property – Recommendations."
- (2) Including legal, audit, securities commissions and Exchange fees.
- (3) See the table below for a description of the estimated administrative costs of the Company for the next 12-month period.

Upon Listing Date, the Company estimates that its working capital will be sufficient to meet its administrative costs and exploration expenditures for the 12-month period following the Listing Date. Administrative costs for the 12-month period following the Listing Date are comprised of the following:

<b>General and Administrative Costs for 12-Month Period Following the Listing Date</b>	<b>(\$)</b>
Transfer Agent, Listing, Filing and Legal Fees	\$30,000
Accounting and Auditing	\$20,000
Office and Miscellaneous	\$5,000
Travel	\$5,000
Management Compensation	\$18,000
<b>TOTAL:</b>	<b>\$78,000</b>

The use to which the \$89,452 of unallocated working capital will be put has not yet been determined by the Company, as the nature of the Company's future expenditures is contingent on the results of the Phase 1 exploration program. The Company retains a sizeable unallocated working capital to account for future contingencies, including the possibility of commencing work on the Phase 2 exploration program if warranted, or failing positive results of Phase 1, the possibility of pursuing opportunities to acquire interests in other properties.

**Business Objectives and Milestones**

The Company's current business objective and sole current milestone is to complete the Phase 1 exploration program on the Property, as described herein. Based upon the recommendations of the Author in the Technical Report, the Company intends to carry out the Phase 1 exploration program beginning in September of 2020, and the Company expects to complete the field work for Phase 1 by the end of November of 2020. The proposed budget for Phase 1 in the Technical Report is based on a three-month work program, but the exact timeline is subject to change. If the results of the Phase 1 exploration program are positive, the Company will look towards carrying out the recommended Phase 2 exploration program.

The Company's unallocated working capital will likely not be sufficient to fund the recommended Phase 2 exploration program on the Property. Therefore, in the event the results of the Phase 1 exploration program warrant conducting further exploration on the Property, the Company will require additional financing to complete the Phase 2 exploration program. The availability of such financing cannot be guaranteed.

Although the Company intends to expend the funds available to it as set out above, the amount actually expended for the purposes described above could vary significantly depending on, among other things, mineral prices, unforeseen events, and the Company's future operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

The Company expects the coronavirus will corporate and exploration activities less efficient than if such activities were carried out under normal circumstances. Notwithstanding, the Company expects to be able to commence the exploration program in September 2020, and complete it within three months. This timeline reflects the fact (i) that materials, personnel and machinery may be more difficult to source than under normal circumstances, (ii) that certain personnel may be required to self isolate on their arrival in Ontario and (iii) that the Company's two executive officers are currently working from home. See "*Risk Factors - COVID-19 Public Health Crisis*" for further detail.

Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Company. Accordingly, if the results of the Phase 1 exploration program are not supportive of proceeding with Phase 2, or if continuing with the Phase 1 exploration program becomes inadvisable for any reason, the Company may abandon in whole or in part its interest in the Property or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Company, although the Company has no present plans in this respect. Subscribers to the Special Warrant Private Placement must rely on the experience, good faith and expertise of management of the Company with respect to future acquisitions and activities.

## **DIVIDENDS OR DISTRIBUTIONS**

### **Dividends**

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its cash to finance its exploration activities, finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Company's Management's Discussion and Analysis provides an analysis of the Company's financial results for the period commencing December 3, 2019 and ended May 31, 2020 and should be read in conjunction with the financial statements of the Company for such period, and the notes thereto. The Company's Management's Discussion and Analysis is attached to this Prospectus as Schedule "C".

Certain information included in the Company's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Cautionary Statement Regarding Forward-Looking Statements" for further detail.

### **Disclosure of Outstanding Security Data**

#### *Common Shares*

As at the date of this Prospectus, the Company had 15,025,001 Common Shares issued and outstanding, and the Company will have 17,189,495 Common Shares issued and outstanding following the exercise or deemed exercise of all the Special Warrants.

#### *Stock Options*

The Company has not granted any stock options as at the date of this Prospectus.

#### *Purchase Warrants*

As of the date of this Prospectus, the Company has 4,000,000 share purchase warrants (the "**Third Private Placement Warrants**") outstanding, which were issued as part of the Third Private Placement. Each Third Private Placement Warrant entitles its holder to purchase one Common Share at a price of \$0.10 for a period of two (2) years from the

Listing Date. Following the exercise or deemed exercise of all the Special Warrants, the Company will have (i) 4,000,000 Third Private Placement Warrants outstanding and (ii) 2,164,494 Warrants outstanding, each such Warrant entitling its holder to purchase one Common Share at a price of \$0.20 for a period of two (2) years from Listing Date.

### *Special Warrants*

As at the date of this Prospectus, the Company had 2,164,494 Special Warrants outstanding, issued as part of the Special Warrant Private Placement. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one Unit Share and one Warrant, each Warrant exercisable into one Warrant Share at an exercise price of \$0.20 for two (2) years from the Listing Date. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the Receipt; and (b) one year from the Closing Date. Following the exercise or deemed exercise of all the Special Warrants, the Company will have no Special Warrants outstanding.

None of the Company's principals hold Special Warrants.

### **Additional Disclosure for Junior Issuers**

The Company anticipates that its estimated working capital of \$425,082 as of August 31, 2020, being the most recent month end, will fund operations for the next 12-month period. Management estimates that the Company will require \$40,000 to make the second cash payment under the Property Agreement, \$157,630 to pay for the Phase 1 exploration program expenditures on the Property, \$60,000 for initial listing fees and \$78,000 for general and administrative expenses. Other than the costs stated above, the Company does not anticipate incurring any other material capital expenditures during the next 12-month period.

## **DESCRIPTION OF SECURITIES DISTRIBUTED**

### **Common Shares**

The Company's authorized capital consists of an unlimited number of Common Shares, of which 15,025,001 are issued and outstanding as at the date of this Prospectus as fully paid and non-assessable. Following the exercise or deemed exercise of all the Special Warrants, there will be 17,189,495 Common Shares issued and outstanding. Holders of the Common Shares are entitled to vote at all meetings of the holders of the Common Shares and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate rateably in any distribution of the Company's property or assets upon liquidation or wind-up.

The Board is authorized to issue additional Common Shares on such terms and conditions and for such consideration as the Board may deem appropriate without further security holder action.

### **Special Warrants**

The Company closed the Special Warrant Private Placement on May 29, 2020, and issued an aggregate of 2,164,494 Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one Unit Share and one Warrant, each Warrant exercisable into one Warrant Share at an exercise price of \$0.20 for two (2) years from the Listing Date. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the Receipt; and (b) one year from the Closing Date.

The Company has provided to each Special Warrant holder a contractual right of rescission of the prospectus exempt transaction under which the Special Warrant was initially acquired. The contractual right of rescission provides that if a Special Warrant holder who acquires another of the Company's securities on exercise of the Special Warrant as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the Prospectus or an amendment to the Prospectus containing a misrepresentation, then:

1. the holder is entitled to rescission of both the holder's exercise of its Special Warrant and the private placement transaction under which the Special Warrant was initially acquired;

2. the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrant; and
3. if the holder is a permitted assignee of the interest of the original Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

Upon conversion of the Special Warrants into Unit Shares and upon conversion of the Warrants into Warrant Shares, holders of such Common Shares shall be entitled to vote at all meetings of the holders of Common Shares and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate ratably in any distribution of the Company's property or assets upon liquidation or winding-up.

## CONSOLIDATED CAPITALIZATION

The following table sets out the share capitalization of the Company as at the dates specified below.

Description	Authorized	Outstanding as at May 31, 2020	Outstanding as at the date of this Prospectus <sup>(1)(2)</sup>	Outstanding following the exercise of all the Special Warrants <sup>(2)</sup>
Common Shares	Unlimited	15,025,001	15,025,001	17,189,495

**Notes:**

- (1) See "Prior Sales".
- (2) On an undiluted basis.

### Fully Diluted Share Capitalization

Common Shares	Amount of Securities	Percentage of Total
Issued and outstanding as at the date of this Prospectus	15,025,001	64.3%
Common Shares reserved for issuance upon the exercise of the Special Warrants	2,164,494	9.3%
Common Shares reserved for issuance upon exercise of all warrants <sup>(1)</sup>	6,164,494	26.4%
Common Shares reserved for issuance upon exercise of options	0	0%
<b>Total Fully Diluted Share Capitalization after the Listing Date</b>	<b>23,353,989</b>	<b>100%</b>

**Notes:**

- (1) Including the Warrants and Third Private Placement Warrants.

## OPTIONS TO PURCHASE SECURITIES

### Outstanding Options

The Company has not granted any stock options as at the date of this Prospectus.

### Stock Option Plan

The Company does not have a stock option plan.

## PRIOR SALES

The following table summarizes all sales of securities of the Company since the date of incorporation:

Date of Issue	Price per Security <sup>(1)</sup>	Number of Securities
December 3, 2019	\$0.01	1 Common Share
December 16, 2019	\$0.005	1,000,000 Common Shares <sup>(2)</sup>
February 3, 2020	\$0.02	10,025,000 Common Shares <sup>(3)</sup>
February 24, 2020	\$0.05	4,000,000 units <sup>(4)</sup>
May 29, 2020	\$0.10	2,164,494 Special Warrants <sup>(5)</sup>

**Notes:**

- (1) All prior sales have been for cash.
- (2) Comprised the First Private Placement.
- (3) Comprised the Second Private Placement.
- (4) Comprised the Third Private Placement, where each unit is comprised of one Common Share and one share purchase warrant, where each such warrant entitles the holder to purchase one Common Share at a price of \$0.10 for a period of two (2) years from the Listing Date.
- (5) Comprised the Special Warrant Private Placement.

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Pursuant to the Escrow Agreement, the Common Shares subject to contractual restriction and escrow are as shown in the following table:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	1,025,000 <sup>(1)</sup>	6.0% <sup>(2)</sup>

**Notes:**

- (1) These Common Shares are held under the Escrow Agreement in accordance with NP 46-201. The Escrow Agent is Odyssey Trust Company.
- (2) Based on 17,189,495 Common Shares issued and outstanding following the exercise of all the Special Warrants.

### Escrow Agreement

NP 46-201 provides that all shares of an issuer owned or controlled by its Principals will be escrowed at the time of the issuer's initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. As the Company anticipates that its Common Shares will be listed on the Exchange, it will be classified as an "emerging issuer". As such, the following automatic timed releases will apply to the securities held by its Principals:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities

36 months after the Listing Date	The remaining escrowed securities
----------------------------------	-----------------------------------

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, automatic timed release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining escrowed securities being released in 15% tranches every six months thereafter.

The automatic timed release provisions under NP 46-201 pertaining to “established issuers” provide that 25% of each Principal’s and shareholder’s escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over eighteen months. If, within eighteen months of the Listing Date, the Company meets the “established issuer” criteria as set out in NP 46-201, the escrowed securities will be eligible for accelerated release available for established issuers. In such a scenario, that number of escrowed securities that would have been eligible for release from escrow if the Company had been an “established issuer” on the Listing Date will be immediately released from escrow. The remaining escrowed securities would be released in accordance with the timed release provisions for established issuers, with all escrowed securities being released eighteen months from the Listing Date.

Pursuant to the terms of the Escrow Agreement, 1,025,000 Common Shares will be held in escrow on the Listing Date.

### **Voluntary Hold Period**

In addition to the escrow requirements described above, 1,000,000 Common Shares held by the Company’s Principals are also subject to a voluntary hold period, pursuant to a pooling agreement dated September 22, 2020 (the “**Pooling Agreement**”), such that (i) 40% of such shares may not be traded, sold or otherwise disposed of until 12 months following receipt of DTC eligibility in respect of the Common Shares (“**DTC Eligibility**”) and (ii) 60% of such shares may not be traded, sold or otherwise disposed of until 18 months following DTC Eligibility.

### **PRINCIPAL SECURITYHOLDERS**

To the knowledge of the directors and officers of the Company, as of the date of this Prospectus, assuming the exercise of the Special Warrants, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Common Shares.

## DIRECTORS AND EXECUTIVE OFFICERS

### Name, Occupation and Security Holdings

The following table provides the names, municipalities of residence, position, principal occupations and the number of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Municipality of Residence and Position with the Company	Director/Officer Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly	
			As at the Date of this Prospectus <sup>(1)</sup>	Following the exercise of the Special Warrants <sup>(2)</sup>
Mark Ireton <sup>(3)</sup> Vancouver, BC  <i>Chief Executive Officer, President and Director</i>	December 3, 2019	Mr. Ireton has served as a director of Noram Ventures Inc. since November 2015, and served as president and CEO from November 2015 to January 2019. Prior to his position with Noram Ventures, Inc., Mr. Ireton had been vice president of PNC Bank in Vancouver, British Columbia since 2012. His previous experience includes 20 years with Canadian Western Bank (1992-2012) and 6 years with Royal Bank of Canada (1986-1992).	525,000 (3.5%)	525,000 (3.1%)
Faizaan Lalani Vancouver, BC  <i>Chief Financial Officer and Director</i>	December 3, 2019	Mr. Lalani served as Senior Project Accountant at <i>PortLiving</i> from May 2016 to July 2019, and Senior Project Accountant at <i>Century Group</i> from June 2014 to April 2016. Mr. Lalani is also the founder and owner of <i>Encima Clothing</i> from 2015 to 2018. Mr. Lalani served as a director of GreenStar Biosciences Corp. from May 2019 to April 2020 and has served as a director of IMC International Mining Corp. since November 2019, United Battery Metals Corp. since October 2019 and Infuzed Brands Inc. since January 2019.	500,000 (3.3%)	500,000 (2.9%)
Robert Krause <sup>(3)(4)</sup> Burnaby, BC  <i>Director</i>	February 6, 2020	Mr. Krause is a geologist with significant experience working with junior mining issuers. Mr. Krause has previously served as president of New Destiny Mining Corp from July 2019 to January 2020, as president and director of Banner Resources from January 2005 to July 2019, as a director of Wyn Development from August 2003 to July 2019, as a director of Canada Rare Earth Corp from March 2008 to July 2019 and as a director of Remington Resources Inc. from Remington Resources Inc.	Nil	Nil

Name and Municipality of Residence and Position with the Company	Director/Officer Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly	
			As at the Date of this Prospectus <sup>(1)</sup>	Following the exercise of the Special Warrants <sup>(2)</sup>
Arthur Brown <sup>(3)(4)</sup> Vancouver, BC  <i>Director</i>	February 6, 2020	Mr. Brown has served as director and President of Astorius Resources Ltd. since May 2016, and director and President of Caelan Capital Inc. since November 2016. Mr. Brown has served as director of Silver Spruce Resources Inc. since June 2015 and Noram Ventures Inc. since July 2016.  Mr. Brown served as director and president of Maxim Resources Inc. from August 2004 to July 2016.	Nil	Nil
Geoff Balderson  <i>Corporate Secretary</i>	August 15, 2020	Mr. Balderson has served as President of Harmony Corporate Services Ltd. since February, 2015 and, from June 2009 to August 2019, served as President of Flow Capital Corp.	Nil	Nil

**Notes:**

- (1) Percentage is based on 15,025,001 Common Shares issued and outstanding as of the date of this Prospectus.
- (2) Percentage is based on 17,189,495 Common Shares issued and outstanding following the exercise of all the Special Warrants.
- (3) Denotes a member of the Audit Committee of the Company.
- (4) Denotes an independent director.

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Company's directors. None of the Company's directors or executive officers have entered into non-competition or non-disclosure agreements with the Company.

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 1,025,000 Common Shares, which is equal to 6.8% of the Common Shares issued and outstanding as at the date hereof.

Following the exercise of all the Special Warrants, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 1,025,000 Common Shares of the Company, which is equal to 6.0% of the Common Shares issued and outstanding following the exercise of all the Special Warrants.

**Background**

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date hereof, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:



*Mark Ireton – Director, President, and Chief Executive Officer, 63 years old*

Mr. Ireton has served as a director of Noram Ventures Inc. since November 2015, and served as president and CEO from November 2015 to January 2019. Mr. Ireton is a banker by profession with over 30 years of experience in all areas of commercial mid-market lending. He is versed in both public and private transactions, reorganizations, acquisitions—both management buyouts and leveraged buyouts—and divestitures in a variety of sectors that include wholesale distribution, manufacturing, aviation, transportation, construction, excavation, post production and oil service. Prior to his position with Noram Ventures, Inc., Mr. Ireton had served as vice president of PNC Bank in Vancouver, British Columbia since 2012. Mr. Ireton’s previous experience also includes 20 years with Canadian Western Bank (1992-2012) and six years with Royal Bank of Canada (1986-1992).

As the Chief Executive Officer of the Company, Mr. Ireton is responsible for the day-to-day operations, outside contractors and service providers, acquisitions and project development, and of the financial operations of the Company in conjunction with the Chief Financial Officer and with outside accounting, tax and auditor support. Mr. Ireton will devote as much of his time to the Company’s activities as is reasonably necessary to discharge his responsibilities as CEO. Mr. Ireton is not an employee of the Company but is an independent consultant of the Company. Mr. Ireton has not entered into a non-competition or non-disclosure agreement with the Company.

*Faizaan Lalani – Chief Financial Officer, Director, 33 years old*

Mr. Lalani is an accounting and finance professional with over 9 years of experience covering audit, financial reporting, corporate finance, and operations management. Mr. Lalani previously worked in the audit and assurance group at PricewaterhouseCoopers LLP, Canada, where he obtained his CPA, CA designation, gaining vast experience in accounting practices in both the public and private sectors during his tenure. Mr. Lalani has also served as a Senior Accountant for PortLiving, a Vancouver based real estate development company, since 2016 and, from 2014 to 2016, Mr. Lalani served as a Senior Accountant with Century Group, a Vancouver real estate development company. Mr. Lalani served as a director of GreenStar Biosciences Corp. from May 2019 to April 2020. Mr. Lalani is also a director and Chief Financial Officer of Infuzed Brands Inc. and United Battery Metals Corp, and a director of IMC International Mining Corp.

As the Chief Financial Officer of the Company, Mr. Lalani is responsible for coordination of the financial operations of the Company in conjunction with the Chief Executive Officer and with outside accounting, tax and auditing firms. Mr. Lalani will devote as much of his time to the Company’s activities as is reasonably necessary to discharge his responsibilities as CFO. Mr. Lalani is not an employee of the Company but is an independent consultant of the Company. Mr. Lalani has not entered into a non-competition or non-disclosure agreement with the Company.

*Robert Krause – Director, 62 years old.*

Mr. Krause has over 30 years of industry experience as a geologist, having worked extensively in North, Central and South America, with an emphasis on geochemistry and exploration geology in epithermal gold deposits, disseminated gold deposits, porphyry copper-gold deposits and magmatic nickel-copper-PGE (platinum group element) deposits. Mr. Krause is an exploration and project geologist having served as vice-president of exploration for numerous junior mining companies and as a director of numerous public mining companies.

Through experience from various roles, Mr. Krause is familiar with generating and implementing budgets and managing financial reporting for publicly traded companies. Mr. Krause has sat on the audit committee of numerous public traded companies, most recently including that of Auracle Resources Ltd (formerly Wyn Developments).

Mr. Krause will devote as much of his time to the Company’s activities as is reasonably necessary to discharge his responsibilities as a director. Mr. Krause is neither an employee nor an independent consultant of the Company. Mr. Krause has not entered into a non-competition or non-disclosure agreement with the Company.

*Arthur Brown – Director, 69 years old*

Mr. Brown has over 30 years of business experience, having served as a director on the boards of numerous public companies, in industries ranging from technology to mineral exploration and oil and gas. Mr. Brown has served as

director and President of Astorius Resources Ltd. since May 2016, and director and President of Caelan Capital Inc. since November 2016. Mr. Brown has served as director of Silver Spruce Resources Inc. since June 2015 and Noram Ventures Inc. since July 2016. Mr. Brown served as director and president of Maxim Resources Inc. from August 2004 to July 2016.

Mr. Brown will devote as much of his time to the Company's activities as is reasonably necessary to discharge his responsibilities as a director. Mr. Brown is neither an employee nor an independent consultant of the Company. Mr. Brown has not entered into a non-competition or non-disclosure agreement with the Company.

Geoff Balderson – *Corporate Secretary, 42 years old*

Mr. Balderson is the of President Harmony Corporate Services Ltd. ("**Harmony**"), a private business consulting company located in Vancouver, British Columbia. Mr. Balderson has been an officer and director of several TSX Venture Exchange- and Canadian Securities Exchange-listed companies over the past 15 years.

Mr. Balderson will devote as much of his time to the Company's activities as is reasonably necessary to discharge his responsibilities as corporate secretary. Mr. Balderson provides services to the Company through Harmony, with which the Company has a consulting agreement. Mr. Balderson has not entered into a non-competition or non-disclosure agreement with the Company.

### **Corporate Cease Trade Orders or Bankruptcies**

Except as disclosed herein, no director or executive officer of the Company is, as at the date of this Prospectus, or was within ten years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Company, that:

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

Mr. Balderson previously served as President and Chief Executive Officer of Argentum Silver Corp. ("**Argentum**") from August 2014 to May 2017. On November 2, 2015, the British Columbia Securities Commission (the "**BCSC**") issued a management cease trade order (the "**2015 CTO**") against insiders of Argentum for failure to file annual audited financial statements and management's discussion and analysis for the year ended June 30, 2015. The 2015 CTO was revoked on December 16, 2015. On November 3, 2016, the BCSC issued a cease trade order (the "**2016 CTO**") against Argentum for failure to file annual audited financial statements and management's discussion and analysis for the year ended June 30, 2016. The 2016 CTO was revoked on December 5, 2016.

### **Penalties or Sanctions**

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

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

## Bankruptcies

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

- (i) is, as at the date of this Prospectus, or has been within the ten years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (ii) has, within the ten 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.

## Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, the director in a conflict will disclose his interest and abstain from voting on such matter, as required under applicable corporate laws.

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

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. The directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

## EXECUTIVE COMPENSATION

The Company was not a reporting issuer at any time during the fiscal period commencing December 3, 2019 and ended May 31, 2020, the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6 *Statement of Executive Compensation* ("**Form 51-102F6**"), the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to Named Executive Officers of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined.

For the purposes hereof, the term Named Executive Officer, or NEO, means each Chief Executive Officer, each Chief Financial Officer and the Company's most highly compensated executive officer, other than the Chief Executive Officer and the Chief Financial Officer, who was serving as an executive officer as at the end of the Corporation's most recently completed financial year and whose total compensation exceeds \$150,000 and any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company

at the end of the Company's most recently completed financial year. The Company expects that for the fiscal year ended May 31, 2020, its NEOs will be Mark Ireton and Faizaan Lalani.

### **Compensation Discussion and Analysis**

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the board of directors. With a view to minimizing its cash expenditures not directed at the exploration of the Property, the Company does not intend to pay compensation to management for the next 12 months. However, this policy will be re-evaluated periodically. The Company expects to grant incentive stock options to the Named Executive Officers and its non-executive directors, under a stock option plan to be adopted subsequent to listing on the Exchange in the amounts and on terms to be determined by the Board at that time.

### **Option Based Awards**

The Company does not have a stock option plan and has not granted any stock options to its NEOs.

### **Defined Benefit Plans**

The Company does not have any defined benefit or actuarial plan.

### **Termination and Change of Control Benefits**

The Company does not have any contracts, agreements, plans or arrangements in place with any NEOs that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Company or a change in an NEOs responsibilities.

### **Director Compensation**

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. As with the Named Executive Officers, the Board intends to compensate directors primarily through the grant of stock options, under a stock option plan to be adopted subsequent to listing on the Exchange, and reimbursement of expenses incurred by such persons acting as directors of the Company. Notwithstanding, during the period ended May 31, 2020, Mark Ireton, Robert Krause and Arthur Brown each received a one-time consulting fee of \$5,000 in consideration for their services to the Company in the lead up to the filing of this Prospectus.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

### **Aggregate Indebtedness**

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 *Information Circular* ("Form 51-102F5"), no directors, executive officers and employees and no former directors, executive officers and employees of the Company are or were indebted to the Company in connection with a purchase of securities and all other indebtedness as at the date of this Prospectus.

### **Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs**

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Company, and associates of such directors or executive officers are or were indebted to the Company as at the date of this Prospectus.

## AUDIT COMMITTEE AND CORPORATE GOVERNANCE

### Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F2 require the Company, as an IPO venture issuer, to disclose certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.

### Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Prospectus.

### Composition of Audit Committee

The members of the Company's Audit Committee are:

Robert Krause (Chair)	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Arthur Brown	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Mark Ireton	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

#### Notes:

- (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. Mr. Ireton is not independent, as Mr. Ireton is the Chief Executive Officer and President of the Company.
- (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

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

See "Directors and Executive Officers" for further details of each audit committee member's relevant education and experience.

### Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit 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 most recently completed financial year has the Company relied on the exemption in Section 2.4, 6.1(4), (5), or (6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## 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 a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

## External Auditor Service Fees

The fees billed by the Company's external auditors in each of the last two fiscal years for audit and non-audit related services provided to the Company or its subsidiaries (if any) are as follows:

Financial Year End	Audit Fees	Audit Related Fees <sup>(1)</sup>	Tax Fees <sup>(2)</sup>	All other Fees <sup>(3)</sup>
May 31, 2020	\$5,000 <sup>(4)</sup>	\$Nil	\$Nil	\$Nil

### Notes:

- (1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.
- (4) Fees for the audit respecting the period ended May 31, 2020 have not yet been billed.

## Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which states that the Company, as an IPO Venture Issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

## CORPORATE GOVERNANCE

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, NI 58-101 prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board is comprised of four directors: Mark Ireton, Faizaan Lalani, Robert Krause and Arthur Brown. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Mr. Ireton is not independent, as he is the Chief Executive Officer and President of the Company, and Mr. Lalani is not independent, as he is the Chief Financial Officer of the Company. Messrs. Krause and Brown are independent.



## Directorships

Currently, the following directors are also directors of the following other reporting issuers:

Mark Ireton	Noram Ventures Inc. (TSXV) and Redfund Capital Corp. (CSE)
Faizaan Lalani	IMC International Mining Corp. (CSE) and United Battery Metals Corp. (CSE)
Robert Krause	N/A
Arthur Brown	Astorius Resources Ltd. (TSXV), Caelan Capital Inc. (CSE), Silver Spruce Resources Inc. (TSXV) and Noram Ventures Inc. (TSXV).

## Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Company, as may be applicable. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

## Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

## Compensation

The Board is responsible for determining compensation for the directors of the Company to ensure it reflects the responsibilities and risks of being a director of a public company.

## Other Board Committees

The Board has no committees, other than the Audit Committee.

## Assessments

Due to the minimal size of the Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

## PLAN OF DISTRIBUTION

This Prospectus qualifies the distribution of 2,164,494 Units, and the Unit Shares and Warrants underlying the Units, to be issued, without additional payment, upon the exercise or deemed exercise of 2,164,494 Special Warrants.

No securities are being offered or sold pursuant to this Prospectus. This Prospectus is being filed by the Company with its overseeing regulators. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and no agent or underwriter is involved.

### **Listing of Common Shares**

The Company intends to apply to list its issued and outstanding Common Shares and all other Common Shares issuable by the Company as described in this Prospectus, on the Exchange. Listing of the Common Shares will be subject to the Company fulfilling all the listing requirements of the Exchange. The Special Warrants will not be listed on the Exchange.

### **IPO Venture Issuer**

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc). See “Risk Factors”.

## **RISK FACTORS**

### **General**

The Company is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavor. A purchase of any securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in securities of the Company should not constitute a significant portion of an individual’s investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective Subscribers should evaluate carefully the following risk factors associated with an investment in the Company’s securities prior to purchasing securities of the Company.

### **Limited Operating History**

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties in which the Company has an interest. The purpose of the Special Warrants Private Placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties in which the Company has an interest in the near future or at all. If the Company does not generate revenue or is unable to raise further funds, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

### **Speculative Nature of Mineral Exploration**

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and 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 combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company’s mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company’s operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and 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.

### **Financing Risks**

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. The Company's unallocated working capital is not sufficient to fund the recommended Phase 2 exploration program on the Property and there is no assurance that the Company can successfully obtain additional financing to fund such Phase 2 program.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Special Warrants Private Placement. At present it is impossible to determine what amounts of additional funds, if any, may be required.

### **Property Interests**

If the Company loses or abandons its interest in the 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 Exchange. There is also no guarantee that the Exchange 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 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.

### **If the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Property**

The Company is required to make cash payments to the Optionor, and to incur work expenditures in order to maintain its interest in the Property. The Company's ability to maintain an interest in the Property may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments or expenditures required for the maintenance of the Company's interest in the 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 Property.

### **Commercial Ore Deposits**

The Property is in the exploration stage only and is without a known body of commercial ore. Development of the Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

### **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.

## **Permits and Government Regulations**

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Property.

## **Environmental and Safety Regulations and Risks**

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

## **Management**

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. In addition, the Company's ability to keep on personnel may be challenged as a result of potential COVID-19 outbreaks or quarantines.

## **Key Person Insurance**

The Company does not maintain key person insurance on any of its directors or officers, and as result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

## **Mineral Titles**

The Company is satisfied that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property. The Company may face challenges to the title of the Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

## **Aboriginal Title**

The Property or other future properties owned or optioned by the Company may now or in the future be the subject of First Nations land claims. The following First Nation communities are situated in or around the Project: (i) Long Lake 58, (ii) Lake Nipigon Ojibway, (iii) Rocky Bay (iv) Sand Point, (v) Aroland, (vi) Ginoogaming, (vii) Nakina and (viii) Longlac. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by

way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the Property, and there is no assurance that the Company will be able to establish a practical working relationship with the First Nations in the area which would allow it to ultimately develop the Property.

On June 26, 2014, the Supreme Court of Canada (the "SCC") released a decision in *Tsilhqot'in Nation v. British Columbia* (the "William Decision"), pursuant to which the SCC upheld the First Nations' claim to Aboriginal title and rights over a large area of land in central British Columbia, including rights to decide how the land will be used, occupancy and economic benefits. The court ruling held that while the provincial government had the constitutional authority to regulate certain activity on aboriginal title lands, it had not adequately consulted with the Tsilhqot'in. The SCC also held that provincial laws of general application apply to land held under Aboriginal title if the laws are not unreasonable, impose no undue hardship, and do not deny the Aboriginal title holders their preferred means of exercising their rights. The Company currently does not hold any properties in the area involved in the William Decision. The Company will continue to manage its operations within the existing legal framework while paying close attention to the direction provided by the Courts regarding the application of this ruling.

### **COVID-19 Public Health Crisis**

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect mineral prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include slowdowns or temporary suspensions of operations in locations impacted by an outbreak, interruptions to supply chains and supplies upon which the Company relies, restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others, increased labor costs, regulatory changes, political or economic instabilities or civil unrest.

As of the date of this Prospectus, the Ontario provincial government has designated businesses engaged in mineral exploration and development as an "essential service". Provided the Company's exploration activities continue to be so designated and the current availability of labour and supplies is not materially affected by new developments respecting COVID-19 or responses thereto, the Company expects that its personnel will be able to carry out surveying and drilling activities and complete the Phase 1 work program without significant delays or increases in cost.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. To date, the Company has introduced a "work from home policy" affecting its two executive officers and has reduced travel and transitioned to virtual meetings where feasible. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

### **Fluctuating Mineral Prices**

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. 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, including as a result of the significant market reaction to COVID-19. 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.

### **Competition**

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

### **Negative Cash Flows From Operations**

For the year ended May 31, 2020, the Company sustained net losses from operations and had negative cash flow from operating activities of \$50,434. The Company continues to have negative operating cash flow. It is possible the Company may have negative cash flow in any future period and as a result, the Company may need to use available cash, including proceeds from the Private Placements and any future financings to fund any such negative cash flow.

### **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 by any investor of the Company would be diminished.

### **Community Groups**

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

### **Price Volatility of Publicly Traded Securities**

In recent years, the securities markets in 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 executing on its business plan, creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. There is currently no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Listing Date. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the price at which the Special Warrant were issued.

### **Conflicts of Interest**

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act*. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible



conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate; and
- no commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

### **Tax Issues**

Income tax consequences in relation to the Common Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to investing in Common Shares of the Company.

### **Dividend**

The Company does not anticipate paying any dividends on its Common Shares in the foreseeable future.

## **PROMOTER**

Mark Ireton may be considered to be the Promoter of the Company in that he took the initiative in organizing the business of the Company.

No person who was a Promoter of the Company:

1. received anything of value directly or indirectly from the Company;
2. sold or otherwise transferred any asset to the Company within the last 2 years;
3. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;
4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;
5. is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 or receiver manager or trustee appointed to hold its assets;
6. has, within 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 person;

7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
8. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
9. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

## **LEGAL PROCEEDINGS**

### **Legal Proceedings**

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings, which are material to its business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

### **Regulatory Actions**

From incorporation to the date of this Prospectus, management knows of no:

- (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;
- (ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and
- (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except as noted in this Prospectus, from incorporation to the date of this Prospectus, none of the following persons or companies has had any material interest, direct or indirect, in any transaction which has materially affected or is reasonably expected to materially affect the Company:

- (a) any director or executive officer of the Company;
- (b) any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the Company's outstanding voting securities; and
- (c) any associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

## **AUDITORS**

The auditor of the Company is Crowe MacKay LLP, of 1100 - 1177 West Hastings St., Vancouver, BC, V6E 4T5 ("Crowe MacKay").

## **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent of the Company is Odyssey Trust Company, at 323 – 409 Granville Street, Vancouver, BC V6C 1T2.

## **MATERIAL CONTRACTS**

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company from incorporation to the date of this Prospectus which are currently in effect and considered to be currently material:

1. The Registrar and Transfer Agent Agreement dated March 1, 2020;
2. The Escrow Agreement dated September 22, 2020;
3. The Pooling Agreement dated September 22, 2020; and
4. The Property Agreement dated May 7, 2020.

Copies of the material contracts will be available under the Company's profile at [www.sedar.com](http://www.sedar.com) upon the issuance of the final receipt for this Prospectus.

## **EXPERTS**

### **Names of Experts**

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this Prospectus as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

The Technical Report was prepared by Martin Ethier, P.Ge. Mr. Ethier has no interest in the Company, the Company's securities or the Property.

Crowe MacKay, auditor of the Company, who prepared the independent auditor's report on the Company's audited financial statements included in and forming part of this Prospectus, has informed the Company that it is independent of the Company within the meaning of the code of professional conduct of the Chartered Professional Accountants of British Columbia.

### **Interests of Experts**

None of the persons set out under the heading "Experts – Names of Experts" have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

## **OTHER MATERIAL FACTS**

There are no other material facts about the securities being distributed pursuant to this the Special Warrants Private Placement that are not disclosed under any other items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares to be distributed.

## **RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in the Province of British Columbia provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt

of a prospectus and any amendment. In some provinces, the securities legislation further provides a purchaser with remedies for rescission, revisions of the price, or damages if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

## **FINANCIAL STATEMENTS**

Audited financial statements of the Company for the period ended May 31, 2020 are included in this Prospectus as Schedule "B".

## SCHEDULE “A”

### Audit Committee Charter

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board of Directors in lieu thereof (the “Audit Committee”). 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.

#### Composition

- *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.
- The members of the Committee will be appointed by the board of directors of the Company (“Board”) annually at the first meeting of the Board following the annual meeting of the shareholders, to serve until the next annual meeting of shareholders or until their successors are duly appointed.
- *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.
- *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.

#### Meetings

- *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- *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.
- *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.
- *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

#### 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:

- (a) *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.
- (b) *Review of Interim Financial Statements*. Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *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.
- (d) *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:

- (a) *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.
- (b) *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.
- (c) *Accounting Policies and Practices*. Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *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.
- (e) *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

- (a) *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.
- (b) *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.

## **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.

## **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.

**SCHEDULE "B"**

**FINANCIAL STATEMENTS FOR THE PERIOD ENDED MAY 31, 2020**

**[See attached]**

**SOLDERA MINING CORP.**

ANNUAL FINANCIAL STATEMENTS

May 31, 2020

(Expressed in Canadian Dollars)

## Independent Auditor's Report

To the Directors of Soldera Mining Corp.

### Opinion

We have audited the financial statements of Soldera Mining Corp. ("the Company"), which comprise the statement of financial position as at May 31, 2020 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2020, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements which describes the material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Chartered Professional Accountants  
Vancouver, Canada  
September 23, 2020**

**SOLDERA MINING CORP.**  
**STATEMENT OF FINANCIAL POSITION**  
 May 31, 2020  
 (Expressed in Canadian Dollars)

	<b>2020</b>
<b>ASSETS</b>	
Current	
Cash and cash equivalents	\$ 531,516
Amounts receivable	2,334
	<u>533,850</u>
Exploration and evaluation assets (Note 5)	40,000
	<u>\$ 573,850</u>
<b>LIABILITIES</b>	
Current	
Accounts payable and accrued liabilities	\$ 12,750
<b>SHAREHOLDERS' EQUITY</b>	
Share capital (Note 6)	420,500
Special warrants (Notes 6 and 11)	216,450
Deficit	(75,850)
	<u>561,100</u>
	<u>\$ 573,850</u>

Going concern (Note 2)  
 Commitments (Notes 5 and 6)  
 Subsequent event (Note 11)

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_  
*"Faizaan Lalani"* Director  
 Faizaan Lalani

\_\_\_\_\_  
*"Mark Ireton"* Director  
 Mark Ireton

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS



**SOLDERA MINING CORP.****STATEMENT OF LOSS AND COMPREHENSIVE LOSS**

For the period from December 3, 2019 (date of incorporation) to May 31, 2020

(Expressed in Canadian Dollars)

	<b>2020</b>
Administrative expenses	
Consulting fees (Note 7)	\$ 30,000
General exploration cost	12,000
Office and general	858
Share-based payments (Notes 6 and 7)	15,000
Professional fees	17,992
Net loss and comprehensive loss for the period	\$ (75,850)
Basic and diluted loss per share	\$ (0.01)
Weighted average number of common shares outstanding	8,630,279

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**SOLDERA MINING CORP.**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
For the period ended May 31, 2020  
(Expressed in Canadian Dollars)

	<b>Number of Shares</b>	<b>Capital Stock</b>	<b>Special Warrants</b>	<b>Deficit</b>	<b>Total Shareholders' Equity</b>
Balance, December 3, 2019	1	\$ -	\$ -	\$ -	\$ -
Share issuances					
Private placement (Note 6)	1,000,000	20,000	-	-	20,000
Private placement (Note 6)	10,025,000	200,500	-	-	200,500
Private placement (Note 6)	4,000,000	200,000	-	-	200,000
Special warrants received (Note 6)	-	-	216,450	-	216,450
Net loss for the period	-	-	-	(75,850)	(75,850)
Balance, May 31, 2020	15,025,001	\$ 420,500	\$ 216,450	\$ (75,850)	\$ 561,100

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**SOLDERA MINING CORP.****STATEMENT OF CASH FLOWS**

For the period from December 3, 2019 (date of incorporation) to May 31, 2020

(Expressed in Canadian Dollars)

	<b>2020</b>
<b>Operating Activities</b>	
Net loss for the period	\$ (75,850)
Items not affecting cash:	
Share-based payments	15,000
Changes in non-cash working capital items related to operations:	
Amounts receivable	(2,334)
Accounts payable and accrued liabilities	12,750
Cash used in operating activities	(50,434)
<b>Investing Activity</b>	
Mineral property acquisition	(40,000)
Cash used in investing activity	(40,000)
<b>Financing Activities</b>	
Shares issued for cash	405,500
Special warrants issued for cash	216,450
Cash provided by financing activities	621,950
Change in cash during the period	531,516
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of the period	\$ 531,516
<b>Cash and cash equivalents consist of:</b>	
Cash	\$ 525,179
Cash held in trust	6,337
	\$ 531,516
<b>Supplemental Disclosure of Cash Flow Information:</b>	
Cash paid during the period:	
Interest	\$ -
Income taxes	\$ -

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

## **1. CORPORATE INFORMATION**

Soldera Mining Corp. (the “Company”) is a mineral property exploration company that is planning an initial public offering (“IPO”) of its shares and intends to list on a Canadian securities exchange.

The Company has an option agreement to earn an interest in a mineral property located in the Klotz Lake Area located in Northwestern Ontario (Note 5) and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of the carrying amount from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

The Company was incorporated on December 3, 2019 in British Columbia. The head office, principal address and records office of the Company are located at 1000 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company’s registered address is located at 6<sup>th</sup> Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6.

## **2. BASIS OF PREPARATION**

### **(a) Statement of Compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on September 23, 2020.

### **(b) Basis of Measurement**

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company.

### **(c) Going Concern**

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At May 31, 2020, the Company has not achieved profitable operations, has accumulated losses of \$75,850 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

## **SOLDERA MINING CORPORATION**

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### **2. BASIS OF PREPARATION – (cont'd)**

#### **(c) Going Concern – (cont'd)**

During the period ended May 31, 2020, there was a global pandemic outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently in the financial statements, unless otherwise indicated.

#### Cash and Cash Equivalents

Cash include cash on hand, demand deposits with financial institutions and other short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

#### Exploration and Evaluation Assets

##### *Exploration and evaluation rights to explore*

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. Once the technical feasibility and commercial viability of extracting the mineral resources has been determined, the property is considered to be a mine under development and development costs are capitalized to "property, plant and equipment" on the statement of financial position. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

##### *Exploration and evaluation expenditures*

Exploration and evaluation ("E & E") expenditures are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment.

## SOLDERA MINING CORPORATION

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### 3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

#### Impairment of Assets

The Company's assets are reviewed for an indication of impairment at each statement of financial position date and whenever events suggest that the carrying amounts may not be recoverable. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the profit or loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### Financial Instruments

##### *Financial Assets*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss ("FVTPL") are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. These are the measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

## SOLDERA MINING CORPORATION

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### 3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

#### Financial Instruments – (cont'd)

##### *Financial Assets* – (cont'd)

- Fair value through OCI (“FVOCI”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as other income in the Statement of Loss in the period which it arises.

The Company’s cash and cash equivalents and amounts receivable are measured at amortized cost.

##### *Impairment of Financial Assets at Amortized Cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

##### *Financial Liabilities*

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, as financial liabilities held at amortized cost.



## SOLDERA MINING CORPORATION

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### 3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

#### Provisions

##### *Rehabilitation Provision*

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

##### *Other Provisions*

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

#### Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. There were no potentially dilutive common shares related to warrants outstanding at May 31, 2020. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

#### Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **SOLDERA MINING CORPORATION**

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### **3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)**

#### Income Taxes – (cont'd)

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for other than business combination which does not have an impact. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

#### Share Capital

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements is determined to be the more easily measurable component and is valued at their fair value, as determined by the closing quoted bid price on the date of issuance once the shares are listed on a stock exchange. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to contributed surplus.

### **4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

#### **Critical judgments in applying accounting policies**

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

#### **Exploration and Evaluation Asset and Impairment**

The application of the Company's accounting policy for exploration and evaluation assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

## **SOLDERA MINING CORPORATION**

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### **4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)**

#### **Going Concern**

The assessment of the Company's ability to continue as a going concern require significant judgement. See Note 2(c).

#### **Title to Mineral Property Interests**

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

#### **Income Taxes**

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

### **5. EXPLORATION AND EVALUATION ASSETS**

By a mineral property option agreement dated May 7, 2020, the Company may acquire up to a 100% interest in the Klotz Lake Property. This property consists of 34 mineral tenures and is located in the Klotz Lake Area Northwestern Ontario. As consideration the Company will pay cash of \$140,000, issue 900,000 common shares of the Company and incur \$360,000 in exploration expenditures as follows:

- a) Cash payment of \$40,000 within seven days of signing of the Agreement (Paid);
- b) Incur a minimum of \$110,000 in exploration expenditures within the first year from the agreement date (May 7, 2021);
- c) Cash payment of \$40,000 and issuance of 300,000 common shares of the Company on or before the first anniversary of the listing of the Company on a Canadian securities exchange; and
- d) Cash payment of \$60,000, issuance of 600,000 common shares of the company and incur a minimum of \$250,000 of exploration expenditures on or before the second anniversary date of the agreement.

Should the Company acquire 100% of the property the optionor will retain a 2% Net Smelter Returns ("NSR") royalty. 1% of this royalty may be purchased by the Company for \$500,000.

## SOLDERA MINING CORPORATION

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### 6. SHARE CAPITAL

#### (a) Authorized

Unlimited common shares with no par value.

#### (b) Issued

On December 3, 2019, the Company issued 1 common share for total proceeds of \$0.10.

On December 16, 2019, the Company issued 1,000,000 common shares at \$0.005 per share for total proceeds of \$5,000 and recognized a share-based payment of \$0.015 per share for a total of \$15,000. The 1,000,000 common shares will be held in escrow upon the completion of the IPO share.

On February 3, 2020, the Company issued 10,025,000 common shares at \$0.02 per share for total proceeds of \$200,500. 25,000 common shares will be held in escrow upon the completion of the IPO share.

On February 24, 2020, the Company issued 4,000,000 units at \$0.05 per unit for total proceeds of \$200,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at \$0.10 per share expiring two years from the date the Company's shares commence trading on a Canadian securities exchange.

#### (c) Share Purchase Warrants

The changes in warrants were as follows:

	May 31, 2020	Weighted Average Exercise Price
Balance, beginning of period	-	\$0.00
Issued	4,000,000	\$0.10
Balance, end of period	4,000,000	\$0.10

As at May 31, 2020, the Company had 4,000,000 share purchase warrants outstanding as follows:

Outstanding	Exercise Price	Expiry Date
4,000,000	\$0.10	2 years from the date the Company's shares start trading on a Canadian securities exchange
4,000,000		

## SOLDERA MINING CORPORATION

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### 6. SHARE CAPITAL – (cont'd)

#### (d) Escrow Shares

Pursuant to an escrow agreement dated September 22, 2020, an aggregate of 1,025,000 common shares will be placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. Consequently, these shares have been excluded from the basic and diluted loss per share and weighted average number of shares outstanding calculation.

#### (e) Special Warrants

On May 29, 2020, the Company issued an aggregate of 2,164,494 Special Warrants at a price of \$0.10 per Special Warrant and received gross proceeds of \$216,450. Each Special Warrant entitles the holder to acquire, without further payment, one unit. Each unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of \$0.20 for two years from the date the Company's shares commence trading on a Canadian securities exchange. (See Note 11).

### 7. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

		<b>May 31, 2020</b>
Consulting fees	Mark Ireton, Director, President and CEO	\$ 5,000
	Robert Krause, Director	5,000
	Arthur Brown, Director	5,000
		<b>15,000</b>
Share-based payments	Faizaan Lalani, Director and CFO	7,500
	Mark Ireton, President and CEO	7,500
		<b>15,000</b>
		<b>\$ 30,000</b>

### 8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject to. Capital of the Company comprises of cash and cash equivalents and shareholders' equity.

## **SOLDERA MINING CORPORATION**

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### **8. CAPITAL MANAGEMENT – (cont'd)**

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period ended May 31, 2020.

### **9. FINANCIAL INSTRUMENTS AND RISKS**

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at May 31, 2020, the Company had a working capital of \$521,100.

#### **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

## **SOLDERA MINING CORPORATION**

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### **9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)**

#### **Interest rate risk**

The Company is not exposed to significant interest rate risk.

#### **Price risk**

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

#### **Credit Risk**

Financial instruments that potentially expose the Company to credit risk is cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

#### **Fair Values**

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

#### **Fair Value Hierarchy**

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).



## SOLDERA MINING CORPORATION

Notes to the Financial Statements

May 31, 2020

(Expressed in Canadian Dollars)

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### 10. INCOME TAXES

The difference between tax expense for the period and the expected income taxes based on the statutory tax rates arises as follows:

	<b>May 31, 2020</b>
Loss before tax	\$ (75,850)
Income tax recovery at local statutory rates – 27%	\$ (20,500)
Permanent differences	4,100
Change in unrecognized tax benefits not recognized	16,400
	\$ -

The nature and tax effect of the taxable temporary differences giving rise to deferred tax assets are summarized as follows:

	<b>May 31, 2020</b>
Non-capital losses	\$ 16,400
Unrecognized deferred tax assets	(16,400)
	\$ -

As at May 31, 2020, the Company has an estimated non-capital losses of \$60,850 for Canadian income tax purposes that may be carried forward to reduce taxable income derived in future years, and if not utilized the non-capital loss will expire in 2040.

### 11. SUBSEQUENT EVENT

In July 2020, the Company filed its preliminary prospectus to qualify the distribution of 2,164,494 Special Warrants at a price of \$0.10 per Special Warrant for total gross proceeds of \$216,450 which were issued by the Company on May 29, 2020. Each Special Warrant entitles the holder to acquire, without further payment, one unit. Each unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of \$0.20 for two years from the date the Company's shares commence trading on a Canadian securities exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify the distribution of the units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date.

**SCHEDULE “C”**

**MANAGEMENT’S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED MAY 31, 2020**

**[See attached]**

The following Management's Discussion and Analysis ("MD&A") is prepared as at September 23, 2020 in accordance with National Instrument 51-102F1, and should be read together with the audited financial statements for the period ended May 31, 2020 and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's fiscal year end is May 31. Additional information regarding the Company will be available through the SEDAR website at [www.sedar.com](http://www.sedar.com).

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of September 23, 2020, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

All dollar figures are stated in Canadian dollars unless otherwise indicated.

### **The Company's Business**

Soldera Mining Corp. (the "Company") was incorporated on December 3, 2019 in British Columbia. The head office, principal address and records office of the Company are located at 1000 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company's registered address is located at 6<sup>th</sup> Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6. The Company is a mineral property exploration company.

The Company has an option agreement to earn an interest in a mineral property located in the Klotz Lake Area located in Northwestern Ontario and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of the carrying amount from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

Property description

The Property consists of 34 mining claims totalling approximately 2,312.25 hectares land in Klotz Lake / Bicknell Lake Area, Thunder Bay Mining District of Northwestern Ontario, Canada. It is located about 365 kilometers to the northeast of Thunder Bay. The nearest town to the property is Longlac situated 55 km west of the Property.

Pursuant to the Property Agreement between the Optionor and Soldera, dated May 07, 2020, Soldera holds an option to acquire a 100% interest in the Property by making cash payments, Common Shares issuances and exploration expenditures as follows:

- I. making a \$40,000 payment in cash to the Optionor within 7 days of the signing of the Property Agreement;
- II. incurring a minimum of \$110,000 of exploration expenditures of the Property within one (1) year of the signing of the Property Agreement;
- III. making a \$40,000 payment in cash to the Optionor, and issuing 300,000 of Soldera's Common Shares to the Optionor on or before the first anniversary of the listing of Soldera's common shares on a Canadian stock exchange; and
- IV. making a \$60,000 payment in cash to the Optionor, issuing 600,000 of Soldera's Common Shares to the Optionor, and incurring a minimum of \$250,000 of exploration expenditures on the Property within two (2) years of the signing of the Property Agreement.

The Purchase Agreement also provides for a royalty in the Optionor's favour equal to a 2% Net Smelter Return ("**NSR**") on the Property. The royalty will be payable to the Optionor for as long as Soldera and/or its successors and assigns hold any interest in the Property. Soldera will have the right to purchase from the Optionor 1% of the NSR for \$500,000, thereby reducing the NSR to 1%.

Twenty-six of the Property claims were originally staked on ground by erecting physical posts as required by earlier claim staking regulations in Ontario. As part of the process to update the provincial *Mining Act*, Ontario has launched a new online, self-service claim staking system in 2018. The new electronic *Mining Lands Administration System (MLAS)* replaces the province's century-old traditional ground staking methods. All the mining claims in Ontario, which existed prior to the modernization (legacy claims in the new parlance), have been converted to what are now known as cell claims or boundary claims. A cell claim is a mining claim that relates to all the land included in one or more cells on the provincial grid. A boundary claim is a claim that is made up of only a part or parts of one or more cells. Due to current COVID 19 situation, Ontario Ministry of Mines has extended claims expiry dates and their status is defined as "Hold Special Circumstances Apply" on claim abstracts shown on MLAS). The remaining claims covering 1,640.25 hectares were staked in 2020 using online staking system and are active until May 2022.

**Selected Annual Financial Information**

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	Period ended May 31, 2020
	(audited)
Revenue	\$ -
Net loss and comprehensive loss	\$ 75,850
Loss per share	\$ 0.01
Total assets	\$ 573,850

The Company was incorporated on December 3, 2019 and May 31, 2020 was the Company's first fiscal year end. The Company did not record any revenues in the period ended May 31, 2020 and incurred a net loss of \$75,850. The net loss of \$75,850 in the period is largely attributed to consulting and professional fees and share-based compensation which was recorded in conjunction with the December 16, 2019 private placement.

The Company's total assets for the period ended May 31, 2020 were \$573,850 which is mainly made up of cash.

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares, but intends to retain any future earnings to finance internal growth, acquisitions and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

### **Selected Quarterly Financial Information**

A summary of results for the one quarter since incorporation follows:

	May 31, 2020 Qtr 4	February 29, 2020 Qtr 3
	(unaudited)	(unaudited)
Revenue	\$ -	\$ -
Net loss	\$ 46,512	\$ 29,338
Comprehensive loss	\$ 46,512	\$ 29,338
Loss per share	\$ 0.00	\$ 0.01

The Company was incorporated on December 3, 2019 and February 29, 2020 was the Company's first fiscal quarter reported. During the three months ended February 29, 2020, the Company recorded a net loss of \$29,338 which can be attributed to consulting and professional fees and share-based compensation which was recorded in conjunction with the December 16, 2019 private placement. During the quarter ended May 31, 2020, the Company recorded a net loss of \$46,512 as compared to \$29,338 for the previous quarter. The increase can be attributed to the \$12,000 in exploration cost associated with the preparation of the 43-101 report and year end audit fee accrual.

### **Results of Operations**

The Company was incorporated on December 3, 2019 and May 31, 2020 was the Company's first fiscal year end. The Company did not record any revenues in the period ended May 31, 2020 and incurred a net loss of \$75,850. The net loss of \$75,850 in the period is largely attributed to consulting fees paid to external party for administrative services and fees to directors of the Company (see related party section for details), professional fees to the Company's legal counsel and an accrual for the year-end audit fee and incurred \$12,000 in exploration cost associated with the preparation of the 43-101 report. The Company also recognized share-based compensation of \$15,000 which was recorded in conjunction with the December 16, 2019 private placement.

### **Fourth Quarter**

During the fourth quarter ended May 31, 2020, the Company incurred a net loss of \$46,512. Total expenses of \$46,512 is mostly made up of \$12,000 in exploration cost associated with the preparation of the 43-101 report, \$22,500 in consulting fees paid to directors of the Company and to an external part for administrative services and \$11,808 in professional fees.

On May 7, 2020, the Company entered into a mineral property option agreement to acquire up to a 100% interest in the Klotz Lake Property. This property consists of 34 mineral tenures and is located in the Klotz Lake Area Northwestern Ontario. As consideration the Company will pay cash of \$140,000, issue 900,000 common shares of the Company and incur \$360,000 in exploration expenditures over a two year period. As at May 31, 2020, the Company has paid cash of \$40,000.

### **Liquidity and Capital Resources**

The Company's cash position as at May 31, 2020 was \$531,516 with a working capital of \$521,100. Total assets as at May 31, 2020 was \$573,850.

The Company believes that the current capital resources are sufficient to pay overhead expenses for the next twelve months and is in the process of raising additional funding to fund its overhead expenses and its exploration program. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

On December 16, 2019, the Company issued 1,000,000 common shares at \$0.005 per share for total proceeds of \$5,000 and recognized a share-based payment of \$0.015 per share for a total of \$15,000. The 1,000,000 common shares will be held in escrow upon the completion of the IPO share.

On February 3, 2020, the Company issued 10,025,000 common shares at \$0.02 per share for total proceeds of \$200,500.

On February 24, 2020, the Company issued 4,000,000 units at \$0.05 per unit for total proceeds of \$200,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at \$0.10 per share expiring two years from the date the Company's shares commence trading on a Canadian securities exchange.

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

### **Going Concern**

The audited financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At May 31, 2020, the Company has not achieved profitable operations, has accumulated losses of \$75,850 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its operations, its ability to attain profitable operations to generate funds, and/or its ability to raise equity capital or borrowings

sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

### **Off Balance Sheet Arrangements**

The Company does not have any off balance sheet arrangements.

### **Financial Instruments**

The Company's risk exposures and the impact on the Company's consolidated financial statements are summarized below.

#### *Credit risk*

Financial instruments that potentially expose the Company to credit risk is cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

#### *Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at May 31, 2020, the Company had a working capital of \$521,100.

#### *Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

### **Related Party Transactions**

Related party transactions are comprised of services rendered by directors and/or officers of the Company or by a company with a director and/or officer in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.



Key Management Compensation

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Company's executive officers and members of the Board of Directors. Key management compensation consisted of the following:

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

		<b>May 31, 2020</b>
Consulting fees	Mark Ireton, Director, President and CEO	\$ 5,000
	Robert Krause, Director	5,000
	Arthur Brown, Director	5,000
		15,000
Share-based payments	Faizaan Lalani, Director and CFO	7,500
	Mark Ireton, President and CEO	7,500
		15,000
		<b>\$ 30,000</b>

Proposed Transaction

N/A

Subsequent Events

In July 2020, the Company filed its preliminary prospectus to qualify the distribution of 2,164,494 Special Warrants at a price of \$0.10 per Special Warrant for total gross proceeds of \$216,450 which were issued by the Company on May 29, 2020. Each Special Warrant entitles the holder to acquire, without further payment, one unit. Each unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of \$0.20 for two years from the date the Company's shares commence trading on a Canadian Securities Exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify the distribution of the units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date.

Outstanding Share Data

Below is the summary of the Company's share capital as at May 31, 2020 and as of the date of this report:

Security description	As at	
	May 31, 2020	September 23, 2020
Common shares – issued and outstanding	15,025,001	15,025,001
Special warrants issued	2,165,594	2,165,594

Warrants issued in private placements	4,000,000	4,000,000
Common shares – fully diluted	21,190,595	21,190,595

### **Critical Accounting Estimates and Judgments**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed in note 4 to the financial statements.

### **Business and Industry Risks**

#### **Speculative Nature of Investment Risk**

An investment in securities of the Company involves a high degree of risk and must be considered highly speculative due to the nature of the Company's business and the present stage of exploration and development of its mineral properties. In addition to information set out or incorporated by reference in this MD&A, prospective investors should carefully consider the risk factors set out below. Any one risk factor could materially affect the Company's financial condition and future operating results and could cause actual events to differ materially from those described in forward looking statements relating to the Company.

#### **No Operating History**

The Company was incorporated on December 3, 2019 and has not commenced commercial operations. The Company has no history of earnings or paid any cash dividends, and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

### **Exploration and Mining Risks**

Resource exploration and development and mining operations are highly speculative and characterized by a number of significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to be mined profitably. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered, a mineral property will be brought into commercial production. The Company will continue to rely upon the advice and work of consultants and others for exploration, development, construction, and operating expertise.

Substantial expenditures are required to establish and upgrade mineral resources, to establish mineral reserves, to develop metallurgical processes to extract metals from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that the funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size and grade; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Unsuccessful exploration and development programs could have a material adverse impact on the Company's operations and financial condition.

### **Factors beyond the Company's Control**

The mining exploration business is subject to a number of factors beyond the Company's control including changes in economic conditions, intense industry competition, variability in operating costs, changes in government and in rules and regulations of various regulatory authorities. An adverse change in any one of such factors would have a material adverse effect on the Company, its business and results of operations which might result in the Company not identifying a body of economic mineralization, completing the development of a mine according to specifications in a timely, cost effective manner or successfully developing mining activities on a profitable basis.

### **Reliance on Independent Contractors**

The Company's success depends to an extent on the performance and continued service of certain independent contractors. The Company has contracted the services of professional drillers and others for exploration, environmental, engineering, and other services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company, its business and results of operations and result in the Company failing to meet its business objectives.

### **Additional Funding Required**

Further exploration on, and development of, the Company's properties may require significant additional financing. Accordingly, the continuing development of the Company's properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, the joint venturing of projects or other external sources. Failure to obtain sufficient financing may result in a delay or an indefinite postponement of exploration, development, or production on any or all of the Company's properties, or even a loss of property interest, or have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition or result in the substantial dilution of its interests in its properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. If the Company

was required to arrange for debt financing it could be exposed to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such financings. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has and will continue to have negative operating cash flow until its mineral property commence commercial production should exploration and development efforts demonstrate that commercial production from such mineral properties is feasible.

### **Market Price of Common Shares**

The trading price of the common shares is likely to be significantly affected by short term changes in mineral prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the Company's business; the lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of common shares; and the price of the common shares and size of the Company's public float may limit the ability of some institutions to invest in the Company's securities.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

### **Increased Costs of Being a Publicly Traded Company**

If we successfully list on the Exchange, we will incur significant additional legal, accounting and filing fees that at present, are not required. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information all of which will significantly increase legal and financial compliance costs.

### **COVID-19 Public Health Crisis**

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect mineral prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include slowdowns or temporary suspensions of operations in locations impacted by an outbreak, interruptions to supply chains and supplies upon which the Company relies, restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others, increased labor costs, regulatory changes, political or economic instabilities or civil unrest.

As of the date of this Prospectus, the Ontario provincial government has designated businesses engaged in mineral exploration and development as an "essential service". Provided the Company's exploration activities continue to be so designated and the current availability of labour and supplies is not materially affected by new developments respecting COVID-19 or responses thereto, the Company expects that its personnel will be able to carry out surveying and drilling activities and complete the Phase 1 work program without significant delays or increases in cost.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. To date, the Company has introduced a "work from home policy" affecting its two executive officers and has reduced travel and transitioned to virtual meetings where feasible. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

### **Fluctuating Mineral Prices**

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. 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, including as a result of the significant market reaction to COVID-19. 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.

### **Competition**

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

### **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 by any investor of the Company would be diminished.

### **Community Groups**

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

**Price Volatility of Publicly Traded Securities**

In recent years, the securities markets in 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 executing on its business plan, creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. There is currently no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Listing Date. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the price at which the Special Warrant were issued.

## CERTIFICATE OF THE COMPANY

**Date: September 23, 2020**

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of the Province of British Columbia.

*/s/ Mark Ireton*

\_\_\_\_\_  
Mark Ireton  
President, Chief Executive Officer, Director

*/s/ Faizaan Lalani*

\_\_\_\_\_  
Faizaan Lalani  
Chief Financial Officer

## ON BEHALF OF THE BOARD OF DIRECTORS

*/s/ Robert Krause*

\_\_\_\_\_  
Robert Krause  
Director

*/s/ Arthur Brown*

\_\_\_\_\_  
Arthur Brown  
Director

## CERTIFICATE OF THE PROMOTER

**Date: September 23, 2020**

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of the Province of British Columbia.

*/s/ Mark Ireton*

\_\_\_\_\_  
Mark Ireton  
Promoter

**SCHEDULE B****SOLDERA MINING CORP.**(the “**Company**” or the “**Issuer**”)**14. Capitalization Tables**

The following tables provide information about the Issuer’s capitalization as of the date of this Listing Statement:

<i>Description of security</i>	<i>Number authorized to be issued</i>	<i>Number outstanding as at the date of this Listing Statement</i>
Common Shares	No maximum	17,189,495
Warrants	No maximum	6,164,494
Options to Purchase Common Shares	N/A	0



14.1 The following chart sets out for the Issuer's Common Shares to be listed on the Exchange:

<b>Issued Capital</b>	<b>Number of Securities (non-diluted)</b>	<b>Number of Securities (fully-diluted)</b>	<b>% (non-diluted)</b>	<b>% (fully diluted)</b>
<u>Public Float</u>				
Total Outstanding <b>(A)</b>	17,189,495	23,353,989	100%	100%
<hr/>				
Held by Related Persons or employees of the Issuer or Related Persons of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) <b>(B)</b>	12,742,221	16,370,541	74.1%	70.1%
Total Public Float <b>(A-B)</b>	4,447,274	6,983,448	25.9%	29.9%
<u>Freely Tradable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders <b>(C)</b>	1,025,001	0	6.0%	0.0%
Total Tradable Float <b>(A-C)</b>	16,164,494	23,353,989	94.0%	100%

*Public Securityholders (Beneficial)***Class of Security**

<b><u>Size of Holdings</u></b>	<b><u>Number of Holders</u></b>	<b><u>Total number of securities</u></b>
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	-	-
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	-	-
5,000 or more securities	-	-
<b>Total</b>	-	-

*Public Securityholders (Registered)[A-B]***Class of Security**

<b><u>Size of Holdings</u></b>	<b><u>Number of Holders</u></b>	<b><u>Total number of securities</u></b>
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	68	36,500
1,000 – 1,999 securities	73	73,000
2,000 – 2,999 securities	2	4,000
3,000 – 3,999 securities	1	3,000
4,000 – 4,999 securities	1	4,000
5,000 or more securities	15	4,326,774
<b>Total</b>	160	4,447,274

*Non-Public Securityholders (Registered)[B]***Class of Security**

<b><u>Size of Holdings</u></b>	<b><u>Number of Holders</u></b>	<b><u>Total number of securities</u></b>
1 – 99 securities		
100 – 499 securities	-	-
500 – 999 securities	-	-
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	-	-
5,000 or more securities	12	12,742,221
<b>Total</b>	<b>12</b>	<b>12,742,221</b>

14.2 The following chart sets out details of securities of the Issuer convertible or exchangeable into any class of listed securities:

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding <sup>(1)</sup>	Number of listed securities issuable upon conversion / exercise
Common Share Purchase Warrants	6,164,494	6,164,494
Options to purchase Common Shares	0	0

Note: (1) Each common share purchase warrant entitles the holder to purchase one common share of the Issuer. Of these, 4,000,000 Warrants expire two years from the date the Company's shares commence trading on the Canadian Securities Exchange with an exercise price of \$0.10 per share; and 2,164,494 Warrants expire two years from the date the Company's shares commence trading on the Canadian Securities Exchange with an exercise price of \$0.20 per share.

14.3 The following are details of listed securities reserved for issuance that are not included in section 14.2:

Not applicable.