

Red Lake Gold Inc.

**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING
OF SHAREHOLDERS
TO BE HELD ON
OCTOBER 16, 2020**

AND

INFORMATION CIRCULAR

September 4, 2020

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Circular, you should immediately contact your advisor.

RED LAKE GOLD INC.
Suite 810, 789 West Pender Street
Vancouver, British Columbia
V6C 1H2

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS GIVEN THAT an annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Red Lake Gold Inc. (“**Red Lake**” or the “**Company**”) will be held at Suite 810, 789 West Pender Street, Vancouver, British Columbia V6C 1H2, on Friday, October 16, 2020 at 10:00 a.m. (Vancouver time), for the following purposes:

1. to receive the audited financial statements of Red Lake for the fiscal year ended November 30, 2019;
2. to set the number of directors;
3. to elect the directors of Red Lake to hold office until the next annual meeting of Shareholders;
4. to appoint Smythe LLP, Chartered Professional Accountants, as Red Lake’s auditor for the current fiscal year ending November 30, 2020 and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, pass, with or without variation, a special resolution approving an arrangement (the “**Plan of Arrangement**”), the full text of which is attached as Schedule “B” to the Circular, under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) which involves, among other things, the distribution to the Shareholders' of the common shares of the Company’s wholly-owned subsidiary Alma Gold Inc. (“**Spinco**”), as more fully set forth in the accompanying Circular;
6. to consider and, if thought fit, pass, with or without variation, an ordinary resolution to approve, ratify and affirm the stock option plan for Spinco; and
7. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

AND TAKE NOTICE that Shareholders who validly dissent from the Plan of Arrangement will be entitled to be paid the fair value of their common shares of the Company subject to strict compliance with the provisions of the Interim Order of the Supreme Court of British Columbia, the Plan of Arrangement and sections 237 to 247 of the BCBCA. The requirements for the exercise of a right of dissent are described in Schedule “E” of the accompanying Information Circular. Failure to comply strictly with the requirements set forth in the Plan of Arrangement and sections 237 to 247 of the BCBCA may result in the loss of any right of dissent.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

Red Lake’s Board of Directors has fixed September 4, 2020 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered Shareholder of Red Lake and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with Red Lake’s transfer agent, TSX Trust Company, Proxy Department, by any of the following methods: by mail: Suite 300, 200 University

Avenue, Toronto, Ontario, M5H 4H1 or by fax: (416) 595-9593 or online: www.voteproxyonline.com, no later than 10:00 a.m. on October 14, 2020 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting by teleconference. To access the Meeting by teleconference, dial toll free at **1-800-319-7310**, Participation Code: **77783**

If you are a non-registered Shareholder and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Dated at Vancouver, British Columbia, this 4th day of September, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

Signed: “*Ryan Kalt*”

Ryan Kalt
President, CEO and Corporate Secretary

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RED LAKE GOLD INC.
Suite 810, 789 West Pender Street
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V6C 1H2

INFORMATION CIRCULAR

This Circular accompanies the Notice of the annual general and special meeting (the “**Meeting**”) of the Shareholders of Red Lake Gold Inc. (the “**Company**” or “**Red Lake**”), and is furnished to Shareholders holding Red Lake Shares, in connection with the solicitation by the management of Red Lake of proxies to be voted at the annual general and special meeting to be held at 10:00 am on Friday, October 16, 2020 at Suite 810, 789 West Pender Street, Vancouver, British Columbia V6C 1H2 or at any adjournment or postponement thereof.

Unless the context otherwise requires, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Glossary of Terms in this Circular.

INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The date of this Circular is September 4, 2020. Unless otherwise stated, all amounts herein are in Canadian dollars. The following documents filed by the Company on SEDAR at www.sedar.com are specifically incorporated by reference into, and form an integral part of, this Circular: the audited consolidated financial statements of the Company and the related notes thereto, for the financial years ended November 30, 2019 and 2018; the report of the Company's auditor thereon; and management's discussion and analysis related to the above financial statements.

No person has been authorized to give any information or to make any representation in connection with the Plan of Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

Descriptions in the body of this Circular of the terms of the Arrangement Agreement and the Plan of Arrangement are merely summaries of the terms of those documents. Shareholders should refer to the full text of the Arrangement Agreement and the Plan of Arrangement for complete details of those documents. The full text of the Arrangement Agreement is available on SEDAR at www.sedar.com and the Plan of Arrangement is attached to this Circular as Schedule “B”.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders and other readers are urged to consult their own professional advisers in connection therewith.

Technical Information Contained in this Circular

The scientific and technical information contained in this circular in respect of the Whirlwind Jack Property has been derived from the Whirlwind Jack Report. The scientific and technical information in respect of the Clarence Stream North Gold Project and Chambers Settlement Gold Project (the “**Spinco Properties**”) has been derived from the Clarence Stream North Gold Report and the Chambers Settlement Gold Report. Each of the Whirlwind Jack Report, the Clarence Stream North Gold Report and the Chambers Settlement Gold Report may be reviewed on SEDAR at www.sedar.com under the Company's profile.

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact contained herein, the information presented in this Circular constitutes “forward-looking statements” or “information” (collectively “**statements**”). These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

In some cases, forward-looking statements can be identified by terminology such as “may”, “will”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “forecast”, “outlook”, “potential”, “continue”, “should”, “likely”, or the negative of these terms or other comparable terminology. Although management believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or Spinco to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to, risks related to our limited operating history and history of no earnings, competition from other companies in the exploration industry, uncertainties with respect to titles of mineral properties, aboriginal land title claims, changes to government regulations, dependence on key personnel, general economic conditions, local economic conditions, interest rates, availability of equity and debt financing, development costs, including costs of labor, equipment and environmental compliance, inability to secure drilling and exploration permits, lack of mineral reserves and other risks factors described from time to time in the documents filed by us with applicable securities regulators, including in this Circular under the heading “Risk Factors”.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update any forward-looking statement if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable law.

GLOSSARY OF TERMS

“**Arrangement**” means the plan of arrangement pursuant to Section 288 of the BCBCA set forth in the Plan of Arrangement;

“**Arrangement Agreement**” means the agreement dated effective September 1, 2020 between the Company and Spinco, which has been filed on SEDAR at www.sedar.com;

“**Arrangement Resolution**” means the special resolution in respect to the Arrangement and other related matters to be considered at the Red Lake Meeting, the full text of which is set out as Schedule “A” to this Circular;

“**Au**” means gold;

“**BCBCA**” means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;

“**Beneficial Shareholders**” means holders of Red Lake Shares held of record by Intermediaries;

“**Board**” means the board of directors of the Company;

“**Business Day**” means a day other than a Saturday, Sunday or other than a day when banks in the City of Vancouver, British Columbia are not generally open for business;

“**Chambers Settlement Gold Project**” means the gold exploration property located in New Brunswick, which is held under option by Spinco;

“Chambers Settlement Gold Project” means the independent technical report titled “Technical Report on the Chambers Settlement Gold Project, New Brunswick, Canada” dated August 10, 2020 prepared for the Company by Paul Ténrière, M.Sc., P. Geo., a qualified person for the purposes of NI 43-101;

“Circular” means this management information circular;

“Clarence Stream North Gold Project” means the gold exploration property located in New Brunswick, owned 100% by Spinco;

“Clarence Stream North Gold Project” means the independent technical report titled “Technical Report on the Clarence Stream North Gold Project, New Brunswick, Canada” dated September 1, 2020 prepared for the Company by Paul Ténrière, M.Sc., P. Geo., a qualified person for the purposes of NI 43-101;

“Company” and **“Red Lake”** each mean Red Lake Gold Inc.;

“Court” means the Supreme Court of British Columbia;

“CRA” means Canada Revenue Agency;

“CSE” means the Canadian Securities Exchange;

“Dissent Procedures” means the procedures to be taken by a registered Dissenting Shareholder in exercising Dissent Rights in the manner set forth in the Interim Order and sections 242 to 247 of the BCBCA, as the same may be modified by the Interim Order, the Final Order or the Plan of Arrangement, as more particularly described under the heading “Rights of Dissenting Shareholders”;

“Dissent Right” means the right of a registered Shareholder to dissent in respect of the Plan of Arrangement and receive fair value for all Red Lake Shares held, in accordance with the Dissent Procedures, as more particularly described under the heading “Rights of Dissenting Shareholders”;

“Dissenting Shares” means the Red Lake Shares in respect of which Dissenting Shareholders have validly exercised a Dissent Right in accordance with the Dissent Procedures;

“Dissenting Shareholder” means a Shareholder who validly exercises a Dissent Right in accordance with the Dissent Procedures and who will be entitled to be paid fair value for his, her or its Red Lake Shares;

“Effective Date” means the date the Arrangement becomes effective under the BCBCA;

“Endeavor” means Endeavor Trust Corporation;

“Final Order” means the order made after application to the Court pursuant to section 291(4) of the BCBCA, in a form acceptable to the Parties, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, approving the Arrangement, as such order may be amended by the Court (with the consent of the parties each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to the parties, each acting reasonably) on appeal;

“IFRS” means international financial reporting standards in effect in Canada at the relevant time, including the accounting recommendations in the Handbook of the Canadian Institute of Chartered Accountants;

“In the Money Amount” at a particular time with respect to an option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time;

“Interim Order” means an interim order of the Court concerning the Arrangement in respect of Red Lake, containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

“Intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders;

“km” means kilometres;

“Laws” means all laws, by-laws, statutes, rules, regulations, principles of law, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity (including the CSE) or self-regulatory authority, to the extent each of the foregoing have the force of law, and the term “applicable” with respect to such laws and in a context that refers to one or more Parties, means such laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a Person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities; and **“Laws”** includes environmental laws;

“Meeting” means the annual general and special meeting of the Shareholders to be held on October 16, 2020, and any adjournment(s) or postponement(s) thereof;

“New Red Lake Shares” means the new class of common shares without par value which Red Lake will create and issue as described in §3.1(b)(ii) of the Plan of Arrangement and for which the Red Lake Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Red Lake Shares;

“NI 43-101” means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;

“Notice of Meeting” means the notice of the Meeting;

“NSR” means a net smelter returns royalty;

“Parties” means Red Lake and Spinco; and **“Party”** means any one of them;

“Person” means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;

“Plan of Arrangement” means the plan of arrangement substantially in the form set out in Schedule “A” attached to the Arrangement Agreement and Schedule “B” attached to this Circular, and any amendment(s) or variation(s) thereto;

“RDSP” means a “registered disability savings plan” as defined in the Tax Act;

“Red Lake” means Red Lake Gold Inc., a company existing under the BCBCA;

“Red Lake Class A Shares” means the renamed and redesignated Red Lake Shares as described in §3.1(b)(i) of the Plan of Arrangement;

“Red Lake Meeting” means the annual general and special meeting of the Red Lake Shareholders and any adjournments thereof to be held on October 16, 2020, and among other things, consider and consider advisable, approve the Arrangement;

“Red Lake Option Plan” means the Company's stock option plan under which the Company grants incentive stock options to purchase Red Lake Shares;

“Red Lake Options” means the outstanding stock options, whether or not vested, to acquire Red Lake Shares;

“Red Lake Replacement Options” means an option to acquire a New Red Lake Share to be issued by Red Lake to a holder of a Red Lake Option pursuant to §3.1(d) of the Plan of Arrangement.

“Red Lake Shares” means the common shares without par value of Red Lake, as constituted on the date hereof;

“Red Lake Warrants” means the common share purchase warrants of Red Lake outstanding on the Effective Date;

“Registrar” means the Registrar of Companies for British Columbia duly appointed under the BCBCA;

“Registered Shareholder” means a registered holder of Red Lake Shares as recorded in the shareholder register of Red Lake maintained by TSX Trust;

“RESP” means a “registered education savings plan” as defined in the Tax Act;

“RRIF” means a “registered retirement income fund” as defined in the Tax Act;

“RRSP” means a “registered retirement savings plan” as defined in the Tax Act;

“SEC” means the United States Securities and Exchange Commission;

“SEDAR” means the System for Electronic Document Analysis and Retrieval;

“Share Distribution Record Date” means the record date for determining the Shareholders who will receive Spinco Shares on the Effective Date;

“Shareholders” means the holders from time to time of Red Lake Shares;

“Spinco” means Alma Gold Inc. a private company incorporated under the BCBCA;

“Spinco Options” means share purchase options issued pursuant to the Spinco stock option plan, including Spinco Options pursuant to §3.1(d) of the Plan of Arrangement;

“Spinco Option Plan” mean the stock option plan of Spinco to be considered by the Shareholders for approval at the Meeting;

“Spinco Properties” means the Clarence Stream North Gold Project and the Chambers Settlement Gold Project.

“Spinco Shares” means the common shares without par value in the capital of Spinco;

“Tax Act” means the *Income Tax Act* (Canada) and the regulations thereunder, all as amended from time to time;

“TFSA” means a “tax-free savings account” as defined in the Tax Act;

“TSX Trust” means TSX Trust Company

“U.S. Securities Act” means the United States *Securities Act of 1933*, as may be amended, or replaced, from time to time;

“Whirlwind Jack Property” means the gold exploration property owned 100% by Red Lake, located in Northwestern Ontario; and

“Whirlwind Jack Report” means the independent technical report titled “Technical Report on the Whirlwind Jack Property, Red Lake Mining Division, Northwestern Ontario” dated March 1, 2020 prepared for the Company by D. Cullen, P.Geo., J. Garry Clark, P.Geo., and Matthew Long, P.Geo., each a qualified person for the purposes of NI 43-101;

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of Red Lake will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of Red Lake. Red Lake does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that Red Lake has requested brokers and nominees who hold stock in their respective names to furnish the proxy-related materials to their customers, and Red Lake will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by Red Lake. No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by Red Lake. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Red Lake has arranged for intermediaries to forward the Meeting materials to beneficial owners of Red Lake Shares (the **“Beneficial Shareholders”**) held of record by those intermediaries. Red Lake has distributed or made available for distribution, copies of the Notice, this Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the **“Intermediaries”**) for distribution to Beneficial Shareholders held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by Red Lake if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. Red Lake will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

Red Lake does not intend to pay for Intermediaries to forward to objecting Beneficial Shareholders under NI 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. An objecting Beneficial Shareholder will not receive such materials unless the objecting Beneficial Shareholder’s Intermediary assumes the cost of delivery.

These proxy-related materials are being sent to both registered and non-registered Shareholders. If you are a non-registered Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your Red Lake Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

COVID-19

In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take

additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the meeting by proxy and to join the Meeting by teleconference. To access the Meeting by teleconference, dial toll free at **1-800-319-7310**, Participation Code: **77783**.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. Voting will be conducted by voice vote, those in favour of the motion shall say “aye” and those opposed shall say “no”. Every Shareholder is entitled to one vote for each Red Lake Share that such Shareholder holds on the record date of September 4, 2020 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of Registered Shareholders is available for inspection during normal business hours at the offices of TSX Trust and will be available at the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of Red Lake.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by Red Lake’s registrar and transfer agent, TSX Trust, Proxy Department, by any of the following methods: by mail: Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1 or by fax: (416) 595-9593 or online: www.voteproxyonline.com, no later than 10:00 am on Wednesday, October 14, 2020, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxy

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to Red Lake at the address set forth above, at any time up to and including the last Business Day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Red Lake Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Red Lake Shares represented will be voted or withheld from the vote on that matter accordingly. **The Red Lake Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Red Lake Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE BOARD FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the Designated Persons with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of Red Lake is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Red Lake Shares on any matter, the Red Lake Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold shares in their own name. Beneficial Shareholders who do not hold their shares in their own name should note that only proxies deposited by Shareholders whose names appear on the records of Red Lake as the registered holders of Red Lake Shares can be recognized and acted upon at the Meeting. If Red Lake Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Red Lake Shares will not be registered in the Shareholder's name on the records of Red Lake. Such Red Lake Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Red Lake Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Red Lake Shares are communicated to the appropriate person well in advance of the Meeting.**

Red Lake does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Red Lake Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to Registered Shareholders by Red Lake. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Red Lake Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Red Lake Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Red Lake Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Red Lake Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Red Lake Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for a Registered Shareholder and vote the Red Lake Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Red Lake Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the proxy well in advance of the Meeting to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent).

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his, her or its Red Lake Shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Red Lake is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Board to be the close of business on September 4, 2020, a total of 31,837,501 Red Lake Shares were issued and outstanding. Each Red Lake Share carries the right to one vote at the Meeting.

Only Registered Shareholders as of the record date, September 4, 2020, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company only the following person or company beneficially owns, directly or indirectly, or exercises control or direction over Common Shares carrying 10% or more of the voting rights attached to all voting securities of the Company as at the date hereof:

Name	Number of Common Shares	Percentage
Ryan Kalt	10,942,300 ⁽¹⁾	34.37%
CDS&CO	22,882,500	71.87%

Notes:

(1) Of these shares, 9,824,800 common shares are held by CDS&CO.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of Red Lake for the fiscal period ended November 30, 2019, and the report of the auditors on those statements will be placed before the Meeting. Receipt at the Meeting of the audited financial statements of Red Lake will not constitute approval or disapproval of any matters referred to in those statements. No vote will be taken on the audited financial statements. These audited financial statements are available on SEDAR at www.sedar.com.

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from Red Lake must deliver a written request for such material to Red Lake. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Request form attached to this Circular and send it to the transfer agent, TSX Trust.

NUMBER OF DIRECTORS

The articles of Red Lake provide for a Board of no fewer than three directors and no greater than a number as fixed or changed from time to time by ordinary resolution passed by the Shareholders.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of Red Lake for the ensuing year at three (3). The number of directors will be approved if the affirmative vote of the majority of Red Lake Shares present or represented by proxy at the Meeting and entitled to vote, are voted in favour to set the number of directors at three (3). **Management recommends the approval of the resolution to set the number of directors of Red Lake at three (3).**

ELECTION OF DIRECTORS

At present, the directors of Red Lake are elected at each annual meeting and hold office until the next annual meeting or until their successors are duly elected or appointed in accordance with Red Lake's articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the proxy, all of whom are presently members of the Board.

Management of Red Lake proposes to nominate the persons named in the table below for election by the Shareholders as directors of Red Lake. Information concerning such persons, as furnished by the individual nominees, as of the date of this Circular, is as follows:

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Red Lake Shares Owned ⁽¹⁾
Ryan Kalt⁽²⁾ British Columbia, Canada <i>Corporate Secretary, President, Chief Executive Officer and Director</i>	Ryan Kalt has over 20 years of senior company management experience, including extensive financial statement proficiency. He holds Bachelor of Commerce (Hons.), a Bachelor of Laws (LL.B.), a Master of Laws (LL.M.) and a Master of Business Administration (M.B.A.) and has served as a director and audit committee member of multiple publicly-traded companies.	May 31, 2019 to Present	10,942,300 ⁽³⁾
Eugene A. Hodgson⁽²⁾ British Columbia, Canada <i>Director</i>	Eugene Hodgson is an accomplished senior executive with over 30 years of public and private sector experience	May 31, 2019 to Present	Nil
Brian Hearst⁽²⁾ Alberta, Canada <i>Director</i>	Brian Hearst is a Chartered Accountant (CA) and consultant to resource companies	May 31, 2019 to Present	Nil
Total as a group		10,942,300 Red Lake Shares (34.37%)	

Notes:

- (1) Red Lake Shares beneficially directly or indirectly owned or over which control or direction is exercised, at the date of this Circular, based upon information furnished to Red Lake by the individual directors. These numbers do not include outstanding stock options or warrants available for exercise.
- (2) Member of the Audit Committee.
- (3) Of these shares, 4,798,800 common shares are held through Kalt Industries Ltd., a company controlled by Mr. Kalt and 556,500 common shares are held through Phoenix Mining Corp., a company controlled by Mr. Kalt.

Management recommends the approval of each of the nominees listed above for election as a director of Red Lake for the ensuing year.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Red Lake Shares represented by proxy for the election of any other persons as directors.

Cease Trade Orders

Other than as described below, to the knowledge of the Company, as of the date hereof, no Nominee:

is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days (an "Order"), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or
- (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

A cease trade order was issued against Mena Hydrocarbons Inc. ("Mena") (TSXV:MNH) in May 2016 for failure to file its audited financial statements and MD&A for the year ended December 31, 2015, while Mr. Brian Hearst was a director and CFO of Mena. The cease trade order is still in effect until Mena's annual and interim filings are brought up to date.

Bankruptcies

To the best of the Company's knowledge, no proposed director of Red Lake is, or within ten (10) years before the date of this Circular, has been a director or an executive officer of any 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, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

Personal Bankruptcies

To the best of the Company's knowledge, no proposed director of Red Lake has, within ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Securities Related Penalties and Sanctions

To the best of the Company's knowledge, no proposed director has been subject to, or entered into a settlement agreement resulting from:

- a. a court order relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- b. any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

Definitions

"CEO" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"CFO" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

"NEO" or **"named executive officer"** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Named Executive Officer and Director Compensation

The following table summarizes the compensation paid to the directors and NEOs of Red Lake for the last two completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year Ended November 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Ryan Kait ⁽¹⁾ Corporate Secretary, President, CEO & director	2019	Nil	Nil	Ni	Nil	199,889 ⁽⁹⁾⁽¹⁰⁾	199,889
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Ryan Cheung ⁽²⁾ CFO	2019	12,500	Nil	Ni	Nil	82,453 ⁽⁹⁾⁽¹⁰⁾	94,953
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Eugene A. Hodgson ⁽³⁾ Director	2019	Nil	Nil	Ni	Nil	69,968 ⁽⁹⁾⁽¹⁰⁾	69,968
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Brian Hearst ⁽⁴⁾ Director	2019	Nil	Nil	Ni	Nil	69,968 ⁽⁹⁾⁽¹⁰⁾	69,968
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Michael B. England ⁽⁵⁾ Former director, President & CEO	2019	13,900	Nil	Nil	Nil	Nil	13,900
	2018	29,570	Nil	Nil	Nil	13,850 ⁽¹¹⁾	43,420
John Masters ⁽⁶⁾ Former director & CFO	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	18,508	Nil	Nil	Nil	9,233 ⁽¹¹⁾	27,741
Mark Malfair ⁽⁷⁾ Former director	2019	Nil	Nil	Ni	Nil	Nil	Nil

	2018	Nil	Nil	Ni	Nil	Nil	Nil
Dusan Berka ⁽⁶⁾ Former director	2019	Nil	Nil	Ni	Nil	Nil	Nil
	2018	Nil	Nil	Ni	Nil	Nil	Nil

Notes:

- (1) Mr. Kalt was appointed as the President and Corporate Secretary and as a director of the Company on May 31, 2019. Mr. Kalt was appointed as the CEO of the Company on November 19, 2019. During the year ended November 30, 2019, Mr. Kalt received stock options with an estimated value of \$199,889.
- (2) Mr. Cheung was appointed the CFO of the Company on May 31, 2019. During the year ended November 30, 2019, Mr. Cheung was paid \$12,500 in professional fees, and received stock options with an estimated value of \$71,203
- (3) Mr. Hodgson was appointed as a director of the Company on May 31, 2019. During the year ended November 30, 2019, Mr. Hodgson received stock options with an estimated value of \$69,968.
- (4) Mr. Hearst was appointed as a director of the Company on May 31, 2019. During the year ended November 30, 2019, Mr. Hearst received stock options with an estimated value of \$69,968
- (5) Mr. England was appointed as a director, and as the President and CEO of the Company on August 23, 2017. Mr. England resigned as a director and as the President and CEO on May 31, 2019. The Company paid all management and administrative fees, including employer contributions, directly to England Communications Ltd. ("ECL"), a company whereby Mr. England is the sole director and shareholder. During the year ended November 30, 2019, the Company paid \$13,900 in management fees to ECL for Mr. England's services as President and CEO.
- (6) Mr. Masters was appointed as a Director and the CFO of the Company on August 23, 2017. Mr. Masters resigned as a director and as the CFO on May 31, 2019. During the year ended November 30, 2018, the Company paid \$18,508 in administration fees related to management fees for Mr. Masters' services as CFO.
- (7) Mr. Malfair was appointed as a director of the Company on August 23, 2017. Mr. Malfair resigned as a director on May 31, 2019.
- (8) Mr. Berka was appointed as a director of the Company on July 24, 2017. Mr. Berka resigned as a director on April 1, 2019.
- (9) The fair value of these stock options granted was determined using the Black-Scholes valuation model and the following inputs: i) exercise price \$0.45, ii) stock price \$0.48, iii) volatility: 217%, iv) risk-free rate: 1.16%.
- (10) The fair value of these stock options granted was determined using the Black-Scholes valuation model and the following inputs: i) exercise price \$0.10, ii) stock price \$0.10, iii) volatility: 102%, iv) risk free rate: 2.04%.
- (11) The fair value of these stock options granted was determined using the Black-Scholes valuation model and the following inputs: i) exercise price \$0.11, ii) stock price \$0.10, iii) volatility: 165%, iv) risk free rate: 2.00%.

Other than as set forth in the foregoing table, the named executive officers and directors have not received, during the most recently completed financial year, compensation pursuant to any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments, any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors, or any arrangement for the compensation of directors for services as consultants or experts.

Stock Options and Other Compensation Securities

The following tables set forth the details of all compensation securities granted or issued to each named executive officer and director by Red Lake (or any subsidiary, as applicable) in the most recently completed financial year for services provided or to be provided, directly or indirectly, to Red Lake (or any subsidiary, as applicable):

Compensation Securities			
Name and position	Number of securities underlying unexercised options	Options exercise price	Option expiry date
Ryan Kalt President, CEO & Director	350,000	0.45	September 3, 2024
Eugene A. Hodgson Director	100,000	\$0.45	September 3, 2024
	300,000	\$0.10	May 31, 2024
Brian Hearst Director	100,000	\$0.45	September 3, 2024
	300,000	\$0.10	May 31, 2024
Ryan Cheung CFO	150,000	\$0.45	September 3, 2024
	150,000	\$0.10	May 31, 2024

Stock Option Plans and Other Incentive Plans

The purpose of the Red Lake Option Plan is to provide certain directors, officers and key employees of, and certain other persons who provide services to the Company and any subsidiaries with an opportunity to purchase common shares of the Company and benefit from any appreciation in the value of the Company's common shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the common shares for the benefit of all the Shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The Red Lake Option Plan provides for a floating maximum limit of 10% of the outstanding common shares, as permitted by the policies of the CSE. As at September 4, 2020, this represents 3,183,750 common shares available under the Plan, of which 1,510,000 are issued and 1,673,750 are reserved and available for issuance under the Red Lake Option Plan.

Under the Red Lake Option Plan, the option price must not be less than the exercise price permitted by the CSE. The current policies of the CSE state that the option price must not be less than the greater of (i) the closing price of the common shares listed on the CSE on the day immediately preceding the date of grant, and (ii) the date of grant. Any amendment to the Plan requires the approval of the CSE and may require shareholder approval.

The material terms of the Red Lake Option Plan are as follows:

1. The term of any options granted under the Red Lake Option Plan will be fixed by the Board at the time such options are granted, provided that options will not be permitted to exceed a term of ten years.
2. The exercise price of any options granted under the Red Lake Option Plan will be determined by the Board, in its sole discretion, and shall not be less than the closing market price of the Company's common shares immediately preceding the day on which the directors grant such options.
3. No vesting requirements will apply to options granted under the Red Lake Option Plan other than as required by CSE policies.
4. All options will be non-assignable and non-transferable.
5. No more than (i) 5% of the issued common shares may be granted to any one individual in any 12-month period; (ii) 2% of the issued common shares may be granted to any one consultant in any 12-month period; and (iii) 1% of the of the issued common shares may be granted to any one employee conducting investor relation activities, in any 12-month period.
6. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company's common shares.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Red Lake Option Plan or may terminate the Red Lake Option Plan at any time.

The decision to grant options is made by the Board as a whole, and a grant is approved by directors' resolutions or at a meeting of the Board. Decisions address vesting, maximum term, number of options, exercise price and method of exercise.

Employment, Consulting and Management Agreements

Subsequent to the financial year end, the Company entered into a management agreement (the "**Management Agreement**") with Partum Advisory Services Corp. ("**Partum**") of Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2 dated for reference June 23, 2020, to provide certain corporate and administrative services to the Company in accordance with the terms of the

Management Agreement for a monthly fee of \$2,500 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. The Management Agreement is for an initial term of 3 months, to be automatically renewed for a further three (3) month term, and shall successfully renew for a further three (3) month term, unless Partum or Red Lake provides the other party thirty (30) day notice of non-renewal, in which case it shall terminate. The Management Agreement can also be terminated by the Company for cause without prior notice or upon the mutual consent in writing of both parties.

Oversight and Description of Named Executive Officer and Director Compensation

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the executive officers of Red Lake. Red Lake at this time does not have a formal compensation program with specific performance goals; however, the performance of each executive is considered along with Red Lake's ability to pay compensation and its results of operation for the period. Red Lake presently has two NEOs, Ryan Kalt and Ryan Cheung. Mr. Kalt has served as the CEO as of November 19, 2019 and as the Corporate Secretary, President and Director of the Company since May 31, 2019 and Mr. Cheung has served as the CFO since May 31, 2019.

Red Lake's executive compensation is currently comprised of a base fee or salary. Base fees or salaries are intended to provide current compensation and a short-term incentive for the NEO to meet the Company's goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the NEO.

Compensation is designed to achieve the following key objectives:

- (a) to support our overall business strategy and objectives;
- (b) to provide market competitive compensation that is substantially performance-based;
- (c) to provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and
- (d) to align executive compensation with corporate performance and therefore Shareholders' interests.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the two most recently completed financial years was, a director or executive officer of Red Lake, a proposed nominee for election as a director of Red Lake, or an associate of any of the foregoing individuals, has been indebted to Red Lake at any time since the commencement of Red Lake's last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An "**informed person**" means: (a) director, proposed director or executive officer of Red Lake; (b) person or company who beneficially owns, directly or indirectly, Red Lake Shares or who exercises control or direction of Red Lake Shares, or a combination of both carrying more than ten percent of the voting rights attached to the outstanding Red Lake Shares (an "**Insider**"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of Red Lake's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Red Lake, except with an interest arising from the ownership of Red Lake Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all Shareholders.

Since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 Audit Committees of the CSA (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the “**Audit Committee**”) and its relationship with its independent auditors, as set forth in the following.

Audit Committee Charter

Red Lake has adopted an audit committee charter (the “**Charter**”) of the Audit Committee of the Board which is attached as Schedule “G” to this Circular.

Composition of the Audit Committee

As of the date of this Circular, the following are the members of the Audit Committee:

Audit Committee Members		
Ryan Kalt	Not independent	Financially literate
Eugene Hodgson	Independent	Financially literate
Brian Hearst	Independent	Financially literate

Relevant Education and Experience

In addition to each member’s general business experience, the education and experience of each member that is relevant to the performance of his responsibilities as a member of the Audit Committee is as follows:

Ryan Kalt has over 20 years of senior company management experience, including extensive financial statement proficiency. He holds a Bachelor of Commerce (Hons.), a Bachelor of Laws (LL.B.), a Master of Laws (LL.M.) and a Master of Business Administration (M.B.A.) and has served as a director and audit committee member of multiple publicly-traded companies.

Eugene Hodgson has over 30 years of public and private sector experience.

Brian Hearst is a Chartered Accountant (CA) with over 30 years of experience in the oil and gas industry, including 15 years as Chief Financial Officer of junior public companies, with both international and domestic operations.

Audit Committee Oversight

Since the commencement of Red Lake’s most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

Reliance on Certain Exemptions

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in sections 2.4 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Exemption in Section 6.1 of NI 52-110

Red Lake is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

External Auditor Service Fees

In the following table, “audit fees” are fees billed by Red Lake’s external auditor for services provided in auditing Red Lake’s annual financial statements for the subject year. “Audit-Related Fees” are fees not included in audit fees that are billed by the Auditor for assurance and related services that are reasonably related to the performance of the audit review of Red Lake’s financial statements. “Tax Fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All Other Fees” are fees billed by the Auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Auditor in the last two fiscal years, by category, are as set out in the table below.

Financial Year Ended November 30	Audit Fees (\$) ⁽¹⁾	Audit-Related Fees (\$) ⁽²⁾	Tax Fees (\$) ⁽³⁾	All Other Fees (\$) ⁽⁴⁾
2019	\$12,000	Nil	2,275	Nil
2018	\$20,244	Nil	Nil	Nil

Notes:

- (1) “Audit fees” include aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit fees.
- (2) “Audited related fees” include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under “Audit fees” above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax fees” include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company’s external auditor for tax compliance, tax advice and tax planning.
- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.

CORPORATE GOVERNANCE

National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”) requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 Corporate Governance Guidelines (“**NP 58-201**”).

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the “**CSA**”) have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of their corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The independent members of the Board of Directors of the Company are Brian Hearst and Eugene Hodgson. The non-independent director is Ryan Kalt, the Corporate Secretary, President and CEO of the Company.

The Board facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent directors are, however, able to meet at any time without any the non-independent directors being present. Further supervision is performed through the Audit Committee who may meet with the Company's auditors without management being in attendance.

Directorships

The current directors of Red Lake and each of the individuals to be nominated for election as a director of Red Lake at the Meeting may serve as a director or officer of one or more other reporting issuers as at the date of this Notice of Meeting and Circular. However, our directors are required by law to act honestly and in good faith with a view to our best interests and to disclose any interests which they may have in any of our projects or opportunities. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not we will participate in any project or opportunity, that director will primarily consider the degree of risk to which we may be exposed and our financial position at that time.

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

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's operations and on director responsibilities.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussions with all Board members.

The Board does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills as required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by Red Lake's governing corporate legislation and the common law of Canada 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 Red Lake.

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 views 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 not compensated for acting as directors, except for being granted incentive stock options pursuant to the policies of the CSE and the Red Lake Option Plan. The Board acts as a whole to determine and approve the final stock grants and compensation amounts.

Other Board Committees

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

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

The Audit Committee provides an open avenue of communication between management, the Company's independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- (b) the Company's compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Company's independent auditors.

The Audit Committee also performs any other activities consistent with the Audit Committee Charter, the Company's Articles and governing laws as the Audit Committee or Board deems necessary or appropriate. See "*Audit Committee Disclosure*".

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Smythe LLP, Chartered Professional Accountants as the auditor to hold office until the next annual meeting of the Shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board to fix the remuneration to be paid to the auditor. Smythe LLP, Chartered Professional Accountants of Vancouver, British Columbia has served as the auditor for Red Lake since July of 2019.

Management recommends that Shareholders vote for the approval of the re-appointment of Smythe LLP, Chartered Professional Accountants as the auditor for Red Lake for the ensuing year at a remuneration to be fixed by the Board.

SUMMARY OF ARRANGEMENT

The purpose of the Plan of Arrangement is for Spinco (Alma Gold Inc.) to become its own corporate entity and to restructure the Company by distributing the Spinco Shares to the Shareholders (other than Dissenting Shareholders). Red Lake will distribute 100% of the Spinco Shares it receives to Red Lake Shareholders on a pro rata basis. The Red Lake Shareholders will be entitled to receive 1 New Red Lake Share and 0.95 of a Spinco Share in exchange for every 1 Red Lake Class A Share held as at the Record Date, September 4, 2020. As a result of the foregoing, on the completion of the Plan of Arrangement, two independent companies will exist, the Company and Spinco, and Spinco will become a reporting issuer in British Columbia, Alberta and Ontario.

The Plan of Arrangement will occur by statutory arrangement under Division 5 of Part 9 of the BCBCA involving the Company and Spinco. The principal features of the Plan of Arrangement are summarized below, and the following is qualified in its entirety by reference to the full text of the Arrangement Agreement and the Plan of Arrangement attached as Schedule "A" to the Arrangement Agreement, which may be reviewed on SEDAR at www.sedar.com under the Company's profile. The Plan of Arrangement is also attached as Schedule "B" to this Circular.

Steps of the Arrangement

Pursuant to the Arrangement, and in a transaction outside the ordinary course of its business, Red Lake will reorganize its business in exchange for one New Red Lake Share and 0.95 of a Spinco Shares being issued for every one Red Lake Class A Share that are held by Shareholders on the Share Distribution Record Date. Red Lake will distribute the Spinco Shares to the Shareholders, other than Dissenting Shareholders, as return of paid-up capital in respect of the existing issued Red Lake Shares.

Each Shareholder of record as of the Share Distribution Record Date, other than a Dissenting Shareholder, will, immediately after the Arrangement, hold both one New Red Lake Share and 0.95 of a Spinco Share for every one Red Lake Class A Share held. See "*The Arrangement – Details of the Arrangement*".

Recommendation and Approval of the Board of Directors

The Board has unanimously concluded that the terms of the Arrangement are fair and reasonable to, and in the best interests of, the Company and the Shareholders. The Board has therefore approved the Arrangement and authorized the submission of the Arrangement to the Shareholders and the Court for approval. The Board recommends that Shareholders vote FOR the approval of the Arrangement. See "*The Arrangement – Recommendation of Directors*".

Benefits of the Arrangement

The Board believes that holding and developing the Clarence Stream North Gold Project and the Chambers Settlement Gold Project (the "**Spinco Properties**") in a separate company offers benefits to the Company and the Shareholders, including the following:

1. The Arrangement will allow the Company to focus on the exploration and development of the Whirlwind Jack Property.
2. The Company can avoid dilution of Red Lake Shares held by Shareholders that would result from financing the Spinco Properties owned by the Spinco.
3. The Arrangement will allow the Shareholders to participate in the further exploration of the Spinco Properties potentially through a separate public company.
4. It is expected that separating the Whirlwind Jack Property in Red Lake and the Spinco Properties in Spinco will accelerate development of the properties.

5. The Arrangement is expected to maximize shareholder value by allowing the market to value each property independently of the other property.
6. Because Red Lake and Spinco will be focused on separate exploration properties with separate metal prospects, they will be more readily understood by public investors, allowing each company to be better positioned to raise capital and align management and employee incentives with the interests of shareholders.

Conduct of Meeting and Shareholder Approval

The Interim Order provides that in order for the Arrangement to proceed, the Arrangement Resolution must be passed, with or without variation, by at least 66 and 2/3rds of the eligible votes cast with respect to the Arrangement Resolution by Shareholders present in person or by proxy at the Meeting. See "*The Arrangement – Shareholder Approval*".

Court Approval

The Arrangement requires the approval of the Court. Prior to the mailing of this Circular and other proxy-related materials, the Company obtained the Interim Order authorizing the calling and holding of the Meeting and providing for certain other procedural matters. The Interim Order does not constitute approval of the Arrangement or the contents of this Circular by the Court.

The Notice of Hearing of the Petition with respect to the Final Order is attached to this Circular as Schedule "D". In hearing the petition for the Final Order, the Court will consider, among other things, the fairness of the Arrangement to the Shareholders. Assuming approval of the Arrangement by the Shareholders at the Meeting, the hearing for the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on or after October 29, 2020, at the Courthouse located at 800 Smithe Street, Vancouver, British Columbia. At this hearing, any Shareholder or director, creditor, auditor or other interested party of the Company who wishes to participate or to be represented or who wishes to present evidence or argument may do so, subject to filing an application response and satisfying certain other requirements. See "*The Arrangement – Court Approval of the Arrangement*".

Certain Canadian Federal Income Tax Considerations

Canadian federal income tax considerations for Shareholders who participate in the Arrangement or who dissent from the Arrangement are set out in the summary entitled "Certain Canadian Federal Income Tax Considerations".

Shareholders resident in Canada or elsewhere should carefully review the tax considerations applicable to them under the Arrangement and are urged to consult their own legal, tax and financial advisors in regards to their particular circumstances in their respective taxing jurisdiction.

Right to Dissent

Registered Shareholders have the right to dissent with respect to the proposed Plan of Arrangement and to be paid the fair value of their Red Lake Shares upon strict compliance with the provisions of the Interim Order and applicable law. See "*Rights of Dissenting Shareholders*". It is a condition of the Plan of Arrangement that Dissent Rights will not have been exercised for more than 5% of the outstanding Red Lake Shares.

Stock Exchange Listing

The Red Lake Shares will continue to be listed on the CSE following completion of the Arrangement.

The Spinco Shares will not be listed on the CSE as a result of the completion of the Arrangement; however, management of Spinco is considering applying to list the Spinco Shares on the CSE in future.

Information Concerning the Company and Spinco after the Arrangement

Following completion of the Arrangement, the Company will continue to carry on its primary business activities and will focus on the Whirlwind Jack Property. See “*The Company after the Arrangement*” for a summary description of the Company assuming completion of the Arrangement.

Following completion of the Arrangement, each Shareholder of record as of the Share Distribution Record Date (other than a Dissenting Shareholder) will hold one new Red Lake Share and 0.95 of a Spinco Share for every one Red Lake Class A Share held before the Effective Date. No fractional New Red Lake Shares or Spinco Shares will be distributed to the Shareholders and as a result all fractional share amounts will be rounded down to the nearest whole number. Any Spinco Shares not distributed as a result of this rounding down will be dealt with as determined by the Board in its absolute discretion. Each Shareholder will continue to be a Shareholder of Red Lake. Spinco will have sole ownership of all rights, title and interest in the Spinco Properties and will conduct further exploration on the Spinco Properties. See “*Spinco after the Arrangement*” for a description of the Spinco Properties, Spinco's corporate structure and business, including selected unaudited pro-forma financial information of Spinco assuming completion of the Arrangement.

Selected Unaudited Pro-Forma Financial Information for Spinco

The following selected unaudited pro-forma financial information for Spinco is based on the assumptions described in the notes to Spinco's unaudited pro-forma balance sheet as at August 21, 2020, attached to this Circular as Schedule “F”. The pro-forma balance sheet has been prepared based on the assumption that, among other things, the Arrangement had occurred on August 21, 2020.

	As at Date of Incorporation (unaudited)	Pro-forma as at August 21, 2020 on completion of the Arrangement (unaudited)
Cash.....	\$ 1	\$ -
Clarence Stream North Gold Project.....	-	120,400
Chambers Settlement Gold Project.....	-	33,000
Total assets.....	\$ 1	\$ 153,400

Risk Factors

In considering whether to vote for the approval of the Arrangement, Shareholders should be aware that there are various risks, including those described in the section entitled “Risk Factors” in this Circular. Shareholders should carefully consider these risk factors, together with other information included in this Circular, before deciding whether to approve the Arrangement.

THE ARRANGEMENT

General

The Arrangement has been proposed to facilitate the separation of the Company's primary exploration activities on the Whirlwind Jack Property from other exploration activities. Pursuant to the Arrangement, Red Lake will reorganize its business in exchange for one New Red Lake Share and 0.95 of a Spinco Shares for every one Red Lake Class A Share issued and outstanding on the Share Distribution Record Date. No fractional New Red Lake Shares and Spinco Shares will be distributed to the Shareholders or the holders of Red Lake Options or Red Lake Warrant and as a result all fractional share amounts will be rounded down to the nearest whole number. Any New Red Lake Shares and Spinco Shares not distributed as a result of this rounding down will be dealt with as determined by the Board in its absolute discretion.

Following the Arrangement, the Company will continue to focus on further evaluation and exploration of the Whirlwind Jack Property and Spinco will focus on its exploration of the Spinco Properties.

See "*The Company After the Arrangement*" for more information regarding the Whirlwind Jack Property. See "*Spinco After the Arrangement*" for more information regarding the Spinco Properties.

Benefits of the Arrangement

The Board believes that Spinco holding and developing its own property in a separate company offers benefits to the Company and the Shareholders, including the following:

1. The Arrangement will allow the Company to focus on the exploration and development of the Whirlwind Jack Property.
2. The Company can avoid dilution of Red Lake Shares held by Shareholders that would result from financing the Spinco Properties owned by the Spinco.
3. The Arrangement will allow the Shareholders to participate in the further exploration of Spinco's Clarence Stream North Gold Project and Chambers Settlement Gold Project through a potentially separate public company.
4. It is expected that separating the Whirlwind Jack Property in Red Lake and the Spinco Properties in Spinco will accelerate development of the properties.
5. The Arrangement is expected to maximize shareholder value by allowing the market to value each property independently of the other property.
6. Because Red Lake and Spinco will be focused on separate exploration properties with separate metal prospects, they will be more readily understood by public investors, allowing each company to be better positioned to raise capital and align management and employee incentives with the interests of shareholders.

Recommendation of Directors

After careful consideration, the Board has unanimously concluded that the terms of the Arrangement are fair and reasonable to, and in the best interests of, the Company and the Shareholders, and recommends that the Shareholders vote FOR the Arrangement Resolution at the Meeting. The Board has therefore approved the Arrangement and authorized the submission of the Arrangement to the Shareholders and the Court for approval. In reaching this conclusion, the Board considered, among other things, the benefits of the Arrangement to the Company and the Shareholders, the fairness of the Arrangement to the Shareholders, as well as the financial position, opportunities and future potential of the Company and Spinco.

Fairness of the Arrangement

The Arrangement was determined by the Board to be fair to the Shareholders based upon the following factors, among others:

1. the procedures by which the Arrangement will be approved, including the requirement for 66 and 2/3rds Shareholder approval and approval by the Court after a hearing at which fairness will be considered;
2. the possibility of pursuing a proposed listing of the Spinco Shares, on a stock exchange and the continued listing of the Red Lake Shares on the CSE;

3. the opportunity for Shareholders who are opposed to the Arrangement, upon compliance with certain conditions, to dissent from the approval of the Arrangement in accordance with the Interim Order, and to be paid fair value for their Red Lake Shares;
4. each holder of Red Lake Options and/or Red Lake Warrants at the Effective Time will receive the same proportionate interest in Red Lake and Spinco that such securityholder held in Red Lake immediately prior to the Arrangement; and
5. each Shareholder of record as of the Share Distribution Record Date, other than a Dissenting Shareholder, will participate in the Arrangement on a *pro-rata* basis and, upon completion of the Arrangement, will continue to hold substantially the same *pro-rata* interest that such Shareholder held in the Company prior to completion of the Arrangement and a substantial *pro-rata* interest in Spinco through its direct holdings of Spinco Shares rather than indirectly through the Company's holding of Spinco Shares.

Steps of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Arrangement Agreement, which may be reviewed on SEDAR at www.sedar.com under the Company's profile, and the Plan of Arrangement, which is attached as Schedule "A" to the Arrangement Agreement and also as Schedule "B" to this Circular. Each of these documents should be read carefully in their entirety.

Pursuant to the Plan of Arrangement, except for Dissenting Shares, and in a transaction outside the ordinary course of its business, the following principal steps will occur and be deemed to occur in the following chronological order as part of the Arrangement:

- a. the authorized share structure of Red Lake shall be altered by:
 - i. renaming and redesignating all of the issued and unissued Red Lake Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "**Red Lake Class A Shares**"; and
 - ii. creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Red Lake Shares immediately prior to the Effective Time, being the "**New Red Lake Shares**";
- b. Red Lake's Notice of Articles shall be amended to reflect the alterations above;
- c. each Red Lake Option then outstanding to acquire one Red Lake Share shall be transferred and exchanged for:
 - i. one Red Lake Replacement Option to acquire one New Red Lake Share having an exercise price equal to the product of the original exercise price of the Red Lake Option multiplied by the fair market value of a New Red Lake Share at the Effective Time divided by the total of the fair market value of a New Red Lake Share and the fair market value of 0.95 of a Spinco Share at the Effective Time; and
 - ii. one Spinco Option to acquire 0.95 of a Spinco Share, each whole Spinco Option having an exercise price equal to the product of the original exercise price of the Red Lake Option multiplied by the fair market value of 0.95 of a Spinco Share at the Effective Time divided by the total of the fair market value of one New Red Lake Share and 0.95 of a Spinco Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Red Lake Replacement Option and the

Spinco Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Red Lake Option so exchanged . It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Red Lake Options; and Spinco agrees to promptly issue Spinco Shares upon the due exercise of Spinco Options;

- d. each Red Lake Warrant then outstanding shall be deemed to be amended to entitle the holder thereof to receive, upon due exercise of the Red Lake Warrant, for the original exercise price:
 - i. one New Red Lake Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time; and
 - ii. 0.95 of a Spinco Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time;
- e. each issued and outstanding Red Lake Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Red Lake Share; and (ii) 0.95 of a Spinco Share, the holders of the Red Lake Class A Shares will be removed from the central securities register of Red Lake as the holders of such and will be added to the central securities register of Red Lake as the holders of the number of New Red Lake Shares that they have received on the exchange set forth in this section, and the Spinco Shares transferred to the then holders of the Red Lake Class A Shares will be registered in the name of the former holders of the Red Lake Class A Shares and Red Lake will provide Spinco and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Spinco;
- f. all of the issued Red Lake Class A Shares shall be cancelled with the appropriate entries being made in the central securities register of Red Lake, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Red Lake Shares will be equal to that of the Red Lake Shares immediately prior to the Effective Time less the fair market value of the Spinco Shares distributed pursuant to the above; and
- g. the Notice of Articles of Red Lake shall be amended to reflect the alterations in the above.

Each Dissenting Share in respect of which a Shareholder has validly exercised the Dissent Right in accordance with the Dissent Procedures will be deemed to have been repurchased by Red Lake for cancellation in consideration for a debt-claim against Red Lake to be paid the fair value of such Dissenting Share in accordance with the Plan of Arrangement, net of any applicable withholding tax, and such Dissenting Share will be cancelled. See "*Rights of Dissenting Shareholders*".

Authority of the Board

By passing the Arrangement Resolution, the Shareholders will also be giving authority to the Board to use its best judgment to proceed with and cause the Company to complete the Arrangement without any requirement to seek or obtain any further approval of the Shareholders.

The Arrangement Resolution also provides that the Plan of Arrangement may be amended by the Board before or after the Meeting without further notice to Shareholders. The Board has no current intention to amend the Plan of Arrangement, however it is possible that the Board may determine that it is appropriate that amendments be made.

Conditions to the Arrangement

The Arrangement Agreement provides that completion of the Arrangement will be subject to the fulfillment of certain conditions, including the following mutual conditions:

- 1. the Arrangement Resolution having been passed by the Shareholders at the Meeting in the manner set out in the Interim Order and this Circular;

2. the Final Order having been received;
3. all other consents, orders, and approvals necessary or desirable for the completion of the Arrangement having been obtained or received;
4. there not being in force any order or decree restraining or enjoining the consummation of the Arrangement;
5. the Arrangement Agreement not having been terminated; and
6. Dissent Rights not having been exercised by Shareholders holding more than 5% of the issued and outstanding Red Lake Shares.

If any of the conditions set out in the Arrangement Agreement are not fulfilled or performed, the Arrangement Agreement may be terminated, or in certain cases the Company or Spinco, as the case may be, may waive the condition in whole or in part. As soon as practicable after the fulfillment of the conditions contained in the Arrangement Agreement, the Board intends to cause a certified copy of the Final Order to be filed with the Registrar under the BCBCA, together with such other material as may be required by the Registrar, in order that the Arrangement will become effective.

Covenants of Red Lake in the Arrangement Agreement

In addition to the terms and conditions of the Arrangement Agreement set out elsewhere in this Circular, the Arrangement Agreement contains covenants of Red Lake and Spinco described below and other additional terms. The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, not comprehensive and is qualified in its entirety by reference to the terms of the Arrangement Agreement which may be found on SEDAR at www.sedar.com under the Company's profile.

From the date of the Arrangement Agreement until the Effective Date, Red Lake and Spinco will use all reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its respective obligations under the Arrangement Agreement and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under applicable laws to complete the Arrangement, including using reasonable efforts:

1. to obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
2. to obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations under the Arrangement Agreement and to carry out the transactions contemplated by the Arrangement Agreement; and
3. to effect all necessary registrations and filings and submissions of information requested by governmental authorities required to be effected by it in connection with the Arrangement.

Red Lake has also agreed that it will not issue any new Red Lake Options or Red Lake Warrants until the Effective Date, without a prior written approval of Spinco.

Shareholder Approval

In order for the Arrangement to become effective, the Arrangement Resolution must be passed, with or without variation, by a special resolution of at least 66 and 2/3rds of the eligible votes cast in respect of the Arrangement Resolution by Shareholders present in person or by proxy at the Meeting.

The Company, as sole shareholder of Spinco, has approved the Arrangement by consent resolution.

Court Approval of the Arrangement

The Arrangement as structured requires the approval of the Court. Prior to the mailing of this Circular, the Company obtained the Interim Order authorizing the calling and holding of the Meeting and providing for certain other procedural matters. The Interim Order is attached as Schedule "C" to this Circular. The Notice of Hearing for the Final Order is attached to this Circular as Schedule "D".

Assuming approval of the Arrangement Resolution by the Shareholders at the Meeting, the hearing for the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on or after October 29, 2020 at the Courthouse located at 800 Smithe Street, Vancouver, British Columbia or at such other date and time as the Court may direct. At this hearing, any security holder, director, auditor or other interested party of the Company who wishes to participate or to be represented or present evidence or argument may do so, subject to filing an appearance and satisfying certain other requirements.

In hearing the petition for the Final Order, the Court will consider, among other things, the fairness of the Arrangement to the Shareholders. The Court will also be advised that based on the Court's approval of the Arrangement, the Company and Spinco will rely on an exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act for the issuance of the Spinco Shares to any Shareholders resident in the United States.

The Court has broad discretion under the BCBCA when making orders in respect of arrangements and the Court may approve the Arrangement as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court thinks appropriate. The Court, in hearing the application for the Final Order, will consider, among other things, the fairness of the terms and conditions of the Arrangement to the Shareholders.

Proposed Timetable for Arrangement

The anticipated timetable for the completion of the Arrangement and the key dates proposed are as follows:

Meeting: October 16, 2020

Final Court Approval: On or after October 29, 2020

Share Distribution Record Date: On or about November 6, 2020

Effective Date: November 6, 2020

Mailing of DRS Statements of Spinco: November 6, 2020

Notice of the actual Share Distribution Record Date and Effective Date will be given to the Shareholders through one or more press releases. The boards of directors of the Company and Spinco, respectively, will determine the Effective Date depending upon satisfaction that all of the conditions to the completion of the Arrangement.

Spinco Direct Registration Statements

As soon as practicable after the Effective Date, direct registration statements representing the appropriate number of Spinco Shares will be sent to all Shareholders of record on the Share Distribution Record Date.

Expenses of Arrangement

Pursuant to the Arrangement Agreement, the costs relating to the Arrangement, including without limitation, financial, advisory, accounting and legal fees, will be borne by the Company.

SECURITIES LAWS CONSIDERATIONS

The following is a brief summary of the securities law considerations that apply to the transactions contemplated in this Circular.

Canadian Securities Laws

Exemption from Canadian Prospectus Requirements and Resale Restrictions

The distribution of the Spinco Shares pursuant to the Arrangement will be made pursuant to exemptions from the prospectus requirements contained in applicable Canadian securities laws. With certain exceptions, the Spinco Shares may generally be resold in each of the provinces of Canada provided the trade is not a “control distribution” as defined in National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid to a person or company in respect of the trade and, if the selling security holder is an insider or officer of Spinco, the insider or officer has no reasonable grounds to believe that Spinco is in default of securities legislation.

The foregoing discussion is only a general overview of the requirements of Canadian securities laws related to the resale of the Spinco Shares received upon completion of the Arrangement. All Shareholders are urged to consult with their own legal counsel to ensure that any resale of their Spinco Shares complies with applicable securities laws.

United States Securities Laws

Exemption from the Registration Requirements of the U.S. Securities Act

The Spinco Shares to be issued to the Shareholders under the Arrangement will not be registered under the U.S. Securities Act, or under the securities laws of any state of the United States, and will be issued to Shareholders resident in the United States in reliance on the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act and exemptions provided under the securities laws of each state of the United States in which U.S. Shareholders reside. Section 3(a)(10) of the U.S. Securities Act exempts from registration the distribution of a security that is issued in exchange for outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Spinco Shares distributed in connection with the Arrangement.

The Court will be advised that the Court's approval, if obtained, will constitute the basis for an exemption from the registration requirements of the U.S. Securities Act.

U.S. Resale Restrictions

Spinco Shares to be issued to a Shareholder who is an “affiliate” of either the Company or Spinco prior to the Arrangement or will be an “affiliate” of Spinco after the Arrangement will be subject to certain restrictions on resale imposed by the U.S. Securities Act. Pursuant to Rule 144 under the U.S. Securities Act, an “affiliate” of an issuer for the purposes of the U.S. Securities Act is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer. Persons who are affiliates of Red Lake on completion of the Arrangement will be deemed to be “affiliates” of Spinco for at least 90 days thereafter.

Persons who were not affiliates of Red Lake upon completion of the Arrangement (or during the 90 days immediately before completion), and are not affiliates of Spinco after the completion of the Plan of Arrangement, may resell the Spinco Shares that they receive in connection with the Arrangement in the

United States, as well as outside the United States pursuant to Regulation S (described below), without restriction under the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States securities laws applicable to the Spinco Shares received upon completion of the Arrangement. All Shareholders resident in the United States are urged to consult with their own legal counsel to ensure that any resale of their Spinco Shares complies with applicable securities laws. U.S. Shareholders reselling their Spinco Shares in Canada must comply with Canadian securities laws, as outlined elsewhere in this Circular.

Rule 144

In general, Rule 144 under the U.S. Securities Act provides that persons who are affiliates of Spinco after the Arrangement or, at any time during the 90 day period immediately following completion of the Arrangement, persons who were affiliates of Red Lake upon completion of the Arrangement, will be entitled to sell **inside** the United States, during any three-month period, a portion of the Spinco Shares that they receive in connection with the Arrangement, provided that the number of such Spinco Shares sold does not exceed the greater of one percent of the number of then outstanding Spinco Shares or, if such Spinco Shares are listed on a United States securities exchange (which Spinco does not intend to seek at this time), the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on manner of sale, notice requirements, aggregation rules and the availability of current public information about Spinco. Persons who are affiliates of Spinco after the Arrangement will continue to be subject to the resale restrictions described in this paragraph for so long as they continue to be affiliates of Spinco.

Regulation S

Subject to certain limitations, all holders of Spinco Shares may immediately resell such securities **outside** the United States, without registration under the U.S. Securities Act, pursuant to Regulation S under the U.S. Securities Act. Generally, subject to certain limitations, holders of Spinco Shares who are not its affiliates, or who are its affiliates solely by virtue of being its officer and/or director and who pay nothing other than a usual and customary broker's commission in connection with the transaction, may, under the securities laws of the United States, resell their Spinco Shares in an "offshore transaction" (which would include a sale through a stock exchange) if neither the seller, any affiliate of the seller, nor any person acting on their behalf engages in any "directed selling efforts" in the United States. For the purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered" in the resale transaction. Under Regulation S, certain additional restrictions and qualifications are applicable to holders of Spinco Shares who are its affiliates other than by virtue of being its officer and/or director.

Additional Information for U.S. Security Holders

THE SECURITIES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED ON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR AND ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Residents of the United States should be aware that such requirements are different than those of the United States applicable to proxy statements under the United States *Securities Exchange Act of 1934*. Likewise, information concerning the operations of the Company and Spinco and their assets have been prepared in accordance with Canadian standards, and may not be comparable to similar information for United States companies.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company and Spinco are incorporated or organized under the laws

of a foreign country, that some or all of their officers and directors and any experts named in this Circular may be residents of a foreign country, and that all or a substantial portion of the assets of the Company, Spinco and such officers and directors and any experts may be located outside the United States.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

THE TAX CONSEQUENCES OF THE ARRANGEMENT MAY VARY DEPENDING UPON THE PARTICULAR CIRCUMSTANCES OF EACH SHAREHOLDER AND OTHER FACTORS. ACCORDINGLY, SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT.

The following summarizes certain Canadian federal income tax considerations under the Tax Act generally applicable to Shareholders in respect of the disposition of Red Lake Shares pursuant to the Arrangement, and the acquisition, holding, and disposition of New Red Lake Shares and Spinco Shares acquired pursuant to the Arrangement.

Comment is restricted to Shareholders who, for purposes of the Tax Act, (i) hold their Red Lake Shares, and will hold their Red Lake Class A Shares, New Red Lake Shares and Spinco Shares, solely as capital property, and (ii) deal at arm's length with and are not affiliated with the Company or Spinco (each such Shareholder, a "Holder").

Generally, Red Lake Shares, Red Lake Class A Shares, New Red Lake Shares and Spinco Shares will be considered to be capital property to a Holder thereof provided that the Holder does not use the Red Lake Shares, Red Lake Class A Shares, New Red Lake Shares or Spinco Shares, as the case may be, in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired such shares in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder that:

- a. is a "financial institution" for the purposes of the mark-to-market rules in the Tax Act or a "specified financial institution" as defined in the Tax Act;
- b. is a person or partnership an interest in which is a "tax shelter investment" for purposes of the Tax Act;
- c. has elected to report its Canadian federal income tax results in a currency other than Canadian currency;
- d. has entered into or will enter into a "derivative forward agreement", a "synthetic disposition arrangement", or a "synthetic equity arrangement" as those terms are or are proposed to be defined in the Tax Act;
- e. has acquired Red Lake Shares, or will acquire Red Lake Class A Shares, New Red Lake Shares or Spinco Shares, on the exercise of an employee stock option; or
- f. is otherwise a Holder of special status or in special circumstances.

All such Holders should consult their own tax advisors with respect to the consequences of the Arrangement.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada or a corporation that does not deal at arm's length, for purposes of the Tax Act, with a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events, controlled by a non-resident person, or a group of non-resident persons not dealing with each other at arms length, for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors.

In addition, this summary does not address the income tax considerations to holders of Red Lake Options and Red Lake Warrants.

The summary assumes that (i) the redesignation of Red Lake Shares as Red Lake Class A Shares and the amendment of the terms of such shares to increase the number of votes that may be cast, as contemplated by the Plan of Arrangement, will not, in and of itself, result in Holders being deemed to have disposed of their Red Lake Shares for the purposes of the Tax Act (for purposes of this summary, Red Lake Class A Shares are hereafter included in any reference to “**Red Lake Shares**”), and (ii) the Share Exchange (as described below) will be considered to occur “in the course of a reorganization of capital” of Red Lake such that section 86 of the Tax Act will apply in respect of the Share Exchange. **No tax ruling or legal opinion has been sought or obtained in this regard, or with respect to any of the assumptions made throughout this summary of Certain Canadian Federal Income Tax Considerations, and the summary below is qualified accordingly.**

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the “**Regulations**”), and our understanding of the current published administrative practices and policies of the CRA. This summary takes into account all specific proposals to amend the Tax Act and Regulations (the “**Proposed Amendments**”) announced by the Minister of Finance (Canada) prior to the date hereof. It is assumed that the Proposed Amendments will be enacted as currently proposed and that there will be no other change in law or administrative or assessing practice, whether by legislative, governmental, or judicial action or decision, although no assurance can be given in these respects. This summary does not take into account provincial, territorial or foreign income tax considerations, which may differ materially from the Canadian federal income tax considerations discussed below.

This summary is of a general nature only and is not and should not be construed as legal or tax advice to any particular person (including a Holder as defined above). Each person who may be affected by the Arrangement should consult the person’s own tax advisors with respect to the person’s particular circumstances.

Holders Resident in Canada

This portion of this summary applies only to Holders who are or are deemed to be resident solely in Canada for the purposes of the Tax Act and any applicable income tax treaty or convention (each, a “**Resident Holder**”).

A Resident Holder whose Red Lake Shares, New Red Lake Shares or Spinco Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem such shares, and every other “Canadian security” (as defined in the Tax Act), held by such person, in the taxation year of the election and each subsequent taxation year to be capital property.

Exchange of Red Lake Shares for New Red Lake Shares and Spinco Shares

A Resident Holder who exchanges Red Lake Shares for New Red Lake Shares and Spinco Shares pursuant to the Arrangement (the “**Share Exchange**”) will be deemed to have received a taxable dividend equal to the amount, if any, by which the fair market value of the Spinco Shares distributed to the Resident Holder pursuant to the Share Exchange at the time of the Share Exchange exceeds the “paid-up capital” (as defined in the Tax Act) (“**PUC**”) of the Resident Holder’s Red Lake Shares determined at that time. Any such taxable dividend will be taxable as described below under “Holders Resident in Canada – Taxation of Dividends – New Red Lake Shares and Spinco Shares”. However, the Company expects that the fair market value of all Spinco Shares distributed pursuant to the Share Exchange under the Arrangement will not exceed the PUC of the Red Lake Shares. Specifically, the Company has determined the PUC per Red Lake Share is approximately \$0.11 and the fair market value of a Spinco Share is approximately \$0.005072 (however, this fair market value is not binding on the CRA). Accordingly, the Company does not expect that any Resident Holder will be deemed to receive a taxable dividend on the Share Exchange.

A Resident Holder who exchanges Red Lake Shares for New Red Lake Shares and Spinco Shares on the Share Exchange will realize a capital gain equal to the amount, if any, by which the fair market value of those Spinco Shares at the effective time of the Share Exchange, less the amount of any taxable dividend deemed to be received by the Resident Holder as described in the preceding paragraph, exceeds the “adjusted cost base” (as defined in the Tax Act) (“**ACB**”) of the Resident Holder’s Red Lake Shares determined immediately before the Share Exchange. Any capital gain so realized will be taxable as described below under “Holders Resident in Canada – *Taxation of Capital Gains and Capital Losses*”.

The Resident Holder will acquire the Spinco Shares received on the Share Exchange at a cost equal to their fair market value as at the effective time of the Share Exchange, and the New Red Lake Shares received on the Share Exchange at a cost equal to the amount, if any, by which the ACB of the Resident Holder’s Red Lake Shares immediately before the Share Exchange exceeds the fair market value of the Spinco Shares as at the effective time of the Share Exchange.

Disposition of New Red Lake Shares or Spinco Shares after the Arrangement

A Resident Holder who disposes or is deemed to dispose of a New Red Lake Share or Spinco Share generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition therefor are greater (or less) than the ACB of the share to the Resident Holder, less reasonable costs of disposition. Any such capital gain or capital loss will be subject to the treatment generally described below under “Holders Resident in Canada – *Taxation of Capital Gains and Capital Losses*”.

Taxation of Dividends – New Red Lake Shares and Spinco Shares

A Resident Holder who is an individual (other than certain trusts) and receives or is deemed to receive a taxable dividend in a taxation year on the Resident Holder’s New Red Lake Shares or Spinco Shares will be required to include the amount of the dividend in income for the year, subject to the dividend gross-up and tax credit rules applicable to taxable dividends received by a Canadian resident individual from a taxable Canadian corporation, including the enhanced dividend gross-up and tax credit that may be applicable if and to the extent that the Company or Spinco designates the taxable dividend to be an “eligible dividend” in accordance with the Tax Act. There may be limitations on the ability of either Company to designate dividends as “eligible dividends” and neither the Company nor Spinco has made commitments in this regard.

A Resident Holder that is a corporation and receives or is deemed to receive a taxable dividend in a taxation year on its New Red Lake Shares or Spinco Shares must include the amount in its income for the year, but generally will be entitled to deduct an equivalent amount from its taxable income, subject to all restrictions under the Tax Act.

In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceed of disposition or capital gain. Resident Holders that are corporations are urged to consult their own tax advisers having regard to their particular circumstances. A Resident Holder that is a “private corporation” or a “subject corporation” (as defined in the Tax Act) may also be liable under Part IV of the Tax Act to pay a special tax (refundable in certain circumstances) on any such dividends to the extent that the dividend is deductible in computing the corporation’s taxable income.

Taxation of Capital Gains and Capital Losses

A Resident Holder who realizes a capital gain or capital loss in a taxation year on the actual or deemed disposition of a share, including a Red Lake Share, New Red Lake Share or Spinco Share, generally will be required to include one-half of any such capital gain (a “**taxable capital gain**”) in income for the year, and entitled to deduct one-half of any such capital loss (an “**allowable capital loss**”) against taxable capital gains realized in the year and, to the extent not so deductible, in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances specified in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on the share (or on a share substituted therefor) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where the corporation is a member or beneficiary of a partnership or trust that held the share, or where a partnership or trust of which the corporation is a member or beneficiary is itself a member of a partnership or a beneficiary of a trust that held the share. Affected Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) throughout the relevant taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income”, which includes taxable capital gains, for the year.

Minimum Tax on Individuals

A Resident Holder who is an individual (including certain trusts) and receives a taxable dividend on, or realizes a capital gain on the disposition of, a share, including an Red Lake Share, New Red Lake Share or Spinco Share, may thereby be liable for minimum tax to the extent and within the circumstances set out in the Tax Act.

Dissenting Resident Holders

A Resident Holder who validly exercises Dissent Rights (a “**Dissenting Resident Holder**”) and who consequently transfers or is deemed to transfer Red Lake Shares to Red Lake for payment by the Company will be deemed to receive a taxable dividend in the taxation year of payment equal to the amount, if any, by which the payment (excluding interest) exceeds the PUC of the Dissenting Resident Holder’s Red Lake Shares determined immediately before the Arrangement. Any such taxable dividend will be taxable as described above under “Holders Resident in Canada – Taxation of Dividends – New Red Lake Shares and Spinco Shares”. The Dissenting Resident Holder will also realize a capital gain (or capital loss) equal to the amount, if any, by which the payment (excluding interest), less any such deemed taxable dividend, exceeds (is exceeded by) the ACB of the Dissenting Resident Holder’s Red Lake Shares determined immediately before the Arrangement. Any such capital gain or loss will generally be taxable or deductible as described above under “Holders Resident in Canada – Taxation of Capital Gains and Capital Losses”.

The Dissenting Resident Holder will be required to include any portion of the payment that is on account of interest in income in the year received.

Eligibility for Investment – New Red Lake Shares and Spinco Shares

A New Red Lake Share will be a “qualified investment” for a trust governed by an RRSP, an RRIF, an RESP, an RDSP, a TFSA (collectively, “**Registered Plans**”) or a deferred profit sharing plan as those terms are defined in the Tax Act at any time at which the New Red Lake Shares are listed on a “designated stock exchange” as defined in the Tax Act, or the Company is a “public corporation” as defined in the Tax Act.

A Spinco Share will not be a qualified investment for a Registered Plan from the date of issuance unless the Spinco Shares are listed on a “designated stock exchange” as defined in the Tax Act on or before its filing due date for its first taxation year and Spinco validly elects to be a “public corporation” for purposes of the Tax Act from the commence of its first taxation year. **There can be no assurance as to if, or when, the Spinco Shares will be listed or traded on any stock exchange and, therefore, no assurance Spinco will be able to make the election to be a public corporation. Should the Spinco Shares be distributed to or otherwise acquired by a Registered Plan other than as “qualified investments”, adverse tax consequences not described in this summary should be expected to arise for the Registered Plan and the annuitant, holder, or subscriber thereunder. Resident Holders that hold Red Lake Shares and will or may hold Spinco Shares within a Registered Plan should consult with their own tax advisors in this regard.**

Notwithstanding that the New Red Lake Shares and/or Spinco Shares may be qualified investments at a particular time, the holder of a TFSA, RDSP, the annuitant of an RRSP or RRIF or subscriber of an RESP will be subject to a penalty tax in respect of a New Red Lake Share or a Spinco Share held in the TFSA, RRSP, RRIF, RESP or RDSP, as applicable, if the share is a “prohibited investment” under the Tax Act. A New Red Lake Share generally will not be a prohibited investment for a TFSA, RRSP, RRIF, RESP or RDSP of a holder, annuitant or subscriber thereof, as applicable, provided that (i) the holder, annuitant or subscriber of the account does not have a “significant interest” within the meaning of the Tax Act in Red Lake or Spinco, as applicable, and (ii) the holder, annuitant or subscriber deals at arms length with Red Lake or Spinco, as applicable, for the purposes of the Tax Act. **Shareholders should consult their own tax advisers to ensure that the New Red Lake Shares and Spinco Shares would not be a prohibited investment for a trust governed by a TFSA, RRSP, RRIF, RESP, or RDSP in their particular circumstances.**

Holders Not Resident in Canada

This portion of this summary applies only to Holders each of whom at all material times for the purposes of the Tax Act (i) has not been and is not resident or deemed to be resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold Red Lake Shares, New Red Lake Shares, or Spinco Shares in connection with carrying on a business in Canada (each, a “**Non-Resident Holder**”).

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere, or an “authorized foreign bank” as defined in the Tax Act. Such Non-Resident Holders should consult their own tax advisers with respect to the Arrangement.

Exchange of Red Lake Shares for New Red Lake Shares and Spinco Shares

The discussion of the tax consequences of the Share Exchange for Resident Holders under the heading “Holders Resident in Canada – Exchange of Red Lake Shares for New Red Lake Shares and Spinco Shares” generally will also apply to Non-Resident Holders in respect of the Share Exchange. The general taxation rules applicable to Non-Resident Holders in respect of a deemed taxable dividend or capital gain arising on the Share Exchange are discussed below under the headings “*Holders Not Resident in Canada – Taxation of Dividends – New Red Lake Shares and Spinco Shares*” and “*Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*” respectively.

Taxation of Dividends – New Red Lake Shares and Spinco Shares

A Non-Resident Holder to whom the Company or Spinco pays or credits (or is deemed to pay or credit) an amount as a dividend in respect of the Arrangement (if at all), or otherwise in respect of the Non-Resident Holder’s New Red Lake Shares or Spinco Shares, will be subject to Canadian withholding tax equal to 25% (or such lower rate as may be available under an applicable income tax convention, if any) of the gross amount of the dividend. In general, in the case of a Non-Resident Holder who is a resident of the United States for the purposes of the *Canada-US Tax Act Convention* (1980), as amended (the “**Treaty**”), who is the beneficial owner of the dividend, and who qualifies for full benefits of the Treaty, the rule of such withholding tax will be reduced to 15%.

Taxation of Capital Gains and Capital Losses

A Non-Resident Holder will not be subject to Canadian federal income tax in respect of any capital gain arising on an actual or deemed disposition of an Red Lake Share, New Red Lake Share or Spinco Share unless, at the time of disposition, the share is “taxable Canadian property” as defined in the Tax Act, and is not “treaty-protected property” as so defined.

Generally, an Red Lake Share, New Red Lake Share or Spinco Share, as applicable, of the Non-Resident Holder will not be taxable Canadian property of the Non-Resident Holder at any time at which the share is listed on a “designated stock exchange” as defined in the Tax Act unless, at any time during the 60 months immediately preceding the disposition of the share:

- a. the Non-Resident Holder, one or more persons with whom the Non-Resident Holder did not deal at arm's length, partnerships in which the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at arm's length held membership interests (directly or indirectly), or any combination of the foregoing, owned 25% or more of the issued shares of any class of the capital stock of the Company or Spinco, as applicable; and
- b. the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties" (as those terms are defined in the Tax Act), and interest, rights or options in or in respect of any of the foregoing.

Further, a Spinco Share of a Non-Resident Holder will **not** be taxable Canadian property of the Non-Resident Holder at any time at which the share is not listed on a "designated stock exchange" unless, at any time during the 60 months immediately preceding the disposition of the share, the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties" (as those terms are defined in the Tax Act), and interest, rights or options in or in respect of any of the foregoing.

Shares may also be deemed to be "taxable Canadian property" under other provisions of the Tax Act.

A Non-Resident Holder who disposes or is deemed to dispose of an Red Lake Share, New Red Lake Share or Spinco Share that, at the time of disposition, is taxable Canadian property and is not "treaty-protected property" will realize a capital gain (or capital loss) equal to the amount, if any, by which the Non-Resident Holder's proceeds of disposition of the share exceeds (or is exceeded by) the Non-Resident Holder's ACB in the share and reasonable costs of disposition. The Non-Resident Holder generally will be required to include one-half of any such capital gain (taxable capital gain) in the Non-Resident Holder's taxable income earned in Canada for the year of disposition, and be entitled to deduct one half of any such capital loss (allowable capital loss) against taxable capital gains included in the Non-Resident Holder's taxable income earned in Canada for the year of disposition and, to the extent not so deductible, against such taxable capital gains realized in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances set out in the Tax Act.

Non-Resident Holders who may hold shares as "taxable Canadian property" should consult their own tax advisors in this regard, including with respect to the potential Canadian income tax filing requirements of owning and disposing of such shares.

Dissenting Non-Resident Holders

The discussion above applicable to Resident Holders under the heading "Holders Resident in Canada – Dissenting Resident Holders" will generally also apply to a Non-Resident Holder who validly exercises Dissent Rights in respect of the Arrangement. In general terms, the Non-Resident Holder will be subject to Canadian federal income tax in respect of any deemed taxable dividend arising as a consequence of the exercise of Dissent Rights generally as discussed above under the heading "Holders Not Resident in Canada – Taxation of Dividends – New Red Lake Shares and Spinco Shares" and subject to the Canadian federal income tax treatment in respect of any capital gain or loss arising as a consequence of the exercise of Dissent Rights generally as discussed above under the heading "Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses".

FOREIGN TAX CONSIDERATIONS

THE TAX CONSEQUENCES OF THE ARRANGEMENT MAY VARY DEFENDING UPON THE PARTICULAR CIRCUMSTANCES OF EACH SHAREHOLDER, INCLUDING THE JURISDICTION IN WHICH SUCH SHAREHOLDER IS SUBJECT TO TAX. SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS IN THEIR TAXING JURISDICTION TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT.

APPROVAL OF SPINCO'S STOCK OPTION PLAN

Stock Option Plan of Spinco

The board of directors of Spinco established the Spinco Option Plan as a rolling stock option plan. The maximum number of Spinco Shares reserved for issuance under the Spinco Option Plan is 10% of the issued and outstanding Spinco Shares on a "rolling" basis. See "*Spinco after the Arrangement – Stock Options and Warrants*".

Purpose of the Spinco Stock Option Plan

The purpose of the Spinco Option Plan is to provide an incentive to directors, officers, employees and consultants of Spinco or its affiliates to continue their involvement with Spinco, to increase their efforts on Spinco's behalf and to attract new qualified employees, while at the same time reducing the cash compensation Spinco would otherwise have to pay. The Spinco Option Plan is also intended to assist in aligning management and employee incentives with the interests of shareholders.

General Description

The following is a brief description of the principal terms of the Spinco Option Plan, which description is qualified in its entirety by the terms of the Spinco Option Plan. A full copy of the Spinco Option Plan is available to Shareholders upon request and will be available at the Meeting.

Number of Shares Reserved. The number of Spinco Shares which may be issued pursuant to options granted under the Spinco Option Plan will not exceed 10% of the issued and outstanding Spinco Shares from time to time at the date of grant.

Maximum Term of Options. The term of any options granted under the plan is fixed by the board of directors of Spinco and may not exceed ten years from the date of grant. The options are non-assignable and non-transferable.

Exercise Price. The exercise price of options granted under the plan is determined by the board of directors of Spinco, provided that:

- (a) if the Spinco Shares are not listed on any stock exchange or quotation system, the exercise price may not be less than the fair market value of the Spinco Shares as may be determined by the board of directors of Spinco on the day immediately preceding the date of the grant of such option; or
- (b) if the Spinco Shares are listed on a stock exchange or quotation system, the exercise price may not be less than the price permitted by such stock exchange or a quotation system.

Amendment. The board of directors of Spinco may, by resolution, amend or terminate the Spinco Option Plan, but no such amendment or termination may, except with the written consent of the holders of the options concerned, affect the terms and conditions of options previously granted under the Spinco Option Plan which have not then been exercised or terminated.

Vesting. Subject to the discretion of the board of directors of Spinco, the options granted to an optionee under the Spinco Option Plan fully vest on the date of grant of such options.

Termination. Options granted under the Spinco Option Plan can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Spinco Option Plan or within 90 days (or as otherwise determined by the board of directors of Spinco) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee's death.

Administration. The Spinco Option Plan is administered by the board of directors of Spinco or, if the board of Spinco so elects, by a committee (the “**Committee**”), which Committee will consist of at least two board members, appointed by the board of directors of Spinco.

Board Discretion. The Spinco Option Plan provides that, generally, the number of Spinco Shares subject to each option, the exercise price, the expiry date, the extent to which such option is exercisable, including vesting schedules and other terms and conditions relating to such options will be determined by the board of directors of Spinco or the Committee and in accordance with the requirements of a stock exchange or quotation system where the Spinco Shares may be listed.

The Shareholders will be asked at the Meeting to ratify and approve the Spinco Option Plan by ordinary resolution in the following form:

“BE IT RESOLVED THAT:

1. The stock option plan of Alma Gold Inc. (“**Spinco**”) is ratified and approved with such changes and variations as may be deemed necessary by the board of directors of Spinco; and
2. any one director or officer of Spinco is authorized and directed, for and on behalf of Spinco, to execute and deliver all such documents and do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to this ordinary resolution, the execution and delivery of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board unanimously recommends that Shareholders vote FOR the approval of the Spinco Option Plan.

RIGHTS OF DISSENTING SHAREHOLDERS

Shareholders who wish to dissent should take note that the procedures for dissenting to the Plan of Arrangement (the “Dissent Procedures”) require strict compliance with Sections 237 to 247 of the BCBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement.

A brief summary of the Dissent Rights and the Dissent Procedures is set out below.

Dissent Right

As indicated in the Notice of Meeting, any registered Shareholder of record on the Share Distribution Record Date is entitled to be paid the fair value of such Shareholder's Red Lake Shares in accordance with Section 245 of the BCBCA if such holder duly dissents in respect of the Plan of Arrangement and the Plan of Arrangement becomes effective. A Shareholder is not entitled to dissent with respect to such holder's Red Lake Shares if such holder votes any of such shares in favour of the Arrangement Resolution.

If a registered Shareholder exercises the Dissent Right, Red Lake will on the Effective Date set aside and not distribute that portion of the Spinco Shares that is attributable to the Red Lake Shares for which the Dissent Right has been exercised.

Any registered Shareholder who duly exercises the Dissent Right and who is ultimately entitled to be paid for his, her or its Dissenting Shares will be deemed not to have participated in the Plan of Arrangement and such Dissenting Shares will be deemed to have been repurchased by Red Lake for cancellation at the effective time of the Arrangement in consideration for a debt-claim against Red Lake to be paid the fair value of such Dissenting Shares, which fair value will be determined as of the close of business on the Business Day before the day on which the Arrangement Resolution is passed. Such Dissenting Shareholder will not be entitled to any other payment or consideration for such Dissenting Shares and the name of such Dissenting Shareholder will be removed from the register of Shareholders.

Any Shareholder that is ultimately not entitled, for any reason, to be paid fair value for their Red Lake Shares will be deemed to have participated in the Plan of Arrangement on the same basis as any non-dissenting Shareholder as at and from the effective time of the Arrangement and will be treated in the same manner as such Shareholder, on the basis set out in the Plan of Arrangement.

No Shareholder who has voted in favour of the Arrangement Resolution will be entitled to dissent with respect to the Plan of Arrangement.

Dissent Procedures

If a registered Shareholder wishes to exercise the Dissent Right, a written notice of dissent from the Arrangement Resolution pursuant to Section 242 of the BCBCA, must be sent to Red Lake by such Shareholder by 10:00 a.m., Vancouver time, on Wednesday, October 14, 2020 or on the Business Day that is two Business Days before any date to which the Meeting may be postponed or adjourned. The notice of dissent should be delivered by registered mail to Red Lake at the address for notice described below. After the Arrangement Resolution is approved by Shareholders and within one month after Red Lake notifies the Dissenting Shareholder of Red Lake's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, the Dissenting Shareholder must send to Red Lake, a written notice that such Dissenting Shareholder requires the purchase of all of the Red Lake Shares in respect of which such Dissenting Shareholder has given notice of dissent, together with the share certificate or certificates representing those Red Lake Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Dissenting Shareholder on behalf of a Beneficial Shareholder).

Any Dissenting Shareholder who has duly complied with Section 244(1) of the BCBCA or Red Lake may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Red Lake to apply to the Court. The Dissenting Shareholder will be entitled to receive the fair value of the Dissenting Shares held immediately before the passing of the Arrangement Resolution.

Addresses for Notice

All notices of dissent to the Plan of Arrangement pursuant to Section 242 of the BCBCA should be sent to Red Lake at:

Red Lake Gold Inc.
Attention: Corporate Secretary
Suite 810 – 789 West Pender Street
Vancouver, BC V6C 1H2

Strict Compliance with Dissent Provisions Required

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a Shareholder who exercises the Dissent Right and seeks payment of the fair value of the Red Lake Shares held by such Shareholder and is qualified in its entirety to do so by reference to Sections 237 to 247 of the BCBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement. A copy of the Interim Order is attached to this Information Circular as Schedule "C". Sections 237 to 247 of the BCBCA are reproduced in "Schedule "E" to this Information Circular. The Dissent Procedures must be strictly adhered to and any failure by a Shareholder to do so may result in the loss of that Shareholders' Dissent Right. Accordingly, each Shareholder who wishes to exercise the Dissent Right should carefully consider and comply with the Dissent Procedures and consult such Shareholder's legal advisers.

RISK FACTORS

In evaluating the Arrangement, Shareholders should carefully consider, in addition to the other information contained in this Circular, the following risk factors associated with Red Lake and Spinco. These risk factors are not a definitive list of all risk factors associated with Red Lake and the business to be carried out by Spinco.

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this Circular, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The Board considers the risks set out below to be the most significant to potential investors of the Company, but not all of the risks associated with an investment in Red Lake Shares or Spinco Shares may be described below. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Board is currently unaware or which the Board considers not to be material in relation to the business of Red Lake or Spinco, actually occur, the assets, liabilities, financial conditions, results of operations (including future results of operations), business and business prospects of Red Lake or Spinco, are likely to be materially and adversely affected. In such circumstances, the price of the Red Lake Shares or the Spinco Shares could decline and investors may lose all or part of their investment.

Proposed Plan of Arrangement not Approved

The completion of the Arrangement is subject to the approval of the Shareholders and the Supreme Court of British Columbia. There can be no assurance that all of the necessary approvals will be obtained. If the Arrangement is not approved, the Company will continue to search for other opportunities; however, it will have incurred significant costs associated with the Arrangement.

The Court may refuse to approve the Plan of Arrangement if the Company fails to meet the statutory or common law tests required to approve the Plan of Arrangement.

Exploration and Mining Risks

Development of mineral properties depends on satisfactory exploration results. Exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that expenditures made on future exploration by the Company or Spinco will result in new discoveries of commercial quantities.

The long-term profitability of the operations of the Company and Spinco will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond their control.

Exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company and Spinco have a direct or indirect interest will be subject to all of the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labour disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. The Company and Spinco may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the financial position of the Company and Spinco.

The Company and Spinco will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish mineral reserves through drilling, to develop metallurgical processes to extract minerals from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that gold, cobalt or other metals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and cobalt properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in mineral markets, allowable production, importing and exporting of minerals and metals and environmental protection. The Company has no earnings record, no reserves and producing resource properties.

Financing Risks

The Company and Spinco are limited in both financial resources and sources of operating cash flow and neither have any assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. There can be no assurance that the Company or Spinco will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of their projects with the possible loss of such properties.

COVID-19 Outbreak Risks

The outbreak of the COVID-19 pandemic may impact the Company's and Spinco's plans and activities. The Company and Spinco may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Company and Spinco. There can be no assurance that the Company's or Spinco's personnel will not be impacted by these pandemic diseases and ultimately that the Company or Spinco would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 pandemic and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Company's and Spinco's operations and access to capital. There can be no assurance that the Company or Spinco will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

Uninsurable Risks

In the course of exploration and development 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 and Spinco 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 Red Lake Shares and the Spinco Shares.

Title Matters

The Company has performed due diligence with respect to the titles of the Whirlwind Jack Property and Spinco has performed due diligence with respect to the title of the Clarence Stream North Gold Project and the Chambers Settlement Gold Project, however, no title opinion has been obtained regarding these properties. The properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Permits and Licenses

The operations of the Company and Spinco may require licenses and permits from various governmental authorities. There can be no assurance that such licenses and permits as may be required to carry out exploration, development and mining operations at their projects will be granted.

Competition

Significant and increasing competition exists in the area of exploration of mineral properties. Red Lake and Spinco will compete with other mineral exploration companies which may have better expertise and financial and human resources. The existence of competition could adversely affect Red Lake's, and Spinco's ability to attract financing, develop existing projects and acquire new projects.

In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Factors beyond the control of the Company and Spinco may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of ore and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company or Spinco not receiving an adequate return on invested capital or losing its investment capital.

Environmental Regulations

The operations of the Company and Spinco may be subject to environmental Laws promulgated by government agencies from time to time. Environmental Laws provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in Laws and governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental Laws, if any, will not adversely affect the operations of the Company or Spinco. The Company and Spinco intend to fully comply with all environmental Laws.

Fluctuating Price of Metals

The revenues of the Company and Spinco, if any, are expected to be in large part derived from the mining and sale of metals and other mineral resources. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's and Spinco's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, and improved mining and production methods. The effect of these factors on the price of mineral resources and therefore the economic viability of any of the exploration projects of the Company or Spinco cannot be accurately predicted.

Stage of Development

On completion of the Arrangement, the Company and Spinco will be in the business of exploring for, with the ultimate goal of developing and producing, metals from their mineral exploration properties. None of the Company's or Spinco's properties will have commenced commercial production and the Company and Spinco will have no history or earnings or cash flow from their operations. As a result of the foregoing, there can be no assurance that the Company or Spinco will be able to develop any of their properties profitably or that their activities will generate positive cash flow. The Company and Spinco will not have paid any dividends and are unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. The Company and Spinco will have limited cash and other assets. A prospective investor in the

Company or Spinco must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company and Spinco in all aspects of the development and implementation of the business activities of the Company and Spinco.

There can be no assurance that an active trading market in Red Lake Shares or Spinco Shares will be established and sustained. The market price for these shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Red Lake Shares and the Spinco Shares. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector, which have often been unrelated to the operating performance of particular companies.

No History of Earnings or Dividends

Red Lake and Spinco have no history of earnings, and there is no assurance that they will generate earnings, operate profitably or provide a return on investment in the future. Red Lake and Spinco have no plans to pay dividends for the foreseeable future.

The Market Price for the Shares may Fluctuate Widely

The market price of the Red Lake Shares may be subject to wide fluctuation in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects of the Company, general economic conditions, changes in mineral reserve or resource estimates, results of exploration, changes in results of mining operations, changes in Laws, and other events and factors outside of the Company's control.

At this time there is no market for the Spinco Shares. There can be no guarantee that Spinco Shares will be listed on a stock exchange or that there will be market for these shares.

Securities of Spinco and Dilution

Spinco plans to focus on the development of the Spinco Properties as well as other properties and interests it may acquire from time to time, and will use its working capital to carry out such activities. However, Spinco will require additional funds to further such activities. To obtain such funds, Spinco may sell additional securities including, but not limited to, Spinco Shares or some form of convertible security, the effect of which would result in substantial dilution of the equity interests of the holders of Spinco Shares.

There is no assurance that additional funding will be available to Spinco to explore and develop the Spinco Properties, to acquire additional properties or for the substantial capital that is typically required to expand operations to generate increased revenues. There is no assurance that Spinco will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further development of the Spinco Properties or any other properties that Spinco may acquire.

The Spinco Shares will not be listed on the CSE as a result of the completion of the Arrangement and there can be no guarantee that the Spinco Shares will ever be listed on a stock exchange or quotation system.

Conflicts of Interest

Certain directors and officers of Red Lake or Spinco are and may continue to be, involved in acquiring assets through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Red Lake or Spinco. Situations may arise in connection with potential acquisitions or investments where the other interests of these directors and officers may conflict with the interests of Red Lake or Spinco. The directors of Red Lake and Spinco are required by law, however, to act honestly and in good faith with a view to the best interests of Red Lake, Spinco and their

shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with Red Lake or Spinco and to abstain from voting as a director for the approval of any such transaction.

Dependency on a Small Number of Management Personnel

Red Lake and Spinco are dependent on a number of key personnel, the loss of any of whom could have an adverse effect on Red Lake or Spinco and their business operations. Red Lake and Spinco also need to retain qualified technical and sales personnel.

Spinco Shares Will Not Be “Qualified Investments”

The Spinco Shares distributed to Shareholders pursuant to the Arrangement will not qualify as “qualified investments” under the Tax Act for Registered Plans unless, on or before Spinco’s filing due date for its first taxation year, the Spinco Shares are listed on a “designated stock exchange” as defined in the Tax Act (or Spinco otherwise satisfies the conditions to be a “public corporation” for purposes of the Tax Act) and Spinco validly elects to be a “public corporation” for purposes of the Tax Act from the commencement of its first taxation year. No assurance can be given as to whether Spinco will qualify as a “public corporation”.

Where a Registered Plan acquires a Spinco Share in circumstances where the Spinco Shares are not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the holder, annuitant or subscriber under the Registered Plan, including that the Registered Plan or the controlling individual of the Registered Plan may become subject to penalty taxes.

See “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment – New Red Lake Shares and Spinco Shares*”.

Income Tax

The Arrangement may give rise to adverse tax consequences to Shareholders, and each Shareholder is urged to consult with his, her or its own tax advisor. See “*Certain Canadian Federal Income Tax Considerations*”.

THE COMPANY AFTER THE ARRANGEMENT

The following is a description of the Company assuming completion of the Arrangement.

Name, Address and Incorporation

The full name of the Company is Red Lake Gold Inc. The head office is located at 605 – 815 Hornby Street, Vancouver, British Columbia V6Z 2E6 and the registered and records office of the Company is located at Suite 810, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Company was incorporated in British Columbia under the name Pivit Exploration Inc. on July 24, 2017. The Company changed its name to Red Lake Gold Inc. on July 5, 2019.

Directors and Officers

The completion of the Arrangement will not cause any changes in the directors of the Company who are elected at the Meeting. Upon completion of the Arrangement, the officers of the Company will be Ryan Kalt, Corporate Secretary, President and Chief Executive Officer and Ryan Cheung, Chief Financial Officer.

Business of the Company

The Company's principal business activity is the acquisition and exploration of mineral properties in the natural resource industry.

On October 9, 2018, the Company entered into an acquisition and amalgamation agreement (the "**Whirlwind Jack Acquisition and Amalgamation Agreement**") to acquire all of the issued and outstanding securities in the capital of Pinot Gold Inc. that owned a 100% interest in the Whirlwind Jack Property located in Ontario by paying \$75,000 cash and issuing 8,000,000 Red Lake Shares. In addition, a 2.0% gross royalty was assumed by the Company.

Business of the Company Following the Arrangement

Following completion of the Arrangement, the Company will continue to operate as a publicly traded company focused on the exploration and, if warranted, development of the Whirlwind Jack Property.

Summary of Whirlwind Jack Property

The following information regarding the Whirlwind Jack Property has been derived from the Whirlwind Jack Property Report. The Whirlwind Jack Property has been prepared in accordance with NI 43-101 and the report writers are independent "Qualified Persons" (as defined under NI 43-101). A full-text version of the Whirlwind Jack Property may be reviewed on SEDAR at www.sedar.com under the Company's profile.

The Whirlwind Jack Property comprises a total of 1042 active Single Cell Mining claims, with Red Lake being the 100% registered holder. The total area of the Whirlwind Jack Property is 21,238 hectares. The claims are located 10 km. south of the municipality of Red Lake, within the Red Lake Mining Division. The approximate centre of the Property is at UTM Zone 15N NAD83 co-ordinates 15439800E 5639000N, NTS map sheet 52K/13. The claims are located in the Dedee Lake, Rainbow Lake, Medicine Stone Lake and Faulkenham Lake Administrative areas, of North-west Ontario.

The property area is located in the western portion of the Uchi Subprovince, a region comprising two major greenstone belts, Red Lake and Birch-Uchi. The Whirlwind Jack Property lies adjacent to and immediately west of the Dixie Project of Great Bear Resources.

The Red Lake Gold claim block, 2019 airborne geophysics survey area in yellow.

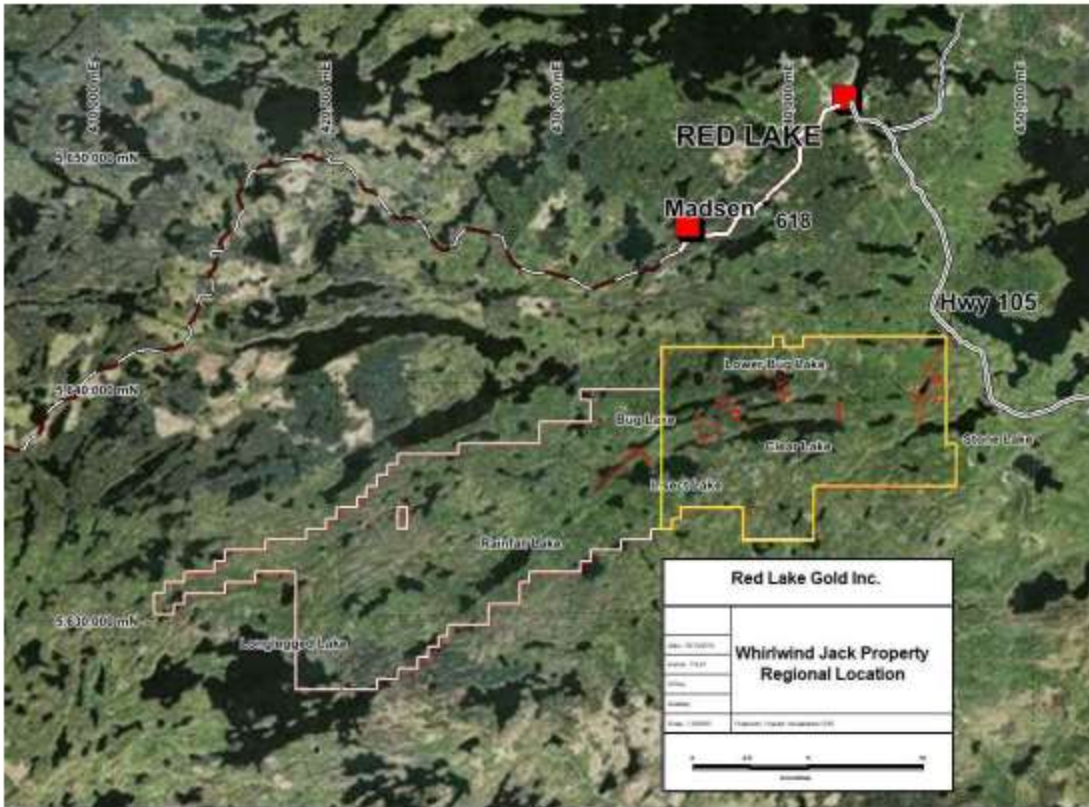
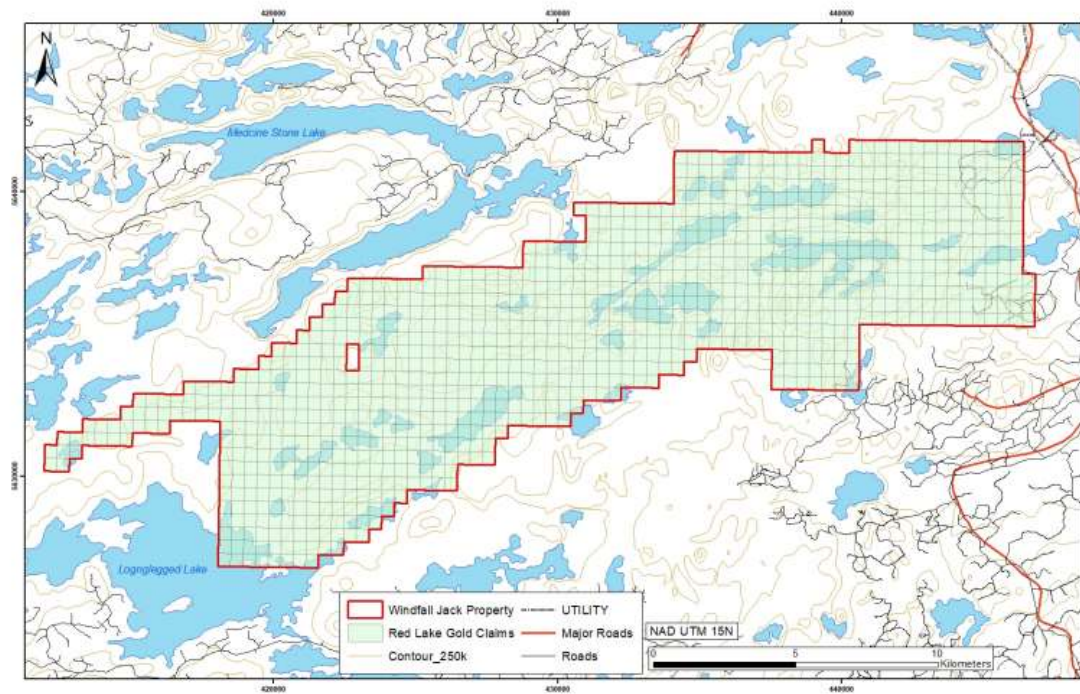


Figure 2. Whirlwind Jack Property Claims



Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Whirlwind Jack Property is located approximately 10 km south of the Red Lake Municipality of northwestern Ontario, approximately 565 km by road (430 km direct) northwest of Thunder Bay and approximately 475 km by road (260 km direct) east-north-east of Winnipeg, Manitoba. Red Lake can be reached via Highway 105 from the Trans-Canada Highway 17. Red Lake is also serviced with daily flights from Thunder Bay and Winnipeg.

Access is afforded by float-plane to several lakes on the property, with ground access by trails or cross-country to northern and eastern portions of the block, and vehicle access to the south-east portion of the block using the Dixie Lake road, off Highway 105. The majority of the property can be accessed by boat with several portages providing access between several of the larger bodies of water. Creeks are generally shallow, providing limited navigation. There are also several skidoo trails in the area under investigation, but their overall suitability is unknown.

The Red Lake Municipality, with a population of approximately 5,000, comprises six communities: Red Lake, Balmertown, Cochenour, Madsen, McKenzie Island, and Starratt-Olsen. Mining and mineral exploration is the primary industry in the area, with production mainly from Newmont's 3100 tonne/day Red Lake gold mine. Other industries include logging and tourism. The Municipality of Red Lake offers a full range of services and supplies for mineral exploration and mining, including both skilled and unskilled labour, bulk fuels, freight, heavy equipment, groceries, hardware and mining supplies.

Power is available from Red Lake, and there is also a generating station at Ear Falls, approximately 70km south of Red Lake, with the power line running along Highway 105. The current land holdings are sufficient to allow for exploration and there are currently no encumbrances on surface rights on the Whirlwind Jack Property.

The terrain is fairly typical for the Pre-Cambrian of north-west Ontario, with low rolling hills and swamp/marsh. Property elevation ranges from 388 to 435 metres above sea level ('asl'). Natural vegetation has been dramatically modified by logging, dating back nearly 100 years, periodic fires (notably the Red Lake fire of 1980), several infestations resulting in near complete loss of mature balsam, and more recently jackpine budworm. Storms and associated microbursts have caused local, significant blow down. Hill tops are generally clearer, with relict jackpine predominant; otherwise, the area now supports a mixed bush of spruce, poplar, pine, birch and alders with almost no old growth remaining.

The climate is classified as boreal, (Dfc under the Koppen classification system). Red Lake climate data (eldoradoweather.com), indicates minimum and maximum daily average temperatures of, respectively, -19.6o C. and 18.1o C, maximum average snow depths of 33.4 cm (January) and maximum rainfall of 87.3 mm (June)

Exploration

Following a review of historical property work, related semi-regional geology and exploration, and analysis of regional, airborne geophysical surveying, several areas were chosen for ground truthing and prospecting by Hughes (2019) of Red Lake Gold.

Preliminary field investigations focussed on characterisation of the volcanosedimentary sequence, loosely defining the extent and location of the mainly north-bounding granitoid and the South-bounding tonalite intrusive suites and assessing the overall geology and terrain in order to develop a comprehensive ground exploration programme. All samples were reasonably representative grabs taken with a geological hammer, with locations recorded using a handheld GPS.

Between the 23rd September and 3rd October, four areas were prospected, these being the West end of Bug Lake; central Bug Lake, South to Alcock Lake, and East Lower Bug Lake; North of Clear Lake, and an area between Stone Lake and Bug Creek in the north-east of the property.

Far eastern and north-eastern areas were accessed by road, boat and foot, with reasonably good access to the property. All other areas were accessed by float plane, using a cabin at the East end of Bug Lake as a base for traverses to the East and West.

A total of 28 samples were collected and upon completion of the programme, sent via Gardewine, Red Lake, to the Actlabs processing facility in Thunder Bay. Subsequently, the material was sent to Actlabs facility in Ancaster, Ontario for analysis. Gold results are generally at what is considered to be background level, with the highest assay being 24 ppb Au, 2 samples running 9 ppb Au and the rest being 5 or less ppb Au.

From 6th – 9th November, 2019, a high-resolution helicopter aeromagnetic survey was flown by Precision GeoSurveys Inc. of Langley, B.C., over a block of Red Lake Gold Inc.'s Whirlwind Jack property (Figure 1). The exploration expenditure for the aeromagnetic survey performed was \$142,800 (inclusive of applicable tax).

A total of 2050.1 line km of magnetic data was collected over a total area of 92.8 km². The survey was flown at 50 m line spacing at a heading of 000o/270o.

The magnetic equipment was a tri-axial magnetic gradient bird-type system, employed with a data acquisition system, laser altimeter, barometer, pilot guidance unit and GPS navigation systems. Two magnetic base stations were used to record temporal magnetic variations.

Survey data was transferred from the aircraft's data acquisition system onto a USB memory stick and copied onto a field data processing laptop. The raw data files in PEI binary data formation were converted into Geosoft GDB database format. Using Geosoft Oasis Montaj 9.7, the data was inspected to ensure compliance with contract specifications.

Final data processing including generation of digital data and maps was undertaken at the office of Precision GeoSurveys Inc., in Langley, B.C. (Walker 2019). The survey, maps and report were invoices at \$142,800.00.

The survey provided detailed information on stratigraphy and structure across the block (Figure 5).

Preliminary analysis of the magnetic data and correlation with regional mapping provides differentiation of the survey block into several domains, as described below:

Domain A represents widespread granodiorite, monzonite type intrusive activity, with weak to negligible partial supracrustal preservation.

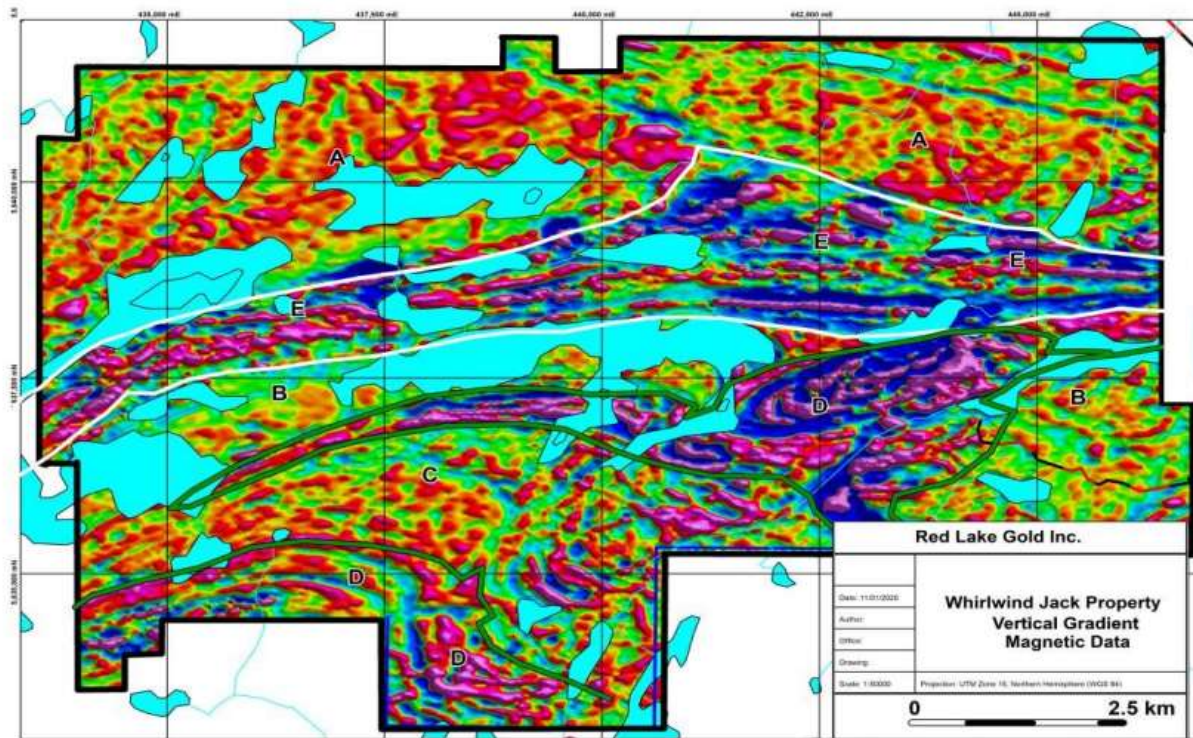
Domain B represents tonalitic intrusive and gneissic rocks, with relict poorly preserved supracrustal material

Domain C represents a higher degree of preservation of supracrustal rocks within a tonalitic intrusive, gneissic region

Domain D represents significant magnetic intrusive rock preserved within a tonalitic gneiss terrain, characterised by amphibolitic units, and possible iron formations (graphite has been noted by government workers).

Domain E represents well-preserved supracrustal rocks within a broad EastWest tending corridor. Monzonitic to granodioritic and granitic intrusive modification is variable.

Figure 5. Red Lake Gold Airborne Magnetic Survey



Recommendation

Further prospecting and mapping on the Whirlwind Jack Property is recommended to examine areas and targets in part defined by the airborne magnetic survey. This work should be followed up by soil geochemistry surveys over target areas determined by the above prospecting and mapping, as well as targets defined by the magnetic survey where outcrop is not found.

Induced Polarization (IP) surveys should be conducted over areas defined by the combined work discussed above, followed by diamond drilling on selected targets defined.

At this time the authors have not budgeted for diamond drilling, as it is not certain that suitable targets will be defined.

Mapping, Prospecting and Sampling	
Geologist for 14 days @ \$700/day	9,800
Technician/helper for 14 days @ \$300/day	4,200
14 days room and board for 2 @ 300/day	4,200
Transportation	
truck, gas	
14 days @ \$125/day	1,750
Soil Geochemical Sampling	
2 technicians for 14 days @ \$300/day	8,400
14 days room and board for 2 @ 300/day	4,200
Transportation	
truck, gas	
14 days @ \$125/day	1,750
Assays 200 @ \$35/sample	7,000
Line Cutting	
20 km @ \$900/km	18,000
Induced Polarization Survey	
20 km @ \$1500/km	30,000
Reports and Maps	5,000
Contingencies	<u>10,000</u>
Total Proposed Budget	\$104,300

Description of Share Capital

The Company's authorized share capital consists of an unlimited number of common shares. As at the date of this Circular, 31,837,501 Red Lake Shares are issued and outstanding.

The holders of Red Lake Shares are entitled to one vote for each Red Lake Share held on all matters to be voted on by the Shareholders. The Shareholders are entitled to receive such dividends as may be declared by the Board out of funds legally available for that purpose. Each Red Lake Share is equal to every other Red Lake Share and all Red Lake Shares participate equally on liquidation or distribution of assets. There are no pre-emptive, redemption, purchase or conversion rights attached to the Red Lake Shares.

The Company has the following Red Lake Warrants outstanding:

Number of Warrants	Exercise Price (\$)	Expiry Date
1,325,000	0.45	July 10, 2022
1,325,000		

The Company has the following Red Lake Options outstanding:

Number of Options	Exercise Price (\$)	Expiry Date
750,000	0.10	May 31, 2024
760,000	0.45	September 3, 2024
1,510,000		

Dividend Policy

Red Lake has not paid dividends since incorporation. Red Lake currently intends to retain all available funds, if any, for use in its business.

Trading Price and Volume

The Red Lake Shares are listed and posted for trading on the CSE under the symbol "RGLD". The following table sets forth information relating to the trading of the Red Lake Shares for the months indicated:

Canadian Securities Exchange			
	Closing Price (\$)		
	High	Low	Volume (#)
December 2019	0.27	0.18	517,515
January 2020	0.27	0.18	933,620
February 2020	0.20	0.18	1,068,310
March 2020	0.22	0.12	710,250
April 2020	0.20	0.12	633,892
May 2020	0.27	0.175	754,628
June 2020	0.34	0.22	2,159,400
July 2020	0.38	0.335	1,113,650
August 2020	0.37	0.27	1,300,284
September 1, 2020 ⁽¹⁾	0.33	0.32	51,190

(1) To September 4, 2020

Material Contracts

The following are the contracts material to Red Lake:

1. the Arrangement Agreement; and
2. the Whirlwind Jack Acquisition and Amalgamation Agreement; and
3. the Partum Management Agreement.

SPINCO AFTER THE ARRANGEMENT

The following is a description of Spinco assuming completion of the Arrangement.

Name, Address and Incorporation

Spinco was incorporated as "Alma Gold Inc." pursuant to the BCBCA on May 21, 2020. Spinco is currently a private company and a wholly-owned subsidiary of Red Lake. Spinco's head office is located at Suite 605, 815 Hornby Street, Vancouver, British Columbia V6Z 2E6 and its registered and records offices are located at Suite 810, 789 West Pender Street, Vancouver, British Columbia V6C 1H2.

Inter-corporate Relationships

Spinco does not have any subsidiaries.

Significant Acquisition and Dispositions

Spinco has not completed a fiscal year.

On May 29, 2020, Spinco entered into an option agreement to acquire a 100% interest in the Chambers Settlement Gold Project, pursuant to the option agreement (the “**Chambers Option Agreement**”) by cash payments as follows:

- a. \$10,000 within ten (10) business days of the date of the Chambers Option Agreement;
- b. \$15,000 within six (6) months of the date of the Chambers Option Agreement;
- c. \$20,000 within twelve (12) months of the date of the Chambers Option Agreement;
- d. \$30,000 within twenty-four (24) months of the date of the Chambers Option Agreement;
- e. \$40,000 within thirty-six (36) months of the date of the Chambers Option Agreement; and
- f. \$50,000 within forty-eight (48) months of the date of the Chambers Option Agreement.

In addition, a 2.0% NSR royalty was granted in favour of the original vendors. Spinco has the option to purchase back 1.0% of the NSR royalty for a cash payment of \$500,000.

On July 13, 2020, Spinco acquired through Crown Grant a 100% interest in the Clarence Stream North Gold Project. Spinco made a cash payment of \$9,120 to New Brunswick’s Department of Energy and Resource Development for a 100% interest in the Clarence Stream North Gold Project.

Details of the Arrangement are provided under “The Arrangement”. The future operating results and financial position of Spinco cannot be predicted. Shareholders may review Spinco's unaudited pro-forma financial statements attached as Schedule “F”.

Trends

Spinco plans to become a mineral exploration company; however, it may pursue other business opportunities. Spinco’s principal business following the Arrangement will be the exploration and, if warranted, development of the Spinco Properties and the potential acquisition of other mineral exploration properties. Accordingly, Spinco’s financial success may be dependent upon the extent to which it can explore and develop mineral properties or other types of business.

The success of Spinco is largely dependent upon factors beyond Spinco's control. See “*Risk Factors*”.

Other than as disclosed in this Circular, Spinco is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

General Development of Spinco's Business

Spinco is newly incorporated and except as disclosed elsewhere in this Circular, does not have a business history.

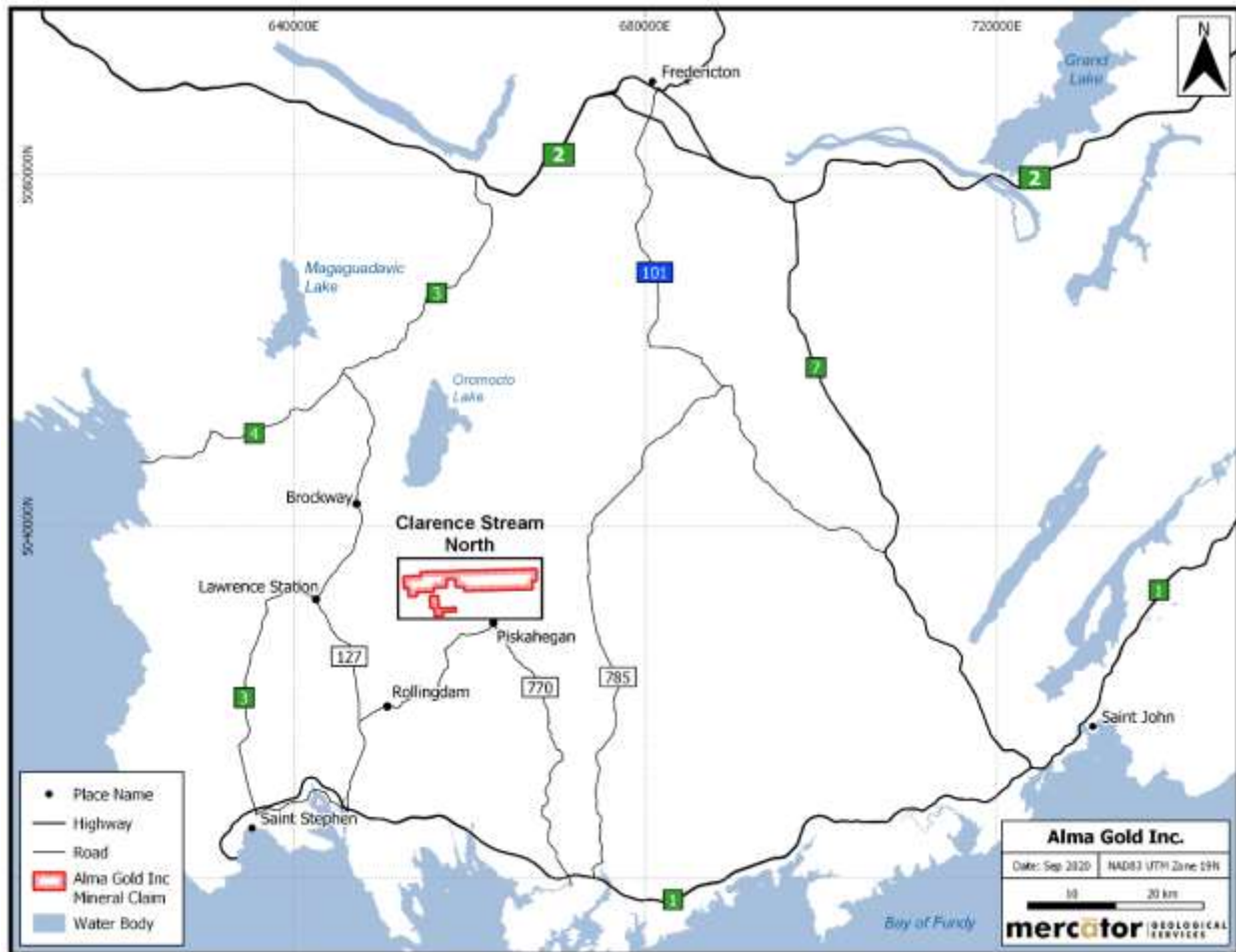
Following completion of the Arrangement, Spinco will operate as its own private company and may consider applying to list the Spinco Shares on the CSE in future. Spinco will further explore the Spinco Properties and may pursue other business opportunities.

Summary of Clarence Stream North Gold Project

The following information regarding the Clarence Stream North Gold Project has been derived from the Clarence Stream North Gold Project Report. The Clarence Stream North Gold Project Report has been prepared in accordance with NI 43-101 and the report writer is an independent “Qualified Person” (as defined under NI 43-101). A full-text version of the Chambers Settlement Gold Project Report may be reviewed on SEDAR at www.sedar.com under the Company’s profile.

The Clarence Stream North Project is comprised of mineral claim groups 9555 and 9556 (152 claim units in total - Table 1-1) and is approximately 3,440 hectares in size. The two mineral claim groups are located in Charlotte County, New Brunswick, approximately 40 km northeast of the Town of St. Stephen. The

Project is centred at map coordinates 655,737 m Easting and 5,032,250 m Northing (UTM NAD83 Zone 19N) within NTS Map Sheets 21G/06 and 21G/07.



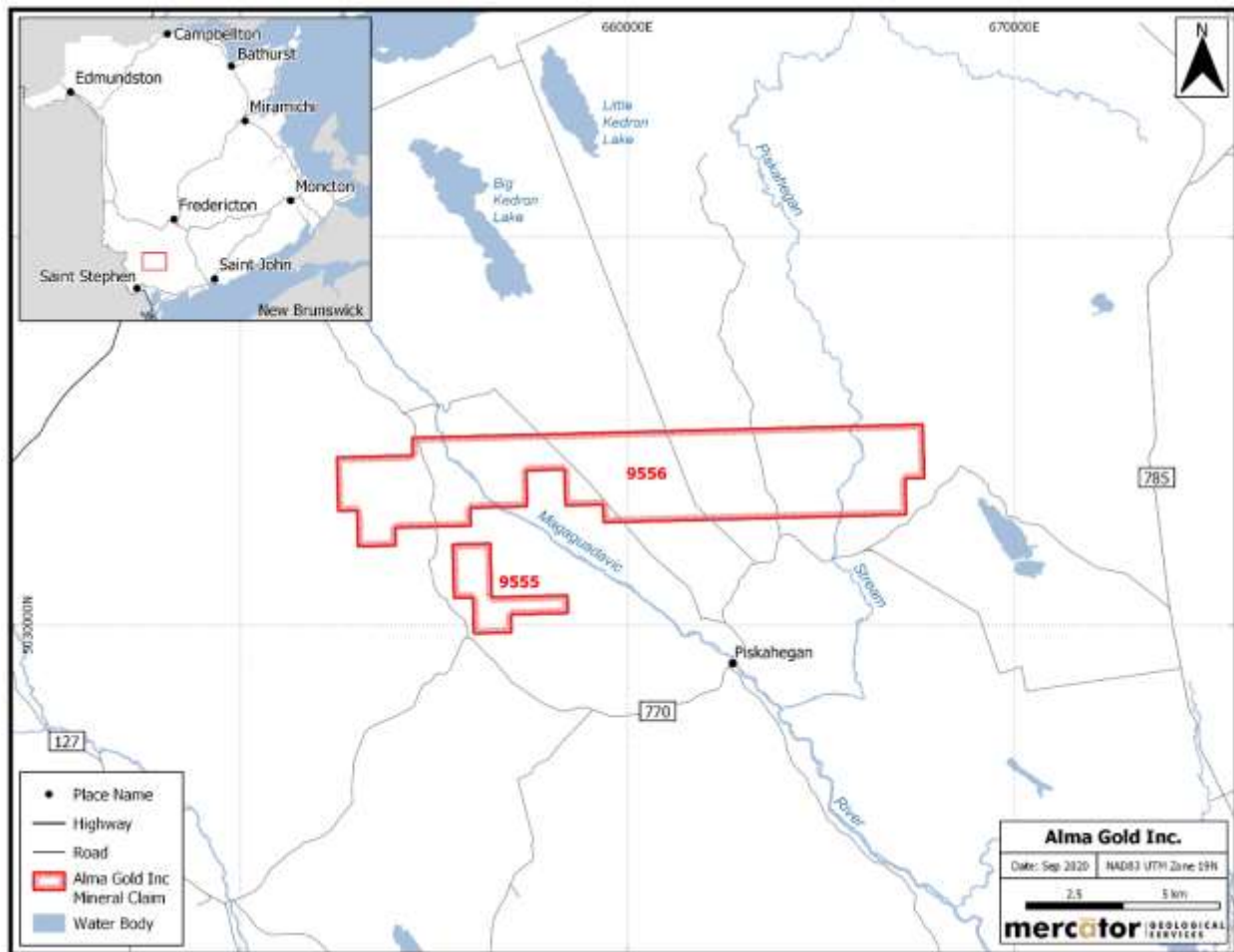
Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Project is located in southern New Brunswick, Canada approximately 40 km northeast of the Town of St. Stephen (pop. 4,415), 115 km west of the City of Saint John (pop. 68,000), and 90 km south of the City of Fredericton (pop. 58,220) (Figure 5-1). The closest international airport is the Greater Moncton Roméo LeBlanc International Airport (YQM) located approximately 270 km northeast of the Project. Regional airline service (Air Canada and Porter Airlines) is also available from Saint John Airport (YSJ) and Fredericton Airport (YFC) with daily direct flights from Montréal and Toronto. The properties can be easily be accessed via New Brunswick Route 1 (four-lane controlled access highway) and then departing at Exit 45 if traveling from Saint John (Bethel/Elmsville exit) and heading north on Route 760 towards Elmsville. After approximately 14 km turn right onto Clarence Ridge Road and travel another 8 km on Route 770 until turning left onto Flume Ridge Road to reach Clarence Stream North near Pleasant Ridge and Piskahegan (Figure 5-1). Several small forestry roads located on Crown and private lands allow excellent access into claims 9555 and 9556 via truck, all-terrain vehicle or by foot in the Pleasant Ridge area. The closest town to offer full services is St. Stephen, which includes full-service accommodations, grocery stores and restaurants, shopping centres, hardware stores, and gas stations.

The Project is located in the temperate zone of North America, and although the property is within 40 km of the ocean (Bay of Fundy), climatic conditions are more humid continental, governed by the eastward flow of continental weather patterns. The average annual temperature is approximately 10°C, with an average summer maximum of 30°C and an average winter minimum of -30°C. Winter conditions are prevalent on site from late October or early November until mid to late April. Frost depth is 2.0 m. Annual

precipitation is approximately 1,000 mm with 60% of this occurring as rain and the remainder as snow. Mineral exploration field programs can efficiently be undertaken from May through to late November in all areas. Winter programs such as drilling and geophysical surveys can also be implemented year-round but delays due to poor winter weather conditions such as heavy snow fall should be expected.

The Project is located within the Magaguadavic River watershed and is topographically flat with generally moderate local relief. Surficial deposits consist of two tills, a basal till composed of locally derived material and an upper till composed primarily of Carboniferous aged material. Glacial till cover predominates with local bedrock exposures present intermittently as bedding-parallel ridges that conform with the east to northeast regional bedrock structural grain. Overburden thickness typically ranges between 0 and 20 metres or more in depth. Topographic elevations on the claims range between 115 and 150 metres above sea level. Surface drainage systems consist of abundant small lakes, rivers and streams that commonly show northwest-southeast orientations that reflect regional bedrock jointing and faulting trends and associated glacially developed bedrock scours.



The Project is located in a region of southeastern New Brunswick that is sparsely populated, with motels, medical services, hardware stores, grocery stores, and gas stations being confined primarily to the town of St. Stephen 40 km to the southwest. Greater Moncton forms the largest population center of the province (approx. 115,000) and supports a wide range of government, business, medical, educational, industrial and transportation services. Access to the regional electrical grid is possible along the highway corridors located west of the Project but is lacking in more remote areas. Mainline rail facilities are available in a corridor extending from Moncton to Saint John and into the USA, and year-round, deep-water shipping facilities, including container port services are available through the Port of Saint John.

The extensive surface drainage systems present in the Magaguadavic River watershed provide readily accessible potential water sources for incidental exploration use such as diamond drilling. They also provide good potential as higher volume sources of water such as those potentially required for future mining and milling operations.

Exploration staff and consultants, as well as forestry, heavy equipment and drilling contractors can be readily sourced from within New Brunswick and surrounding provinces such as Nova Scotia and Quebec. Forest harvesting operations are the dominant employment in the region with J.D. Irving Ltd, being a major employer in southern New Brunswick. The local rural and urban economies provide a large base of skilled trades, professional, and service sector support that can be readily accessed for exploration and resource development purposes.

Exploration

Exploration work completed on the Clarence Stream North properties include prospecting and rock sampling, and soil geochemistry surveys. This exploration work was planned and completed by Mercator on behalf of Alma Gold in mid to late July 2020. These exploration programs are further described in detail below.

Mercator also undertook a compilation of available geoscientific and geophysical data relating to the Project. This data was in the form of provincial and federal government digital datasets, plus assessment reports and maps, and historical assay data. Digital data was collected, organized and reviewed. Relevant data was extracted for use in geographic information system (GIS) software, based on the objective of identifying targets for soil geochemistry surveying.

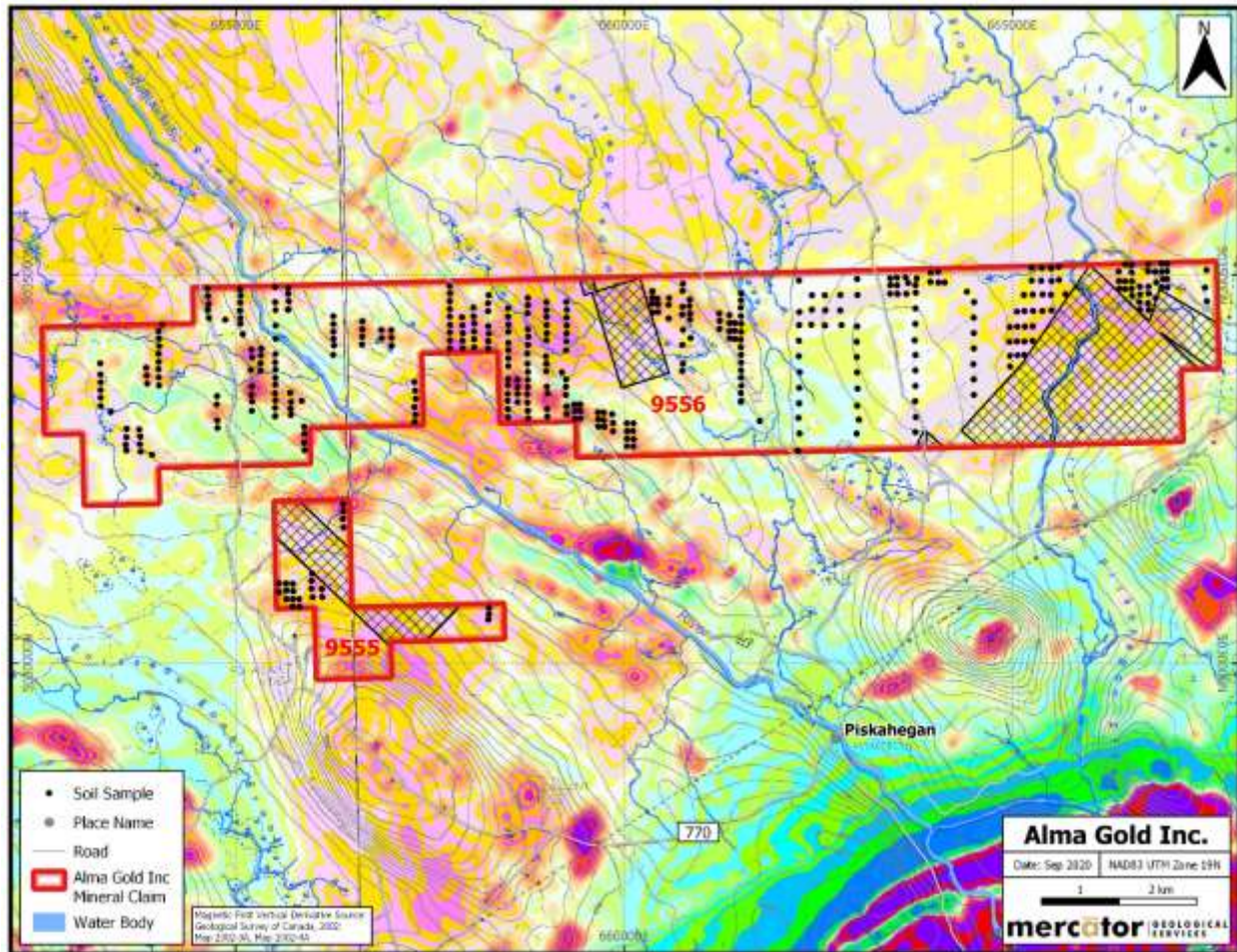
Based on the results of this data compilation and 2002 Geological Survey of Canada (GSC) airborne magnetic survey maps (first vertical derivative) (Kiss et al., 2002a and 2002b) soil sample locations were selected over known geological and geophysical anomalies (Figure 9-1). Three large gaps in the soil sampling survey were due to the lack of a land access agreement with St. George Paper & Pulp (a subsidiary of J.D. Irving) prior to the start of the 2020 exploration program. These three areas (gaps) are shown in Figure 9-1 and it is recommended that Alma Gold secure a land access agreement with St. George Pulp and Paper prior to the next phase of exploration in order to fill in these gaps in the soil survey grid.

Field mapping and rock sampling of outcrops was completed by Mercator field staff in the Clarence Stream North Project, mainly focused on rivers and streams due to thick glacial till cover in the area impeding bedrock exposure. No rock samples were collected on claim 9555 due to poor bedrock exposure and a lack of rivers and streams in this area.

The field mapping and sampling consisted of traversing the project areas by truck and by foot to assess where outcrops have been previously mapped by exploration or government programs. Sample locations were marked by handheld GPS units and available structural measurements were recorded along with lithological descriptions, including alteration and mineralization where applicable. Outcrops with quartz veining and sulphide mineralization were sampled for follow up testing and representative country rock samples were collected for use in alteration studies.

A total of 20 rock samples were collected from the Clarence Stream North Project on claim 9556 between July 23 and July 31, 2020 and all rock samples were sent to Activation Laboratories Ltd. (Actlabs) for multi-element analysis including gold and arsenic. Rock sample locations and Au-As assay results are plotted on Figures 9-2 to 9-3. Gold (Au) and arsenic (As) assay results are also presented below in Table 9-1. No gold assay values were returned above the detection limit of 5 ppb Au, however As values were between 2 ppm to 747 ppm with the highest As values in outcrops located in the western part of claim 9556. These higher As rock assay results appear to correlate with an As soil anomaly in the area (refer to below for further details). Generally, gold assay results of 10 ppb or higher are considered very anomalous in the Clarence Stream area, but the relationship between gold and arsenic is still poorly understood in the project area and warrants further investigation.

Figure 9-1: Soil sampling locations with underlying GSC airborne magnetic map and St. George Pulp & Paper lands



Two teams of two field geologists completed a B-horizon soil sampling program on claims 9555 and 9556 on both Crown and private lands at Clarence Stream North. A land access agreement was not entered into with St. George Pulp & Paper, therefore soil samples were not collected on those particular private lands. Soil samples were collected by means of a Dutch Auger to a total depth of approximately 0.2 to 0.5 metres from the surface. The soil survey program included a detailed QAQC program comprised of the insertion of blanks and certified reference materials (standards) on a staggered 1 in 40 basis and duplicate pulp split and field sample duplicate analyses on separate 1 in frequencies. Data collection was completed using field tablets with the GPS location, soil texture, colour, and other soil descriptions recorded in a digital database. A total of 426 B-horizon soil samples were collected between July 23 and July 31, 2020 and submitted for gold and multi-element geochemical analysis at Actlabs (Figure 9-4). B-horizon soil samples were mainly collected at 50 m stations along 100 m spaced survey lines with some stations spaced between 200 to 250 metres to maximize the soil survey grid coverage. The sampling grid on claim 9556 measures approximately 14.5 km by 2.5 km in size with the highest concentration of sample stations located in the central part of the claim block. A total of 24 soil samples were taken in claim 9555 focused on the western end of the claim block and 389 soil samples collected on claim 9556 spread evenly across the entire claim block (Figure 9-4) on Crown and private lands (except St. George Pulp & Paper).

Clarence Stream North B-horizon soil samples returned gold values ranging from <5 ppb to 32 ppb with a detection limit of 5 ppb (Figures 9-5 to 9-11). A total of 36 soil samples returned gold results above 10 ppb. Generally, gold assay results of 10 ppb or higher in soils are considered anomalous in the Clarence Stream area. Arsenic in soil results returned values ranging from <2 ppm to 674 ppm with a detection limit of 2 ppm (Figures 9-12 to 9-16).

The soil survey was successful in outlining three main gold anomalies on claim 9556 (Figure 9-5) with the centre anomaly (Au Anomaly 2) being the most prominent. Au Anomaly 2 appears to coincide with a weak magnetic high in the area as indicated in Figure 9-1 and warrants further investigation to determine whether this anomaly is related to a deeper intrusive body at subsurface or a fault structure.

Two large arsenic soil anomalies were detected (Figure 9-12) in claim 9556, with As Anomaly 1 being the strongest of the two. A smaller As anomaly is evident in the northeastern part of claim 9555, but grid coverage in this area was poor due to land access issues and follow-up soil sampling is required to determine the size and significance of this particular As anomaly. The arsenic anomalies do not appear to correlate well with many of the gold anomalies detected. Based on a preliminary review of multi-element soil data, there appears to be a spatial association between gold and some of the more mafic-related elements such as Mg, Cr, Zn, Cu and Ni in the east and west extents of the soil grids (Au Anomaly 1 and 3). The gold anomaly in the center of the grid (Au Anomaly 2) does not appear to correlate with these elements or with arsenic, which needs to be investigated further through detailed statistical analysis and follow-up soil sampling in surrounding areas.

The total cost of the 2020 Alma Gold rock and soil sampling program at Clarence Stream North including field costs, laboratory analyses, geological interpretation, and technical reporting is approximately \$105,900 before taxes.

Recommendation

Additional exploration is recommended for the Clarence Stream North Gold Project based on the successful results from the summer 2020 exploration program completed by Alma Gold. This next phase of exploration should be focused on expanding Alma Gold's understanding of the geology, structure, alteration, and mineralization potential within claim groups 9555 and 9556.

Historically, exploration in the area has been hampered by thick overburden (glacial till deposits) resulting in poor bedrock exposure. Therefore, additional soil geochemistry surveys, ground and/or UAV magnetometer and VLF-EM surveys, and the use of hyperspectral mineral analyzers (i.e. TerraSpec) could be important tools to discover gold mineralization within the project area. These combined exploration techniques have proven successful on adjacent properties including the Clarence Stream gold deposit area and other parts of southern New Brunswick.

The report author also recommends that Alma Gold secure a land access agreement with St. George Pulp & Paper (J.D. Irving) prior to the next phase of exploration to fill in existing gaps in the soil survey grid on the Project.

Table 26-1: Recommended Program Budget

Phase 1	Task	Estimated Cost
	Additional rock and soil geochemistry sampling focused on Irving-owned private lands not accessed during the 2020 exploration program (includes TerraSpec and laboratory geochemistry analyses)	\$75,000
	UAV or ground magnetometer and ground VLF-EM surveys over selected project areas	\$40,000
	Data interpretation, conceptual 3D modeling, and principal component analysis (PCA) of new and existing soil geochemistry data to determine vectors for mineralization based on alteration-related elements and lithological variations and for drilling targeting purposes	\$15,000
	Total	\$130,000

Summary of Chambers Settlement Gold Project

The following information regarding the Chambers Settlement Gold Project has been derived from the Chambers Settlement Gold Project Report. The Chambers Settlement Gold Project Report has been prepared in accordance with NI 43-101 and the report writer is an independent “Qualified Person” (as defined under NI 43-101). A full-text version of the Chambers Settlement Gold Project Report may be reviewed on SEDAR at www.sedar.com under the Company’s profile.

The Chambers Settlement Gold Project is comprised of mineral claim groups 9107 and 9108 (320 claim units) registered under Avalon Gold and is approximately 72,154 hectares in size. The two mineral claim groups are located in Kings County, New Brunswick, approximately 25 km east of the town of Sussex. The Project is centred at map coordinates 232,200 m Easting and 5,059,060 m Northing (UTM NAD83 Zone 20N) within NTS Map Sheet 21H/11.

Figure 4-1: Regional Map – Chambers Settlement Gold Project



Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Chambers Settlement Gold Project is located in southern New Brunswick, approximately 80 km southwest of the City of Moncton (pop. 114,810) and 91 km northeast of the City of Saint John (pop. 68,000). The closest international airport is the Greater Moncton Roméo LeBlanc International Airport (YQM) located approximately 10 km east of downtown Moncton. Regional airline service (Air Canada and Porter Airlines) is also available from Saint John Airport (YSJ) with daily direct flights from Halifax, Montréal, and Toronto. The properties can be easily accessed via New Brunswick Route 1 (four-lane controlled access highway) and then departing at Exit 211 (Penobscus-Alma-Fundy National Park exit) and heading east on Route 114 towards Fundy National Park. After approximately 11 km turn right onto the Morton Road (forestry road) and travel another 10 km on JDI forestry roads to reach the Chambers Settlement Gold Project (Figure 5-1). Several small forestry roads and multi-use trails located on Crown and private lands allow excellent access into claims 9107 and 9108 via truck, all-terrain vehicle or by foot in the Mechanic Settlement area, east and west of Route 114. The closest town to offer full services is Sussex, NB approximately 20 km northwest of the Project off Route 1. The town of Sussex includes full-service accommodations, grocery stores and restaurants, shopping centres, hardware stores, and gas stations.

The Chambers Settlement Gold Project is located in the temperate zone of North America, and although the property is within 30 km of the ocean (Bay of Fundy), climatic conditions are more humid continental, governed by the eastward flow of continental weather patterns. The average annual temperature is approximately 10°C, with an average summer maximum of 30°C and an average winter minimum of -30°C. Winter conditions are prevalent on site from late October or early November until mid to late April. Frost depth is 2.0 m. Annual precipitation is approximately 1,000 mm with 60% of this occurring as rain and the remainder as snow. Mineral exploration field programs can efficiently be undertaken from May through to late November in all areas. Winter programs such as drilling and geophysical surveys can also be implemented year-round but delays due to poor winter weather conditions such as heavy snow fall should be expected.

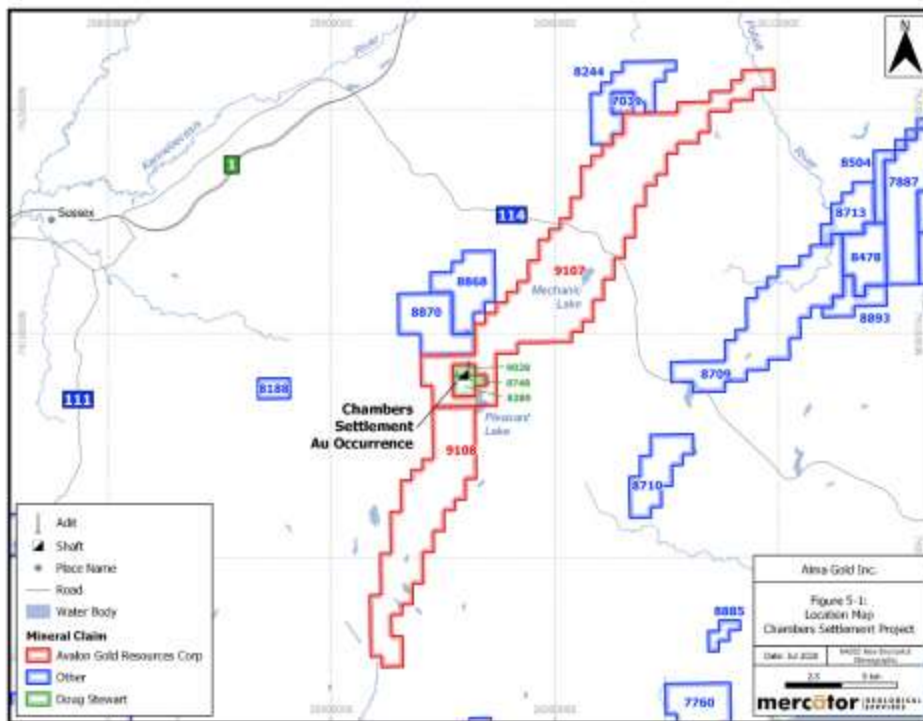
Topography is typically characterized by rolling hills and rounded mountains that comprise the Caledonian Highlands in southern New Brunswick. In between these hills, glacial till cover predominates with local bedrock exposures present intermittently as bedding-parallel ridges that conform with the east to northeast regional bedrock structural grain. Areas of locally derived glaciofluvial material (sand and gravel) are also present and overburden thickness typically ranges between 0 and 20 metres or more in depth. Topographic elevations on the claims vary between 250 to 375 metres above sea level. Surface drainage systems consist of abundant small lakes, rivers and streams that commonly show northwest-southeast orientations that reflect regional bedrock jointing and faulting trends and associated glacially developed bedrock scours.

The Chambers Settlement Gold Project is located in a region of southeastern New Brunswick that is sparsely populated, with motels, medical services, hardware stores, grocery stores, and gas stations being confined primarily to the town of Sussex and village of Alma 30 km to the southeast. Greater Moncton forms the largest population center of the province (approx. 115,000) and supports a wide range of government, business, medical, educational, industrial and transportation services. Access to the regional electrical grid is possible along the Route 114 highway corridor that crosses through the Chambers Settlement Gold Project but is lacking in more remote areas. Mainline rail facilities are available in a corridor extending from Moncton to Saint John and into the USA, and year-round, deep-water shipping facilities, including container port services are available through the Port of Saint John.

The extensive surface drainage systems present across southern New Brunswick typically provide readily accessible potential water sources for incidental exploration use such as diamond drilling. They also provide good potential as higher volume sources of water such as those potentially required for future mining and milling operations.

Exploration staff and consultants, as well as forestry, heavy equipment and drilling contractors can be readily sourced from within New Brunswick and surrounding provinces such as Nova Scotia and Quebec. Forest harvesting operations are the dominant employment in the region with JD Irving being a major employer in southern New Brunswick. The local rural and urban economies provide a large base of skilled trades, professional, and service sector support that can be readily accessed for exploration and resource development purposes.

Figure 5-1: Location Map – Chambers Settlement Gold Project



Exploration

Alma Gold has not completed any exploration work on the Chambers Settlement Gold Project as of the effective date of this report. Historical exploration in the project area is discussed in the Chambers Settlement Gold Project Report which may be reviewed on SEDAR at www.sedar.com under the Company's profile.

Recommendation

A phase one exploration program is recommended for Alma Gold at Chambers Settlement based on the results from the 2019 exploration program by Avalon Gold. This next phase of exploration is focused on expanding Alma Gold's understanding of the geology, structure, alteration, and mineralization potential in the NE and SW regions of the project area within claim groups 9107 and 9108.

Past exploration has mainly been focused on, or adjacent to the Chambers Settlement Au occurrence in the central part of the project area. Due to thick overburden and glacial deposits, outcrop exposure can be limited in much of the project area. Therefore, soil and stream sediment surveys, ground and/or UAV magnetometer and VLF-EM surveys, and the use of hyperspectral mineral analyzers (i.e. TerraSpec) will continue to be important tools to discover additional mineralization within this potential epithermal gold deposit.

Table 26-1: Recommended Program Budget

Phase 1	Task	Estimated Cost
	Rock, soil, and stream sediment sampling and prospecting focused on SW part of claim 9108 over the magnetic low anomaly, and in the NE part of claim 9107 (includes TerraSpec and laboratory geochemistry analyses)	\$75,000
	UAV magnetometer and VLF-EM surveys over areas not already covered, extending existing grid to NE and SW	\$25,000
	Data interpretation, conceptual modeling, and PCA work on geochemistry data to determine additional vectors for mineralization based on alteration-related elements and lithological variations	\$5,000
	Total	\$105,000

Selected Unaudited Pro-Forma Financial Information of Spinco

The following is a summary of certain financial information on the unaudited pro-forma basis for Spinco as at August 21, 2020, assuming completion of the Arrangement as of such date, and should be read in conjunction with the unaudited pro-forma financial statements of Spinco attached to this Circular as Schedule "F", which were as prepared if the Arrangement had occurred on August 21, 2020, taking into account the assumptions stated therein. The pro-forma financial statements are not necessarily reflective of the financial position that would have resulted if the Arrangement had occurred on August 21, 2020. In addition, the unaudited pro-forma financial statements are not necessarily indicative of the financial position that may be attained in the future.

	As at Date of Incorporation (unaudited)	Pro-forma as at August 21, 2020 on completion of the Arrangement (unaudited)
Cash.....	\$ 1	\$ -
Clarence Stream North Gold Project.....	-	120,400
Chambers Settlement Gold Project	-	33,000
Total assets.....	\$ 1	\$ 153,400

Dividends

Spinco does not anticipate paying any dividends on its common shares in the short or medium term. Any decision to pay dividends on the Spinco Shares in the future will be made by the board of directors of Spinco on the basis of the earnings, financial requirements and other conditions existing at such time.

Liquidity and Capital Resources

Pursuant to the Arrangement, Red Lake will reorganize its business in exchange for Spinco Shares, which will be distributed to the Shareholders who hold Red Lake Shares as of the Share Distribution Record Date.

Spinco is a start-up company and therefore has no regular source of income. As a result, Spinco's ability to conduct operations, including the exploration of the Spinco Properties, is based on its ability to raise funds, primarily from equity sources, and there can be no assurance that Spinco will be able to do so.

See "*Selected Unaudited Pro-Forma Financial Information*" for information concerning the financial assets of Spinco resulting from the Arrangement.

Results of Operations

Spinco has not carried out any commercial operations to date.

Available Funds

Pursuant to the Arrangement, Red Lake will reorganize its business in exchange for Spinco Shares, which will be distributed to the Shareholders who hold Red Lake Shares as of the Share Distribution Record Date. The unaudited pro-forma working capital of Spinco was \$Nil as of August 21, 2020 based on the assumption that, among other things, the Arrangement had occurred on August 21, 2020.

On the Effective Date, Spinco will not have sufficient working capital necessary to fulfill its needs. Spinco will need to complete equity or debt financings to increase its working capital to, among other things, provide the operating funds necessary to explore, and if warranted, develop the Spinco Properties. There can be no assurance that Spinco will be able to obtain adequate financing in the future or that the terms of such financing will be favourable to Spinco. See "*Risk Factors*".

Share Capital of Spinco

Spinco is authorized to issue an unlimited number of common shares without par value. The holders of Spinco Shares ("**Spinco Shareholders**") are entitled to one vote for each Spinco Share held on all matters to be voted on by Spinco Shareholders. Spinco Shareholders are entitled to receive such dividends as may be declared by the directors of Spinco out of funds legally available for that purpose. Each Spinco Share is equal to every other Spinco Share and all Spinco Shares participate equally on liquidation or distribution of assets. There are no pre-emptive, redemption, purchase or conversion rights attached to the Spinco Shares.

The following table describes the share capitalization of Spinco, both prior to and assuming completion of the Arrangement:

Share Capital	Authorized	Prior to the Completion of The Arrangement	After Completion of the Arrangement
Common Shares	Unlimited	1 ⁽¹⁾	30,245,625 ⁽²⁾

- (1) 1 Spinco Shares at a deemed price of \$1.00 per Spinco Share were issued to Red Lake on incorporation and will be cancelled as part of the Arrangement.
- (2) Assuming that there are 31,837,501 Red Lake Shares issued and outstanding immediately before completion of the Arrangement and based on the ratio of 0.95 Spinco Shares for every one (1) Red Lake Shares, there will be 30,245,625 Spinco Shares issued and outstanding on completion of the Arrangement.

Fully Diluted Share Capital of Spinco

The pro-forma fully diluted share capital of Spinco, assuming completion of the Arrangement and the exercise of all Red Lake Options and Red Lake Warrants are set out below:

Designation of Spinco Shares	Number of Spinco Shares ⁽¹⁾	Percentage of Total
Spinco Shares issued to Red Lake, which Spinco Shares will be distributed to the Shareholders under the Arrangement	30,245,625	91.82%
Spinco Shares that may be issued pursuant to the exercise of Red Lake Options ⁽²⁾	1,434,500	4.36%
Spinco Shares that may be issued pursuant to the exercise of Red Lake Warrants ⁽³⁾	1,258,750	3.82%
Total	32,938,876	100.00%

(1) 1 Spinco Share was issued to Red Lake on incorporation and will be cancelled as part of the Arrangement.

(2) Based on 1,510,000 Red Lake Options outstanding as at the date of this Circular.

(3) Based on 1,325,000 Red Lake Warrants outstanding as at the date of this Circular.

Prior Sales of Securities of Spinco

On incorporation on May 21, 2020, Spinco issued one Spinco Share to Red Lake at a price of \$1.00 per Spinco Share. The Spinco Share will be cancelled on the Effective Date as part of the Arrangement.

Options and Warrants

Stock Options

The Shareholders will be asked at the Meeting to approve the Spinco Option Plan. See “*Approval of the Spinco Stock Option Plan*”. As of the Effective Date, assuming approval of the Spinco Option Plan by the Shareholders, there will be 3,045,562 Spinco Shares available for issuance under the Spinco Option Plan. As of the date of this Circular, Spinco has not granted any options under the Spinco Option Plan.

Principal Shareholders of Spinco

To the knowledge of the directors and executive officers of Spinco, only the following person or company beneficially owns, directly or indirectly, or exercises control or direction, as of the Effective Date or will have control or direction over, or a combination of direct or indirect beneficial ownership of and control or direction over, voting securities that will constitute more than 10% of the issued Spinco Shares as of the Effective Date;

Name	Number of Common Shares	Percentage
Ryan Kalt	10,395,185	34.37%

Directors and Officers of Spinco

The following table sets out the names of the current and proposed directors and officers of Spinco, the municipalities of residence of each, all offices currently held by each of them, their principal occupations within the last five years, the period of time for which each has been a director or executive officer of Spinco, and the number and percentage of Spinco Shares to be beneficially owned by each, directly or indirectly, or over which control or direction will be exercised, upon completion of the Arrangement:

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Spinco Shares Owned
Ryan Kalt ⁽²⁾ British Columbia, Canada <i>President, Corporate Secretary, Chief Executive Officer and Director</i>	Note (1)	May 21, 2020 to Present	10,395,185
Eugene A. Hodgson ⁽²⁾ British Columbia, Canada <i>Director</i>	Note (1)	July 24, 2020 to Present	Nil
Brian Hearst ⁽²⁾ Alberta, Canada <i>Director</i>	Note (1)	July 24, 2020 to Present	Nil
Ryan Cheung British Columbia, Canada <i>Chief Financial Officer</i>	Mr. Cheung is the founder and managing partner of MCPA Services Inc. Mr. Cheung works closely with high net worth and self-employed individuals, private companies and public companies (TSX Venture listed) in various industries including general professional services, real estate, mining, and technology.	July 24, 2020 to Present	Nil
Total as a group			10,395,185 Spinco Shares (34.37%)

- (1) See "Election of Directors" in this Circular for information regarding the directors' principal occupations for the last five years.
(2) Member of the Audit Committee.

Cease Trade Orders

Other than as described below, to the knowledge of the Company, as of the date hereof, no Nominee:

is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days (an "**Order**"), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or
- (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

A cease trade order was issued against Mena Hydrocarbons Inc. ("Mena") (TSXV:MNH) in May 2016 for failure to file its audited financial statements and MD&A for the year ended December 31, 2015, while Mr. Brian Hearst was a director and CFO of Mena. The cease trade order is still in effect until Mena's annual and interim filings are brought up to date.

Penalties or Sanctions

To the best of the Company's knowledge, no director or executive officer of Spinco, or a shareholder holding a sufficient number of Spinco Shares to affect materially the control of Spinco, has been subject to:

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

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

Bankruptcies

To the best of the Company's knowledge, no director or executive officer of Spinco, or a shareholder holding a sufficient number of Spinco Shares to affect materially the control of Spinco:

- (a) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Issuer) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Circular, 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 Spinco are required by law to act honestly and in good faith with a view to the best interest of Spinco and to disclose any interests which they may have in any project or opportunity of Spinco. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not Spinco will participate in any project or opportunity, that director will primarily consider the degree of risk to which Spinco may be exposed and its financial position at that time.

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

Executive Compensation of Spinco

The proposed executive officers of Spinco will be Ryan Kalt, President, CEO and Corporate Secretary and Ryan Cheung, CFO.

Spinco does not have an employment or management contract with any of its executive officers pursuant to which he will be compensated for his services as an executive officer of Spinco.

Indebtedness of Directors and Executive Officers of Spinco

No individual who is, or at any time from the date of Spinco's incorporation to the date of this Circular was a director or executive officer of Spinco, or an associate or affiliate of such an individual, is or has been indebted to Spinco.

Spinco's Auditor

Smythe LLP, Chartered Professional Accountants of Vancouver, British Columbia, is the auditor of Spinco.

Spinco's Transfer Agent

Endeavor Trust Corporation, of Vancouver, British Columbia, is the transfer agent of Spinco.

Spinco's Material Contracts

The following are the contracts which are material to Spinco:

1. the Arrangement Agreement;
2. the Chambers Settlement Gold Project Option Agreement;
3. the Clarence Stream North Gold Project Crown Grant; and
4. the Spinco Option Plan.

The material contracts described above may be inspected at the registered office of Spinco at Suite 810, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, during normal business hours prior to the Meeting and for a period of thirty days after the Meeting.

Promoters

The Company is the promoter of Spinco.

EXPERTS

The following are the names of persons or companies (a) that are named as having prepared or certified a report, valuation, statement or opinion included in or included by reference in this Schedule "H"; and (b) whose profession or business gives authority to the statement, report or valuation made by the person or Red Lake.

As at the date hereof, to the best knowledge of the Company, the aforementioned persons, collectively, held no percent of the securities of the Company when they prepared or certified a report, valuation, statement or opinion, as applicable, referred to above and as at the date hereof, and they did not receive any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation or certification of such report, valuation, statement or opinion, as applicable.

- (a) Paul Ténrière, M.Sc., P. Geo, a "qualified person" for the purposes of NI 43-101, has prepared the report entitled "Technical Report on the Clarence Stream North Gold Project, New Brunswick, Canada", and has reviewed, verified and approved the technical and scientific disclosure report which may be reviewed on SEDAR at www.sedar.com under the Company's profile
- (b) Paul Ténrière, M.Sc., P. Geo, a "qualified person" for the purposes of NI 43-101, has prepared the report entitled "Technical Report on the Chambers Settlement Gold Project, New Brunswick, Canada", and has reviewed, verified and approved the technical and scientific disclosure report which may be reviewed on SEDAR at www.sedar.com under the Company's profile
- (c) D. Cullen, P.Geo., J. Garry Clark, P.Geo., and Matthew Long, P.Geo., each a "qualified person" for the purposes of NI 43-101, has prepared the report entitled "Technical Report on the Whirlwind Jack Property, Red Lake Mining Division, Northwestern Ontario", and has reviewed, verified and approved the technical and scientific disclosure report which may be reviewed on SEDAR at www.sedar.com under the Company's profile
- (d) Evans & Evans Inc., an independent financial advisory firm, has prepared the valuation report entitled "Estimate Valuation Report", and has reviewed, verified and approved the disclosure contained in this Schedule "H".

As at the date hereof, none of the aforementioned persons is or is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

ADDITIONAL INFORMATION

Additional information relating to Red Lake is available at www.sedar.com under the Company's profile. Shareholders may contact Red Lake at its head office by mail at 605 – 815 Hornby Street, Vancouver, BC V6Z 2E6, to request copies of Red Lake's financial statements and related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the audited financial statements and MD&A for Red Lake for its year ended November 30, 2019.

OTHER MATTERS

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting included at the beginning of this Circular. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named in the proxy to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The Board has authorized and approved the content of this Circular has been approved and the delivery of it to each Shareholder of Red Lake entitled to receive it and to the appropriate regulatory agencies.

Dated at Vancouver, British Columbia as of the 4th day of September, 2020.

ON BEHALF OF THE BOARD

Red Lake Gold Inc.

(signed) "Ryan Kalt"

Ryan Kalt
President, CEO and Corporate Secretary

SCHEDULE "A"

ARRANGEMENT RESOLUTION

RESOLUTION OF THE HOLDERS OF COMMON SHARES OF RED LAKE GOLD INC.

"BE IT RESOLVED as a special resolution that:

1. The Plan of Arrangement, as it may be modified, supplemented or amended in accordance with its terms, under Section 288 of the *Business Corporations Act* (British Columbia) attached as Schedule "B" to the Information Circular of Red Lake Gold Inc. (the "**Company**") accompanying the Notice of Meeting is authorized, approved and adopted;
2. The Arrangement Agreement dated as of September 1, 2020 between the Company and Alma Gold Inc. and all transactions contemplated therein, and any amendments thereto, the actions of the directors of the Company in approving the Plan of Arrangement and the Arrangement Agreement and amending the terms thereof in any manner, to the extent permitted by the Arrangement Agreement, and the actions of the directors and officers of in executing and delivering the Arrangement Agreement and any amendments thereto and causing the performance by the Company of its obligations thereunder are confirmed, ratified, authorized and approved;
3. The Arrangement Agreement and all of the transactions contemplated therein, the actions of the directors of the Company in approving the Plan of Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and any amendments, modifications or supplements thereto are hereby confirmed, ratified and approved.
4. The Company is hereby authorized to apply for a final order from the Supreme Court of British Columbia (the "Court") to approve the Plan of Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented from time to time).
5. Notwithstanding that this special resolution has been passed (and the Plan of Arrangement approved and agreed to) by the shareholders of the Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the board of directors of the Company, without further notice to or approval of the shareholders of the Company, may, in accordance with the terms of the Plan of Arrangement, elect not to proceed with the Plan of Arrangement or otherwise give effect to this special resolution, at any time prior to the Plan of Arrangement becoming effective; and
6. Any one or more directors or officers of the Company are authorized, for and on behalf of the Company, to execute and deliver any documents, agreements and instruments and to perform all such other acts and things in such person's opinion as may be necessary or desirable to give effect to the provisions of this special resolution, the Arrangement Agreement, and the matters contemplated by the Arrangement Agreement."

SCHEDULE "B"

Plan of Arrangement

[Next page]

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is dated for reference September 1, 2020.

BETWEEN:

RED LAKE GOLD INC., a corporation incorporated under the laws of the Province of British Columbia

("Red Lake")

AND:

ALMA GOLD INC., a corporation incorporated under the laws of the Province of British Columbia

("Spinco")

WHEREAS:

- A. Red Lake is the registered and beneficial owner of all of the issued and outstanding shares of Spinco;
- B. Red Lake and Spinco wish to proceed with a corporate restructuring by way of a statutory arrangement under the BCBCA, pursuant to which Red Lake and Spinco will participate in a series of transactions whereby, among other things, Red Lake will distribute the Spinco Shares (as defined herein) such that the holders of Red Lake Shares (as defined herein) (other than Dissenting Shareholders) will become holders of 100% of the issued and outstanding Spinco Shares;
- C. Red Lake proposes to convene a meeting of the Red Lake Shareholders to consider the Arrangement pursuant to Part 9, Division 5 of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement attached as Exhibit "A" hereto; and
- D. Each of the Parties to this Agreement has agreed to participate in and support the Arrangement.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined terms have the meanings set forth below:

- (a) "**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this arrangement agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;

- (b) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of this Agreement and the Plan of Arrangement;
- (c) "**Arrangement Provisions**" means Part 9, Division 5 of the BCBCA;
- (d) "**Arrangement Resolution**" means the special resolutions of the Red Lake Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA;
- (e) "**BCBCA**" means the British Columbia *Business Corporations Act*, S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;
- (f) "**Board of Directors**" means the current and existing board of directors of Red Lake;
- (g) "**Business Day**" means a day other than a Saturday, Sunday or other than a day when banks in the City of Vancouver, British Columbia are not generally open for business;
- (h) "**Constating Documents**" means, in respect of Red Lake and Spinco, the Articles and related Notice of Articles under the BCBCA;
- (i) "**Closing Date**" has the meaning ascribed thereto in §5.2;
- (j) "**Court**" means the Supreme Court of British Columbia;
- (k) "**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of the Plan of Arrangement;
- (l) "**Dissent Rights**" means the right of a registered Red Lake Shareholder to dissent from the Arrangement Resolutions in accordance with the provisions of the BCBCA, as modified by the Interim Order, and to be paid the fair value of the Red Lake Shares in respect of which the holder dissents;
- (m) "**Dissenting Shareholder**" means a registered holder of Red Lake Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;
- (n) "**Dissenting Shares**" means the Red Lake Shares in respect of which Dissenting Shareholders have exercised a right of dissent;
- (o) "**Effective Date**" means the date the Arrangement becomes effective under the BCBCA;
- (p) "**Effective Time**" means 10:00 a.m. (Vancouver time) on the Effective Date, or such other time on the Effective Date as agreed to in writing by Red Lake and Spinco;
- (q) "**Final Order**" means the order of the Court approving the Arrangement, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (r) "**IFRS**" means international financial reporting standards in effect in Canada at the relevant time, including the accounting recommendations in the Handbook of the Canadian Institute of Chartered Accountants;
- (s) "**In the Money Amount**" at a particular time with respect to an option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time;

- (t) "**Information Circular**" means the management information circular of Red Lake, including all schedules thereto, to be sent by Red Lake to the Red Lake Shareholders in connection with the Red Lake Meeting, together with any amendments or supplements thereto;
- (u) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Red Lake Meeting and the Arrangement;
- (v) "**Laws**" means all laws, by-laws, statutes, rules, regulations, principles of law, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity (including the Canadian Securities Exchange) or self-regulatory authority, to the extent each of the foregoing have the force of law, and the term "applicable" with respect to such laws and in a context that refers to one or more Parties, means such laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a Person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities; and "**Laws**" includes environmental laws;
- (w) "**New Red Lake Shares**" means the new class of common shares without par value which Red Lake will create and issue as described in §3.1(b)(ii) of the Plan of Arrangement and for which the Red Lake Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Red Lake Shares;
- (x) "**Notice of Meeting**" means the notice of annual general and special meeting of the Red Lake Shareholders in respect of the Red Lake Meeting;
- (y) "**Parties**" means Red Lake and Spinco; and "**Party**" means any one of them;
- (z) "**Person**" means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (aa) "**Plan of Arrangement**" means the plan of arrangement substantially in the form set out in Exhibit "A" to this Agreement, as amended or supplemented from time to time in accordance with Article 7 thereof and Article 6 hereof;
- (bb) "**Red Lake**" means Red Lake Gold Inc., a company existing under the BCBCA;
- (cc) "**Red Lake Class A Shares**" means the renamed and redesignated Red Lake Shares as described in §3.1(b)(i) of the Plan of Arrangement;
- (dd) "**Red Lake Meeting**" means the annual general and special meeting of the Red Lake Shareholders and any adjournments thereof to be held on October 16, 2020, and among other things, consider and consider advisable, approve the Arrangement;
- (ee) "**Red Lake Options**" means options to acquire Red Lake Shares, including options under the terms of which are deemed exercisable for Red Lake Shares, that are outstanding immediately prior to the Effective Time;
- (ff) "**Red Lake Replacement Options**" means an option to acquire a New Red Lake Share to be issued by Red Lake to a holder of a Red Lake Option pursuant to §3.1(d) of the Plan of Arrangement.
- (gg) "**Red Lake Shares**" means the common shares without par value in the authorized share capital of Red Lake, as constituted on the date of this Agreement;

- (hh) "**Red Lake Shareholders**" means the holders from time to time of Red Lake Shares;
- (ii) "**Red Lake Warrants**" means the common share purchase warrants of Red Lake outstanding on the Effective Date.
- (jj) "**Registrar**" means the Registrar of Companies for the Province of British Columbia duly appointed under the BCBCA;
- (kk) "**Spinco**" means Alma Gold Inc., a private company incorporated under the BCBCA, which is a wholly-owned subsidiary of Red Lake;
- (ll) "**Spinco Options**" means share purchase options issued pursuant to the Spinco stock option plan, including Spinco Options pursuant to §3.1(d) of the Plan of Arrangement;
- (mm) "**Spinco Shares**" means the common shares without par value in the authorized share structure of Spinco, as constituted on the date of this Agreement;
- (nn) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended; and
- (oo) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement (including all attached Exhibits and Schedules) and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include firms and corporations and vice versa.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day and a business day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day and a business day, as applicable, in such place.

1.5 Entire Agreement

This Agreement, together with the agreements and documents herein and therein referred to, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

1.6 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.7 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under International Financial Reporting Standards and all determinations of an accounting nature are required to be made shall be made in a manner consistent with International Financial Reporting Standards.

1.8 References to Legislation

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.9 Enforceability

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principles of equity).

1.10 Schedules

The following exhibits and schedules attached hereto are incorporated into and form an integral part of this Agreement:

- i. Exhibit "A" - Plan of Arrangement to which the following schedules are attached:
 - Schedule "A" to the Plan of Arrangement – Clarence Stream North Gold Project held by Spinco
 - Schedule "B" to the Plan of Arrangement – Chambers Settlement Gold Project held by Spinco
 - Schedule "C" to the Plan of Arrangement – Special Resolutions to Approve the Plan of Arrangement

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement

The Parties agree to effect the Arrangement pursuant to the Arrangement Provisions on the terms and subject to the conditions contained in this Agreement and the Plan of Arrangement.

2.2 Effective Date

The Arrangement shall become effective in accordance with the terms of the Plan of Arrangement on the Effective Date.

2.3 Commitment to Effect

Subject to termination of this Agreement pursuant to Article 7 hereof, the Parties shall each use all reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective by no later than April 30, 2020, or by such other date as Red Lake and Spinco may determine, and in conjunction therewith to cause the conditions described in § 5.1 to be complied with prior to the Effective

Date. Without limiting the generality of the foregoing, the Parties shall proceed forthwith to apply for the Interim Order and Red Lake shall call the Red Lake Meeting and mail the Information Circular to the Red Lake Shareholders.

2.4 Filing of Final Order

Subject to the rights of termination contained in Article 7 hereof, upon the Red Lake Shareholders approving the Arrangement Resolutions in accordance with the provisions of the Interim Order and the BCBCA, Red Lake obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, Red Lake on its behalf and on behalf of Spinco shall file with the Registrar:

- (a) the records and information required by the Registrar pursuant to the Arrangement Provisions; and
- (b) a copy of the Final Order.

2.5 U.S. Securities Law Matters

The Parties agree that the Arrangement will be carried out with the intention that the New Red Lake Shares and the Spinco Shares delivered upon completion of the Arrangement to Red Lake Shareholders will be issued by Red Lake and Spinco in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. In order to ensure the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act, the Parties agree that the Arrangement will be carried out on the following basis:

- (a) the Arrangement will be subject to the approval of the Court and the Court will hold a hearing approving the fairness of the terms and conditions of the Arrangement;
- (b) prior to the hearing required to approve the Arrangement, the Court will be advised as to the intention of the Parties to rely on the exemption under Section 3(a)(10) of the U.S. Securities Act;
- (c) the Court will be required to satisfy itself as to the substantive and procedural fairness of the terms and conditions of the Arrangement to the Red Lake Shareholders subject to the Arrangement;
- (d) Red Lake will ensure that each Red Lake Shareholder entitled to receive New Red Lake Shares and Spinco Shares on completion of the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;
- (e) the Red Lake Shareholder entitled to receive New Red Lake Shares and Spinco Shares on completion of the Arrangement will be advised that the New Red Lake Shares and Spinco Shares issued in the Arrangement have not been registered under the U.S. Securities Act and will be issued in reliance on the exemption under Section 3(a)(10) of the U.S. Securities Act;
- (f) the Final Order approving the Arrangement that is obtained from the Court will expressly state that the terms and conditions of the Arrangement is approved by the Court as being fair, substantively and procedurally, to the Red Lake Shareholders;
- (g) the Interim Order approving the Red Lake Meeting will specify that each Red Lake Shareholder will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as the Red Lake Shareholder enters an appearance within a reasonable time and in accordance with the requirements of Section 3(a)(10) under the U.S. Securities Act; and

- (h) the Final Order shall include a statement substantially to the following effect:
- i. “This Order will serve as a basis of a claim to an exemption, pursuant to Section 3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that Act, regarding the issuance of New Red Lake Shares and Spinco Shares pursuant to the Plan of Arrangement.”

ARTICLE 3 COVENANTS

3.1 Covenants

Each of the Parties covenants with the other that it will do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

3.2 Interim Order and Final Order

The Parties acknowledge that Red Lake will apply to and obtain from the Court, pursuant to the Arrangement Provisions, the Interim Order providing for, among other things, the calling and holding of the Red Lake Meeting for the purpose of considering and, if deemed advisable, approving and adopting the Arrangement Resolutions. The Parties each covenant and agree that if the approval of the Arrangement by the Red Lake Shareholders as set out in §5.1(b) hereof is obtained, Red Lake will thereafter (subject to the exercise of any discretionary authority granted to Red Lake’s directors) take the necessary actions to submit the Arrangement to the Court for approval and apply for the Final Order and, subject to compliance with any of the other conditions provided for in Article 5 hereof and to the rights of termination contained in Article 7 hereof, file the material described in §2.4 with the Registrar.

3.3 Spinco Stock Option Plan

In connection with, but prior to, the Arrangement, Spinco shall adopt the Spinco Stock Option Plan, which shall be substantially in the form attached to the Information Circular.

3.4 Red Lake Options

The Parties acknowledge that pursuant to the Arrangement, each Red Lake Option then outstanding to acquire one Red Lake Share shall be transferred and exchanged for:

- (a) one Red Lake Replacement Option to acquire one New Red Lake Share having an exercise price equal to the product of the original exercise price of the Red Lake Option multiplied by the fair market value of a New Red Lake Share at the Effective Time divided by the total of the fair market value of a New Red Lake Share and the fair market value of 0.95 of a Spinco Share at the Effective Time; and
- (b) one Spinco Option to acquire 0.95 of a Spinco Share, each whole Spinco Option having an exercise price equal to the product of the original exercise price of the Red Lake Option multiplied by the fair market value of 0.95 of a Spinco Share at the Effective Time divided by the total of the fair market value of one New Red Lake Share and 0.95 of a Spinco Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Red Lake Replacement Option and the Spinco Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Red

Lake Option so exchanged . It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Red Lake Options; and Spinco agrees to promptly issue Spinco Shares upon the due exercise of Spinco Options.

3.5 Red Lake Warrants

The Parties acknowledge that, from and after the Effective Date, all Red Lake Warrants shall entitle the holder to receive, upon due exercise of the Red Lake Warrant, for the original exercise price:

- (a) one New Red Lake Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time; and
- (b) 0.95 of a Spinco Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time;

and Spinco hereby covenants that it shall forthwith upon receipt of written notice from Red Lake from time to time issue, as directed by Red Lake, that number of Spinco Shares as may be required to satisfy the foregoing.

Red Lake shall, as agent for Spinco, collect and pay to Spinco an amount for each 0.95 of a Spinco Share so issued that is equal to the exercise price under the Red Lake Warrant multiplied by the fair market value of 0.95 of a Spinco Share at the Effective Time divided by the total of the fair market value of one New Red Lake Share and 0.95 of a Spinco Share at the Effective Time.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

Each of the Parties represents and warrants to the other that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of its jurisdiction of existence, and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;
- (b) it has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of: (i) any provision of its constating or governing corporate documents, (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it or (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the Arrangement, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, any of which may be waived by the mutual written consent of such Parties without prejudice to their right to rely on any other of such conditions:

- (a) the Interim Order shall have been granted in form and substance satisfactory to Red Lake and Spinco, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Red Lake and Spinco, acting reasonably, on appeal or otherwise;
- (b) the Arrangement Resolution, with or without amendment, shall have been approved and adopted by the Red Lake Shareholders at the Red Lake Meeting in accordance with the Arrangement Provisions, the Constating Documents of Red Lake, the Interim Order and the requirements of any applicable regulatory authorities;
- (c) the Final Order shall have been granted in form and substance satisfactory to Red Lake and Spinco, acting reasonably;
- (d) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances, each in form acceptable to Red Lake and Spinco;
- (e) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Arrangement;
- (f) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the income tax laws of Canada, which would reasonably be expected to have a material adverse effect on any of Red Lake, the Red Lake Shareholders or Spinco if the Arrangement is completed;
- (g) Dissent Rights shall not have been exercised by Red Lake Shareholders holding more than five percent (5%) of the issued and outstanding Red Lake Shares.
- (h) the Arrangement and this Agreement, with or without amendment, shall have been approved by Red Lake, as the sole shareholder of Spinco, to the extent required by, and in accordance with, the Arrangement Provisions and the Constating Documents of Spinco; and,
- (i) this Agreement shall not have been terminated under Article 7.

Except for the conditions set forth in this §5.1 which, by their nature, may not be waived, any of the other conditions in this §5.1 may be waived, either in whole or in part, by either Red Lake or Spinco, as the case may be, at its discretion.

5.2 Pre-Closing

Unless this Agreement is terminated earlier pursuant to the provisions hereof, the Parties shall meet at the registered and records office of Red Lake, 810 - 789 West Pender Street, Vancouver, British Columbia V6C 1H2, at 10:00 a.m. (Vancouver time) on the Business Day immediately preceding the Effective Date, or at such date as they may mutually agree (the "**Closing Date**"), and each of them shall deliver to the other of them:

- (a) the documents required to be delivered by it hereunder to complete the transactions contemplated hereby, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date; and
- (b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour contained in this Agreement.

5.3 Merger of Conditions

The conditions set out in §5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 Merger of Representations and Warranties

The covenants in §3.1 hereof shall be conclusively deemed to have been complied with in all respects as of the Effective Date and the representations and warranties in §4.1 shall be conclusively deemed to be correct as of the Effective Date, and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

ARTICLE 6 AMENDMENT

6.1 Amendment

This Agreement may at any time and from time to time before or after the holding of the Red Lake Meeting be amended by written agreement of the Parties hereto without, subject to applicable Laws, further notice to or authorization on the part of their respective securityholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by a Red Lake Shareholder without approval by the Red Lake Shareholders, given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

**ARTICLE 7
TERMINATION**

7.1 Termination

Subject to §7.2, this Agreement may at any time before or after the holding of the Red Lake Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by a unanimous direction of the boards of directors of Red Lake and Spinco without further action on the part of the Red Lake Shareholders, and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the Board of Directors of Red Lake or Spinco, respectively, to elect to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

7.2 Cessation of Right

The right of Red Lake or Spinco or any other Party to amend or terminate the Plan of Arrangement pursuant to §6.1 and §7.1 shall be extinguished upon the occurrence of the Effective Date.

**ARTICLE 8
NOTICES**

8.1 Notices

All notices which may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally or by registered mail in the case of:

Red Lake Gold Inc., addressed to:
810 – 789 West Pender Street
Vancouver, BC V6C 1H2
Attention: President

Alma Gold Inc., addressed to:
810 – 789 West Pender Street
Vancouver, BC V6C 1H2
Attention: President

or such other address as the Parties may, from time to time, advise to the other Parties hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such telecopy is received.

**ARTICLE 9
GENERAL**

9.1 Assignment and Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns. This Agreement may not be assigned by any Party hereto without the prior consent of the other Parties hereto.

9.2 Disclosure

Each Party shall receive the prior consent, not to be unreasonably withheld, of the other Parties prior to issuing or permitting any director, officer, employee or agent to issue, any press release or other written

statement with respect to this Agreement or the transactions contemplated hereby. Notwithstanding the foregoing, if any Party is required by law or administrative regulation to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will consult with the other Parties as to the wording of such disclosure prior to its being made.

9.3 Costs

Each Party will bear its own costs and expenses in connection with the transactions contemplated hereby.

9.4 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

9.5 Further Assurances

Each Party hereto shall, from time to time and at all times hereafter, at the request of any other Party hereto, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

9.6 Time of Essence

Time shall be of the essence of this Agreement.

9.7 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and the Parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of British Columbia. Each of the Parties hereto hereby irrevocably and unconditionally consents to and submits to the jurisdiction of the courts of the Province of British Columbia in respect of all actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agrees not to commence any action, suit or proceeding relating thereto except in such courts) and further agrees that service of any process, summons, notice or document by single registered mail to the addresses of the Parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against any Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of British Columbia and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

9.8 Waiver

No waiver by any Party shall be effective unless in writing and any waiver shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence.

9.9 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

RED LAKE GOLD INC.

ALMA GOLD INC.

Per: "Ryan Cheung"
Ryan Cheung, Chief Financial Officer

Per: "Ryan Kalt"
Ryan Kalt, President & Chief Executive Officer

EXHIBIT "A"

TO THE ARRANGEMENT AGREEMENT

**PLAN OF ARRANGEMENT
UNDER DIVISION 5 OF PART 9
OF THE
*BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA) S.B.C. 2002, c. 57***

**ARTICLE 1
DEFINITION AND INTERPRETATION**

1.1 In this Plan of Arrangement, the following terms have the following meanings:

- (a) "**Arrangement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to the proposed arrangement involving Red Lake, Spinco and the Red Lake Shareholders pursuant to the Arrangement Provisions on the terms and conditions set forth in this Plan of Arrangement as supplemented, modified or amended, and not to any particular article, section or other portion hereof;
- (b) "**Arrangement Agreement**" means the arrangement agreement dated effective September 1, 2020 between Red Lake and Spinco with respect to the Arrangement, and all amendments thereto;
- (c) "**Arrangement Provisions**" means Division 5 of Part 9 of the BCBCA;
- (d) "**BCBCA**" means the British Columbia Business Corporations Act, S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;
- (e) "**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Vancouver, in the Province of British Columbia, for the transaction of banking business;
- (f) "**Court**" means the Supreme Court of British Columbia;
- (g) "**Depository**" means TSX Trust Company, or such other depository as Red Lake may determine;
- (h) "**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of the Plan of Arrangement;
- (i) "**Dissent Rights**" has the meaning attributed to that term in §5.1 of this Plan of Arrangement;
- (j) "**Dissenting Share**" has the meaning attributed to that term in §3.1(a) of this Plan of Arrangement;
- (k) "**Effective Date**" means the date the Arrangement becomes effective under the BCBCA;
- (l) "**Effective Time**" means 10:00 a.m. (Vancouver time) on the Effective Date, or such other time on the Effective Date as agreed to in writing by Red Lake and Spinco;
- (m) "**Final Order**" means the final order of the Court approving the Arrangement; as such order may be affirmed, amended or modified by any court of competent jurisdiction;

- (n) **"In the Money Amount"** at a particular time with respect to an option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time;
- (o) **"Information Circular"** means the management information circular of Red Lake, including all schedules thereto, to be sent by Red Lake to the Red Lake Shareholders in connection with the Red Lake Meeting, together with any amendments or supplements thereto;
- (p) **"Interim Order"** means the interim order of the Court providing advice and directions in connection with the Red Lake Meeting and the Arrangement;
- (q) **"New Red Lake Shares"** means the new class of common shares without par value which Red Lake will create and issue as described in §3.1(b)(ii) of the Plan of Arrangement and for which the Red Lake Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Red Lake Shares;
- (r) **"Parties"** means, collectively, Red Lake and Spinco and **"Party"** means any one of them;
- (s) **"Plan"** or **"Plan of Arrangement"** means this plan of arrangement, as the same may be amended from time to time;
- (t) **"Red Lake"** means Red Lake Gold Inc., a company existing under the BCBCA;
- (u) **"Red Lake Class A Shares"** means the renamed and redesignated Red Lake Shares as described in §3.1(b)(i) of the Plan of Arrangement;
- (v) **"Red Lake Meeting"** means the annual general and special meeting of the Red Lake Shareholders and any adjournments thereof to be held on October 16, 2020, and among other things, consider and consider advisable, approve the Arrangement;
- (w) **"Red Lake Option Plan"** means the stock option plan of Red Lake;
- (x) **"Red Lake Options"** means options to acquire Red Lake Shares, including options under the terms of which are deemed exercisable for Red Lake Shares, that are outstanding immediately prior to the Effective Time;
- (pp) **"Red Lake Replacement Options"** means an option to acquire a New Red Lake Share to be issued by Red Lake to a holder of a Red Lake Option pursuant to §3.1(d) of the Plan of Arrangement.
- (y) **"Red Lake Shareholder"** means the holders from time to time of Red Lake Shares;
- (z) **"Red Lake Shares"** means the common shares without par value in the authorized share capital of Red Lake, as constituted on the date of this Agreement;
- (aa) **"Red Lake Warrants"** means share purchase warrants of Red Lake that are outstanding on the Effective Date;
- (bb) **"Registrar"** means the Registrar of Companies for the Province of British Columbia duly appointed under the BCBCA;
- (cc) **"Share Distribution Record Date"** means the close of business on November 6, 2020 or such other date as agreed to by Red Lake and Spinco, which date establishes the Red Lake Shareholders

who will be entitled to receive New Red Lake Shares and Spinco Shares pursuant to this Plan of Arrangement;

- (dd) "**Spinco**" means Alma Gold Inc., a private company incorporated under the BCBCA;
- (ee) "**Spinco Option**" means share purchase options issued pursuant to the Spinco Stock Option Plan, including the Spinco Options pursuant to §3.1(d) of the Plan of Arrangement;
- (ff) "**Spinco Shares**" means the common shares without par value in the authorized share structure of Spinco, as constituted on the date of the Arrangement Agreement; and
- (gg) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp) c.1, as amended.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number and Gender

Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; words importing any gender shall include all genders; and words importing persons shall include individuals, partnerships, associations, corporations, funds, unincorporated organizations, governments, regulatory authorities, and other entities.

1.4 Meaning

Words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA, unless the context otherwise requires.

1.5 Date for any Action

If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action shall be required to be taken on the next succeeding Business Day.

1.6 Governing Law

This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 2 ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant and subject to the provisions of, and forms part of, the Arrangement Agreement.

2.2 Arrangement Effectiveness

This Plan of Arrangement will become effective in accordance with its terms and be binding on the Effective Date on Red Lake, the Red Lake Shareholders (including Dissenting Shareholders), holders of Red Lake Options and Red Lake Warrants and Spinco Shareholders at the Effective Time without any further act or formality as required on the part of any person, except as expressly provided herein.

ARTICLE 3 ARRANGEMENT

3.1 The Arrangement

On the Effective Date, the following shall occur and be deemed to occur in the following chronological order without further act or formality notwithstanding anything contained in the provisions attaching to any of the securities of Red Lake or Spinco, but subject to the provisions of Article 5:

- (a) each Red Lake Share outstanding for which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights (each a “**Dissenting Share**”) and for which such Dissenting Shareholder is ultimately entitled to be paid fair value will be deemed to have been repurchased by Red Lake for cancellation in consideration for a debt-claim against Red Lake to be paid the fair value of such Dissent Share in accordance with Article 5 of this Plan of Arrangement, net of any applicable withholding tax, and such Dissent Share will thereupon be cancelled;
- (b) the authorized share structure of Red Lake shall be altered by:
 - i. renaming and redesignating all of the issued and unissued Red Lake Shares as “Class A common shares without par value” and amending the special rights and restrictions attached to those shares to provide the holders thereof with two vote in respect of each share held, being the “**Red Lake Class A Shares**”; and
 - ii. creating a new class consisting of an unlimited number of “common shares without par value” with terms and special rights and restrictions identical to those of the Red Lake Shares immediately prior to the Effective Time, being the “**New Red Lake Shares**”;
- (c) Red Lake’s Notice of Articles shall be amended to reflect the alterations in §3.1(b);
- (d) each Red Lake Option then outstanding to acquire one Red Lake Share shall be transferred and exchanged for:
 - i. one Red Lake Replacement Option to acquire one New Red Lake Share having an exercise price equal to the product of the original exercise price of the Red Lake Option multiplied by the fair market value of a New Red Lake Share at the Effective Time divided by the total of the fair market value of a New Red Lake Share and the fair market value of 0.95 of a Spinco Share at the Effective Time; and

- ii. one Spinco Option to acquire 0.95 of a Spinco Share, each whole Spinco Option having an exercise price equal to the product of the original exercise price of the Red Lake Option multiplied by the fair market value of 0.95 of a Spinco Share at the Effective Time divided by the total of the fair market value of one New Red Lake Share and 0.95 of a Spinco Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Red Lake Replacement Option and the Spinco Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Red Lake Option so exchanged . It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Red Lake Options; and Spinco agrees to promptly issue Spinco Shares upon the due exercise of Spinco Options;

- (e) each Red Lake Warrant then outstanding shall be deemed to be amended to entitle the holder thereof to receive, upon due exercise of the Red Lake Warrant, for the original exercise price:
 - i. one New Red Lake Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time; and
 - ii. 0.95 of a Spinco Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time;
- (f) each issued and outstanding Red Lake Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Red Lake Share; and (ii) 0.95 of a Spinco Share, the holders of the Red Lake Class A Shares will be removed from the central securities register of Red Lake as the holders of such and will be added to the central securities register of Red Lake as the holders of the number of New Red Lake Shares that they have received on the exchange set forth in this §3.1(f), and the Spinco Shares transferred to the then holders of the Red Lake Class A Shares will be registered in the name of the former holders of the Red Lake Class A Shares and Red Lake will provide Spinco and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Spinco;
- (g) all of the issued Red Lake Class A Shares shall be cancelled with the appropriate entries being made in the central securities register of Red Lake, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Red Lake Shares will be equal to that of the Red Lake Shares immediately prior to the Effective Time less the fair market value of the Spinco Shares distributed pursuant to §3.1(f); and
- (h) the Notice of Articles of Red Lake shall be amended to reflect the alterations in §3.1(g).

3.2 No Fraction Shares

Notwithstanding any other provision of this Arrangement, while each Red Lake Shareholder's fractional shares and each holder of Red Lake Option's fractional options, respectively, will be combined, no fractional Spinco Shares shall be distributed to the Red Lake Shareholders and no fractional Spinco Options shall be distributed to the holders of Red Lake Options, and, as a result, all fractional amounts arising under this Plan of Arrangement shall be rounded down to the next whole number without any compensation therefor. Any Spinco Shares not distributed as a result of so rounding down shall be cancelled by Spinco.

3.3 Share Distribution Record Date

In §3.1(f) the reference to a holder of a Red Lake Class A Share shall mean a person who is a Red Lake Shareholder on the Share Distribution Record Date, subject to the provisions of Article 5.

3.4 Deemed Time for Redemption

The transactions and events set out in §3.1 shall occur and shall be deemed to occur at the Effective Time on the Effective Date for the exchange of Red Lake Class A Shares for New Red Lake Shares and Spinco Shares in the chronological order in which they are set out in §3.1.

3.5 Deemed Fully Paid and Non-Assessable Shares

All New Red Lake Shares, Red Lake Class A Shares and Spinco Shares issued pursuant to this Plan of Arrangement shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of BCBCA.

3.6 Withholding

Each of Red Lake, Spinco and the Depositary shall be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of Spinco Shares made pursuant to this Plan of Arrangement such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any Spinco Shares so deducted and withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance shall be paid to the person forthwith.

3.7 Effectiveness

The Arrangement shall become final and conclusively binding on the Red Lake Shareholders, Red Lake and Spinco on the Effective Date.

3.8 Supplementary Actions

Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Red Lake and Spinco shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, and any necessary additions to or deletions from share registers.

3.9 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any liens, restrictions, adverse claims or other claims of third parties of any kind.

3.10 U.S. Securities Law Matters

The Court is advised that the Arrangement will be carried out with the intention that all securities issued on completion of the Arrangement will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act.

ARTICLE 4 CERTIFICATES

4.1 Red Lake Class A Shares

Recognizing that the Red Lake Shares shall be renamed and redesignated as Red Lake Class A Shares pursuant to §3.1(b)(i) and that the Red Lake Class A Shares shall be exchanged partially for New Red Lake Shares pursuant to §3.1(f), Red Lake shall not issue replacement share certificates representing the Red Lake Class A Shares.

4.2 Spinco Certificates

As soon as practicable following the Effective Date, Spinco shall deliver or cause to be delivered to the Depository certificates representing the Spinco Shares required to be issued to registered holders of Red Lake Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(f) of this Plan of Arrangement, which certificates shall be held by the Depository as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.3 New Red Lake Share Certificates

As soon as practicable following the Effective Date, Red Lake shall deliver or cause to be delivered to the Depository certificates representing the New Red Lake Shares required to be issued to registered holders of Red Lake Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(f) of this Plan of Arrangement, which certificates shall be held by the Depository as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.4 Interim Period

Any Red Lake Shares traded after the Share Distribution Record Date will represent New Red Lake Shares as of the Effective Date and shall not carry any rights to receive Spinco Shares.

4.5 Stock Option Agreements

The stock option agreements for the Red Lake Options shall be deemed to be amended by Red Lake to reflect the adjusted exercise price of the Red Lake Replacement Options, and Spinco shall enter into stock option agreements for the Spinco Options issued pursuant to §3.1 (d) of this Plan of Arrangement.

4.6 Red Lake Warrants

The Parties acknowledge that, from and after the Effective Date, all Red Lake Warrants shall entitle the holder to receive, upon due exercise of the Red Lake Warrant, for the original exercise price:

- (a) one New Red Lake Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time; and
- (b) 0.95 of a Spinco Share for each Red Lake Share that was issuable upon due exercise of the Red Lake Warrant immediately prior to the Effective Time;

and Spinco hereby covenants that it shall forthwith upon receipt of written notice from Red Lake from time to time issue, as directed by Red Lake, that number of Spinco Shares as may be required to satisfy the foregoing.

Red Lake shall, as agent for Spinco, collect and pay to Spinco an amount for each 0.95 of a Spinco Share so issued that is equal to the exercise price under the Red Lake Warrant multiplied by the fair market value of 0.95 of a Spinco Share at the Effective Time divided by the total of the fair market value of one New Red Lake Share and 0.95 of a Spinco Share at the Effective Time.

ARTICLE 5 DISSENT RIGHTS

5.1 Dissent Right

Each registered Red Lake Shareholder may exercise his, her or its Dissent Right under section 238(1)(d) of the BCBCA in connection with the Arrangement with respect to the registered Red Lake Shareholder's Red Lake Shares pursuant to and in the manner set forth in the Interim Order, sections 242 to 247 of the BCBCA and this Article, as the same may be modified by the Interim Order or the Final Order, provided that the written notice setting forth the objection of such registered Red Lake Shareholders to the Arrangement and exercise of Dissent Rights must be received by Red Lake not later than 10:00 a.m. (Vancouver time) on the Business Day that is two Business Days before the Meeting or any date to which the Meeting may be postponed or adjourned.

5.2 Dealing with Dissenting Shares

If a Red Lake Shareholder exercises his, her or its Dissent Right, Red Lake shall on the Effective Date set aside and not distribute that portion of the Spinco Shares that is attributable to the Red Lake Shares for which the Dissent Right has been exercised. Registered Red Lake Shareholders who duly exercise Dissent Rights and who:

- (a) are ultimately entitled to be paid fair value for their Dissenting Shares by Red Lake shall be deemed not to have transferred their Dissenting Shares to Red Lake for cancellation as at the Effective Time pursuant to §3.1(a); or
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Dissenting Shares, shall be deemed to have participated in the Plan of Arrangement on the same basis as any non-dissenting Red Lake Shareholder and shall receive New Red Lake Shares and Spinco Shares on the same basis as every other non-dissenting Red Lake Shareholder.

but in no case shall Red Lake be required to recognize such persons as holding Red Lake Shares on or after the Effective Date.

5.3 Reservation of Spinco Shares

If a Red Lake Shareholder exercises Dissent Rights, Red Lake shall, on the Effective Date, set aside and not distribute that portion of the Spinco Shares which is attributable to the New Lake Shares for which Dissent Rights have been exercised. If the dissenting Red Lake Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Red Lake shall distribute to such Red Lake Shareholder his or her pro rata portion of the Red Lake Shares. If a Red Lake Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Red Lake shall retain the portion of the Spinco Shares attributable to such Red Lake Shareholder and such shares will be dealt with as determined by the Board of Directors of Red Lake in its discretion.

ARTICLE 6 DELIVERY OF SHARES

6.1 Delivery of Shares

- (a) Upon surrender to the Depository for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Red Lake Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depository may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depository shall deliver to such holder following the Effective Time, a certificate representing the New Red Lake Shares and a certificate representing the Spinco Shares that such holder is entitled to receive in accordance with §3.1 hereof.
- (b) After the Effective Time and until surrendered for cancellation as contemplated by §6.1(a) hereof, each certificate that immediately prior to the Effective time represented one or more Red Lake Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the New Red Lake Shares and a certificate representing the Spinco Shares that such holder is entitled to receive in accordance with §3.1 hereof.

6.2 Lost Certificates

If any certificate that immediately prior to the Effective Time represented one or more outstanding Red Lake Shares that were exchanged for New Red Lake Shares and Spinco Shares in accordance with §3.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depository shall deliver in exchange for such lost, stolen or destroyed certificate, the New Red Lake Shares and Spinco Shares that such holder is entitled to receive in accordance with §3.1 hereof. When authorizing such delivery of New Red Lake Shares and Spinco Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered shall, as a condition precedent to the delivery of such New Red Lake Shares and Spinco Shares give a bond satisfactory to Red Lake, Spinco and the Depository in such amount as Red Lake, Spinco and the Depository may direct, or otherwise indemnify Red Lake, Spinco and the Depository in a manner satisfactory to Red Lake, Spinco and the Depository, against any claim that may be made against Red Lake, Spinco or the Depository with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Red Lake.

6.3 Distribution with Respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to New Red Lake Shares and Spinco Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Red Lake Shares unless and until the holder of such certificate shall have complied with the provisions of §6.1 or §6.2 hereof. Subject to applicable law and to §3.7 hereof, at the time of such compliance, there shall, in addition to the delivery of the New Red Lake Shares and Spinco Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Red Lake Shares and/or Spinco Shares, as applicable.

6.4 Limitation and Proscription

To the extent that a former Red Lake Shareholder shall not have complied with the provisions of §6.1 or §6.2 hereof, as applicable, on or before the date that is six (6) years after the Effective Date (the “Final Proscription Date”), then the New Red Lake Shares and Spinco Shares that such former Red Lake Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the New Red Lake Shares and Spinco Shares to which such Red Lake Shareholder was entitled, shall be delivered to Spinco (in the case of the Spinco Shares) or Red Lake (in the case of New Red Lake Shares) by the Depositary and certificates representing such New Red Lake Shares and Spinco Shares shall be cancelled by Red Lake and Spinco, as applicable, and the interest of the former Red Lake Shareholder in such New Red Lake Shares and Spinco Shares or to which it was entitled shall be terminated as of such Final Proscription Date.

6.5 Paramountcy

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Red Lake Shares, Red Lake Options or Red Lake Warrants issued prior to the Effective Time; and (ii) the rights and obligations of the registered holders of Red Lake Shares, Red Lake Options, Red Lake Warrants, Spinco, the Depositary and any transfer agent or other depositary therefor, shall be solely as provided for in this Plan of Arrangement.

ARTICLE 7 AMENDMENTS

7.1 Amendments

Red Lake and Spinco may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification and/or supplement must be

- (a) set out in writing;
- (b) filed with the Court and, if made following the Red Lake Meeting, approved by the Court; and
- (c) communicated to holders of Red Lake Shares and Spinco Shares, as the case may be, if and as required by the Court.

7.2 Amendments Made Prior to or at the Red Lake Meeting

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Red Lake at any time prior to the Red Lake Meeting with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Red Lake Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

7.3 Amendments Made After the Red Lake Meeting

Red Lake, with the consent of Spinco, may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the Red Lake Meeting but prior to the Effective Date and any such amendment, modification or supplement which is approved by the Court following the Red Lake Meeting shall be effective and shall become part of the Plan of Arrangement for all purposes. Notwithstanding the foregoing any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order unilaterally by Red Lake, provided that it concerns a matter which, in the

reasonable opinion of Red Lake, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any holder of New Red Lake Shares or Spinco Shares.

7.4 Withholding

Notwithstanding any prior approvals by the Court or by Red Lake Shareholders, the Board of Directors may decide not to proceed with the Arrangement and to revoke the Arrangement Resolutions at any time prior to the Effective Time, without further approval of the Court or the Red Lake Shareholders.

**ARTICLE 8
REFERENCE DATE**

8.1 This Agreement is dated for reference the 1st day of September, 2020.

SCHEDULE "A"
TO THE PLAN OF ARRANGEMENT

Clarence Stream North Gold Project

Claim Number	Claim Group Name	Beneficial Owner	Number of Claim Units	Issue Date	Expiry Date	Area (Ha)
9555	Pleasant Ridge	Alma Gold (100%) (held in Trust on behalf of Alma Gold)	13	2020-07-13	2021-07-13	294.4
9556	Kedron Stream	Alma Gold (100%) (held in Trust on behalf of Alma Gold)	139	2020-07-13	2021-07-13	3,145.4
			152			3,439.8

SCHEDULE "B"
TO THE PLAN OF ARRANGEMENT

Chambers Settlement Gold Project

Claim Number	Claim Group Name	Beneficial Owner	Number of Claim Units	Issue Date	Expiry Date	Area (Ha)
9107	Chambers Settlement NE	Avalon Gold Resources Inc. (100%)	220	2019-03-19	2022-03-19	49,575
9108	Chambers Settlement S	Avalon Gold Resources Inc. (100%)	100	2019-03-19	2022-03-19	22,579
			320			72,154

SCHEDULE "C"

ARRANGEMENT RESOLUTION

RESOLUTION OF THE HOLDERS OF COMMON SHARES OF RED LAKE GOLD INC.

"BE IT RESOLVED as a special resolution that:

1. The Plan of Arrangement, as it may be modified, supplemented or amended in accordance with its terms, under Section 288 of the *Business Corporations Act* (British Columbia) attached as Schedule "B" to the Information Circular of Red Lake Gold Inc. (the "**Company**") accompanying the Notice of Meeting is authorized, approved and adopted;
2. The Arrangement Agreement dated as of September 1, 2020 between the Company and Alma Gold Inc. and all transactions contemplated therein, and any amendments thereto, the actions of the directors of the Company in approving the Plan of Arrangement and the Arrangement Agreement and amending the terms thereof in any manner, to the extent permitted by the Arrangement Agreement, and the actions of the directors and officers of in executing and delivering the Arrangement Agreement and any amendments thereto and causing the performance by the Company of its obligations thereunder are confirmed, ratified, authorized and approved;
3. The Arrangement Agreement and all of the transactions contemplated therein, the actions of the directors of the Company in approving the Plan of Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and any amendments, modifications or supplements thereto are hereby confirmed, ratified and approved.
4. The Company is hereby authorized to apply for a final order from the Supreme Court of British Columbia (the "Court") to approve the Plan of Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented from time to time).
5. Notwithstanding that this special resolution has been passed (and the Plan of Arrangement approved and agreed to) by the shareholders of the Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the board of directors of the Company, without further notice to or approval of the shareholders of the Company, may, in accordance with the terms of the Plan of Arrangement, elect not to proceed with the Plan of Arrangement or otherwise give effect to this special resolution, at any time prior to the Plan of Arrangement becoming effective; and
6. Any one or more directors or officers of the Company are authorized, for and on behalf of the Company, to execute and deliver any documents, agreements and instruments and to perform all such other acts and things in such person's opinion as may be necessary or desirable to give effect to the provisions of this special resolution, the Arrangement Agreement, and the matters contemplated by the Arrangement Agreement."

SCHEDULE "C"

Interim Order

[Next page]



S-208900

No. _____

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE
BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN
 RED LAKE GOLD INC. AND
 ALMA GOLD INC.

RED LAKE GOLD INC.

Petitioner

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

BEFORE MASTER Seath) Friday, the 11TH day
) of SEPTEMBER, 2020
)
)

ON THE APPLICATION WITHOUT NOTICE of the Petitioner for an interim order for direction of the Court in connection with a proposed arrangement pursuant to Section 288 and 291 of the *Business Corporation Act* (British Columbia), S.B.C., 2002 c. 57 as amended (the "BCBCA"), coming on for hearing at Vancouver, British Columbia on the 11th day of September, 2020.

AND ON HEARING Jennifer Tran, counsel for the Petitioner.

AND UPON READING the Petition herein dated September 9, 2020 and the Affidavit #1 of Ryan Cheung sworn and filed on the 8th day of September, 2020. This court orders that:

THE MEETING

1. The Petitioner, Red Lake Gold Inc. ("**Red Lake**"), be permitted to convene, hold and conduct an annual general and special meeting (the "**Meeting**") of the registered holders (the "**Shareholders**") of Common shares of the Petitioner (the "**Red Lake Shares**") to be held at 10:00 A.M. on 16th day of October, 2020 at Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2 or such other location in Vancouver, British Columbia to be determined by Red Lake.

2. At the Meeting, Shareholders will, inter alia, consider, and if deemed advisable, approve, with or without variation, a special resolution (the “**Arrangement Resolution**”) adopting, with or without amendment, the proposed plan of arrangement (the “**Arrangement**”) involving Red Lake, the Shareholders, and Alma Gold Inc. (“**Alma Gold**”) as set forth more particularly in the plan of arrangement (the “**Plan of Arrangement**”) attached as Schedule “A” to the arrangement agreement between Red Lake and Alma Gold dated for reference September 1, 2020, which is attached as Exhibit “A” to the Affidavit #1 of Ryan Cheung, sworn September 8, 2020 (the “**Affidavit**”) and filed herein.
3. The Meeting will be called, held and conducted in accordance with the notice of Annual General and Special Meeting, an information circular (the “**Information Circular**”) and form of proxy (together, the “**Meeting Materials**”) to be delivered to the Shareholders in substantially the form attached to Exhibit “B” to the Affidavit, and in accordance with applicable provisions of the BCBCA, the Articles of Red Lake, the *Securities Act* (British Columbia), R.S.B.C. 1996, c. 418, as amended (the “**Securities Act**”), and related rules and policies, the terms of this Order (the “**Interim Order**”) and any further Order this Court, the rulings and directions of the Chairman of the Meeting, and, to the extent of any inconsistency or discrepancy between the Interim Order and terms of any of the foregoing, the Interim Order will govern.

RECORD DATE FOR NOTICE

4. The record date for determination of the Shareholders entitled to receive the Meeting Materials will be the close of business (Vancouver time) on 4th day of September, 2020 (the “**Record Date**”) or such other date as the directors of Red Lake may determine in accordance with the Articles of Red Lake, the BCBCA and the *Securities Act*, and as disclosed in the Meeting Materials.

NOTICE OF MEETING

5. Red Lake will mail or deliver to the Shareholders in paper or electronic format or any combination of those, the Meeting Materials with such amendments as counsel for Red Lake may advise are necessary or desirable, provided they are not inconsistent with the terms of the Interim Order in this proceeding. Red Lake will mail or deliver the Meeting Materials to the Shareholders at least 21 days before the date of the Meeting, excluding the dates of mailing or delivery and the Meeting, in accordance with the BCBCA and National Instrument 54-101 of the Canadian Securities Administrators – *Communication with Beneficial Owners of Securities of a Reporting Issuer*. That mailing or delivery will be valid and timely notice of the Meeting by Red Lake to Shareholders.
6. The accidental failure or omission by Red Lake to give notice of the Meeting or the Petition to any person in accordance with this Interim Order, as a result of mistake or of events beyond the reasonable control of Red Lake (including, without limitation, any inability to utilize postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such accidental failure or omission is brought to the attention of Red Lake, then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in

the circumstances. Such rectified notice shall be deemed to be good and sufficient notice of the Meeting and/or the Petition, as the case may be.

7. The Arrangement Resolution approving the Arrangement as set forth in the Plan of Arrangement will be effective if passed by not less than $66\frac{2}{3}\%$ of the votes cast by the Shareholders of record as of the close of business on the Record Date, either present in person or by proxy at the Meeting.
8. Red Lake is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials (“**Additional Information**”) in accordance with the terms of the Arrangement, as Red Lake may determine to be necessary or desirable and notice of such Additional Information may be communicated to Shareholders by news release, newspaper advertisement or one of the methods by which the Meeting Materials will be distributed.

DEEMED RECEIPT OF MEETING MATERIALS

9. The mailing or delivery of the Meeting Materials will be valid and timely service of the Petition and the Affidavit on, and notice of hearing of the Petition to, all Shareholders entitled to be served or receive notice. No other form of service or notice need be made or given. No other material need be served on Shareholders in respect of this proceeding.

PERMITTED ATTENDEES

10. The persons entitled to attend the Meeting will be Shareholders of record as of the close of business (Vancouver time) on the Record Date, their respective proxies, the officers, directors and advisors of Red Lake and such other person who receive the consent of the Chairman of the Meeting to attend.

VOTING AT THE MEETING

11. The only persons permitted to vote at the Meeting will be registered Shareholders as of the close of business (Vancouver time) on the Record Date or their valid proxy holders as described in the Information Circular and as determined by the Chairman of the Meeting upon consultation with the Scrutineer (as hereinafter defined) and legal counsel to Red Lake.
12. A quorum for the Meeting will be the quorum required by the Articles of Red Lake.
13. In all other respects, the terms, restrictions and conditions of the constating documents of Red Lake will apply in respect of the Meeting.
14. For the purpose of the Meeting, any spoiled votes, illegible votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

ADJOURNMENT OF MEETING

15. Notwithstanding the provisions of the BCBCA, or the Articles of Red Lake, Red Lake may adjourn or postpone the Meeting from time to time without the need for the approval of this

Court, and without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement of the Meeting shall be given by press release, by newspaper advertisement, by email or by mail as determined by Red Lake to be the most appropriate method of communication.

16. The Record Date for Shareholders entitled to notice of and to vote at the Meeting will not change in respect of adjournments or postponements of the Meeting.
17. At any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent reconvening of the Meeting.
18. In all other respects, the terms, restrictions and conditions of Red Lake constating documents, including quorum requirements, apply in respect of the Meeting.

AMENDMENTS

19. Red Lake may make, subject to the terms of the Arrangement Agreement, such amendments, modification or supplements to the Plan of Arrangement at any time and from time to time prior to the Meeting, without any additional notice to the Shareholders, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendment, modification or supplements may be made following the Meeting, but shall be subject to review and approval by this Court at the final hearing for approval of the Arrangement and, if the Court directs, approved by and communicated to the Shareholders, unless the amendments, modification or supplements concern a matter which, in the reasonable option of Red Lake and Alma Gold, is of an administrative nature required to better give effect to the implementation of the Arrangement and is not materially adverse to the financial or economic interest of any Shareholder.

SCRUTINEER

20. A representative of Red Lake's registrar and transfer agent (or any agent thereof) (the "Scrutineer") will be authorized to act as scrutineer for the Meeting.

PROXY SOLICITATION

21. Red Lake is authorized to permit the Shareholders to vote by proxy using the form of proxy, in substantially the same form as attached as Exhibit "B" to the Affidavit. Red Lake is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communications at it may determine.
22. Red Lake may in its discretion waive the time limits for deposits of proxies by Shareholders if Red Lake deems it reasonable to do so.

DISSENT RIGHTS

23. Registered Shareholders will have the right to dissent from the Arrangement Resolution and to be paid the fair value of their Red Lake Shares, as in ss. 237 to 247 of the BCBCA, as modified by Article 4 of the Plan of Arrangement, the Interim Order and the Final Order (as defined below), applied to the proposed Arrangement. A dissenting Shareholder who does not strictly comply with the dissent procedures in s. 237 to 247 of the BCBCA, as modified by Article 5 of the Plan of Arrangement, the Interim Order and the Final Order, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting Shareholder.
24. Red Lake will include in the Meeting Materials a copy of this Interim Order and the Notice of Hearing of Petition and will make available to any Shareholder requesting same, a copy of the Petition herein and the accompanying Affidavit (collectively, the “**Court Materials**”). The service of the Petition and Affidavit in support of the within proceedings to any Shareholder requesting same is hereby dispensed with.
25. Delivery of the Court Materials given in accordance with this Interim Order will constitute good, sufficient and timely service of such Court Materials upon all person who are entitled to receive the Court Materials pursuant to this Interim Order and no other form of service need be made and no other material need to be served on such persons in respect of these proceedings.

FINAL APPROVAL HEARING

26. Upon the approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Red Lake may apply for an order of this Honourable court approving the Plan of Arrangement (the “**Final Order**”) and that the Petition be set down for hearing before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 9:45 A.M. on 29th day of October, 2020 or such later date as counsel for Red Lake may be heard.
27. Any Shareholder may appear on the application for approval of the proposed Arrangement by this Court, provided they file with this Court and deliver to the solicitors for Red Lake by 10:00 A.M. (Vancouver time) on October 27, 2020 a Response to Petition setting out their address for service, and all evidence they intend to present to this Court.
28. If the application for approval of the proposed Arrangement is adjourned, only those persons who have filed and delivered a Response to Petition, in accordance with paragraph 27 above, need to be notified of the adjourned date.
29. The Court shall consider at the hearing for the Final Order, the fairness of the terms and conditions of the Arrangement, as provided for in the Arrangement, and the rights and interest of every person affected thereby.
30. Rule 8-1, 8-2 and 16-1 of the Supreme Court Civil Rules will not apply to any further applications in respect of this proceeding, including the application for approval of the proposed Arrangement application and any application to vary the Interim Order.

VARIANCE

31. Red Lake is at liberty to vary the Interim Order.

AID AND RECOGNITION

32. This Court shall seek and request the aid and recognition of any court or judicial, regulatory or administrative body in any Province of Canada, and judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada, or legislature of any Province, and any court or judicial, regulatory, or administrative body of the United States or any other country, to act in aid of, and to assist this Honourable Court in carrying out, the terms of this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING CONSENT:

“Jennifer Tran”

Signature of Jennifer Tran

Party Lawyer for Petitioner

BY THE COURT

Registrar

No. S-208900
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE
BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN
RED LAKE GOLD INC. AND
ALMA GOLD INC.

RED LAKE GOLD INC.

Petitioner

INTERIM ORDER

Partum Advisory Services Corp.
Suite 810 – 789 West Pender Street
Vancouver, BC, V6C 1H2
Telephone: 604-687-2038
Attention: Jennifer Tran

SCHEDULE "D"

Notice of Hearing of the Petition with respect to the Final Order

[Next page]

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE
BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN
RED LAKE GOLD INC. AND
ALMA GOLD INC.

RED LAKE GOLD INC.

Petitioner

NOTICE OF HEARING OF PETITION

Re: Red Lake Gold Inc.
810 – 789 West Pender Street,
Vancouver, British Columbia V6C 1H2

ON THE NOTICE TO:

The shareholders of the petitioner, Red Lake Gold Inc. (the "**Shareholders**").

NOTICE IS HEREBY GIVEN that a Petition has been filed by Red Lake Gold Inc. ("**Red Lake**" or the "**Petitioner**") in the Supreme Court of British Columbia for approval of an arrangement (the "**Arrangement**") pursuant to Section 288 of the Business Corporations Act S.B.C. 2002, c. 57, as amended, between Red Lake, the Red Lake Shareholders and Alma Gold Inc.

AND NOTICE IS FURTHER GIVEN that by an Interim Order of the Supreme Court of British Columbia pronounced on September 11, 2020, the Court has given directions as to the calling of a meeting of the Red Lake Shareholders for the purpose of considering and voting on the Arrangement.

AND NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the meeting, the Petitioner intends to apply for an order approving the Arrangement and declaring it to be fair and reasonable (the "**Final Order**") at a hearing before a Judge of the Supreme Court of British Columbia at the Courthouse, at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on or about October 29, 2020 at 9:45 a.m. (PT), or so soon thereafter as counsel may be heard, or at such later date as the Court may direct and in the manner directed by the Court.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE PETITION OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled “Response to Petition”, in the form prescribed by the Supreme Court Civil Rules of British Columbia, along with any evidence or materials which you intend to present to the Court, at the Vancouver Registry of the Court and

YOU MUST ALSO DELIVER a copy of the filed Response to Petition, together with a copy of all evidence or materials on which you intent to reply at the application for the Final Order, to the solicitors of the Petitioner at their address for delivery, which is set out below, on or before 10:00AM (PT) on October 27, 2020, or as the Court may otherwise advice.

YOU OR YOUR SOLICITOR may file the Response to the Petition. You may obtain a form of “Response to Petition” at the Registry, which address is 800 Smithe Street, Vancouver, BC, V6Z 2E1 or on the Court’s website at:

<https://www.supremecourtbc.ca/sites/default/files/web/forms/Form-67.pdf>

IF YOU DO NOT FILE A RESPONSE TO PETITION and do not attend either in person or by counsel at the time of such hearing, the Court may approve the Arrangement, as presented at that time, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will significantly affect the rights of the Red Lake Shareholders.

A copy of the said Petition and other documents in the proceedings will be furnished to any Red Lake Shareholder upon request in writing address to the solicitors of the Petitioner at their address for delivery set out below.

The Petitioner’s address for delivery is:

Jennifer Tran
Barrister & Solicitor
810 – 789 West Pender Street
Vancouver, BC V6C 1H2

Date: September 9, 2020

"Jennifer Tran"

Signature of lawyer for petitioner
Jennifer Tran

No. S-208900

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE
BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT BETWEEN
RED LAKE GOLD INC. AND ALMA GOLD INC.

RED LAKE GOLD INC.

Petitioner

NOTICE OF HEARING PETITION

Partum Advisory Services Corp.
Suite 810 – 789 West Pender Street
Vancouver, BC V6C 1H2
Telephone: 604-687-2038
Attention: Jennifer Tran

SCHEDULE "E"
Procedures for Exercise of Dissent Right

Division 2 — Dissent Proceedings of Part 8 of the Business Corporations Act (British Columbia)

Definitions and application

237 (1) In this Division:

"dissenter" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"notice shares" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"payout value" means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291(2)(c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order,
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable, or

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238(1)(g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
 - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or
 - (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
- (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) under section 301(5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
- (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) in respect of any other resolution, if dissent is authorized by the resolution;
- (h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
- (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
- (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
- (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
- (b) identify in each waiver the person on whose behalf the waiver is made.

- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
 - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a statement advising of the right to send a notice of dissent.
- (3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,
- (a) a copy of the resolution,
 - (b) a statement advising of the right to send a notice of dissent, and
 - (c) if the resolution has passed, notification of that fact and the date on which it was passed.

- (4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
 - (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
 - (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.
- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1)(g) must send written notice of dissent to the company
- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2)(b) or (3)(b) as the last date by which notice of dissent must be sent, or
 - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238(1)(h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
 - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.
- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

- (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and
 - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243(1) A company that receives a notice of dissent under section 242 from a dissenter must,

- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
- (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1)(a) or (b) of this section must

- (a) be dated not earlier than the date on which the notice is sent,
- (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
- (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244(1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
- (b) the certificates, if any, representing the notice shares, and
- (c) if section 242(4)(c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1)(c) must

- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

- (a) the dissenter is deemed to have sold to the company the notice shares, and
- (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245(1)A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or
- (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
 - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244(1), and
 - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2)(a) of this section, the company must
- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
 - (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1)(b) or (3)(b),
- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
 - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.
- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
- (a) the company is insolvent, or
 - (b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4)(a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1)(b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE "F"

**Unaudited Pro-Forma Financial Statements
of ALMA GOLD INC. as of August 21, 2020**

[Next page]

ALMA GOLD INC.
PRO FORMA STATEMENT OF FINANCIAL POSITION
(UNAUDITED – PREPARED BY MANAGEMENT)
(EXPRESSED IN CANADIAN DOLLARS)
AUGUST 21, 2020

ALMA GOLD INC.
PRO-FORMA STATEMENT OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
As at August 21, 2020

	Note	Alma Gold Inc. \$	Pro-Forma Adjustments (Note 2) \$	Alma Gold Inc. \$
ASSETS				
CURRENT				
Cash (Note 2b)	2(b)	1	(1)	-
Mineral Properties (Note 2(a))	2(a)	-	153,400	153,400
TOTAL ASSETS		1	153,399	153,400
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities		-	-	-
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (Note 6)	2(a) 2(b)	1	(1) 153,400	- 153,400
DEFICIT		- -		-
		1	153,399	153,400
TOTAL LIABILITIES & EQUITY		1	153,399	153,400

The accompanying notes are an integral part of these pro-forma financial statements.

ALMA GOLD INC.
PRO-FORMA NOTES TO THE STATEMENT OF FINANCIAL POSITION
As at August 21, 2020
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

1. BASIS OF PRESENTATION

This unaudited pro-forma statement of financial position has been compiled for the purposes of inclusion in the Management Information Circular of Red Lake Gold Inc. (“Red Lake”) dated September 4, 2020, in connection with the reorganization of Red Lake’s interest in the Chambers Settlement Gold Project and the Clarence Stream North Project (“Properties”) with Alma Gold Inc. (“Alma”) to a separate corporate entity by a Plan of Arrangement (the “Arrangement”). Alma has been incorporated under the Business Corporations Act (British Columbia) with 1 common share issued to its initial and sole shareholder, Red Lake. Under the terms of the Arrangement, Alma will own all the Properties. As consideration for the Properties, Alma will be expected to issue 30,246,626 common shares (equal to 0.95 common share of Alma for every one common shares of Red Lake Gold expected to be outstanding) to Red Lake which will then be distributed to the current shareholders of Red Lake Gold Inc. based on their relative shareholdings of Red Lake.

The pro-forma statement of financial position has been prepared as if the Arrangement had occurred on August 21, 2020 and that the adjustments disclosed in Note 2 had occurred on the same date. In the opinion of management, the pro-forma statement of financial position includes all the adjustments necessary for fair presentation in accordance with International Financial Reporting Standards, inclusive of the effect of the assumptions disclosed in Note 3. A pro-forma presentation of operations for the period ending August 31, 2020 is not considered practicable in this circumstance nor would it provide any meaningful information to a financial statement reader.

This pro-forma statement of financial position is not necessarily reflective of the financial position that would have resulted if the events reflected herein under the Arrangement had actually occurred on August 21, 2020, but rather expresses the pro-forma results of specific transactions currently proposed. Further, this pro-forma statement of financial position is not necessarily indicative of the financial position that may be attained in the future.

2. PRO-FORMA ADJUSTMENTS

The pro-forma statement of financial position gives effect to the following transactions as if they had occurred at August 21, 2020.

(a) Red Lake transfers certain assets, described further in Note 3, to Alma and receives in consideration 30,246,626 common shares of Alma valued at \$153,400.

(b) Alma redeems the incorporator shares of 1 common shares issued to Red Lake.

The costs relating to the Arrangement, including without limitation, financial, advisory, accounting and legal fees, will be borne by Red Lake.

3. PRO-FORMA ASSUMPTIONS

Pursuant to the Arrangement, the asset to be transferred to Alma, based on its carrying value in the financial statements of Red Lake at August 21, 2020, is as follows:

	\$
Chambers Settlement Gold Project	33,000
Clarence Stream North Project	120,400
	<u>153,400</u>

ALMA GOLD INC.
PRO-FORMA NOTES TO THE STATEMENT OF FINANCIAL POSITION
As at August 21, 2020
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

3. PRO-FORMA ASSUMPTIONS (continued)

The Arrangement envisions the transfer of the Properties from its ownership by Red Lake to ownership by Red Lake's wholly-owned subsidiary Alma in consideration of Alma common shares and the immediate distribution of such Alma common shares to the current shareholders of Red Lake. The shareholders of Red Lake at the time of the Arrangement will continue to collectively own the Properties, albeit through an altered corporate structure. Consequently, given that there will be no substantive change in the beneficial ownership of the asset at the time that it is transferred to Alma; the transfer must be recorded using the historical carrying value of the assets. Alma will have a 100% interest in the Properties following the Arrangement. Further, the pro-forma statement of financial position reflects the assumption that Alma will acquire a tax basis equal to the carrying amount for accounting purposes, such that no liability exists for future income taxes.

4. SHARE CAPITAL

	Number of shares	Amount
		\$
Issued at incorporation	1	1
Redemption of the incorporator shares	(1)	(1)
Issued on acquisition of the Properties	30,246,626	153,400
Pro-forma issued and outstanding	30,246,626	153,400

5. INVESTMENT COMMITMENTS

Red Lake's options and warrants outstanding at the effective date of the Arrangement will entitle the holder to acquire Red Lake common shares and Alma common shares on the basis that the holder will receive, upon exercise, 0.95 Alma share for every one Red Lake shares so acquired. Red Lake will collect and pay to Alma a portion of the proceeds received for each exercise, with the balance of the exercise price to be retained by Red Lake.

SCHEDULE "G"

RED LAKE GOLD INC.
(the "Company")
AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the "Committee") of the board of directors (the "Board") of Red Lake Gold Inc. (the "Company") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;
- (c) the qualifications, independence and performance of the Company's auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company's internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Company's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. The majority of the Committee's members must not be officers or employees of the Company or an affiliate of the Company.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chairman of the Committee. If the Chairman of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

4. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chairman shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee who are not officers or employees of the Company or an affiliate of the Company shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

7. Duties and Responsibilities

(a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, any auditor's report thereon, MD&A and related news releases, before they are published.

The Committee is also responsible for:

(i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;

(ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;

(iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;

(iv) discussing with management any significant variances between comparative reporting periods; and

(v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

(i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and

(ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) Relationship with the Auditor

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

(i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;

(ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;

(iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and

(iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) Accounting Policies

The Committee is responsible for:

(i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;

(ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;

(iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;

(iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and

(v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) Risk and Uncertainty

The Committee is responsible for reviewing, as part of its approval of the financial statements:

(i) uncertainty notes and disclosures; and

(ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board.

The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

(i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and

(ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

(i) tax and financial reporting laws and regulations;

(ii) legal withholdings requirements;

(iii) environmental protection laws; and

(iv) other matters for which directors face liability exposure.

(h) Related Party Transactions

All transactions between the Company and a related party (each a "**related party transaction**"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the Securities Act (British Columbia), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

8. Non-Audit Services

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chairman of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

10. Procedure For Reporting Of Fraud Or Control Weaknesses

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chairman of the Audit Committee. Should a new Chairman be appointed prior to the updating of this document, the current Chairman will ensure that the whistleblower is able to reach the new Chairman in a timely manner. In the event that the Chairman of the Audit Committee cannot be reached, the whistleblower should contact the Chairman of the Board.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

11. Hiring Policies

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

H-1

SCHEDULE "H"

Evans & Evans Inc. Valuation Report

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ESTIMATE VALUATION REPORT

RED LAKE GOLD INC.

Vancouver, British Columbia

September 8, 2020

EVANS & EVANS, INC.

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1.0 Engagement and Background

1.01 Red Lake Gold Inc. (“RGLD”, “Red Lake” or the “Company”), a reporting issuer whose shares are listed for trading on the Canadian Securities Exchange (the “Exchange”) under the symbol “RGLD” has requested that Evans & Evans, Inc. (“Evans & Evans” or the “authors of the Report”) prepare an independent estimate (“Estimate Valuation Report” or the “Report”). Evans & Evans understand Red Lake is in the process of spinning out its wholly owned subsidiary (the “Transaction”) Alma Gold Inc. (“Alma Gold” or “SpinCo”). SpinCo’s assets include the Chambers Settlement gold project (the “Chambers Project”) and the Clarence Stream North gold project (the “Clarence Stream North Project” and together with the Chambers Project the “Projects”).

The purpose of the Report is to provide an independent estimate as to the fair market value of the Projects as of September 1, 2020.

1.02 The Estimate Valuation Report is further defined below in section 2.05 below.

1.03 The Report is intended for Red Lake and may be submitted to the Exchange and the British Columbia Securities Commission (“BCSC”). The Report may be referenced or included in public disclosure documents and placed on Red Lake’s public file. The Report may be submitted to the Canada Revenue Agency (“CRA”) if requested as part of an assessment or review. The Report may be used in court proceedings related to the approval of the Transaction.

1.05 Red Lake was incorporated on July 24, 2017 under the laws of British Columbia, Canada. The Company's principal business activities include the acquisition and exploration of mineral property assets.

As of the Valuation Date the Company held the following mineral property interests, either directly or through a subsidiary. The Company’s principal focus is the Whirlwind Jack gold project.

Name	Location	Ownership	Target
Whirlwind Jack Project	Ontario	100%	Gold
Fenelon North Project	Quebec	100%	Gold
Chambers Settlement Project	New Brunswick	Option (100%)	Gold
Clarence Stream North Project	New Brunswick	100%	Gold

- 1.06 On May 29, 2020, SpinCo entered into an option agreement (the “Chambers Option”) to acquire a 100% interest in the Chambers Project in New Brunswick from Avalon Gold Resources Inc. (“Avalon Gold”), an arm’s-length party based in Toronto, Canada.

In determining the fair market value of the Chambers Project, Evans & Evans relied up on the “NI 43-101 Technical Report on the Chambers Settlement Gold Project, New Brunswick, Canada” prepared for Red Lake and SpinCo with an effective date of August 10, 2020 (the “Chambers Tech Report”). The Chambers Tech Report was prepared by Mercator Geological Services.

The Chambers Project is considered an “early stage exploration property”. SpinCo has not completed any exploration or drilling on the Chambers Project as of the Valuation Date. The summary description of the Chambers Project is derived from the Chambers Tech Report.

Property Description

The Chambers Project is comprised of mineral claim groups 9107 and 9108 (320 claim units) registered under Avalon Gold and is approximately 72,154 hectares in size. The two mineral claim groups are located in Kings County, New Brunswick, approximately 25 km east of the Town of Sussex.

The Chambers Settlement Project is located on Crown land and private forestry lands owned by J.D. Irving Ltd. and Rothesay Paper Holdings Ltd. and Alma Gold will need to negotiate a surface land access agreement with each of these forestry companies to complete any future, surface-disturbing exploration work on the mineral claims such as ground geophysical surveys requiring line cutting, trenching and all drilling activities.

Mineral exploration field programs can efficiently be undertaken from May through to late November in all areas. Winter programs such as drilling and geophysical surveys can also be implemented year-round but delays due to poor winter weather conditions such as heavy snow fall should be expected.

Ownership

Alma Gold has an option to earn a 100% interest in the Chambers Project. The terms of the Chambers Option involve a series of cash payments over a four-year earn-in period, and the granting of a 2% royalty, one-half of which may be repurchased by Alma Gold Inc.

The series of payments is as follows:

- (a) \$10,000 (paid) within ten (10) business days of the date of the agreement; and
- (b) \$15,000 within six (6) months of the date of the agreement; and

- (c) \$20,000 within twelve (12) months of the date of the agreement; and
- (d) \$30,000 within twenty-four (24) months of the date of the agreement; and
- (e) \$40,000 within thirty-six (36) months of the date of the agreement; and
- (f) \$50,000 within forty-eight (48) months of the date of the agreement.

Geology and Mineralization

The following summary is from the Chambers Tech Report.

The Chambers Project and associated gold occurrence are hosted within the 620 Ma mafic to intermediate volcanic rocks of the Hubley Hill Formation, which is part of the Broad River Group. The Hubley Hill Formation is comprised of dark grey, fine- to medium-grained, andesitic crystal tuff, minor andesitic to dacitic lithic crystal tuff and rare andesitic to basaltic flows.

Initial interpretations of the limited structural and geochemical data collected by Avalon Gold suggest that mineralization in the Chambers Settlement project area is structurally controlled and exhibits advanced argillic alteration typically associated with epithermal gold deposits. However, the project area could have porphyry potential to the south and intermediate to high sulphidation epithermal potential to the northeast (Burke, 2020a, 2020b). Advanced argillic alteration located at the Chambers Settlement mineral occurrence is surrounded by phyllic (sericitic) alteration progressing to propylitic alteration towards the SE in a potential thrust fault contact.

Historical Exploration

The Chambers Tech Report notes that “*minimal historical exploration work has occurred on the Chambers Settlement Gold Project prior to Avalon Gold’s acquisition of claims 9107 and 9108 in March 2019*”.

Exploration on the Chambers Project took place in the 1970s and 1980s and included sampling, ground geophysical surveys, geological mapping and trenching.

Avalon Gold spent approximately \$130,000 in qualified exploration expenditures which included compilation of data, surveying, mapping and re-interpretation of historical data.

No drilling has occurred on the Chambers Project.

Exploration Potential

The Chambers Tech Report notes the Chambers Project hosts “*potential for sheet-like veins and silicified zones exists within this fault corridor and warrants further focused investigation.*”

The Chambers Tech Report sets out a phase one exploration program of \$105,000.

Historical Mineral Resource and Past Production

To date no historical mineral resource has been completed on the Chambers Project. No large-scale mining production has taken place in the project area.

Environmental Issues

No environmental issues are noted in the Chambers Tech Report.

- 1.07 SpinCo acquired the Clarence Stream North Project by way of map staking of mineral claims consisting of two mineral claim groups (claim numbers 9555 and 9556), held in trust for SpinCo for administrative purposes by its Director.

In determining the fair market value of the Clarence Stream North Project, Evans & Evans relied up on the “NI 43-101 Technical Report on the Clarence Stream North Gold Project, New Brunswick, Canada” prepared for Red Lake and SpinCo with an effective date of September 1, 2020 (the “Clarence Tech Report”). The Clarence Tech Report was prepared by Mercator Geological Services.

Property Description

The Clarence Stream North Project is comprised of mineral claim groups 9555 and 9556 (152 claim units in total) and is approximately 3,440 hectares in size. The two mineral claim groups are located in Charlotte County, New Brunswick, approximately 40 km northeast of the Town of St. Stephen.

Ownership

The two claim groups are 100% owned by SpinCo and there are no royalties, back-in rights or other payment obligations associated with the Clarence Stream North Project.

The Clarence Stream North Project is located on Crown land and private lands owned by either St. George Pulp & Paper Limited (a division of J.D. Irving Ltd.), Brian Covey, or Jeffrey Stewart. SpinCo has executed land access agreements with the Crown, Brian Covey, and Jeffrey Stewart to complete the recent exploration work on its mineral claims (prospecting and soil geochemical surveys). Amendments to these land access agreements would be required to conduct ground geophysical surveys requiring line cutting, trenching,

and all drilling activities. These land access agreements would cover any land disturbance or other damage associated with the intended exploration work and need to be renewed on a regular basis.

Geology and Mineralization

As outlined in the Clarence Tech Report:

Clarence Stream North includes stratified units of the Cookson Group in the eastern part of the St. Croix Belt; Kingsclear Group in the southernmost margin of the Fredericton Belt; and the Mascarene Group in the northern part of the Mascarene Belt. The Late Devonian Mount Pleasant Caldera Complex is located approximately 5 kilometres to the east of claim 9556 and is comprised of multi-phase intrusions known as the Mount Pleasant Granites, which also host and are responsible for the well-known polymetallic deposits of this area .

The dominant geological units at Clarence Stream North Project are rocks of the Silurian Kingsclear Group. The Kingsclear Group is comprised of medium to dark grey, medium-to coarse-grained, lithic to feldspathic wacke, light grey quartz wacke and polymictic, granule conglomerate, and dark grey to black shale of the Digdeguash Formation.

The Clarence Stream North Project has many characteristics similar to those described for typical orogenic lode-gold deposits including tectonic setting, mode of occurrence, and metal signature. However, mineralizing features at the Clarence Stream - Main zone deposit are more consistent with those described specifically for intrusion-related orogenic gold systems.

Historical Exploration

Exploration work completed on the Clarence Stream North Project includes prospecting and rock sampling, and soil geochemistry surveys. This exploration work was planned and completed on behalf of SpinCo in mid to late July 2020. A contractor also undertook a compilation of available geoscientific and geophysical data relating to the Clarence Stream North Project.

The total cost of the 2020 SpinCo rock and soil sampling program at Clarence Stream including field costs, laboratory analyses, geological interpretation, and technical reporting is approximately \$105,900 before taxes.

Exploration on the Clarence Stream North Project has been undertaken by a variety of property owners since the 1950s. Historical work includes sampling, geological surveys and two drill holes.

The soil geochemistry survey was successful in outlining three main gold anomalies and several outliers.

SpinCo has not completed any drilling on the Clarence Stream North Project.

Exploration Potential

The soil geochemistry survey was successful in outlining three main gold anomalies and several outliers.

The Clarence Tech Report concludes, “*Additional exploration is recommended for the Clarence Stream North Gold Project based on the successful results from the summer 2020 exploration program completed by Alma Gold. This next phase of exploration should be focused on expanding Alma Gold’s understanding of the geology, structure, alteration, and mineralization potential within claim groups 9555 and 9556.*”

The recommended program budget for the Clarence Stream North Project is \$130,000.

Historical Mineral Resource and Past Production

To date no historical mineral resource has been completed at Clarence Stream North Project. No historical mining activity of any sort has taken place within the area covered by the Clarence Stream North Project claims.

Environmental Issues

No environmental issues are noted in the Clarence Tech Report.

1.08 Evans & Evans reserves the right to review all calculations included or referred to in the Report and, if Evans & Evans considers it necessary, to revise the Report in light of any information existing at the Valuation Date which becomes known to Evans & Evans after the date of the Report.

1.09 Unless otherwise indicated, all monetary amounts are stated in Canadian dollars.

2.0 Conclusion

2.01 Evans & Evans has estimated, given the scope of work conducted as part of an Estimate Valuation Report, that the fair market value of Projects as at the Valuation Date (i.e., September 1, 2020) are as outlined in the table below.

	Low	High	Midpoint
Fair Market Value of Chambers Project	33,000	33,000	33,000
Fair Market Value of Clarence Stream North Project	104,000	120,400	112,200
Total	137,000	153,400	145,200

- 2.02 This Report is subject to the limited scope of the work conducted (refer to section 5.0), as well as the assumptions made (refer to section 6.0), and to all of the other sections of the Report.
- 2.03 The Company, and all readers, are cautioned that had a Comprehensive Valuation Report (which involves a comprehensive review of all data and relevant factors and involves expanded due diligence) been conducted and prepared, that the valuation conclusion expressed herein may have been different.
- 2.04 An Estimate Valuation Report – as prepared here - contains conclusions on the fair market value of shares and/or assets that is based on a limited review, analysis and corroboration of relevant information, and generally set out in a less detailed report. A Comprehensive Valuation Report provides the highest level of assurance regarding the valuation conclusion, the Estimate Valuation Report provides the second highest level of assurance.

3.0 Conditions and Restrictions

- 3.01 The Report is intended for Red Lake and may be submitted to the Exchange and the BCSC. The Report may be referenced or included in public disclosure documents and placed on Red Lake's public file. The Report may be submitted to the CRA if requested as part of an assessment or review. The Report may be used in court proceedings related to the approval of the Transaction.
- 3.02 Any use beyond that defined above is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.
- 3.03 Evans & Evans did rely on the information, materials and representations provided to it by the Company. Evans & Evans did apply generally accepted valuation principles to the financial information it did receive from the Company.

We have assumed that the information which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Company is aware of. Evans & Evans did not attempt to verify the accuracy or completeness of the data and information available. The conclusion hence does not represent our unqualified assessment. In order to provide an

unqualified assessment and/or an opinion, Evans & Evans would have undertaken considerably more research, analysis and independent due diligence.

- 3.04 Should the assumptions used in the Report be found to be incorrect, then the valuation conclusion may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.
- 3.05 Evans & Evans denies any responsibility, financial or legal or other, for any use and/or improper use of the Report however occasioned.
- 3.06 Evans & Evans's assessments and conclusion is based on the information that has been made available to it. Evans & Evans reserves the right to review all information and calculations included or referred to in the Report and, if it considers it necessary, to revise part and/or its entire Report in light of any information which becomes known to Evans & Evans during or after the date of this Report.
- 3.07 Evans & Evans as well as all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

4.0 Definition of Fair Market Value

- 4.01 In this Report, fair market value is defined as the highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.
- 4.02 With respect to the market for assets there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it. In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different

price for a particular pool of assets than can each other purchaser. Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

- 4.03 In this engagement Evans & Evans was not able to expose the Projects for sale in the open market and were therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal or greater than the fair market value (assuming the existence of special interest purchasers) outlined in the Report. As noted above, special interest purchasers might be prepared to pay a price higher than fair market value for the synergies noted above.

5.0 Limited Scope of Work Conducted

- 5.01 In arriving at the assessment and conclusion as to the fair market value of Red Lake as at the Valuation Date, Evans & Evans have relied on the following documents and information:
- Reviewed the Red Lake website www.redlakegold.ca and the Summer 2020 Corporate Presentation.
 - Reviewed the RGLD Management Discussion and Analysis for the six months ended May 31, 2020 and the year ended November 30, 2019.
 - Reviewed the RGLD management-prepared financial statements for the six months ended May 31, 2020.
 - Reviewed the pro forma statement of financial position following completion of the Transaction for Alma Gold Inc. as of August 21, 2020 as prepared by management.
 - Reviewed the unconsolidated statement of financial position for Alma Gold Inc. as of August 21, 2020 as prepared by management.
 - Reviewed a management-prepared summary of expenditures on the Project by SpinCo.
 - Reviewed the NI 43-101 Technical Report on the Chambers Settlement Gold Project, New Brunswick, Canada" prepared for Red Lake and SpinCo with an effective date of August 10, 2020 prepared by Mercator Geological Services.
 - Reviewed the NI 43-101 Technical Report on the Clarence Stream North Gold Project, New Brunswick, Canada" prepared for Red Lake and SpinCo with an effective date of September 1, 2020 prepared by Mercator Geological Services.

- Reviewed the Option Agreement – Chambers Settlement Gold Project between Avalon Gold and SpinCo.
- Reviewed screenshots confirming SpinCo’s payments for the Clarence Stream North Project claims with eh Department of Natural Resources and Energy Development.
- Reviewed the “Proposal for Exploration Field Program at the Clarence Stream North Gold Project, New Brunswick, Canada” from Mercator Geological Services to the Company and SpinCo. The proposed budget was \$80,140.
- Reviewed invoices from Mercator Geological Services to Red Lake Gold for the work undertaken at the Clarence Stream North Project and the Chambers Project.
- Reviewed information on the natural resource, mining and exploration and gold, markets from a variety of sources.
- Reviewed information on mergers and acquisitions involving gold companies and gold projects.
- **Limitation and Qualification:** Evans & Evans did not visit the Projects. Evans & Evans did review and entirely relied upon Clarence Tech Report and the Chambers Tech Report as outlined above. Evans & Evans has, therefore, relied on such expert’s technical and due diligence work as well as Red Lake’s management disclosure with respect to the Projects. The reader is advised that Evans & Evans can provide no independent technical and due diligence comfort or assurances as to the specific operating characteristics and functional capabilities of the Projects.

The scope of work conducted was limited as set out above and as cautioned in section 2.04 above.

6.0 Assumptions

- 6.01 In estimating the fair market value of the Company and in preparing this Report, Evans & Evans have made certain critical assumptions:
- (a) There are no known previous formal Valuation Reports undertaken in the last 18 months on the Projects viewed independently or collectively.
 - (b) The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards.
 - (c) An audit of SpinCo’s balance sheet as of August 21, 2020 would not result in any material changes provided to the authors of the Report.

- (d) SpinCo has satisfactory title to its interests in the Projects and there are no liens or encumbrances on such assets nor have any assets been pledged in any way unless otherwise disclosed in the Report or the Company's financial statements. The Company has complied with all government taxation and regulatory practices as well as all aspects of its contractual agreements that would have an effect on the Report, and there are no other material agreements entered into by the Company that are not disclosed in the Report.
- (e) The Company's financial information and the Company's historical costing and resource efforts, as provided by the Company's representatives and management, is assumed to be accurate and complete. Evans & Evans has not verified the accuracy or completeness of this financial data.
- (f) Red Lake all of its related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Report that would affect the evaluation or comment.
- (g) At the Valuation Date, no specific special purchaser(s) was/were identified that would pay a premium to purchase the Projects viewed collectively or independently.

Evans & Evans reserves the right to review all information and calculations included or referred to in this Report and, if it considers it necessary, to revise its views in the light of any information which becomes known to it during or after the date of this Report.

7.0 Valuation Methodologies

7.01 In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company. In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

- (a) The Income / Cash Flow Approach;
- (b) The Market Approach; and
- (c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

- 7.02 The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a “going concern”. With regards to a company involved in exploration and development of a mineral property, or the valuation of a mineral property itself, the Income Approach generally relates to the current value of expected future income or cash flow arising from the potential development of a mineral project.
- 7.03 The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the “Guideline Public Company Method”, (b) the “Merger and Acquisition Method”; and (c) analyses of prior transactions of ownership interests in the subject entity.
- 7.04 The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value. The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset. Typically the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset. With regards to mineral properties, the Cost Approach involves a review of the historical exploration expenditures and their contribution to the current value of the mineral property. In certain cases a discount or premium to historical development costs may be utilized.
- 7.05 The Asset-Based Approach is adopted where either: (a) liquidation is contemplated because the business is not viable as an ongoing operation; (b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or (c) there are no indicated earnings/cash flows to be capitalized. If consideration of all relevant facts establishes that the Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario (“Adjusted Net Asset Method”) or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

The Multiple of Exploration Expenditures Method (“MEE Method”) is utilized to arrive at the fair market value of exploration and development stage properties. The MEE Method involves assigning a premium or discount to the relevant effective expenditure base (i.e., the sum of adjusted historical expenditures), represented by past expenditures, through application of a prospectivity enhancement multiplier (“PEM”). This factor directly relates to the success or failure of exploration completed to date, and to an assessment of the future potential of the asset. The method is based on the premise that a “grass roots” project

commences with a nominal value that increases with positive exploration results from increasing exploration expenditure. Conversely, where exploration results are consistently negative, exploration expenditure will decrease along with the value.

As the starting point of any analysis, Evans & Evans reviews historical expenditures and makes certain adjustments for expenses related to property acquisition or expenses which do not enhance the prospectivity of a property. Thereafter Evans & Evans applies a PEM to the adjusted expenditures and added back acquisition costs to arrive at the fair market value.

7.06 Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property.

7.07 Mineral assets and mineral securities can be defined by their level of asset maturity:

- i. “Exploration Areas” refer to properties where mineralization may or may not have been identified, but where a mineral resource has not been identified.
- ii. “Advanced Exploration Areas and Pre-Development Projects” are those where Mineral Resources have been identified and their extent estimated, but where a positive development decision has not been made.
- iii. “Development Projects” refers to properties which have been committed to production, but which have not been commissioned or are not operating at design levels.
- iv. “Operating Mines” are those mineral properties which have been fully commissioned and are in production.

7.08 The table below outlines the valuation approaches are generally considered appropriate to apply to each type of mineral property (as defined in section 7.07 above) as outlined by the Special Committee of the Canadian Institute of Mining, Metallurgy and Petroleum on Valuation of Mineral Properties (“CIMVAL”).

Valuation Approach	Exploration Properties	Mineral Resource Properties	Development Properties	Production Properties
Income	No	In some cases	Yes	Yes
Market	Yes	Yes	Yes	Yes
Cost	Yes	In some cases	No	No

8.0 Valuation Methods Used – Projects

8.01 Given the approaches of valuation outlined above, it is the view of the authors of the Report that a Cost Approach and a Market Approach are appropriate to determine the fair market value of the Projects. Specifically, Evans & Evans used a Cost Approach, the Historical Cost Method to determine the fair market value of the Chambers Project. A Historical Cost Method and a Market Approach, the Precedent Transactions Method, was used to determine the fair market value of the Clarence Stream North Project.

In the above valuation approaches Evans & Evans has relied on information provided by the management of Red Lake, the technical reports and data from industry participants and competitors as indicative in calculating the determination of the fair market value of the Projects as at the Valuation Date. The reader should note that Evans & Evans also attempted to use a variety of other valuation approaches. In this regard, Evans & Evans considered the following approaches, but were unable to use any of them:

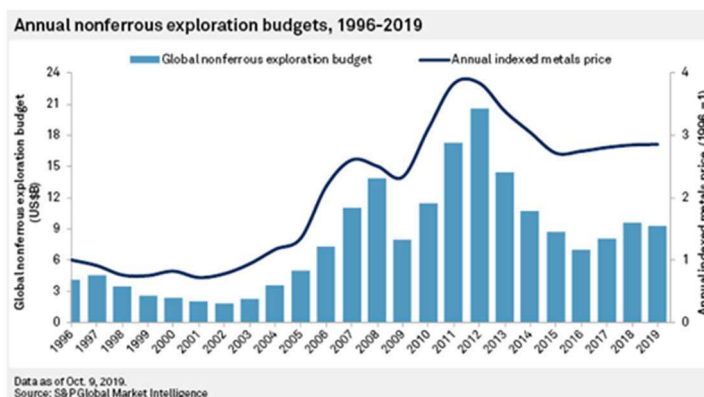
- (a) Income Approach. The Income Approach is generally appropriate under certain circumstances where a mining asset is a “Development Project” or an “Operating Mine”. Given the status of the Projects (early stage exploration), such an approach was deemed inappropriate.
- (b) Previous Valuations. There are no known previous formal valuations on the Company or the Projects in the past 18 months and accordingly, this approach was deemed inappropriate.
- (c) Appraised Value Method. The Appraised Value Approach assumes that a relationship exists between the amount of prior exploration work performed on a property and the value of that property. An exploration program will either enhance or diminish the value of the property. The Appraised Value Approach also assumes that all of, or a portion of, past and **projected future expenditures** on a property of merit will produce a dollar value for the property that is at least equal to the total amount expended assuming that all expenditures are relevant and within accepted industry standards. A premium or discount may be applied to the historical and projected future costs based on an evaluation of how the previous and planned exploration has enhanced or diminished the value of the property. Evans & Evans deemed it inappropriate to utilize this approach as it is not recognized by many regulatory authorities.
- (d) Market Approach – Historical Transaction Method. On July 10, 2020 Red Lake closed a non-brokered private offering of units ("Units"). Pursuant to the offering, the Company issued a total of 2,500,000 Units at a price of \$0.30 per Unit raising aggregate gross proceeds of \$750,000. As at the time of the financing, the Company had multiple exploration projects. Evans & Evans did not deem it appropriate to attempt to allocate the implied value by the financing to Red Lake mineral property interests.

- (e) Market Approach – Trading Price Method. As Red Lake is a reporting issuer with its common shares listed for trading on the Exchange, the authors of the Report carefully considered the use of a Trading Price Method in determining the fair market value of the Projects as at the Valuation Date.

As noted above, as at the Valuation Date, the Company was focused on the Whirlwind Jack gold project. The authors of the Report deemed it inappropriate to attempt to determine what portion of Red Lake’s market capitalization could be applied to Projects. As at the Valuation Date the Company’s market capitalization was in the range of \$5.2 million.

9.0 Market Overview

- 9.01 In calculating the fair market value of Projects as at the Valuation Date, Evans & Evans did concern the overall gold market conditions and the market for exploration and development stage companies.
- 9.02 Most junior exploration companies are generally reliant on equity financings to advance their properties (as they lack producing assets) and accordingly, their ability to advance projects is dependent on market conditions and investor interest. According to S&P Global Market Intelligence the industry recovery, which began in late 2016, faltered in 2019. The global nonferrous exploration budget is down by 3% year over year to US\$9.8 billion in 2019 from US\$10.1 billion in 2018. The total comprises US\$9.29 billion in aggregate company budgets plus an estimated total for companies spending less than US\$100,000 and private companies that do not report their data.



Gold explorers lowered their budget by US\$559 million to US\$4.29 billion in 2019, the largest decrease for any commodity, while allocations for base metals have increased by US\$191 million to US\$3.23 billion.

Merger & Acquisition activity among major companies has played a critical role in lowering planned spending as exploration budgets by the combined entities are much lower

than the collective amounts allocated premerger by the individual companies. The Newmont-Goldcorp and Barrick Gold-Randgold mergers earlier in 2019 are the most notable, as the post-merger Newmont Goldcorp and Barrick Gold have allocated about US\$48 million and US\$54 million less, respectively, than the totals budgeted by the pairs of separate companies in 2018.

Australia's nonferrous allocations have increased the most, by US\$199 million to US\$1.53 billion in 2019, surpassing Canada for the first time since 2001. Canada has slid by US\$134 million to fourth place with US\$1.31 billion.

The COVID-19 pandemic, along with recent actions taken by Russia and Saudi Arabia related to oil production, has led the drop in global stock markets and a corresponding deterioration in some commodity prices due to decreased economic activity, all of which directly affect mining operations worldwide.

In response to the COVID-19 pandemic, provinces across Canada have imposed varying levels of restrictions on operations, limiting activities in many cases to "essential services."

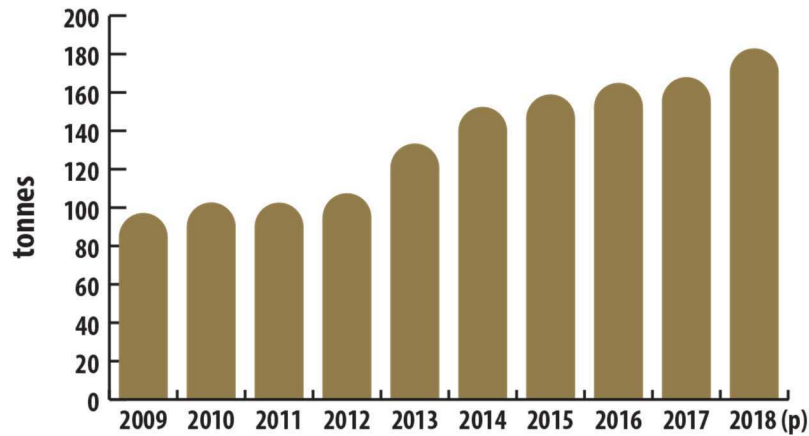
Within Canada, many provinces listed mining operations as "essential" in March 2020 when shutting down workplaces and businesses in order to cut down on large gatherings in accordance with COVID-19 health precautions.

- 9.03 In the Fraser Institute Annual Survey of Mining Companies (2019), New Brunswick as ranked 60/76 on the Investment Attractiveness Index and 13 out of 76 on the Policy Perception Index, falling out of the top 10. Within Canada, New Brunswick was the lowest ranked territory / province with respect to investment attractiveness. Respondents for New Brunswick expressed increased concern over trade barriers, the legal system and uncertainty concerning protected areas.

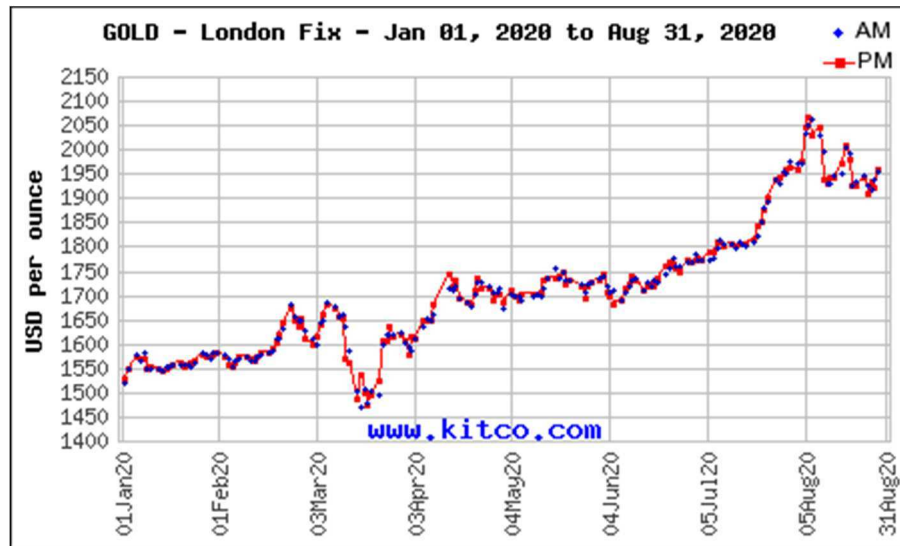
Gold is Canada's most valuable mined mineral, with a production value of \$9.6 billion in 2018. Ontario and Québec together accounted for more than 75% of mined gold production in Canada in 2018. In 2018, the value of Canadian gold exports was \$17.3 billion¹. Canadian mines produced an estimated 183 tonnes of gold in 2018, which represents an 88% increase over production in 2009. In 2018, mine production increased in Ontario, Québec, British Columbia, Nunavut, and the Atlantic provinces with a new mine coming online in Nova Scotia. Production declined in Manitoba, Saskatchewan, and the Yukon.

As can be seen from the following chart, Canadian gold production has been increasing over the past five years.

¹ <https://www.nrcan.gc.ca/our-natural-resources/minerals-mining/gold-facts/20514>



9.04 Gold prices in 2019 fluctuated between US\$1,250 per ounce to above US\$1,550 per ounce as can be seen from the following chart. The price of gold in 2020 has largely been on the rise and was US\$1,944.75 as at the Valuation Date and US\$1,940.45 as of the date of the Report.



As at the Valuation Date, the price of gold was in excess of US\$1,900 / oz, up from US\$1,740 / oz in April of 2020. The rise in the price of gold is largely attributed to the COVID-19 global pandemic which began as a health crisis and morphed into an economic crisis as economies worldwide slowed down in order to combat the spread of COVID-19. The global COVID-19 pandemic fueled safe-haven investment demand for gold is currently offsetting marked weakness in consumer-focused sectors of the market.

At the end of July 2020, the World Gold Council² announced gold demand decreased 6% to 2,076 tonnes relative to the first half of 2020. Second quarter gold demand was down 11% year-over-year (“y-o-y”). The COVID-19 pandemic was the main influence on the gold market in Q2, 2020, severely curtailing consumer demand while providing support for investment. The global response to the pandemic by central banks and governments, in the form of rate cuts and massive liquidity injections, fueled record flows of 734 tons into gold-backed exchange traded funds. As a result the gold price gained 17% in US dollar terms over the first half of 2020, hitting record highs in many other currencies.

In the first half of 2020, gold for jewelry demand declined 46% y-o-y and technology demand decreased 13% y-o-y.

A report by Fitch Solutions forecasts that global gold production will increase from 106 million oz. in 2020 to 133 million oz. by 2029, for an average annual growth rate of 2.5%³, with Russia potentially overtaking China as the region with the highest output.

10.0 Valuation of the Chambers Project

10.01 Exhibit 2.0 estimates the fair market value of the Chambers Project was calculated using the Historical Cost Method.

The Historical Cost Method is based on determining the cost of replicating the historical work undertaken on the Chambers Project. Evans & Evans considered the historical work undertaken by both Avalon Gold and Alma Gold. Between March of 2019 and May of 2020, Avalon Gold incurred approximately \$130,000 on the Chambers Project. Since entering into the Chambers Option, the Company has spent \$15,750 on the Chambers Project in addition to the initial \$10,000 payment under the Chambers Option. The total verifiable historical expenditures on the Chambers Project are summarized in Exhibit 2.0.

With respect to mineral property interests, historical expenditures on a property are an indicator of value if such expenditures increase the understanding of the geology of the project, identify targets or increase the overall prospectivity of the project. Despite the work done to-date, the Chambers Project remains a very early stage project. The early stage of the project is further supported by the nominal first phase budget set out in the Chambers Tech Report.

Evans & Evans made a number of adjustments to the historical work as outlined in Exhibit 2.0 which resulted in a fair market value in the range of \$33,000.

² <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-q2-2020>

³ <https://www.northernminer.com/news/global-gold-production-will-average-2-5-annually-from-2020-2029/1003821667/#:~:text=A%20new%20report%20by%20Fitch,1.2%25%20over%202016%2D2019.>

11.0 Valuation of the Clarence Stream Project

- 11.01 Exhibit 3.0 estimates the fair market value of the Clarence Stream North Project was calculated using the Historical Cost Method.

The Historical Cost Method is based on determining the cost of replicating the historical work undertaken on the Clarence Stream North Project. Evans & Evans considered the historical work undertaken by Alma Gold since staking the project. To date approximately \$135,000 has been expended on the Clarence Stream North Project. The total verifiable historical expenditures on the Clarence Stream North Project are summarized in Exhibit 3.0.

With respect to mineral property interests, historical expenditures on a property are an indicator of value if such expenditures increase the understanding of the geology of the project, identify targets or increase the overall prospectivity of the project. Evans & Evans made a number of adjustments to the historical work as outlined in Exhibit 3.0 which resulted in a fair market value in the range of \$104,000.

- 10.02 Exhibit 5.0 estimates the fair market value of the Clarence Stream North Project was calculated using the Mergers& Acquisition Method.

Evans & Evans used a Market Approach in arriving at a fair market value range for the Clarence Stream North Project. Specifically, Evans & Evans used a dollar value per hectare based on a review of certain gold property acquisitions similar to the Clarence Stream North Project as at the Valuation Date. For those transactions where a less than 100% interest in the property or company was acquired, the transaction value was adjusted to reflect a 100% interest.

Initially Evans & Evans identified 38 transactions as outlined in Exhibit 4.0. The review of transactions was globally focused initially. In Exhibit 5.0, the nine most comparable transactions were selected and used in the analysis. The transactions utilized in the analysis were based on their mineralization, amount of historical data available (i.e., stage of exploration and level of known exploration potential) and location.

Evans & Evans utilized the median and average dollar value per hectare in arriving at the fair market value of the Clarence Stream North Project. Evans & Evans applied the \$30 to \$40 per hectare to arrive at a fair market value of the Clarence Stream North Project of \$120,000.

12.0 Certification and Qualifications

- 12.01 The Report preparation was carried out by Ms. Jennifer Lucas and certain qualified staff of Evans & Evans and was thereafter reviewed by Michael A. Evans.

1. I am a graduate of the University of Saskatchewan (1993) with a Bachelor of Commerce degree and the University of British Columbia (1995) with a Masters in Business Administration degree.
2. I hold the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. I am a member of the Canadian Institute of Chartered Business Valuators and the American Society of Appraisers.
3. I have been employed as an analyst and valuator with Evans & Evans, Inc. since 1997. I possess several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. My background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. I have also gained experience in the Personal Security and Telecommunications industries.
4. I have for the past 23 years at Evans & Evans been involved in writing and reviewing over 1,500 valuation and due diligence reports for public and private transactions.
5. Over the past twelve years I have examined and provided valuations on numerous mineral properties around the world. Given my experience I believe I am a Qualified Valuator as outlined in CIMVAL.
6. The information in the Report was obtained in part from reports provided by specialists as outlined in section 5.0. This information is to the best of my knowledge and experience correct. I have had no previous involvement with the subject properties.
7. I am not aware of any material fact or material change with respect to the subject property which is not reflected in the Report.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For the past 30 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period he has been involved in the preparation of over 2,500 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes. Formerly, he spent three years in the computer industry in Western Canada with Wang Canada Limited (1983-1986) where he worked in the areas of marketing and sales.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business

Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators (“CICBV”) and the American Society of Appraisers (“ASA”).

- 12.02 The Report is in compliance with the Standards and Guidelines for Valuation of Mineral Properties as outlined by the Special Committee of the CIMVAL. The Report is consistent with the guidelines outlined in CIMVAL.
- 12.03 The fee established for the Report has not been contingent upon the value or other opinions presented.
- 12.04 The authors of the Report have no present or prospective interest in the Company, the Projects, or any entity that is the subject of this Report, and we have no personal interest with respect to the parties involved.

Yours very truly,



EVANS & EVANS, INC.

13.0 Exhibits

Red Lake Gold Inc.
Estimate Valuation Report
Index of Exhibits
Valuation as of September 1, 2020

	Exhibit Number
I FINANCIAL DATA	
Alma Gold Inc. Pro Forma Balance Sheet.....	1.0
II VALUATION ANALYSIS	
Historical Cost Method - Chambers Project.....	2.0
Historical Cost Method - Clarence Stream North Project.....	3.0
Market Approach - Precedent Transactions	4.0
Market Approach - Precedent Transactions Method - Clarence Stream North Project	5.0

Red Lake Gold Inc.
Estimate Valuation Report
Clarence Stream North & Chambers Settlement Projects
Pro Forma Balance Sheet - Alma Gold Inc.
Valuation as of September 1, 2020

Exhibit 1.0

FINAL

	As of August 21, 2020	Common Size 2020
Canadian Dollars		
ASSETS		
Current Assets		
Cash	0	0.0%
	0	0.0%
Non-current Assets		
Mineral properties	130,760	100.0%
	130,760	100.0%
	130,760	100.0%
TOTAL ASSETS		
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	0	0.0%
Other Liabilities	-	0.0%
	0	0.0%
	0	0.0%
	0	0.0%
TOTAL LIABILITIES		
EQUITY		
Share Capital	0	0.0%
Deficit	130,760	100.0%
Accumulated comprehensive income	0	0.0%
TOTAL EQUITY	130,760	100.0%
TOTAL LIABILITIES & EQUITY	130,760	100.0%

Notes:

(1) Unaudited balance sheet provided by Management.



Red Lake Gold Inc.
Estimate Valuation Report
Clarence Stream North & Chambers Settlement Projects
Historical Cost Method - Chambers Project
Valuation as of September 1, 2020

FINAL

Entity	Description of Expenditure	Expenditure	Adjusted Expenditure	Note
Avalon Gold	Geologist, Field Staff - Mapping, soil / stream surveys and ground magnetometer survey work	54,000	27,000	1
Avalon Gold	Field, geochemistry, and geophysical equipment rental	4,700	2,350	1
Avalon Gold	Field expenses and accommodations	41,000	20,500	1
Avalon Gold	Laboratory analytical costs	26,300	13,150	1
Avalon Gold	Reporting costs (assessment reports)	4,200	-4,200	2
		130,200		
Red Lake	Site visit and travel	1,750	-1,750	3
Red Lake	NI 43-101 Technical Report	12,650	-12,650	3
Red Lake	GIS mapping and administrative support	730	-730	3
Red Lake	Client filing and press release	620	-620	4
Red Lake	Initial Option Payment	10,000	-10,000	5
		25,750		
	Total Expenditures	155,950		
	Fair Market Value (rounded)		33,000	

Notes

- 1 While work was undertaken on the Chambers Project by Avalon Gold it did not increase the prospectivity of the project such that Avalon Gold required a significant upfront option fee. Further, the Chambers Option does not set out any required exploration expenditures. Given the historical work undertaken by Avalon Gold did not warrant any work commitments, Evans & Evans has discounted the value of such work by 50%.
- 2 Evans & Evans removed the reporting costs as such reports do not necessarily increase the prospectivity of the Project.
- 3 Costs related to the NI 43-101 are removed from the analysis as such work is valuable to a limited number of notional purchasers. A private entity may not require a 43-101 report given the early stage of this project.
- 4 Such costs are related to Red Lake and are removed as they are not direct exploration expenditures
- 5 Option acquisition costs are not exploration expenditures are removed from the analysis.

Red Lake Gold Inc.
Estimate Valuation Report
Clarence Stream North & Chambers Settlement Projects
Historical Cost Method – Clarence Stream North Project
Valuation as of September 1, 2020

FINAL

Description of Expenditure	Expenditure	Adjusted Expenditure	Note
Field exploration program	40,000	40,000	1
Project management & planning	2,365	2,365	1
Contacting landowners for property access	1,100	1,100	1
Soil sampling program, field preparation, sample collection, analytical work, and data interpretation	39,600	39,600	1
Prospecting & geological mapping program, field preparation, sample collection, analytical work, and data interpretation	22,600	22,600	1
Data interpretation and modelling	5,000	5,000	1
Other site costs	9,465	9,465	1
Site visit and travel	1,750	-1,750	2
NI 43-101 Technical Report	12,650	-12,650	2
GIS mapping and administrative support	730	-730	2
Client filing and press release	620	-620	3
Total Expenditures	135,880		
Fair Market Value (rounded)		104,000	

Notes

- 1 Initial results from the work program have yielded positive results and as such these costs are included in the analysis.
- 2 Costs related to the NI 43-101 are removed from the analysis as such work is valuable to a limited number of notional purchasers. A private entity may not require a 43-101 report given the early stage of this project.
- 3 Such costs are related to Red Lake and are removed as they are not direct exploration expenditures

Red Lake Gold Inc.
Estimate Valuation Report
Valuation as of September 1, 2020
Market Approach - Precedent Transactions

FINAL

Closing Date	Acquirer	Vendor	Target	Location	Price (C\$)	Hectares Resources (Ozs)	Price / Hectare	Price / Oz
1 09-Jul-20	Frontline Gold Corporation	Not disclosed	Crooked Pine Property	Canada	\$175,000	3500	\$50.00	
2 02-Jul-20	Inventors Mining Corp.	Flag Resources (1985) Ltd.	Three exploration Au-Cu Projects	Canada	\$750,000	1060	\$707.55	
3 04-Jun-20	IAMGOLD Corporation	Monarch Gold Corporation	Fayolle Property	Canada	\$11,500,000	1,373	\$8,375.82	\$103.59
4 08-Jun-20	Aura Resources Inc.	Territory Metals Corp.	Tip Top Gold Project	Nevada	\$1,329,070	173	\$7,682.49	
5 14-May-20	Probe Metals Inc.	SOQUEM inc.	25% in Detour Quebec JV	Canada	\$1,700,000	30,600	\$55.56	
6 22-May-20	Angus Ventures Inc.	Not disclosed	Ellen Creek Gold Property	Canada	\$15,300			
7 22-May-20	Angus Ventures Inc.	Metalcorp	River Gold	Canada	\$85,000			
8 07-May-20	Aurelius Minerals Inc.	Sprott Private Resource Lending	Dufferin Gold Properties	Canada	\$738,195	5,428	\$136.00	\$3.91
9 05-May-20	Frontline Gold Corporation	Not disclosed	100% interest in 28 claims	Canada	\$61,000	1,983	\$30.76	
10 30-Apr-20	Pacton Gold Inc.	TomaGold Corporation	39.5% interest in Sidace gold property	Canada	\$5,233,418	250,700	\$428.13	\$20.88
11 23-Apr-20	Excellon Resources Inc.	Otis Gold Corp.	Kilgore Project	Idaho	\$30,425,418	893,000	\$6,184.03	\$34.07
12 20-Apr-20	Hemlo Explorers Inc.	O3 Mining Inc.	West Hemlo and North Hemlo Properties	Canada	\$726,750	6,833	\$106.36	
13 16-Apr-20	Freeman Gold Corp.*	1132144 British Columbia Ltd.,	Lemhi Gold Project	Idaho	\$15,520,400	1,019	\$15,231.01	\$22.04
14 16-Jan-20	Kimross Gold Corporation	N-Mining	Chulbalkan Project	Russia	\$394,329,370	12,000	\$32,860.78	\$100.08
15 09-Jan-20	Rio Silver Inc.		Palta Dorada Au-Age-Cu Property	Peru	\$654,830	1,200	\$545.69	
16 27-Dec-19	Angus Ventures Inc.	Talisker Gold Corp	Wawa Properties	Canada	\$201,000	10,000	\$20.10	\$265.30
17 13-Dec-19	Talisker Resources Ltd.*	Avino Silver & Gold Mines Ltd.	Bralorne Gold Project	Canada	\$23,270,504	4,200	\$5,540.60	
18 21-Dec-19	Angus Ventures Inc.	Talisker Gold Corp	Wawa Properties	Canada	\$1,200,000	10,000	\$120.00	
19 09-Dec-19	Teranga Gold Corporation*	Barrick Gold Corp	Massawa Project	Sierra Leone	\$529,488,200	3,305,000	\$686.38	\$160.21
20 02-Dec-19	Blue Star Gold Corp.	Mandalay Resources Corp.	Ulu Gold Property	Canada	\$650,000	947	\$686.38	\$0.91
21 25-Nov-19	Avessoro Jersey Limited	Avessoro Resources Inc.	100% of shares	Liberia / Burkina Faso	\$139,903,773	718,000	\$41.77	\$96.82
22 21-Nov-19	Osisko Gold Royalties Ltd.	Barkerville Gold Mines Ltd.	100% of shares	Canada	\$324,350,000	3,349,500	\$1,663.33	\$96.82
23 20-Aug-19	Monarch Gold Corporation	Hecla Quebec Inc.	Fayolle Property	Canada	\$4,970,166	1,373	\$3,619.93	\$98.10
24 28-Aug-19	Casino Mining Corp. (Western Copper and Gold Corp.)	Cariboo Rose Resources Ltd.	Canadian Creek Property	Canada	\$2,760,000	6,180	\$446.60	n/a
25 28-Jun-19	Confederation Minerals Ltd.	1106877 B.C. Ltd.	Three exploration properties	Canada	\$1,041,701	20,700	\$50.32	n/a
26 18-Apr-19	Roxgold Inc.	Newcrest West Africa Holdings Pty Ltd.	11 permits in Cote d'Ivoire	Cote d'Ivoire	\$26,757,000	36,300	\$737.11	\$53.76
27 01-Mar-19	White Gold Crop.	Comstock Metals Ltd.	QV Gold Project	Canada	\$2,610,001	16,355	\$159.58	\$22.70
28 11-Feb-19	Fidelity Minerals Corp.	Minera LBI S.A.C.	44.5% of Core Las Huauillas project	Peru	\$4,987,516	6,100	\$817.63	
29 04-Dec-18	Surge Exploration Inc.	Mineral Mountain Copper Gold	Mineral Mountain Copper	Canada	\$120,000	19,655	\$6.11	n/a
30 26-Oct-18	Ascot Resources Ltd.	Jayden Resources Inc.	Silver Coin Project	British Columbia	\$17,501,000	1,470	\$11,905.44	\$95.33
31 15-Oct-18	White Gold Crop.	Independence Gold Corp.	Henderson, Flow and Birdman Properties	Canada	\$311,800	18,000	\$17.32	n/a
32 20-Sep-18	Manitou Gold Inc.	Not disclosed	Midas Gold Property	Canada	\$162,500	2,226	\$73.01	n/a
33 21-Sep-18	Bonterra Resource Inc.	Metanor Resources Inc.	100% of shares	Canada In production (small scale)	\$54,289,635	10,020	\$5,418.28	\$188.79
34 24-Jul-18	Rio2 Limited	Atacama Pacific Gold Corporation	100% of shares	Chile	\$57,001,475	5,300,000	\$650.37	\$10.75
35 24-May-18	VR Resources Ltd.	Not disclosed	Kraut Property (Renamed Amsel)	Nevada	\$32,636	50	\$650.37	n/a
36 20-Nov-17	GoldMining Inc.	Lupaka Gold Corp.	Crucero Gold Project	Peru	\$6,350,000	4,600	\$1,380.43	\$4.19
37 18-Sep-17	Manitou Gold Inc.	Not disclosed	Goudreau Property	Canada	\$76,000	65	\$1,173.75	n/a
38 30-Aug-17	VR Resources Ltd.	Sunrise Resources PLC	Junction Copper-Gold Property	Nevada	\$29,234	125	\$233.87	n/a

*Historical resource estimate

Average

Median

\$3,245,89

\$650.37

\$73.51

\$47.76

Red Lake Gold Inc.
Estimate Valuation Report
Valuation as of September 1, 2020
Market Approach - Precedent Transactions Method - Clarence Stream North Project

FINAL

Date	Acquirer	Vendor	Target	Location	Price (C\$)	Hectares	Resources (Ozs)	Price/Hectare	Price / Oz
1 09-Jul-20	Frontline Gold Corporation	Not disclosed	Crooked Pine Property	Canada	\$175,000	3500		\$50.00	
6 22-May-20	Angus Ventures Inc.	Not disclosed	Ellen Creek Gold Property	Canada	\$15,300				
7 22-May-20	Angus Ventures Inc.	Metacorp	River Gold	Canada	\$85,000				
9 05-May-20	Frontline Gold Corporation	Not disclosed	100% interest in 28 claims	Canada	\$61,000	1,983		\$30.76	
12 20-Apr-20	Hemlo Explorers Inc.	O3 Mining Inc.	West Hemlo and North Hemlo Properties	Canada	\$726,750	6,833		\$106.36	
16 27-Dec-19	Angus Ventures Inc.	Talisker Gold Cor9	Waava Properties	Canada	\$201,000	10,000		\$20.10	n/a
29 04-Dec-18	Surge Exploration Inc.		Mineral Mountain Copper Gold	Canada	\$120,000	19,655		\$6.11	n/a
31 15-Oct-18	White Gold Crop.	Independence Gold Corp.	Henderson, Flow and Birdman Properties	Canada	\$311,800	18,000		\$17.32	n/a
32 20-Sep-18	Manitou Gold Inc.	Not disclosed	Midas Gold Property	Canada	\$162,500	2,226		\$73.01	n/a

*Historical resource estimate

(Canadian Dollars)	Low	High
Hectares	3,440	3,440
Multiple	\$30	\$40
Fair Market Value - C\$	\$103,200	\$137,600
Midpoint		\$120,400

Transaction Analysis

Min	\$6.11
Median	\$30.76
Mean	\$43.38
Max	\$106.36