



**ANNUAL INFORMATION FORM**

For the year ended September 30, 2022

Dated as of June 2, 2023

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## PRELIMINARY NOTES

### Date of Information

Unless otherwise indicated, all information contained in this annual information form (this “**Annual Information Form**” or “**AIF**”) of Archer Exploration Corp. (the “**Company**”) is as of September 30, 2022.

### Financial Information

The Company’s financial results are prepared and reported in accordance with International Account Standard issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee.

### Currency Information

All currency amounts in this AIF are expressed in Canadian dollars, unless otherwise indicated.

### Share Consolidation

On November 8, 2022, the Company completed a consolidation of its common shares (the “**Common Shares**”) on a three to one basis (the “**Consolidation**”). All share and per share amounts have been retrospectively adjusted to reflect the Consolidation. Any references to Common Shares are on a post-Consolidation basis. The number of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the Consolidation.

### Qualified Persons

Jacquelin Gauthier, P.Geol, is a “qualified person” within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”), and has reviewed and approved the scientific and technical information relating to the Company’s mineral properties disclosed in this Annual Information Form. Mr. Gauthier is the Vice President, Exploration of Archer. Other qualified persons are responsible for the technical and scientific information contained in the technical reports incorporated by reference in this Annual Information Form. See “Interests of Experts”

### Documents Incorporated by Reference

The technical report titled “NI 43-101 Technical Report for the Grasset Property, Quebec, Canada” with an effective date of September 2, 2022, prepared in accordance with NI 43-101 is specifically incorporated by reference into this AIF and may be obtained online at the SEDAR website at [www.sedar.com](http://www.sedar.com). The Technical Report was prepared by Carl Pelletier, P.Geol. of InnovExplo Inc. Mr. Pelletier is an independent qualified person as such terms are defined in NI 43-101.

## CAUTIONARY STATEMENT

### Forward-looking Information

This Annual Information Form of Archer Exploration Corp. (the “**Company**” or “**Archer**”) contains “forward-looking statements” within the meaning of Canadian securities legislation. Such forward-looking statements concern the Company’s anticipated results and developments in the Company’s operations in future periods, planned exploration and development of its properties, planned expenditures and plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on expectations of future performance, including production and planned work programs. In addition, these statements include, but are not limited to: the future price of commodities; the estimation of mineral resources and reserves; the realization of mineral resource and reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; costs and timing of the development of new deposits; timing of completion of exploration programs; technical reports and studies; success of exploration and development activities and mining operations; the impact of the COVID-19 pandemic on operations, future financings, the Company’s share price and on the timing and completion of exploration programs, technical reports and studies; increased inflation, and turbulence in mining markets resulting from the invasion of Ukraine by Russia permitting timelines; currency fluctuations; requirements for additional capital; government regulation of exploration and production operations; environmental risks; unanticipated reclamation expenses; title disputes or claims; completion of acquisitions and their potential impact on the Company and its operations; limitations on insurance coverage; maintenance of adequate internal control over financial reporting and the timing and possible outcome of litigation.

Forward-looking statements are made based upon certain assumptions and other important factors that, while considered reasonable by the Company, are inherently subject to significant business economic, competitive, political and social uncertainties and contingencies. The Company has made assumptions based on many of these factors which include, without limitation: present and future business strategies; the environment in which the Company will operate in the future, including commodity prices; currency exchange rates; estimates of capital and operating costs; production estimates; estimates of mineral resources and metallurgical recoveries; mining operational and development risks; regulatory restrictions; activities by governmental authorities and changes in legislation; community relations; the speculative nature of mineral exploration; the global economic climate; loss of key employees; additional funding requirements; title to mineral claims or property; and the ultimate impact of the COVID-19 pandemic on operations. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ materially from those expressed or implied by the forward-looking statements, including, without limitation: the timing and content of work programs; results of exploration activities; the interpretation of drilling results and other geological data; reliability of mineral resource estimates; receipt, maintenance and security of permits and mineral property titles; enforceability of contractual interests in mineral properties; environmental and other regulatory risks; compliance with changing environmental regulations; dependence on local community

relationships; risks of local violence; risks related to natural disasters, terrorism, civil unrest, public health concerns (including health epidemics or outbreaks of communicable diseases such as the coronavirus) and other geopolitical uncertainties; reliability of costs estimates; project cost overruns or unanticipated costs and expenses; precious metals price fluctuations; fluctuations in the foreign exchange rate (particularly the Canadian dollar and United States dollar); uncertainty in the Company's ability to fund the exploration and development of its mineral properties or the completion of further exploration programs; uncertainty as to whether the Company's exploration programs will result in the discovery, development or production of commercially viable ore bodies or yield reserves; development plans and costs differing materially from the Company's expectations; risks related to mineral properties being subject to prior unregistered agreements, transfers, claims and other defects in title; uncertainty in the ability to obtain financing if required; maintaining adequate internal control over financial reporting; dependence on key personnel; and general market and industry conditions. This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements.

The Company's forward-looking statements are based on beliefs, expectations and opinions of management on the date the statements are made. While the Company has attempted to identify important factors that could cause actual actions, events or results to differ from those described in forward-looking statements, there may be factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company undertakes no obligation to update or revise any forward-looking statements included in this Annual Information Form if these beliefs, expectations and opinions or other circumstances should change, except as otherwise required by applicable law.

### **Information Concerning Estimates of Mineral Resources**

The disclosure in this AIF and referred to herein was prepared in accordance with NI 43-101 which differs significantly from the requirements of the U.S. Securities and Exchange Commission (the "**SEC**"). The terms "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" used in this AIF are in reference to the mining terms defined in the Canadian Institute of Mining, Metallurgy and Petroleum Standards (the "**CIM Definition Standards**"), which definitions have been adopted by NI 43-101. Accordingly, information contained in this AIF providing descriptions of our mineral deposits in accordance with NI 43-101 may not be comparable to similar information made public by other U.S. companies subject to the United States federal securities laws and the rules and regulations thereunder.

Investors are cautioned not to assume that any part or all mineral resources will ever be converted into reserves. Pursuant to CIM Definition Standards, "inferred mineral resources" are that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Such geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not

constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures.

Investors are cautioned that while terms, are substantially similar to CIM Definition Standards, there are differences in the definitions and standards under subpart 1300 of Regulation S-K of the United States Securities Act of 1933, as amended (the "**SEC Modernization Rules**"), with compliance required for the first fiscal year beginning on or after January 1, 2021. The SEC Modernization Rules replace the historical property disclosure requirements included in SEC Industry Guide 7. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources," "indicated mineral resources" and "inferred mineral resources". Information regarding mineral resources contained or referenced in this AIF may not be comparable to similar information made public by companies that report according to U.S. standards. While the SEC Modernization Rules are purported to be "substantially similar" to the CIM Definition Standards, readers are cautioned that there are differences between the SEC Modernization Rules and the CIM Definitions Standards. Accordingly, there is no assurance any mineral resources that the Company may report as "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" under NI 43-101 would be the same had the Company prepared the resource estimates under the standards adopted under the SEC Modernization Rules

## CORPORATE STRUCTURE

### Name, Address and Incorporation

The Company was incorporated on October 26, 2018 pursuant to the *Business Corporations Act* (British Columbia) under the name "Lift Capital Corp.". On November 6, 2020, the Company changed its name to "Archer Exploration Corp.".

The head office of the Company is located at Suite 700, 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7 and the registered and records office of the Company is located at 353 Water Street, Suite 401, Vancouver, British Columbia, V6B 1B8.

The Common Shares commenced trading on the Canadian Securities Exchange (the "**CSE**") on February 12, 2020.

### Intercorporate Relationships

As at September 30, 2022, the Company had one wholly-owned subsidiary as follows:

| Subsidiary        | Location                 | Ownership |
|-------------------|--------------------------|-----------|
| 1273600 B.C. Ltd. | British Columbia, Canada | 100%      |

## GENERAL DEVELOPMENT OF THE BUSINESS

### Overview of Business

The Company's principal business purpose is the identification, acquisition, evaluation and exploration of mineral properties.

Archer Exploration is a Canadian Ni-Cu-Co-PGE focused exploration and development company with an extensive portfolio of assets in Quebec and Ontario, Canada. The Company's flagship asset is the Grasset Project, located within the Abitibi Greenstone Belt, with an Indicated Resource of 5.5Mt @ 1.53% NiEq. In addition, the Company holds a strategically significant portfolio of 37 properties and over 300 km<sup>2</sup> in the world-class mining district of Sudbury, Ontario.

The Company's growth strategy is focused on the exploration and development of its nickel sulphide properties within its portfolio. Archer's vision is to be a responsible nickel sulphide developer in stable pro-mining jurisdictions. Archer is committed to socially responsible exploration and development, working safely, ethically, and with integrity.

### Three Year History

On November 8, 2022, the Company completed the Consolidation, on the basis of one post-Consolidation Common Share for every three Common Shares issued and outstanding. All share and per share amounts have been retrospectively adjusted to reflect the Consolidation. Any references to Common Shares are on a post-Consolidation basis. The number of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the Consolidation.

### Recent Developments

On March 22, 2023, the Company announced that Sherry Roberge had been appointed as the Chief Financial Officer and Corporate Secretary of the Company, replacing Dilshan Anthony and Wes Short, respectively. Mr. Short continues to be involved with the Company in his role as Vice President, Corporate Development.

On November 29, 2022, the trading halt that was put in place in connection with the announcement of the Transaction was lifted and the Common Shares recommenced trading on the CSE under the symbol "RCHR".

On November 18, 2022 (the "**Closing Date**"), the Company announced that it had completed the Transaction. The Company also announced that, prior to the Transaction taking effect, the Company completed a brokered private placement (the "**Concurrent Financing**") for gross proceeds of approximately \$10,182,500. Additional details regarding the Transaction and the Concurrent Financing can be found under "*General Development of the Business – The Transaction and Concurrent Financing*" below.



On November 8, 2022, the Company announced that it had completed the Consolidation, on the basis of one post-Consolidation Common Share for every three Common Shares issued and outstanding.

On October 25, 2022, the Company announced that Jacquelin (Jack) Gauthier had been appointed as the Vice President of Exploration of the Company.

### **The Transaction and Concurrent Financing**

The Transaction was effected in accordance with the Asset Purchase Agreement, a copy of which has been filed by Archer on SEDAR as a material contract.

Pursuant to the Asset Purchase Agreement, the Company acquired from Wallbridge 100% of the property, assets, rights and obligations related to Nickel Projects (as defined below), free and clear of any encumbrances (other than certain pre-existing royalties, among other permitted encumbrances listed in the Asset Purchase Agreement) in exchange for 66,211,929 Common Shares (each, a “**Consideration Share**”) with an aggregate deemed value of approximately \$53.6 million (valued using the July 12, 2022 closing price of such shares).

The “**Nickel Projects**” consist of: (i) Grasset nickel sulphide project located in Quebec (the “**Grasset Project**”); (ii) 37 properties comprised of 30,984 hectares within 807 mining claims in the district of Sudbury, the RUM project located 140 kilometers northeast of Matagami, Quebec and the Gargoyle project located in northwest Ontario (the “**Other Properties**”); and (iii) cash in the amount of \$2,652,997 representing proceeds received by Wallbridge following the sale of certain shares it held in Lonmin Canada Inc. (the “**Loncan Proceeds**”).

The Company also agreed to assume obligations under the closure plan relating to Wallbridge’s Broken Hammer open pit mine which ceased operation in 2015 (the “**Mine Closure Plan**”). The Mine Closure Plan, which was originally proposed by Wallbridge in 2013, was previously approved by the Ministry of Northern Development and Mines (Ontario) on March 22, 2013. The Mine Closure Plan requires the completion of various rehabilitation and monitoring measures during the three phases of closure: temporary suspension, state of inactivity and final closure. The Mine Closure Plan also sets out expectations regarding site conditions following closure. Wallbridge has posted a standby letter of credit (“**SLOC**”) in the amount of \$361,245.00 to provide financial assurance for the Mine Closure Plan. The Company is expected to replace the SLOC as per the terms of Transaction.

### Distribution

Pursuant to the Asset Purchase Agreement, Wallbridge agreed to complete a distribution to its shareholders of certain of the Consideration Shares on a pro rata basis by way of reduction of stated capital (the “**Distribution**”) on or before the date that is 60 days after the Closing Date.

Wallbridge advised the Company that it distributed 48,168,171 Consideration Shares (the “**Wallbridge Spinout Shares**”) to its shareholders on a pro rata basis on the Closing Date. Following the Distribution, Wallbridge retained 18,043,758 Consideration Shares (the “**Wallbridge Retained Shares**”), representing approximately 19.9% of the outstanding Common Shares. Wallbridge further advised the Company that no Wallbridge shareholder will own more than 10% of the Common Shares as a result of the Distribution. The Wallbridge Retained Shares and the Wallbridge Spinout Shares have a hold period of four months and

one day from the Closing Date.

### ***Ancillary Agreements***

In connection with closing of the Transaction, Archer and Wallbridge entered into a royalty agreement (the “**Royalty Agreement**”), an investor rights agreement (the “**Investor Rights Agreement**”), and an exploration cooperation agreement (the “**Exploration Cooperation Agreement**”). Forms of such agreements are attached as schedules to the Asset Purchase Agreement, a copy of which has been filed by Archer on SEDAR as a material contract.

#### Royalty Agreement

The Royalty Agreement provides for a royalty equal to 2% of net smelter returns less the amount of any pre-existing royalties on encumbered portions of the Grasset Project. In certain circumstances, Wallbridge will be granted a right of first refusal to acquire any new royalties sold by Archer on the Grasset Project.

#### Investor Rights Agreement

The Investor Rights Agreement provides, among other things, that for so long as Wallbridge holds at least 10% of the issued and outstanding Archer Shares, it will have a *pro rata* pre-emptive right, top-up rights and a standard piggyback registration right subject to underwriter cutback. In addition, Wallbridge has agreed not to dispose of any Archer Shares, other than in connection with the Distribution, for a period of one year. Additionally, Wallbridge has the right to nominate two directors to Archer’s board of directors, with the current nominees being Marz Kord, Chief Executive Officer of Wallbridge and Brian Penny, Chief Financial Officer of Wallbridge.

#### Exploration Cooperation Agreement

The Exploration Cooperation Agreement applies to the Grasset Project but will exclude those portions which are subject to the resource estimate (the “**Gold Cooperation Area**”). Pursuant to the Exploration Cooperation Agreement, Wallbridge was granted the right to explore the Gold Cooperation Area for gold in certain circumstances. If the results from either Wallbridge’s or Archer’s exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary gold mineralization, then the parties will form a joint venture in which Archer will have a 30% interest and Wallbridge will have a 70% interest. If the results from Wallbridge’s exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary mineralization other than gold, then the parties will form a joint venture in which Archer will have a 70% interest and Wallbridge will have a 30% interest. The purpose of any such joint ventures will be to explore, develop and operate such mineral resource. The Exploration Cooperation Agreement has a term of five years and is subject to earlier termination in certain circumstances.

#### Finder’s Fee Agreement

In connection with the Transaction, the Company entered into a finder’s fee agreement with two arm’s length parties (the “**Finders**”). As compensation for the Finders’ introduction of the Company and Wallbridge, Archer paid to the Finders, collectively, an aggregate of 1,655,298 Common Shares (being equal to 2.5% of the number of Consideration Shares). The Common Shares issued to the Finders are subject to escrow and will be released over a period of two years after the Closing Date.

### ***Concurrent Financing***

Pursuant to the Concurrent Financing, the Company issued an aggregate of (i) 4,545,455 non flow-through units of the Company (each, an “**NFT Unit**”) at a price of \$0.66 per NFT Unit, (ii) 4,243,334 flow-through units of the Company (each, a “**FT Unit**”) at a price of \$0.75 per FT Unit and (iii) 2,898,550 charity flow-through units of the Company (each, a “**Charity FT Unit**” and together with the NFT Units and FT Units, the “**Units**”) at a price of \$1.38 per Charity FT Unit. Each FT Unit and Charity FT Unit was issued as a “flow-through share” as defined in subsection 66(15) of the Income Tax Act (Canada) and section 359.1 of the Quebec Tax Act with respect to purchasers in Quebec. Aggregate gross proceeds of the Concurrent Financing were approximately \$10,182,500.

Each Unit consists of one common share of the Company (each, a “**Unit Share**”) and one common share purchase warrant of the Company (each, a “**Financing Warrant**”). Each Financing Warrant entitles the holder thereof to acquire one additional Common Share at a price of \$1.02 for a period of 24 months following the Closing Date. The Financing Warrants are governed by a warrant indenture entered into between the Company and Odyssey (as defined below).

The Concurrent Financing was led by Canaccord Genuity Corp., acting as lead agent and sole bookrunner on behalf of a syndicate including National Bank Financial Inc. and Raymond James Ltd. (collectively, the “**Agents**”) pursuant to the terms of an agency agreement entered into between the Company and the Agents. In connection with the Concurrent Financing, the Agents received a cash fee equal to 6.0% of the aggregate gross proceeds raised pursuant to the Offering (other than in respect of sales to those purchasers on the “president's list” in which case a cash fee of 2.0% was paid). In addition, the Company issued the Agents non-transferable broker warrants (the “**Broker Warrants**”) exercisable to acquire that number of Common Shares which is equal to 6.0% (reduced to nil in respect of sales to purchasers on the “president's list”) of the number of Units sold pursuant to the Offering. Each Broker Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of \$0.66 per Common Share for a period of 18 months following the Closing Date.

The net proceeds from the sale of the NFT Units will be used for exploration and development of the Nickel Projects and for working capital purposes. The proceeds from the issuance of the FT Units and Charity FT Units will be used to incur eligible “Canadian exploration expenses” that qualify as “flow-through critical mineral mining expenditures” (the “**Qualifying Expenditures**”) on or before December 31, 2023. Archer has agreed to renounce such Qualifying Expenditures to the purchasers of the FT Units and Charity FT Units with an effective date of no later than December 31, 2022, in an aggregate amount of not less than the total amount of the gross proceeds raised from the issuance of FT Units and Charity FT Units.

The Unit Shares and Warrants comprising the Units, the Broker Warrants, and the Common Shares underlying the Broker Warrants all have a hold period of four months and one day from the Closing Date.

In connection with closing of the Concurrent Financing, the Company entered into an investor rights agreement with a strategic shareholder (the “**Shareholder**”) pursuant to which the Shareholder will be entitled to, among other things, the following rights (subject to maintaining certain ownership thresholds): (a) the right to participate in certain equity financings by the Company in order to acquire up to a 19.99% ownership interest in the Company; and (b) the right to nominate one person to the Board (and if the Board is increased to nine or more directors, two people to the Board). The Shareholder has advised Archer that it does not currently own a sufficient number of the issued and outstanding Common Shares to trigger the nomination right.

**Year Ended September 30, 2022**

On October 1, 2021, the Company issued 1,999,999 units (each, an “**October 2021 Unit**”) at a price of \$0.75 per October 2021 Unit for aggregate gross proceeds of \$1,499,999.50. Each October 2021 Unit consisted of one Common share and one common share purchase warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.50 per Common Share until October 1, 2023 (subject to certain acceleration provisions).

On October 21, 2021, the Company announced that it had amended the Caster Option Agreement to extend certain deadlines to make cash payments and issue shares to the Vendor. The Company also announced that it had granted 500,000 incentive stock options to certain directors, officers, and consultants of the Company, which would vest over a period of three years, have an exercise price of \$1.53 and were valid for a 5-year period from the date of grant.

On December 13, 2021, the Company entered in a securities exchange agreement with the shareholders of Echelon, pursuant to which the Company would acquire all of the issued and outstanding shares of Echelon. Echelon, through its subsidiaries, held the Zanzui nickel project in Northern Tanzania and related mining and technical data.

On January 12, 2022, the Company announced that Keith Bodnarchuk had been appointed as the interim Chief Executive Officer and President of the Company, replacing Mike Brown. The Company also announced that Michael Konnert had been appointed as a director of the Company, replacing Mike Brown.

On February 25, 2022, shareholders of the Company elected Michael Konnert, Keith Bodnarchuk, Jeffrey Wilson and Ben Meka as directors of the Company.

On May 31, 2022, the Company terminated the Caster Option Agreement following evaluation of initial exploration results at the Caster Property and a review of the allocation of Company capital. Termination of the Caster Option Agreement would also allow the Company to focus on the acquisition and advancement of nickel projects, including the acquisition of Echelon.

On July 13, 2022, the Company announced that it had entered into a definitive asset purchase agreement dated July 12, 2022, which was subsequently amended on November 9, 2022 (the “**Asset Purchase Agreement**”) with Wallbridge Mining Company Limited (TSX: WM) (“**Wallbridge**”). Pursuant to the Asset Purchase Agreement, Archer will acquire (the “**Transaction**”) all of Wallbridge’s nickel assets, rights and obligations located in Quebec and Ontario. Additional details regarding the Transaction can be found under “*General Development of the Business – The Transaction and Concurrent Financing*” below.

On July 13, 2022, the Company terminated the securities exchange agreement with Echelon and is no longer pursuing the acquisition.

On September 14, 2022, the Company announced that Tom Meyer had been appointed as the Chief Executive Officer, President and a director of the Company, replacing Keith Bodnarchuk. The Company also announced that, in connection with the Transaction, it proposed to complete a share consolidation (the “**Consolidation**”) of the Common Shares on the basis of one post-Consolidation Common Share for every three Common Shares issued and outstanding immediately prior to the Consolidation.

**Year Ended September 30, 2021**

On November 6, 2020, the Company changed its name to “Archer Exploration Corp.”.

On November 6, 2020, the Company completed the acquisition of Altair Capital Corp. (“**Altair**”) by way of a three cornered amalgamation and pursuant to which the Company’s wholly-owned subsidiary, 1269569 B.C. Ltd., amalgamated with Altair to form 1273600 B.C. Ltd. (the “**Altair Transaction**”). Pursuant to the Altair Transaction, the Company issued an aggregate of 1,096,083 Common Shares in exchange for all of the issued and outstanding shares of Altair. The Altair Transaction was not a significant acquisition or a material restructuring transaction as those terms are defined in Canadian securities laws.

On November 20, 2020, the Company issued 400,000 special warrants (each, a “**Special Warrant**”) at a price of \$0.30 per Special Warrant for aggregate gross proceeds of \$120,000. Each Special Warrant entitled the holder thereof to acquire, upon exercise, one unit (a “**November 2020 Unit**”), subject to adjustment in certain circumstances, without payment of any additional consideration. The terms of the Special Warrants provided that the Special Warrants would be deemed to be exercised on the earlier of: (i) the third business day after the date on which a receipt for the final prospectus of the Company has been issued; and (ii) four months plus one day after the date of issuance of the Special Warrants, at which time each Special Warrant shall be automatically exercised. Each November 2020 Unit consisted of one Common Share and one common share purchase warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.45 per Common Share for a term expiring two years from the date of exercise of the Special Warrants.

On January 29, 2021, the Company obtained a final receipt for a non-offering prospectus which qualified the Special Warrants.

On February 3, 2021, the Special Warrants were automatically converted into November 2020 Units.

On February 11, 2021, the Common Shares were listed for trading on the CSE under the symbol “RCHR”.

On May 7, 2021, the Company announced that Dilshan Anthony had been appointed as the Chief Financial Officer and Corporate Secretary of the Company, replacing Nelson Lamb.

On June 2, 2021, the Company announced that Mike Brown had been appointed as the Chief Executive Officer of the Company, replacing Jeffrey Wilson (who remained a director of the Company).

On July 20, 2021, the Company issued 1,913,333 units (each, a “**July 2021 Unit**”) at a price of \$0.60 per July 2021 Unit for aggregate gross proceeds of \$1,148,000. Each July 2021 Unit consisted of one Common share and one common share purchase warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.50 per Common Share until July 20, 2023 (subject to certain acceleration provisions).

On July 30, 2021, the Company announced that Mike Brown had been appointed as a director of the Company.

On September 3, 2021, the Company announced that Faizaan Lalani had resigned as a director of the Company.

On September 7, 2021, the Company entered into a non-binding letter of the intent with Echelon Minerals Ltd. (“**Echelon**”) pursuant to which the Company may acquire all of the issued and outstanding ordinary shares of Echelon.

On September 24, 2021, the Company announced that Keith Bodnarchuk had been appointed as a director of the Company.

### ***Year Ended September 30, 2020***

On January 15, 2020, the Company issued 500,000 Common Shares at a price of \$0.015 per Common Share for aggregate gross proceeds of \$7,500.

On March 15, 2020, the Company issued 2,000,000 units (each, a “**March 2020 Unit**”) at a price of \$0.06 per March 2020 Unit for aggregate gross proceeds of \$120,000. Each March 2020 Unit consisted of one Common Share and one common share purchase warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.30 per Common Share until March 15, 2022.

On July 1, 2020, the Company issued 600,000 units (each, a “**July 2020 Unit**”) at a price of \$0.15 per July 2020 Unit for aggregate gross proceeds of \$90,000. Each July 2020 Unit consisted of one Common Share and one common share purchase warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.30 per Common Share until July 1, 2022.

On August 1, 2020, the Company entered into an option agreement (the “**Caster Option Agreement**”) with Geomap Exploration Inc. (the “**Vendor**”) pursuant to which the Company has an exclusive option to acquire a 100% undivided interest in property known as the Caster property located in the Lac Paul region of Quebec (the “**Caster Property**”)

### **Significant Acquisitions**

During the year ended September 30, 2022, the Company did not complete any significant acquisitions for which disclosure is required under Part 8 of National Instrument 51-102.

## **DESCRIPTION OF BUSINESS**

### **General Description of the Business**

#### ***Business of the Company***

As of September 30, 2022, the primary business of the Company was the identification, acquisition, evaluation and exploration of mineral properties.

As at the date of this AIF, the primary business of the Company is the exploration and development of the Grasset Property.

#### ***Specialized Skill and Knowledge***

A number of aspects of the Company’s business require specialized skills and knowledge. Such skills and

knowledge include the areas of geology, drilling, logistical planning, geophysics, metallurgy and mineral processing, implementation of exploration programs, mine construction and operation, and accounting. While recent increased activity in the resource mining industry has made it more difficult to locate competent employees and consultants in such fields, the Company has found that it can locate and retain such employees and consultants and believes it will continue to be able to do so.

### ***Competitive Conditions***

The mineral exploration and development industry is competitive in all phases of exploration, development and production. There is a high degree of competition faced by the Company in Quebec and Ontario for skilled employees, suitable contractors for drilling operations, technical and engineering resources, and necessary exploration and mining equipment. Many competitor companies have greater financial resources, operational expertise, and/or more advanced properties than the Company. The Company has in place experienced management personnel and continues to evaluate the required expertise and skills to carry out its operations. As a result of this competition, the Company may be unable to achieve its exploration and development in the future on terms it considers acceptable or at all.

### ***Cycles***

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

### ***Environmental Protection***

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials, the protection of wildlife (including endangered species) and other matters.

The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its properties that may result in material liability to the Company.

### ***Employees***

As of September 30, 2022, the Company had five consultants at its head office in Vancouver, Canada and one employee in Victoria, Canada.

### ***Lending Operations, Investment Policies and Restriction***

The Company has not adopted any specific policies or restrictions regarding investments or lending, but will ensure any investment or debt activities incurred are in the best interests of the Company and its shareholders. The Company expects that, in the immediate future in order to maintain and develop the Nickel Projects, it may need to raise additional capital through equity and/or debt. If the Company is unable to raise the necessary capital to meet its obligations as they become due, the Company may have to curtail its operations or obtain financing at unfavourable terms.

### ***Bankruptcy and Similar Procedures***

The Company has not been the subject of any bankruptcy or any receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings, since incorporation.

### ***Reorganizations***

As disclosed above, the Company completed the Transaction on November 18, 2022. Additional details regarding the Transaction can be found under “*General Development of the Business – The Transaction and Concurrent Financing*” above.

### ***Social or Environmental Policies***

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

### ***Risk Factors***

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Due to the nature of the Company’s proposed business and the present stage of exploration of its mineral properties, the following risk factors, among others, will apply:

#### ***Resource Exploration and Development is a Speculative Business***

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit



from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body which can be legally and economically exploited. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

### ***Fluctuation of Metal Prices***

Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

### ***Financing Risks***

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

### ***Increased Costs***

Management anticipates that costs at the Company's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on the Company's operating funds and ability to continue its planned exploration programs.

### ***Reclamation***

There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of the waste rock or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of any mineral project of the Company to cover potential risks. These additional costs may have a material adverse effect on the Company's business, financial condition and results of operations.

### ***Mining Industry is Intensely Competitive***

The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

### ***Permits and Licenses***

The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

### ***Government Regulation***

Any exploration, development or mining operations carried on by the Company, will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

### ***Environmental Restrictions***

The activities of the Company are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered/threatened species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes

in governmental regulations has a potential to reduce the profitability of operations.

### ***Global Economy Risk***

The volatility of global capital markets, including the general economic slowdown in the mining sector, over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Company's securities could be adversely impacted.

### ***Inflation***

The Company's operating costs could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices and additional government intervention through stimulus spending or additional regulations. The Company's inability to manage costs may impact, among other things, future development decisions, which could have a material adverse impact on the Company's financial performance.

### ***Public Health Crises, including the COVID-19 Pandemic***

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including any outbreak of additional strains of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in a number of countries including Canada, the United States, Europe and Asia. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While a number of jurisdictions, including in Canada, have started to lift certain COVID-19 related restrictions, the duration of the various disruptions to businesses locally and internationally and the related financial and other impacts cannot be reasonably estimated at this time. Such public health crises can result in volatility and disruptions in the supply and demand for metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices and inflation.

Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. Any of these could affect the Company's ability to advance exploration and development with such risks to include challenges in recruiting and retaining staff and personnel, restricted access for employees and contractors to the Moss Lake Project, equipment and materials not being delivered to site on schedule or at all, and further inefficiencies required to be put in

place to health and safety resulting in less productivity.

### ***Military Conflict in Ukraine***

The military conflict in Ukraine could lead to heightened volatility in the global financial markets, increased inflation, and turbulence in mining markets. More recently, in response to Russian military actions in Ukraine, several countries (including Canada, the United States and certain allies) have imposed economic sanctions and export control measures, and may impose additional sanctions or export control measures in the future, which have and could in the future result in, among other things, severe or complete restrictions on exports and other commerce and business dealings involving Russia, certain regions of Ukraine, and/or particular entities and individuals. While the Company does not have any direct exposure or connection to Russia or Ukraine, as the military conflict is a rapidly developing situation, it is uncertain as to how such events and any related economic sanctions could impact the global economy. Any negative developments in respect thereof could have an adverse effect on the Company's business, operations, financial condition, and the value of the Company's securities.

### ***Foreign Countries and Political Risk***

Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business, or if significant enough, may make it impossible to continue to operate in the country. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

### ***Title Matters***

Although the Company has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

### ***Exploration and Mining Risks***

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production,

importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

### ***Regulatory Requirements***

The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

### ***No Assurance of Profitability***

The Company has no history of earnings and, due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its Common Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its Common Shares or, possibly, from the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

### ***Uninsured or Uninsurable Risks***

Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in

operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

### ***Potential Conflicts of Interest***

The directors and officers of the Company may serve as directors and/or officers for other public and private companies, including companies in which the Company has invested in, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, and to the extent that such companies may receive funds from the Company, such directors and officers of the Company may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The *Business Corporations Act* (British Columbia), which governs the Company, requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of the Company will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the Company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of the Company will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

### ***Key Executives and Outside Consultants***

The Company is dependent upon the services of key executives, including the directors of the Company, and will be dependent on a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additional highly-skilled employees may adversely affect its business and future operations.

The Company has also relied upon outside consultants, geologists, engineers and others and intends to rely on these parties for their exploration and development expertise. Substantial expenditures are required to construct mines, to establish mineral resources and reserves estimates through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and to develop the development, exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company's business, financial condition and results of operations.

### ***Litigation***

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no

merit. Like most companies, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it could have a material adverse effect on the Company's business, financial condition and results of operations.

#### ***Potential Volatility of Market Price of Common Shares and Related Litigation Risks***

Securities of publicly listed companies such as the Company have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of the Common Shares. In addition, the market price of the Common Shares is likely to be highly volatile. Factors such as gold prices, the average volume of shares traded, announcements by competitors, changes in stock market analysts' recommendations regarding the Company and general market conditions and attitudes affecting other exploration and mining companies may have a significant effect on the market price of the Company's Common Shares. It is likely that the Company's results or development and exploration activities may fluctuate significantly or may fail to meet the expectations of stock market analysts and investors and, in such event, the market price of the Common Shares could be materially adversely affected. In the past, securities class action litigation has often been initiated following periods of volatility in the market price of a company's securities. Such litigation, if brought against the Company, could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on the Company's business, financial position and results of operations.

#### ***Future Sales of Common Shares by Existing Shareholders***

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously completed private placements at prices per share which may be, from time to time, lower than the market price of the common shares. Accordingly, a significant number of the Company's shareholders at any given time may have an investment profit in the common shares that they may seek to liquidate.

#### ***Dividend Policy***

No dividends on the Common Shares have been paid by the Company to date. The Company currently plans to retain all future earnings and other resources, if any, of the future operation and development of its business. Payment of any future dividends, if any, will be at the discretion of the Company's board of directors (the "**Board**") after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs.

The Company's management consider the risks disclosed to be the most significant to potential investors of the Company, but not all risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

## **Material Mineral Projects**

As at September 30, 2022, the Company did not have a material property.

As of the date of this AIF, the Grasset Property was the Company's only material property.

### ***The Grasset Property***

Unless stated otherwise, the information in this section is based upon the technical report pursuant to NI 43-101 entitled "NI 43-101 Technical Report for the Grasset Property, Quebec, Canada" with an effective date of September 2, 2022 (the "**Technical Report**") prepared by Carl Pelletier, P.Geo. of InnovExplo Inc.

A summary of the information contained in the Technical Report is set forth in Appendix "B" to this Annual Information Form and defined terms in the summary have the meanings ascribed to them in the Technical Report. Portions of the disclosure in Appendix "B" are based on assumptions, qualifications and procedures which are not fully described herein. The Technical Report was filed on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) on November 28, 2022.

The Technical Report is incorporated by reference in its entirety into this Annual Information Form.

Information in Appendix "B" is dated as of September 2, 2022.

## **DIVIDENDS**

The Company has not paid any dividends since incorporation and it has no plans to pay dividends for the foreseeable future. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time. All of the Common Shares are entitled to an equal share of any dividends declared and paid.

## **CAPITAL STRUCTURE**

### **Common Shares**

The Company's authorized capital consists of an unlimited number of Common Shares without par value.

As of September 30, 2022, a total of 11,111,089 Common Shares were issued and outstanding. As of the date of this AIF, a total of 90,672,321 Common Shares are issued and outstanding.

Each Common Share ranks equally with all other Common Shares with respect to dissolution, liquidation or winding-up of the Company and payment of dividends. The holders of Common Shares are entitled to one vote for each share of record on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the Board out of funds legally available therefore and to receive, pro rata, the remaining property of the Company on dissolution. The holders of Common Shares have no redemption, retraction, purchase, pre-emptive or conversion rights. The rights attaching to the Common Shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.



## **Warrants**

There were 2,431,650 Common Share purchase warrants (“**Warrants**”) outstanding as of September 30, 2022, exercisable into 2,431,650 Common Shares, with a weighted average exercise price of \$1.33 per Common Share.

As of the date of this AIF, there are 14,104,020 Warrants outstanding, exercisable into 14,104,020 Common Shares, with a weighted average exercise price of approximately \$1.08 per Common Share, which would result in \$15,222,681 cash proceeds to the Company, if exercised.

## **Omnibus Equity Incentive Compensation**

As at September 30, 2022, the Company had approved an incentive share option plan (the “**Stock Option Plan**”), for the employees, directors, officers, consultants and employees of a person or company which provides management services to the Company or its associated, affiliated, controlled and subsidiary companies (the “**Participants**”), to grant such Participants stock options to acquire up to 10% of the Company’s issued and outstanding Common Shares from time to time. This is a “rolling” plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company’s issued and outstanding share capital increases. The Stock Option Plan provides that the directors of the Company may grant options to purchase Common Shares on terms that the directors may determine, within the limitations of the Stock Option Plan. The exercise price of an option issued under the Stock Option Plan is determined by the directors, but may not be less than the closing market price of the Common Shares on the day preceding the date of granting of the option. No option may be granted for a term longer than ten years. An option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the optionee ceases to be eligible under the Stock Option Plan by reason of death, retirement or otherwise.

The Stock Option Plan provides for the following restrictions: (i) no Participant may be granted an option if that option would result in the total number of stock options granted to the Participant in the previous 12 months, exceeding 5% of the issued and outstanding Common Shares unless the Company has obtained disinterested shareholder approval; (ii) the aggregate number of options granted to Participants conducting Investor Relations Activities (as defined in CSE Policies) in any 12 month period must not exceed 1% of the issued and outstanding Common Shares, calculated at the time of grant; and (iii) the aggregate number of options granted to any one consultant in any 12 month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the time of grant.

In addition, if required under the rules and policies of the applicable stock exchange on which the Common Shares are listed, options granted to consultants conducting Investor Relations Activities (as defined in CSE Policies) will vest over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting.

On December 13, 2022, the Company adopted a new omnibus equity incentive plan (the “**Equity Compensation Plan**”). The Equity Compensation Plan was approved by shareholders of the Company on October 12, 2022 effective as of such to be determined by the board of directors of the Company and replaced the Stock Option Plan.

Below is a summary of the material terms of the proposed Equity Compensation Plan. For the purposes

of the description of the Equity Compensation Plan below, unless otherwise defined herein, capitalized terms shall have the meaning ascribed thereto in Equity Compensation Plan.

The material terms of the Equity Compensation Plan are as follows:

1. Only a Director, Officer, Employee, Management Company Employee or Consultant of the Company or of any of its subsidiaries is eligible to participate in the Equity Compensation Plan. Except in relation to Consultant Companies, Awards may be granted only to an individual or to a Company that is wholly owned by individuals eligible to receive Awards.
2. The Equity Compensation Plan is a (a) "rolling" plan pursuant to which the number of Shares that are issuable pursuant to the exercise of Options granted under the Equity Compensation Plan, and the Prior Plan, shall not exceed 10% of the Issued Shares of the Company as at the date of any Option grant, and (b) "fixed" plan under which the number of Shares that are issuable pursuant to all Awards other than Options granted under the Equity Compensation Plan and under any other Security Based Compensation Plan of the Company, in aggregate is a maximum of 10% of the Issued Shares as at an effective date to be determined by the Committee, subject to adjustment as provided in the Equity Compensation Plan.
3. The Committee shall have full and exclusive discretionary power to interpret the terms and the intent of the Equity Compensation Plan and any award agreement or other agreement ancillary to or in connection with the Equity Compensation Plan, to determine eligibility for the Awards, and to adopt such rules, regulations and guidelines for administering the Equity Compensation Plan as the Committee may deem necessary or proper.
4. Unless the Company has obtained the requisite disinterested shareholder approval pursuant to Exchange Policies, if applicable, the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to any one Person must not exceed 5% of the Issued Shares, calculated as at the date any Security Based Compensation is granted or issued to the Person, except as expressly permitted and accepted by the Exchange for filing under Exchange Policies, if applicable, shall not be included in calculating this 5% limit.
5. The maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to any one Consultant must not exceed 2% of the Issued Shares, calculated as at the date any Security Based Compensation is granted or issued to the Consultant, except that securities that are expressly permitted and accepted for filing under Exchange Policies, if applicable, shall not be included in calculating this 2% limit.
6. The maximum aggregate number of Shares that are issuable pursuant to all Options granted in any 12 month period to all Investor Relations Service Providers in aggregate shall not exceed 2% of the Issued Shares, calculated as at the date any Option is granted to any such Investor Relations Service Provider.
7. All Awards and Shares issuable thereunder are subject to any applicable resale restrictions under Securities Laws and, if applicable, any resale restrictions required under applicable Exchange Policies, and shall have affixed thereto any legends required under Securities Laws and Exchange Policies, if applicable.
8. Notwithstanding the expiry date, redemption date or settlement date of any Award, such expiry date, redemption date or settlement date, as applicable, of the Award shall be extended to the tenth business day following the last day of a Blackout Period if the expiry date would otherwise occur in a Blackout

Period.

9. Options can be exercisable for a maximum of 10 years from the date of grant, subject to extension where the expiry date falls within a Blackout Period.

10. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions upon which a Option shall become vested and exercisable, and any such other provisions as the Committee shall determine.

11. The Option Price for each grant of an Option under the Equity Compensation Plan shall be determined by the Committee and shall be specified in the Award Agreement. The minimum exercise price of an Option shall not be less than the last closing price of the Corporation's Shares traded through the facilities of the Exchange prior to the grant of the Option, less any discount permitted by the Exchange, or such other price as may be required by the Exchange.

12. If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate then the right to exercise such Options terminates on the earlier of: (i) the date that is 12 months after the Termination Date; and (ii) the date on which the exercise period of the particular Option expires. Any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date.

13. Except as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy), where a Participant's employment or term of office or engagement terminates (for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice)) then (i) any Options held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of: (A) the date that is three months after the Termination Date; and (B) the date on which the exercise period of the particular Option expires; and (ii) any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date,

14. Each Restricted Share Unit ("**RSU**") grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, and any such other provisions as the Committee shall determine, provided that no Restricted Share Unit shall vest (i) earlier than one year, or (ii) later than five years, after the date of grant, except that the Committee may in its sole discretion accelerate the vesting for a Participant who dies or who ceases to be an eligible Participant under the Equity Compensation Plan in connection with a Change of Control.

15. A Participant shall have no voting rights with respect to any Restricted Share Units granted under the Equity Compensation Plan.

16. If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate then (i) any Restricted Share Units held by the Participant that have not vested as at the Termination Date shall vest immediately; and (ii) any Restricted Share Units held by the Participant that have vested as at the Termination Date shall be paid to the Participant's estate in accordance with the terms of the Equity Compensation Plan and Award Agreement.

17. Unless determined otherwise by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy), where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice), then any Restricted Share Units held by the Participant that have vested before the Termination Date shall be paid to the Participant, and any Restricted Share Units held by the Participant that are not yet vested at the Termination Date will be immediately cancelled and forfeited to the Company on the Termination Date.

18. Each Deferred Share Unit ("DSU") grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which the Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.

19. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Equity Compensation Plan, and may reflect distinctions based on the reasons for termination. Any settlement or redemption of any Deferred Share Units shall occur within one year following the Termination Date.

20. The Committee, at any time and from time to time, may grant Performance Shares and/or Performance Units to Participants in such amounts and upon such terms as the Committee shall determine, provided that, no Performance Shares and/or Performance Units shall vest earlier than one year after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required for a Participant who dies or who ceases to be an eligible Participant under the Equity Compensation Plan in connection with a Change of Control.

21. Each Performance Share and Performance Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share or Performance Unit that will be paid to the Participant.

22. Subject to the terms of the Equity Compensation Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Shares and/or Performance Units shall be entitled to receive payout on the value and number of Performance Shares and/or Performance Units, determined as a function of the extent to which the corresponding performance criteria have been achieved.

23. If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate, then (i) the number of Performance Shares or Performance Units held by the Participant that have not vested shall be adjusted as set out in the applicable Award Agreement (the "Deemed Awards"); (ii) any Deemed

Awards shall vest immediately; (iii) any Performance Shares and Performance Units held by the Participant that have vested shall be paid to the Participant's estate in accordance with the terms of the Equity Compensation Plan and Award Agreement; and (iv) any settlement or redemption of any Performance Units or Performance Shares shall occur within one year following the Termination Date.

24. Unless determined otherwise by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy), where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice), then (i) any Performance Units or Performance Shares held by the Participant that have vested before the Termination Date shall be paid to the Participant in accordance with the terms of the Equity Compensation Plan and Award Agreement; (ii) any Performance Units or Performance Shares held by the Participant that are not yet vested at the Termination Date will be immediately cancelled and forfeited to the Company on the Termination Date; and (iii) any settlement or redemption of any Performance Units or Performance Shares shall occur within one year following the Termination Date.

25. Subject to the provisions of Equity Compensation Plan or the Award Agreement, in the event of a Change of Control, the Committee shall have the discretion to unilaterally determine that all outstanding Awards shall be cancelled upon a Change of Control, and that the value of such Awards, as determined by the Committee in accordance with the terms of the Equity Compensation Plan and the Award Agreements, shall be paid out in cash in an amount based on the Change of Control Price within a reasonable time subsequent to the Change of Control, subject to the approval of the Exchange.

26. Subject to certain exceptions set out in the Equity Compensation Plan, and as otherwise provided by law, or Exchange rules, the Committee or Board may, at any time and from time to time, alter, amend, modify, suspend or terminate the Equity Compensation Plan or any Award in whole or in part without notice to, or approval from, shareholders, including, but not limited to for the purposes of: (i) making any amendments not inconsistent with the Equity Compensation Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, it may be expedient to make, including amendments that are desirable as a result of changes in law or as a "housekeeping" matter; or (ii) making such changes or corrections which are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

There were 686,712 options outstanding as of September 30, 2022, exercisable into 686,712 Common Shares, with a weighted average exercise price of \$1.21 per Common Share.

As of the date of this AIF, there are 3,463,341 options outstanding, exercisable into 3,463,341 Common Shares with a weighted average exercise price of \$0.66 per Common Share, which would result in \$2,272,299 cash proceeds to the Company, if exercised. 1,213,344 options outstanding are exercisable into one Common Share for a period of 5 years and are fully vested. 2,249,997 options outstanding are exercisable into one Common Share for a period of up to 5 years and are not vested. As of the date of this AIF, there are 350,000 RSUs outstanding and 1,100,000 DSUs outstanding.

## **MARKET FOR SECURITIES**

### **Trading Price and Volume**

During the year ended September 30, 2022, the Common Shares were listed and posted for trading on the CSE under the trading symbol “RCHR”. The following table sets forth the high and low trading prices and trading volume of the Common Shares for its most recently completed financial year. All share and per share amounts have been retrospectively adjusted to reflect the Consolidation.

| <u>Period</u>                 | <u>High (\$)</u> | <u>Low (\$)</u> | <u>Volume</u> |
|-------------------------------|------------------|-----------------|---------------|
| September 2022 <sup>(1)</sup> | N/A              | N/A             | N/A           |
| August 2022 <sup>(1)</sup>    | N/A              | N/A             | N/A           |
| July 2022 <sup>(1)</sup>      | 0.90             | 0.75            | 15,366        |
| June 2022                     | 0.62             | 0.39            | 187,910       |
| May 2022                      | 0.86             | 0.45            | 81,511        |
| April 2022                    | 1.05             | 0.74            | 26,868        |
| March 2022                    | 1.35             | 0.90            | 47,656        |
| February 2022                 | 1.26             | 0.90            | 7,999         |
| January 2022                  | 2.25             | 1.02            | 10,154        |
| December 2021                 | 2.55             | 2.25            | 1,098         |
| November 2021                 | 3.75             | 2.55            | 3,797         |
| October 2021                  | 3.00             | 0.83            | 13,788        |

Note:

(1) Trading of the Common Shares was halted on July 13, 2022 in connection with the announcement of the Transaction. Trading of the Common Share did not re-commence until November 29, 2022.

### PRIOR SALES

During the year ended September 30, 2022, the Company issued the following securities that are not listed or quoted on a marketplace:

#### Warrants

During the Company’s most recently completed financial year, 999.987 Warrants were issued. Since October 1, 2022, 12,072,370 Warrants have been issued, as follows:

| <u>Date of Issue</u> | <u>Number of Warrants Issued</u> | <u>Exercise Price</u> | <u>Expiry Date</u> |
|----------------------|----------------------------------|-----------------------|--------------------|
| November 18, 2022    | 385,031                          | \$0.66                | May 18, 2024       |
| November 18, 2022    | 11,687,339                       | \$1.02                | May 18, 2024       |

As of the date of this AIF, there are Warrants outstanding to purchase 14,104,020 Common Shares.

### Stock Options

During the Company's most recently completed financial year, 499,997 incentive stock options ("Options") were granted, and since October 1, 2022, a further 2,880,000 Options have been granted as follows:

| <u>Date of Grant</u> | <u>Number of Options<br/>Granted</u> | <u>Exercise Price</u> | <u>Expiry Date</u> |
|----------------------|--------------------------------------|-----------------------|--------------------|
| December 13, 2022    | 2,325,000                            | \$0.55                | December 13, 2027  |
| March 17, 2023       | 225,000                              | \$0.55                | March 17, 2027     |
| March 22, 2023       | 100,000                              | \$0.38                | March 22, 2027     |
| June 1, 2023         | 230,000                              | \$0.16                | June 1, 2028       |

As of the date of this AIF, there are Options outstanding to purchase an aggregate of 3,463,341 Common Shares.

### RSUs

During the Company's most recently completed financial year, no RSUs were granted, and since October 1, 2022, a 350,000 RSUs have been granted as follows:

| <u>Date of Grant</u> | <u>Number of RSUs<br/>Granted</u> | <u>Exercise Price</u> | <u>Expiry Date</u> |
|----------------------|-----------------------------------|-----------------------|--------------------|
| December 13, 2022    | 350,000                           | Nil                   | December 13, 2027  |

As of the date of this AIF, there are RSUs outstanding to be settled by an aggregate of 350,000 Common Shares.

### DSUs

During the Company's most recently completed financial year, no DSUs were granted, and since October 1, 2022, a further 1,100,000 DSUs have been granted as follows:

| <u>Date of Grant</u> | <u>Number of DSUs<br/>Granted</u> | <u>Exercise Price</u> | <u>Expiry Date</u> |
|----------------------|-----------------------------------|-----------------------|--------------------|
| December 13, 2022    | 1,100,000                         | Nil                   | December 13, 2027  |

As of the date of this AIF, there are DSUs outstanding to be settled by an aggregate an aggregate of 1,100,000 Common Shares.

### ESCROWED SECURITIES

The following table shows the number and percentage of common shares held, to the Company's knowledge, in escrow or subject to a contractual restriction on transfer as at the date of this AIF:

| <b>Designation of Class</b> | <b>Number of Securities held in escrow or that are subject to a contractual restriction on transfer</b> | <b>Percentage of Class</b> |
|-----------------------------|---|----------------------------|
| Common Shares               | 15,011,554 <sup>1</sup>   | 16.56%                     |

Notes:

- (1) In connection with the requalification for listing of the Common Shares on the CSE following the completion of the Transaction, all securities held by "principals" were required to be escrowed pursuant to National Policy 46-201. The Company's transfer agent, Odyssey Trust Company, is the escrow agent appointed under an escrow agreement and the escrowed shares will be released as follows: 10% on the November 28, 2022 (the "Listing Date"); (b) 15% on the date that is six months from the Listing Date; (c) 15% on the date that is 12 months from the Listing Date; (d) 15% on the date that is 18 months from the Listing Date; (e) 15% on the date that is 24 months from the Listing Date; (f) 15% on the date that is 30 months from the Listing Date; and (g) 15% on the date that is 36 months from the Listing Date.

## DIRECTORS AND OFFICERS

### Name, Occupation and Security Holdings

The following table sets out the names of the directors and officers of the Company as at the date of this AIF and their respective provinces or states and countries of residence, positions with the Company, principal occupations within the five preceding years, periods during which each director has served as a director and the number of each class of securities of the Company and percentage of such class beneficially owned, directly or indirectly, or subject to control or direction by that person.

| <b>Name, Position and City, Province and Country of Residence</b>                                 | <b>Principal Occupation or Employment for Past 5 Years<sup>(1)</sup></b>   | <b>Director or Officer Since</b> | <b>No. and Class of Securities<sup>(1)</sup></b> | <b>Percentage of Class<sup>(2)</sup></b> |
|---|--|----------------------------------|--|--|
| <b>Tom Meyer</b><br><br>British Columbia,<br>Canada<br><br><i>President, CEO and<br/>Director</i> | Vice President, Corporate Development Trevali Mining Corporation (September 2021 to September 2022); consultant to the mining industry specializing in corporate development, capital markets and commodity research (July 2020 to September 2021); private investor and entrepreneur (January 2016 to July 2020). | September<br>14, 2022            | 1,061,806  | 1.17%                                    |



| Name, Position and City, Province and Country of Residence   | Principal Occupation or Employment for Past 5 Years <sup>(1)</sup>   | Director or Officer Since | No. and Class of Securities <sup>(1)</sup> | Percentage of Class <sup>(2)</sup> |
|--|--|---------------------------|--|------------------------------------|
| <p><b>Sherry Roberge</b></p> <p>British Columbia, Canada</p> <p><i>Chief Financial Officer and Corporate Secretary</i></p> | <p>Chief Financial Officer and Corporate Secretary of Archer Exploration Corp., Former Chief Financial Officer and Corporate Secretary of Defiance Silver Corp.</p>  | <p>March 1, 2023</p>      | <p>100,000</p>                             | <p>0.11%</p>                       |
| <p><b>Jacquelin (Jack) Gauthier</b></p> <p>Quebec, Canada</p> <p><i>Vice President, Exploration</i></p>                    | <p>Vice-President Geology Niobay Metals inc.; Senior Technical Advisor Trans-Siberian Gold plc; Exploration Geologist Consultant for the Mining Industry</p>   | <p>October 24, 2022</p>   | <p>Nil</p>                                 | <p>0.00%</p>                       |
| <p><b>Wes Short</b></p> <p>British Columbia, Canada</p> <p><i>Vice President, Corporate Development</i></p>                | <p>Executive Vice President and Director of Cosa Resources Corp., Former President of TinOne Resources Inc., Former Manager of Corporate Affairs of IsoEnergy Ltd. and Corporate Secretary of Consolidated Uranium</p> | <p>February 25, 2022</p>  | <p>485,545</p>                             | <p>0.54%</p>                       |
| <p><b>David Cobbold</b> <sup>(3) (4)</sup></p> <p>Ontario, Canada</p> <p><i>Director</i></p>                               | <p>Vice Chairman, Metals &amp; Mining, Macquarie Group, Former Managing Director and Head of Mining, Macquarie Capital Markets Canada</p>  | <p>November 18, 2022</p>  | <p>601,515</p>                             | <p>0.66%</p>                       |
| <p><b>Michael Konnert</b> <sup>(3) (4)</sup></p> <p>British Columbia, Canada</p> <p><i>Director</i></p>                    | <p>CEO, President and Director of Vizsla Silver Corp.</p>  | <p>January 12, 2022</p>   | <p>515,769</p>                             | <p>0.57%</p>                       |

| <b>Name, Position and City, Province and Country of Residence</b>      | <b>Principal Occupation or Employment for Past 5 Years<sup>(1)</sup></b>                             | <b>Director or Officer Since</b> | <b>No. and Class of Securities<sup>(1)</sup></b> | <b>Percentage of Class<sup>(2)</sup></b> |
|--|--|----------------------------------|--|--|
| <b>Christian Kargl-Simard</b><br>Ontario, Canada<br><i>Director</i>    | President and CEO of Adventus Mining Corp., Director of Surge Copper Corp.                           | November 18, 2022                | 1,185,830  | 1.31%                                    |
| <b>Marz Kord<sup>(4)</sup></b><br>Ontario, Canada<br><i>Director</i>   | CEO, President and Director of Wallbridge Mining Company Limited                                     | November 18, 2022                | 141,386  | 0.16%                                    |
| <b>Brian Penny<sup>(3)</sup></b><br>Ontario, Canada<br><i>Director</i> | CFO of Wallbridge Mining Company Limited. Previous Executive Vice President and CFO of New Gold Inc. | November 18, 2022                | 38,230   | 0.04%                                    |

Notes:

- (1) The information as to principal occupation and shares beneficially owned has been furnished by the respective individuals.
- (2) Based upon the 90,672,321 Common Shares issued and outstanding as of the date of this AIF.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation Committee

As at the date of this AIF, 4,130,081 Common Shares of the Company are beneficially owned, directly or indirectly, by the directors and executive officers as a group, representing approximately 4.55% of the issued and outstanding voting securities of the Company.

## Director Biographies

### *Tom Meyer, President, Chief Executive Officer and Director – Age 55*

Mr. Meyer is a professional engineer with over 23 years in the mining industry. Most recently he held the position of Vice President Corporate Development at Trevali Mining Corporation. Prior to providing consulting services to the mining sector, Mr. Meyer worked for 16 years in Canadian and international capital markets as a highly ranked and respected mining equity research and commodity analyst. The early part of Mr. Meyer's technical training and experience was spent with Falconbridge Limited, Inco Limited, Hemlo Gold Mines and Minnovex Technologies. Mr. Meyer holds B.A.Sc. and M.A.Sc degrees from the University of Toronto and a Master of Business Administration (Finance) from McMaster University. He is a Chartered Financial Analyst and a Registered Professional Engineer in the Province of Ontario.

### *Sherry Roberge, Chief Financial Officer and Financial Officer – Age 39*

Ms. Roberge, CPA CA, is an accomplished financial professional and business leader with more than 15 years' experience in the mining sector. She has extensive experience in public company management with international operations including corporate governance, regulatory compliance, corporate finance and financial reporting, investor relations and marketing, public company financing, and merger transactions as well as oversight of information technology systems, taxation, and human resources. She is a member of the Institute of Chartered Professional Accountants of British Columbia and holds a Bachelor of Commerce degree from Royal Roads University and a Master of Professional Accounting from the University of Saskatchewan.

*Jacquelin (Jack) Gauthier, Vice-President of Exploration – Age 71*

Mr. Gauthier is a professional geologist with over 40 years of diversified experience in the mining sector, having held senior positions with Trans-Siberian Gold Plc, Kinross Gold Corp., Bema Gold Corp., Cambior Inc., Azimut Exploration Inc., Geomega Resources Inc., and Noranda Inc. Most recently, Mr. Gauthier held the position of VP Geology at NioBay Metals Inc., where he identified in the archives, helped acquire and subsequently led the team that revitalized the James Bay Niobium Project, a 60-million-ton niobium deposit in Northern Ontario that had laid dormant for over 40 years. He was also directly responsible for four profitable gold discoveries with four different teams: two discoveries in Canada and two in Russia. Mr. Gauthier holds a Geological Engineer B.A.Sc from Université du Québec à Chicoutimi and is a member of the Ordre des Géologues du Québec.

*Wes Short, Vice-President, Corporate Development – Age 33*

Mr. Short has worked in the natural resources sector for the past 8 years and began his career as a founding member of the IsoEnergy team as Manager of Corporate Affairs before his departure in 2021. Mr. Short previously held the role of Corporate Secretary with NxGold from 2018 until 2020 and was a founding team member of its successor, Consolidated Uranium, from its inception until 2021. Mr. Short is a Director of uranium explorer Cosa Resources Corp.

Mr. Short holds a Bachelor of Commerce in Finance from the University of Northern British Columbia.

*David Cobbold, Director – Age 57*

Mr. Cobbold is a veteran mining investment banker with 25 years of financial services experience. Currently, he is a Vice Chairman, Metals & Mining at Macquarie Group where he is responsible for sourcing and leading merger, acquisition, sale and defense transactions for clients ranging from exploration and development companies to global metals & mining companies. Mr. Cobbold's clients are based in Canada, US, U.K, South African and Australia. In addition, Mr. Cobbold has extensive experience in global commodity and securities markets. Mr. Cobbold joined Macquarie in 2011 as Managing Director, Head of Mining, Macquarie Capital Markets Canada. Prior to joining Macquarie, Mr. Cobbold worked at CIBC World Markets and CIBC Capital Partners for 13 years in various capacities, including as a Managing Director, Global Mining Investment Banking and Managing Director, Equity Capital Markets. Mr. Cobbold holds a Bachelor of Arts in Economics, University of Western Ontario and Master of Business Administration (MBA), Harvard Business School.

*Michael Konnert, Director – Age 35*

Mr. Konnert is a mining entrepreneur experienced in deal-making, financing, and corporate strategy. He is the founder and CEO of Vizsla Silver Corp. (NYSE-A: VZLA; TSXV: VZLA) which is developing the newly consolidated Panuco-Copala district, one of Mexico's highest-grade silver and gold districts. He is co-founder and Managing Director of Inventa Capital, a leading natural resource investor and incubator with companies worldwide, focusing on the global shift in energy systems. Previously, Mr. Konnert co-founded CobaltOne Energy Corp, a cobalt exploration company he led as CEO and sold to Blackstone Minerals (ASX: BSX) in 2017. Mr. Konnert is also a director of multiple reporting issuers.

*Christian Kargl-Simard, Director – Age 39*

Mr. Kargl-Simard is a professional engineer with over 19 years of experience in the mining industry, having worked both in technical and finance roles. Prior to founding Adventus, he worked for 10 years in investment banking roles at Raymond James Ltd. and Haywood Securities Inc. During his tenure in investment banking, Mr. Kargl-Simard was involved in financings raising more than \$7 billion, and he assisted in completing over 35 M&A transactions. Mr. Kargl-Simard also worked for Dynatec Corporation in Fort Saskatchewan, Alberta up to its sale to Sherritt International Corp. in 2007, both in metallurgical engineering and corporate development roles. Mr. Kargl-Simard is a professional engineer (Alberta) and holds a B.A.Sc. degree in Metals and Materials Engineering from the University of British Columbia. He is also Non-Executive Chairman of Surge Copper Corporation.

*Marz Kord, Director – Age 61*

Mr. Kord is currently the President, Chief Executive Officer and a Director of Wallbridge Mining Company Limited. Mr. Kord is a professional mining engineer with over 30 years of progressive experience in mining operations and project management. Prior to joining Wallbridge in 2011, he held the position of Executive Vice President, Global Mining for Genivar Inc., a large Canadian firm, (now WSP Global), where he led the development and growth of the company's domestic and international mining profile. During the early part of his career with Falconbridge Limited, Mr. Kord was involved in mining operations in both Sudbury and Timmins. Mr. Kord's expertise includes managing large, multidisciplinary teams of engineers and operators as well as extensive experience in developing strategic growth plans and in mergers and acquisitions.

*Brian Penny, Director – Age 60*

Mr. Penny is a CPA, CMA and is currently the Chief Financial Officer of Wallbridge Mining Company Limited. He has over 30 years of experience in financial management, financing, risk management, strategic planning and financial reporting. Formerly, Mr. Penny held positions as the Executive Vice President and CFO of New Gold Inc., a multinational mining company, and as the Vice President of Finance and CFO of Kinross Gold Corporation. He's also previously served as a member of the Board of Directors of Maverick Metals Inc., Equinox Minerals Limited, Alamos Gold Inc. and Baffinland Iron Mines Limited.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Company, no director or executive officer of the Company nor a shareholder holding a sufficient number of Common Shares to materially affect the control of the Company, nor a personal holding company of any of them,

- (a) is, at the date of this AIF or has been within the 10 years before the date of this AIF, a

director or executive officer of any company (including the Company), that while that person was acting in that capacity,

- (i) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities registration, for a period of more than 30 consecutive days; or
  - (iii) 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 AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or comprise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

To the knowledge of the Company, no director or executive officer of the Company, nor a shareholder holding a sufficient number of Common Shares of the Company to affect materially the control of the Company, nor a personal holding company of any of them, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **Conflicts of Interest**

Certain directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

## AUDIT COMMITTEE INFORMATION

Pursuant to the provisions of National Instrument 52-110 Audit Committees (“NI 52-110”) the Company is required to provide the following disclosure with respect to its Audit Committee.

### Audit Committee Mandate

The text of the Audit Committee’s Charter is attached as Appendix “A” to this AIF.

### Composition of the Audit Committee

The Company’s audit committee consists of David Cobbold, Michael Konnert and Brian Penny. Each of Messrs. Cobbold, Konnert and Penny are independent of the Company. Mr. Penny is the Chairman of the Audit Committee.

### Relevant Education and Experience

Each member of the Audit Committee has considerable experience participating in the management of private and/or publicly traded companies and has the ability to read and understand financial statements that present the breadth and level of complexity of accounting issues that would generally be expected to be raised by the Company’s financial statements. See “*Directors and Officers - Director Biographies*” for additional information on each director’s education and experience.

Each Audit Committee member has had extensive experience reviewing financial statements. Each member has an understanding of the Company’s business and has an appreciation for the relevant accounting principles for that business.

### Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on: (a) the exemption in section 2.4 (*De Minimis Non-audit Services*), or (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

### Audit Committee Oversight

For the year ended September 30, 2022, the audit committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

### Pre-Approval Policy and Procedures

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

### External Auditor Service Fees

The following table sets forth the fees paid by the Company and its subsidiaries to DeVisser Gray LLP, Chartered Professional Accountants, for services rendered in the years ended September 30, 2022 and September 30, 2021:

| Category                          | Year ended<br>September 30, 2022 | Year ended<br>September 30, 2021 |
|-----------------------------------|----------------------------------|----------------------------------|
| Audit Fees <sup>(1)</sup>         | \$20,000                         | \$13,000                         |
| Audit Related Fees <sup>(2)</sup> | \$9,600                          | \$Nil                            |
| Tax Fees <sup>(3)</sup>           | \$Nil                            | \$Nil                            |
| All Other Fees <sup>(4)</sup>     | \$Nil                            | \$Nil                            |
| Total                             | <u>\$29,600</u>                  | <u>\$13,000</u>                  |

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) "Audit 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. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All other fees" include 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.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

### Legal Proceedings

The Company is not aware of any actual or pending material legal proceedings to which the Company is or is likely to be party or of which any of its business or property is or is likely to be subject.

### Regulatory Actions

No penalties or sanctions were imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the year ended September 30, 2022.

No penalties or sanctions were imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision.

The Company did not enter into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority during the year ended September 30, 2022.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF, no director, executive officer or persons or companies who beneficially own, control or direct, directly or indirectly, more than 10 percent of any class of outstanding voting securities of the Company, nor any associate or affiliate of the foregoing persons, has or has had any material interest, direct or indirect, in any transactions with the Company within the three most recently completed financial years or during the current financial year, that has materially affected or is reasonably expected to have a material effect on the Company.

## TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Odyssey Trust Company ("Odyssey"). Odyssey's register of transfers for the common shares of the Company is located at 350 – 409 Granville Street, Vancouver British Columbia V6C 1T2.

## MATERIAL CONTRACTS

The only material contracts that the Company has entered into (i) since the beginning of its most recently completed financial year or (ii) before the beginning of its most recently completed financial year and that are still in effect, other than contracts entered in the ordinary course of business, are as follows and can be found in the Company's regulatory filings available on SEDAR at [www.sedar.com](http://www.sedar.com):

- The agency agreement dated November 18, 2022 between the Company and the Agents entered into in connection with the Concurrent Financing (see "General Development of the Business – The Transaction and Concurrent Financing).
- The warrant indenture dated November 18, 2022 between the Company and Odyssey entered into in connection with the Concurrent Financing (see "General Development of the Business – The Transaction and Concurrent Financing).
- The escrow agreement dated November 25, 2022 between the Company and Odyssey entered into in connection with the requalification for listing of the Common Shares on the CSE following the completion of the Transaction (see "Escrowed Securities").
- The asset purchase agreement dated July 12, 2022 between the Company and Wallbridge entered into in connection with the Transaction (see "General Development of the Business – The Transaction and Concurrent Financing).

## INTERESTS OF EXPERTS

The following are the qualified persons involved in preparing the NI 43-101 technical reports or who certified a statement, report or valuation from which certain scientific and technical information relating to the Company's material mineral projects contained in this AIF has been derived, and in some instances extracted from:

- Carl Pelletier, (P.Geo.) has acted as qualified persons in connection with the Technical Report and has reviewed and approved the information related to the Technical Report for the Grasset Property, Quebec, Canada contained in this AIF.

The financial statements for the financial year ended September 30, 2022, have been audited by DeVisser Gray LLP, Chartered Professional Accountants, the Company's auditors. DeVisser Gray LLP has confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The aforementioned firms or persons held either less than one percent or no securities of the Company or of any associate or affiliate of the Company when they rendered services, prepared the reports referred



to, as applicable, or following the rendering of services or preparation of such reports or data, as applicable, and either did not receive any or received less than a one percent direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the rendering of such services or preparation of such reports or data.

None of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies is, or is expected to be elected, appointed or employed as, a director, officer or employee of Archer or of any associate or affiliate of Archer.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under the Company's Equity Compensation Plan, as applicable, is contained in the Company's information circulars dated January 21, 2023, September 6, 2022 and January 21, 2022, respectively, which may be viewed on SEDAR ([www.sedar.com](http://www.sedar.com)).

Additional financial information is provided in the Company's audited financial statements and the Management's Discussion and Analysis of the Company for the years ended September 30, 2022 and 2021, a copy of which may be requested from the Company's head office, or may be viewed on SEDAR ([www.sedar.com](http://www.sedar.com)).

**ARTICLE 1**  
**PURPOSE**

1.1 The Audit and Risk Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Archer Exploration Corp. (the "**Company**") shall assist the Board in fulfilling its financial oversight responsibilities. The overall purpose of the Committee is (i) to ensure that the Company's management has designed and implemented an effective system of internal financial controls, (ii) to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, (iii) to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information, and (iv) to oversee the external auditor's qualification and independence and the performance of the external auditors. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each member of the Committee will obtain an understanding of the responsibilities of the Committee membership as well as the Company's business, its operations and related risks.

**ARTICLE 2**  
**COMPOSITION, PROCEDURE, AND ORGANIZATION**

2.1 The Committee shall consist of at least three members of the Board (each a "**Committee Member**" or "**Member**"). Each Committee Member shall be an "independent director" as determined in accordance with applicable legal requirements for audit committee service, including the requirements of the National Instrument 52-110<sup>1</sup> of the Canadian Securities Administrators ("**NI 52-110**") and Rule 10A-3(b) of the U.S. Securities Exchange Act of 1934 (as amended, the "**Exchange Act**"), as such rules are revised, updated or replaced from time to time.

2.2 If a Member ceases to be independent for reasons outside the member's reasonable control, the member is exempt from the requirements in NI 52-110 or Rule 10A-3(b) of the Exchange Act for a period ending on the later of:

- a) the next annual meeting of the issuer; and
- b) the date that is six months from the occurrence of the event which caused the member to not be independent.

2.3 All members of the Committee shall, to the satisfaction of the Board, be "financially literate", and at least one member shall have accounting or related financial management expertise to qualify as a "financial expert" in accordance with applicable legal requirements, including the requirements of NI 52-110<sup>1</sup> and the Exchange Act, as revised, updated or replaced from time to time.

2.4 The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The

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<sup>1</sup> The National Instrument 52-110 may be accessed [here](#).

Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

2.5 Unless the Board shall have appointed a Chair of the Committee, the members of the Committee shall elect a Chair of the Committee by majority vote of the full membership of the Committee.

2.6 The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

2.7 The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

2.8 Meetings of the Committee shall be conducted as follows:

- (a) the Committee shall meet at least four times annually at such times and at such locations as maybe requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
- (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
- (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

2.9 The external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

2.10 The Committee will conduct and review with the Board annually an evaluation of the Committee's performance with respect to the requirements of this Charter. This evaluation should also set forth the goals and objectives of the Committee for the upcoming year. The Committee may conduct this performance evaluation in such manner as the Committee, in its business judgment, deems appropriate.

### **ARTICLE 3 ROLES AND RESPONSIBILITIES**

3.1 The overall duties and responsibilities of the Committee shall be as follows:

- (a) to report regularly to the Board and to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and interim consolidated financial statements and related financial disclosure;

- (b) to establish and maintain a direct line of communication with the Company's external auditors and assess their performance;
- (c) to set clear hiring policies for employees or former employees of the external auditors;
- (d) to review and approve in advance any proposed related-party transactions and required disclosures of such in accordance with applicable securities laws and regulations, and report to the Board on any approved transactions.
- (e) to review with management and the external auditors, the financial reporting of any transactions between the Company and any officer, director or other "related party" (including significant shareholder) or any entity in which any person has a financial interest and any potential conflicts of interest;
- (f) to ensure that the management of the Company has designed, implemented, and is maintaining an effective system of internal financial controls and to discuss policies with respect to risk assessment and risk management;
- (g) to prepare the disclosure required by Item 407(d)(3)(i) of Regulation S-K under the U.S. Securities Act of 1933, as amended;
- (h) to oversee procedures relating to the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters and the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, pursuant to the Company's whistleblower policy;
- (i) to meet separately, periodically, with management, with internal auditors (or other personnel responsible for the internal audit function) and with the external auditors;
- (j) to review with the external auditors any audit problems or difficulties and management's response; and
- (k) to report regularly to the Board on the fulfilment of its duties and responsibilities.

3.2 The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
- (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
- (c) review the audit plan of the external auditors prior to the commencement of the audit;

- (d) to review with the external auditors, upon completion of their audit, the contents of their report (such report to be provided at least annually), including and as well as:
  - (i) the scope and quality of the audit work performed;
  - (ii) the adequacy of the Company's financial and auditing personnel;
  - (iii) co-operation received from the Company's personnel during the audit;
  - (iv) internal resources used;
  - (v) significant transactions outside of the normal business of the Company;
  - (vi) the Company's internal quality-control procedures;
  - (vii) any material issues raised by the most recent internal quality-control review, or peer review, of the Company, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors,
  - (viii) any steps taken to deal with any such issues, and (to assess the external auditor's independence) all relationships between the external auditors and the Company;
  - (ix) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
  - (x) the non-audit services provided by the external auditors;
- (e) to meet to review and discuss the Company's annual audited financial statements and quarterly financial statements with management and the external auditors, including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";
- (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
- (g) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

3.3 The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company,

including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;

- (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
- (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
- (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.

3.4 The Committee is also charged with the responsibility to:

- (a) review and approve the Company's annual and interim financial statements and related Management's Discussion & Analysis ("MD&A"), including the impact of unusual items and changes in accounting principles and estimates;
- (b) review and approve the financial sections of any of the following disclosed documents prepared by the Company:
  - (i) the annual report to shareholders;
  - (ii) the annual information form;
  - (iii) annual MD&A;
  - (iv) prospectuses;
  - (v) news releases discussing financial results of the Company;
  - (vi) financial information and earnings guidance provided to analysts and rating agencies; and
  - (vii) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
- (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review any significant tax exposures and tax planning initiatives intended to promote compliance with applicable laws while minimizing tax costs;

- (f) review and report on the integrity of the Company's consolidated financial statements;
- (g) review the minutes of any audit committee meeting of subsidiary companies;
- (h) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (i) review the principal risks of the Company's business and operations, and any other circumstances and events that could have significant impact on the Company's assets and shareholders;
- (j) assessing the Company's risk tolerance, the overall process for identifying principal business and operational risks and the implementation of appropriate measures to manage and disclose such risks;
- (k) monitoring reporting trends on emerging risks and making recommendations to management on implementation of appropriate measures to manage and disclose such risks;
- (l) reviewing with senior management annually, the Company's insurance policies and considering the extent of any uninsured exposure and the adequacy of coverage;
- (m) reviewing the Company's cybersecurity, privacy and data security risk exposures and measures taken to protect the confidentiality, integrity and availability of its information systems and Company data;
- (n) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (o) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

3.5 Without limiting the generality of anything in this Charter, the Committee has the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee, and
- (c) to communicate directly with the external auditors.

**ARTICLE 4  
EFFECTIVE DATE**

4.1 This Charter was adopted by the Board on February 25, 2022.



## APPENDIX "B"

### SUMMARY OF THE TECHNICAL REPORT

This Appendix B contains a summary of the Technical Report. Unless stated otherwise, the information in this Appendix B is based on the Technical Report, is effective as of the date of the Technical Report and was reviewed by, and included with the consent of Carl Pelletier, P.Geol. (the "**Technical Report Author**"). The summary in this Appendix B does not purport to be a complete summary of the Grasset Project and is subject to all of the assumptions, qualifications and procedures set out in the Technical Report and is qualified in its entirety with reference to the full text of the Technical Report, which is incorporated by reference herein. Readers should read the summary in this Appendix B in conjunction with the Technical Report which is available electronically under the profile of the Company at [www.sedar.com](http://www.sedar.com). Capitalized terms used but not defined in this Appendix B have the meanings given to them in the AIF or the Technical Report, as applicable. All figures and tables from the Technical Report are reproduced in and form part of this AIF.

#### Introduction

The Company retained InnovExplo Inc. ("**InnovExplo**") to prepare the Technical Report to support the result of the mineral resource estimate for the Grasset Project (the "**Grasset MRE**") in accordance with NI 43-101 and Form 43-101F1. The mandate was assigned by Keith Bodnarchuk, former President and CEO of Archer.

InnovExplo is an independent mining and exploration consulting firm based in Val-d'Or, Quebec.

Archer is a Canadian mining company trading publicly on the CSE under the symbol "RCHR". Archer acquired the Grasset Project, the subject of the Technical Report, through a transaction with Wallbridge.

#### Contributors

The Technical Report was prepared by InnovExplo employee Carl Pelletier, (P.Geol.), Co-President Founder of InnovExplo, independent and qualified person as defined by NI 43-101. Mr. Pelletier is a professional geologist in good standing with the OGG (No. 384), PGO (No. 1713), EGBC (No. 43167) and NAPEG (No. L4160). He is author of the Technical Report.

#### Property Description and Location

The Grasset Project is located in the James Bay territory in Nord-du-Québec administrative region of the Province of Quebec, Canada, approximately 77 km west-northwest of the city of Matagami and 170 km north of the town of Amos (see Figure 4.1 of the Technical Report).

The Grasset Project covers an area of 81.81km<sup>2</sup> within the townships of Jérémie, Caumont, Gaudet and Fenelon, on NTS map sheets 32L01, 32L02, 32E15, and 32E16. The coordinates of the approximate centroid are 78°36'5"W and 50°3'16"N (UTM: 671702E and 5547450N, NAD 83, Zone 17N).

The Grasset Project is accessible by driving north from the town of Amos for 170 km along the paved provincial highway Route 111, then 70 km of paved forest road R1036, and 20 km of gravel road. The town of Val-d'Or lies an additional 70 km south of Amos whereas Matagami lies 185 km north of Amos. In summer, the best way to access the Grasset Project is by helicopter, although logging roads may be used to access parts of the property via all-terrain vehicle (ATV). These logging roads require some repair work

to make them drivable for pick-up trucks in the summer, but they can be used for winter access in their current state.

The Company acquired the Grasset Project through a transaction with Wallbridge. The Grasset Project consists of 153 claims blocks for an aggregate area of 8,180.12 ha.

The Company will acquire all of Wallbridge's nickel assets, rights and obligations located in Quebec and Ontario (collectively, the "**Nickel Assets**"). The Nickel Assets include a 100% interest in the Grasset Project.

The claim block is subject to royalties payable to various beneficiaries. The Royalty Agreement as presented in press release dated July 13, 2022, will provide for a royalty equal to 2% of net smelter returns less the amount of any pre-existing royalties on encumbered portions of the Grasset Project. In certain circumstances, Wallbridge will be granted a right of first refusal to acquire any new royalties sold by Archer on the Grasset Project. Details of the net smelter return royalties applicable to the Grasset Project are presented in Appendix I of the Technical Report.

## **Geology**

The Grasset Project is located in the northwestern Archean Abitibi Subprovince of the southern Superior Province in the Canadian Shield. The Grasset Project overlies a significant portion of the North Volcanic Zone or Harricana-Turgeon ("**HT**") volcano-sedimentary belt of the Abitibi Subprovince, near the boundary between the Abitibi and Opatica subprovinces.

The HT belt overlaps the Ontario-Quebec boundary. In Quebec the HT belt is formed by the Manthet Group, the Rivière Turgeon Formation (Matagami Group), and the BrouillianFénelon Group, each forming a distinct geological domain. The boundaries between the geological domains are zones of high strain that include the Lower Detour ("**LDDZ**") and Sunday Lake ("**SLDZ**") deformation zones. The SLDZ separates the Manthet and Matagami domains whereas the LDDZ occurs between the Matagami and BrouillianFénelon domains.

The Manthet Group, to the north of the SLDZ, has been interpreted as the equivalent of the 2730-2724 Ma Deloro assemblage, it lies north of the SLDZ and is characterized by abundant iron-rich tholeiitic basalts and coeval gabbroic sills and dykes with minor intercalated graphitic argillites, as well as mafic and felsic volcanoclastic rocks. Ultramafic flows and intrusions at the base of the volcanic sequence are also known near the Detour Gold Mine and between the Fenelon claim block and the Opatica Subprovince. The volcanic sequence is coeval to the volcanics of the Selbaie and Matagami base metal mining camps. The degree of metamorphism and deformation within the Manthet domain increases gradually northward toward the Opatica gneisses.

The Rivière Turgeon Formation is bound by the SLDZ in the north and the LDDZ in the south, bridging the Manthet and Brouillian-Fénelon Groups respectively. Rock types of the Rivière Turgeon Formation consist mostly of wackes and argillites, as well as tuffaceous units and iron formations. These sediments are interpreted to be formed in a successor basin unconformably overlying the volcanic rocks, they are included in the Matagami Group and are considered equivalent to the Porcupine-type sediments of the southern Abitibi. The contact between the Rivière Turgeon Formation and the Manthet Group is the SLDZ, which dips 70°-80° to the south-southwest.

The volcanic-dominated Brouillian-Fénelon Group lies to the south of the LDDZ and comprises mostly mafic volcanic rocks that are interpreted to be the equivalent of the 2723-2720 Ma Stoughton-Roquemaure Assemblage. This geological domain contains a greater volume of felsic volcanic and intrusive rocks than the Manthet Group and hosts the formerly producing Selbaie volcanogenic massive sulphide deposit.

## **Mineralization**

Mineralization at the Grasset Project is concentrated in two stacked sulphide-bearing horizons, oriented NW-SE within vertically dipping peridotite ultramafic units. Mineralization consists of metre-scale layers of net-textured, blebby to semimassive and massive sulphides. The concentration of pentlandite and chalcopyrite is proportional to the total sulphide content.

Another significant mineralized occurrence is present in the Grasset Project, the GUC Central Ni-Cu-Co-PGE discovery ("**GUC Central**") located within the GUC. Its principal target is a komatiite-hosted nickel sulphide mineralization. The nickel sulphide mineralization exhibits classic sulphide segregation/settling textures grading downsequence from disseminated, to net-textured matrix, to massive sulphide, over widths of 5 to 20 m. The broadest mineralized interval intersected to date was in drill hole FAB-18-58, which returned 7.58 m grading 1.05% Ni, 0.31% Cu, 0.05% Co, 0.20 g/t Pt and 0.48 g/t Pd.

## **Data Verification**

Data verification and the site visit demonstrated that the data for the Grasset Project are acceptable. The database is considered to be valid and of sufficient quality to be used for the mineral resource estimates.

## **Mineral Resource Estimate**

The Grasset MRE was prepared by the Technical Report Author using all available information.

The Grasset MRE comprises a review and update of the 2016 mineral resource estimate for the Grasset P (the "**Grasset 2016 MRE**"; Richard and Turcotte, 2016). After the effective date of the Grasset 2016 MRE, Balmoral drilled 11 more diamond drill holes ("**DDH**") within the modelled mineral resource volume, which extended the H1 and H3 zones (Tucker, 2019). Overall, a visual inspection by the Technical Report Author of the 2018 drilling results revealed that the thickness and grade of the mineralized zones remain in the same order of magnitude as the Grasset 2016 MRE. Moreover, the 2018 DDH continued to confirm the geological and grade continuities that were demonstrated in the Grasset 2016 MRE.

For the purpose of the Technical Report, the Technical Report Author has assumed that the gains and losses between the 2016 and 2021 data balance each other (negligible net variation), and thus the resulting difference would not be material to the overall resource. Therefore, the Grasset 2016 MRE database was used for the Grasset MRE.

The effective date of the Grasset MRE is November 9, 2021.

The close-out date of the Grasset database is May 19, 2016.

The mineral resource area of the Grasset deposit has a NE strike length of 1,000 m, a width of 350 m, and a vertical extent of 600 m below the surface. Thirteen (13) solids were constructed: 11 lithological solids and 2 mineralized solids (H1 and H3). Both mineralized zones are contained within an ultramafic lithology. A minimum true thickness of 3.0 m was used. The resource database contains 101 surface DDH (37,944.49 m). This selection contains 14,167 sampled intervals taken from 16,084.65 m of drilled core, which were sampled for nickel, copper, cobalt, platinum, palladium, gold or silver, or a combination of these elements.

The Grasset MRE can be classified as Indicated and Inferred mineral resources based on geological and grade continuity, data density, search ellipse criteria, drill hole spacing and interpolation parameters. The Technical Report Author also believes that the requirement of reasonable prospects for eventual economic extraction has been met by having a minimum modelling width for the mineralized zones, a cut-off grade based on reasonable inputs and an economic constraining volume amenable to a potential underground extraction scenario.

The Grasset MRE is considered reliable and based on quality data and geological knowledge. The estimate follows CIM Definition Standards.

The following table displays the results of the Grasset MRE at the official 0.80 % NiEq cut-off grade.

**Grasset Mineral Resource Estimate at the official 0.80 % NiEq cut-off grade (Table 14.9)**

|           |                 | >0.80% NiEq | Tonnes    | NiEq (%) | Ni (%) | Cu (%) | Co (%) | Pt (g/t) | Pd (g/t) | Contained NiEq (t) | Contained Ni (t) | Contained Cu (t) | Contained Co (t) | Contained Pt (oz) | Contained Pd (oz) |
|-----------|-----------------|-------------|-----------|----------|--------|--------|--------|----------|----------|--------------------|------------------|------------------|------------------|-------------------|-------------------|
| INDICATED | Horizon 1       |             | 89,200    | 1.00     | 0.82   | 0.09   | 0.03   | 0.15     | 0.33     | 900                | 700              | 100              | 20               | 400               | 1,000             |
|           | Horizon 3       |             | 5,422,700 | 1.54     | 1.22   | 0.13   | 0.03   | 0.26     | 0.64     | 83,300             | 66,400           | 7,300            | 1,400            | 45,400            | 112,200           |
|           | Total Indicated |             | 5,512,000 | 1.53     | 1.22   | 0.13   | 0.03   | 0.26     | 0.64     | 84,200             | 67,100           | 7,400            | 1,400            | 45,800            | 113,100           |
| INFERRED  | Horizon 1       |             | 13,600    | 0.95     | 0.78   | 0.09   | 0.02   | 0.14     | 0.32     | 100                | 100              | 10               | 3                | 100               | 100               |
|           | Horizon 3       |             | 203,500   | 1.01     | 0.83   | 0.09   | 0.02   | 0.15     | 0.34     | 2,100              | 1,700            | 200              | 40               | 1,000             | 2,200             |
|           | Total Inferred  |             | 217,100   | 1.01     | 0.83   | 0.09   | 0.02   | 0.15     | 0.34     | 2,200              | 1,800            | 200              | 43               | 1,000             | 2,400             |

Grasset Mineral Resource Estimate notes:

- The independent and qualified person for the Grasset MRE, as defined by NI 43-101, is Carl Pelletier, P.Geo. (InnovExplo Inc.). The effective date of the Grasset MRE is November 9, 2021.
- These mineral resources are not mineral reserves as they do not have demonstrated economic viability.
- The mineral resource estimate follows 2014 CIM Definition Standards and the 2019 CIM MRRM Best Practice Guidelines.
- Two mineralized zones were modelled in 3D using a minimum true width of 3.0 m. Density values are interpolated from density databases, capped at 4.697 g/cm<sup>3</sup>.
- High-grade capping was done on raw assay data and established on a per zone basis for nickel (15.00%), copper (5.00%), platinum (5.00 g/t) and palladium (8.00 g/t). Composites (1-m) were calculated within the zones using the grade of the adjacent material when assayed or a value of zero when not assayed.
- The estimate was completed using a block model in GEMS (v.6.8) using 5m x 5m x 5m blocks. Grade interpolation (Ni, Cu, Co, Pt, Pd, Au and Ag) was obtained by ID2 using hard boundaries. Results in NiEq were calculated after interpolation of the individual metals.
- The mineral resources are categorized as Indicated and Inferred based on drill spacing, geological and grade continuity. A maximum distance to the closest composite of 50 m was used for Indicated mineral resources and 100 m for the Inferred mineral resources.
- The criterion of reasonable prospects for eventual economic extraction has been met by having constraining volumes applied to any blocks (potential underground extraction scenario) using DSO and by the application of a cut off grade of 0.80% NiEq. Cut-off calculations used: Mining = \$65.00/t; Maintenance = \$10.00/t; G&A = \$20.00/t; Processing = \$42.00/t. The cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rate, mining cost, etc.). The NiEq formula used a USD:CAD exchange rate of 1.31, a nickel price of US\$6.95/lb, a copper price of US\$3.33/lb, a cobalt price of US\$17.06/lb, a platinum price of US\$984.85/oz, and a palladium price of US\$2,338.47/oz. Gold and silver do not contribute to the economics of the deposit.
- Results are presented undiluted and in-situ. Ounce (troy) = metric tons x grade / 31.10348. Metric tons and ounces were rounded to the nearest hundred. Metal contents are presented in ounces and pounds. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations in NI 43-101.
- The QP is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the Grasset mineral resource estimate

**Table 14.10 – Cut-off grade sensitivity for the Grasset deposit**

| CAT.      | Cut-off (NiEq %) | Tonnes           | NiEq (%)     | Ni %        | Cu %        | Co %        | Pt g/t      | Pd g/t      | Contained Ni EQ (t) | Contained Ni (t) | Contained Cu (t) | Contained Co (t) | Contained Pt (oz) | Contained Pd (oz) |
|-----------|------------------|------------------|--------------|-------------|-------------|-------------|-------------|-------------|---------------------|------------------|------------------|------------------|-------------------|-------------------|
| INDICATED | 0.70%            | 6,749,700        | 1.38%        | 1.11        | 0.12        | 0.02        | 0.23        | 0.57        | 93,300              | 74,600           | 8,100            | 1,600            | 50,300            | 124,100           |
|           | <b>0.80%</b>     | <b>5,512,000</b> | <b>1.53%</b> | <b>1.22</b> | <b>0.13</b> | <b>0.03</b> | <b>0.26</b> | <b>0.64</b> | <b>84,200</b>       | <b>67,100</b>    | <b>7,400</b>     | <b>1,400</b>     | <b>45,800</b>     | <b>113,100</b>    |
|           | 0.90%            | 4,633,300        | 1.66%        | 1.32        | 0.15        | 0.03        | 0.28        | 0.70        | 76,900              | 61,200           | 6,800            | 1,300            | 42,200            | 104,000           |
|           | 1.00%            | 4,027,700        | 1.77%        | 1.41        | 0.16        | 0.03        | 0.30        | 0.75        | 71,300              | 56,600           | 6,300            | 1,100            | 39,300            | 96,900            |
|           | 1.10%            | 3,428,400        | 1.90%        | 1.50        | 0.17        | 0.03        | 0.33        | 0.81        | 65,100              | 51,600           | 5,700            | 1,000            | 36,100            | 89,000            |
| INFERRED  | 0.70%            | 290,100          | 0.93%        | 0.76        | 0.08        | 0.02        | 0.14        | 0.32        | 2,700               | 2,200            | 200              | 60               | 1,300             | 3,000             |
|           | <b>0.80%</b>     | <b>217,100</b>   | <b>1.01%</b> | <b>0.82</b> | <b>0.09</b> | <b>0.02</b> | <b>0.15</b> | <b>0.34</b> | <b>2,200</b>        | <b>1,800</b>     | <b>200</b>       | <b>40</b>        | <b>1,000</b>      | <b>2,400</b>      |
|           | 0.90%            | 138,900          | 1.12%        | 0.91        | 0.10        | 0.02        | 0.16        | 0.37        | 1,600               | 1,300            | 100              | 30               | 700               | 1 700             |
|           | 1.00%            | 99,500           | 1.19%        | 0.97        | 0.11        | 0.02        | 0.18        | 0.42        | 1,200               | 1,000            | 100              | 20               | 600               | 1 300             |
|           | 1.10%            | 75,700           | 1.26%        | 1.02        | 0.11        | 0.02        | 0.19        | 0.46        | 1,000               | 800              | 100              | 20               | 500               | 1 100             |

## Interpretations and Conclusions

The following conclusions were reached after conducting a detailed review of all pertinent information and completing the Grasset MRE:

- The results demonstrate the geological and grade continuities for the Ni-CuPGE deposit, Grasset.
- The drill holes provide sufficient information for the mineral resource estimates.

- In an underground scenario and using a cut-off grade of 0.80% NiEq, the Grasset deposit contains, an estimated Indicated mineral resource of 5,512,000 t grading 1.53% NiEq for 84,200 t NiEq, and Inferred mineral resource of 217,100 t grading 1.01% NiEq for 2,200 t NiEq.
- Additional diamond drilling could upgrade some of the Inferred mineral resource to the Indicated category and could identify additional mineral resources down-plunge and in the vicinity of the current identified mineralization.

## **Recommendations**

Additional drilling at the Grasset Project should target the down-plunge and along-strike extensions of the currently defined mineral resource. An additional objective would be the discovery of additional zones of similar mineralization type elsewhere in the vicinity of the Grasset deposit.

Archer should carry out a property wide supplementary geophysics driven target development program and further define and test existing targets of merit, including GUC Central.

If additional work proves to have a positive impact on the project, the current mineral resource estimate should be updated followed by an engineering study and a preliminary economic assessment.

In summary, the QP recommends a two-phase work program, with phase 2 contingent upon success of Phase 1, as follows:

### Phase 1

- Carry out a surface drilling program at the Grasset deposit to explore for downplunge and strike extensions of the Grasset deposit and its immediate vicinity to test for additional zones of similar mineralization.
- Additional metallurgical testing and mineralogical studies on Grasset mineralization.
- Carry out a property wide target development and definition program including drone magnetics and airborne gravimetrics to better define the distribution and extent of favourable ultramafic rocks across the length of the property and additional ground geophysics (EM and magnetics) to better define priority drill targets for magmatic Ni-Cu-PGE sulfides.
- Carry out surface drilling of high priority regional prospects identified by the target development work above.

### Phase 2 (contingent upon success of Phase 1):

- Upon positive results in the surface drilling program presented in the Phase 1, follow-up on the surface drilling program on the Grasset deposit to potentially upgrade resource categories and expand the current mineral resource.
- Upon positive results of the drilling programs of Phase 1 and 2, update the 3D model and mineral resource estimate
- Engineering studies to gather geotechnical, metallurgical, environmental and hydrogeological

information as well as a preliminary economic assessment (“PEA”) using the updated MREs with an updated NI 43-101 Technical Report.

- The purpose of the PEA will be to confirm, as a first step, the potential economic viability of the project.
- Upon positive results of the property wide target drilling in Phase 1, follow up on prospects outside the Grasset deposit area towards building additional new mineral resources across the property.

### Cost Estimate for Recommended Work

The Technical Report Author has prepared a cost estimate for the recommended two-phase work program to serve as a guideline for the Grasset Project. The budget for the proposed program is presented in Table 26.1 of the Technical Report (reproduced below). Expenditures for Phase 1 are estimated at C\$4,197,500 (incl. 15% for contingencies). Expenditures for Phase 2, which are contingent upon success of Phase 1, are estimated at C\$8,280,000 (incl. 15% for contingencies). The grand total is C\$12,477,500 (incl. 15% for contingencies). Phase 2 is contingent upon the success of Phase 1.

#### Estimated Costs for the Recommended Work Program (Table 26.1)

| <b>Phase 1 – Work Program</b>                                      | <b>Description</b> | <b>Cost</b>         |
|--|--------------------|---------------------|
| Grasset resource exploration drill program                         | 6,000m             | \$1,800,000         |
| Property wide target development & definition geophysics program   |                    | \$ 850,000          |
| Regional prospect drill program                                    | 3,000m             | \$ 900,000          |
| Grasset metallurgical studies                                      |                    | \$ 100,000          |
| <i>Contingencies (~15%)</i>  |                    | \$ 547,500          |
| <b>Phase 1 subtotal</b>  |                    | <b>\$4,197,500</b>  |
|  |                    |                     |
| <b>Phase 2 – Work Program (contingent upon success of Phase 1)</b> | <b>Description</b> | <b>Cost</b>         |
| Grasset resource expansion drilling                                | 12,000m            | \$ 4,000,000        |
| Update MRE   |                    | \$ 200,000          |
| Engineering studies (PEA)  |                    | \$ 1,000,000        |
| Regional target testing and resource development                   | 6,000m             | \$ 2,000,000        |
| <i>Contingencies (~15%)</i>  |                    | \$ 1,080,000        |
| <b>Phase 2 subtotal</b>  |                    | <b>\$ 8,280,000</b> |
| <b>TOTAL (Phase 1 and 2)</b>                                       |                    | <b>\$12,477,500</b> |