

A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of Alberta, British Columbia, Manitoba, Nova Scotia and Ontario, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities in those jurisdictions.

The securities offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act (the “United States”). Accordingly, except as permitted under the Agency Agreement (as defined below), these securities may not be offered or sold, directly or indirectly, to, or for the account or benefit of, persons in the United States or U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act (“U.S. Persons”)), unless registered under the U.S. Securities Act and any applicable securities laws of any state of the United States or unless an exemption from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States is available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. Persons. See “Plan of Distribution”.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the registered and records office of Rancho Gold Corp. at Suite 910 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6, Telephone: 604-685-6100, and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM PROSPECTUS

New Issue

July 20, 2022



RANCHERO GOLD CORP.

\$5,000,000
41,666,666 Units

Price: \$0.12 per Unit

This short form prospectus (the “**Prospectus**”) qualifies the distribution of up to 41,666,666 units (the “**Units**”) of Rancho Gold Corp. (“**Rancho**” or the “**Company**”) at a price of \$0.12 per Unit (the “**Offering Price**”) for total gross proceeds of up to \$5,000,000 (the “**Offering**”). Each Unit consists of one common share of the Company (each, a “**Unit Share**”) and one common share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder to purchase one common share of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.17 per Warrant Share (the “**Warrant Exercise Price**”) for a period of 36 months from the Closing Date (as defined herein), subject to adjustment in certain customary events. The Warrants will be issued pursuant to and be governed by a warrant indenture to be entered into on or prior to the Closing Date between the Company and TSX Trust Company (the “**Transfer Agent**” and the “**Warrant Agent**”), as warrant agent. The Unit Shares and Warrants comprising the Units will separate immediately upon closing of the Offering. See “*Description of Securities Being Distributed*”.

The Units will be offered for sale on a “commercially reasonable efforts” agency basis pursuant to an agency agreement (the “**Agency Agreement**”) to be entered into between the Company and M Partners Inc. (the “**Lead Agent**”), as lead agent and sole bookrunner, and Research Capital Corporation, Canaccord Genuity Corp. and Laurentian Bank Securities Inc. (together with the Lead Agent, the “**Agents**”). The Lead Agent may invite such other registered investment dealers to participate as selling group members in the Offering as may be determined to the mutual satisfaction of the Agents and the Company. The Offering Price was determined by arm’s length negotiation between the Company and the Lead Agent, on behalf of the Agents, with reference to the prevailing market price of the common shares of the Company (the “**Common Shares**”). See “*Plan of Distribution*”.

The Common Shares are listed on the TSX Venture Exchange (“TSXV”) under the symbol “RNCH”. On July 19, 2022, the last trading day before the date of this Prospectus, the closing price of the Common Shares on the TSXV was \$0.15. The Company will apply to list the Unit Shares, the Warrant Shares, the Broker Unit Shares (as defined herein) and the Broker Unit Warrant Shares (as defined herein) on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under the Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. See “Risk Factors”.

| | Price to the Public | Agents’ Commission ⁽¹⁾ | Net Proceeds to the Company ⁽²⁾ |
|----------------------|---------------------|-----------------------------------|--|
| Per Unit | \$0.12 | \$0.0072 | \$0.1128 |
| Total ⁽³⁾ | \$5,000,000 | \$300,000 | \$4,700,000 |

- (1) In consideration for the services rendered by the Agents in connection with the Offering, the Company shall pay to the Agents a cash commission (the “Commission”) equal to 6% of the gross proceeds of the Offering, including in respect of any gross proceeds raised on the exercise of the Agents’ Option (as defined herein), except in respect of gross proceeds from the sale of Units sold to certain purchasers designated by the Company on a president’s list (the “President’s List”), for which the Commission will be equal to 3% of the gross proceeds raised from purchasers on the President’s List. As additional consideration for the services rendered by the Agents in connection with the Offering, the Company shall issue to the Agents non-transferable broker warrants (the “Broker Warrants”) to purchase that number of units of the Company (the “Broker Units”), having the same attributes as the Units, that is equal to 6% of the number of Units sold to purchasers pursuant to the Offering, including any Agents’ Option Units (as defined herein) sold on the exercise of the Agents’ Option, except in respect of Units sold to purchasers on the President’s List for which there will be no Broker Warrants issued to the Agents. Each Broker Warrant shall entitle the holder thereof to acquire one Broker Unit at the Offering Price for a period of 36 months from the Closing Date. Each Broker Unit will be comprised of one common share of the Company (each, a “Broker Unit Share”) and one non-transferable common share purchase warrant (the “Broker Unit Warrant”). Each Broker Unit Warrant shall entitle the holder thereof to acquire one common share of the Company (each, a “Broker Unit Warrant Share”) at the Warrant Exercise Price for a period of 36 months from the Closing Date. The amounts above assume no Units are sold to purchasers on the President’s List. The distribution of the Broker Warrants is qualified by this Prospectus. See “Plan of Distribution”.
- (2) After deducting the Commission (assuming no Units are sold to purchasers on the President’s List), but before deducting the expenses of the Offering, estimated to be approximately \$250,000 and which, together with the Commission, will be paid by the Company out of the gross proceeds of the Offering. See “Use of Proceeds”.
- (3) The Agents have been granted an over-allotment option (the “Agents’ Option”), exercisable, in whole or in part, at any time on and for a period of 30 days following the Closing Date (the “Agents’ Option Deadline”), to sell up to an additional 6,249,999 Units (the “Agents’ Option Units”) at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The Agents’ Option may be exercised by the Agents: (a) to acquire or sell Agents’ Option Units at the Offering Price, or (b) to acquire or sell additional Warrants having the same attributes as the Warrants (the “Agents’ Option Warrants”) at a price of \$0.01 per Agents’ Option Warrant, or (c) to acquire or sell any combination of Agents’ Option Units and Agents’ Option Warrants, so long as the aggregate number of Agents’ Option Warrants that may be issued under such Agents’ Option does not exceed 6,249,999 Agents’ Option Warrants. The Agents’ Option Units, the additional Unit Shares and the Agents’ Option Warrants are collectively referred to herein as the “Agents’ Option Securities”. The grant of the Agents’ Option and the Agents’ Option Securities issuable upon exercise of the Agents’ Option are hereby qualified for distribution under this Prospectus. A purchaser who acquires Agents’ Option Securities forming part of the Agents’ over-allocation position acquires such Agents’ Option Securities under this Prospectus regardless of whether the over-allocation position is ultimately filled through the exercise of the Agents’ Option or secondary market purchases. If the Agents’ Option is exercised in full, the total “Price to the Public”, “Agents’ Commission” and “Net Proceeds to the Company” (before deducting the expenses of the Offering (see note 2 above)) will be \$5,750,000, \$345,000 and \$5,405,000, respectively. See “Plan of Distribution”.

Unless the context otherwise requires, when used herein, all references to the “Offering” include the exercise of the Agents’ Option, and all references to “Units”, “Unit Shares”, “Warrants”, “Warrant Shares”, “Broker Warrants”, “Broker Units”, “Broker Unit Shares”, “Broker Unit Warrants” and “Broker Unit Warrant Shares” include all securities issuable assuming the exercise of the Agents’ Option.

There is no minimum amount of funds that must be raised under this Offering. This means that the Company could complete this Offering after raising only a small proportion of the offering amount set out above.

The following table sets out the maximum number of securities under option that may be issued by the Company to the Agents pursuant to the Agency Agreement:

| Agents' Position | Maximum Size or Number of Securities Available | Exercise Period | Exercise Price |
|--|--|--|--|
| Agents' Option | Up to 6,249,999 Agents' Option Units / 6,249,999 Agents' Option Warrants | Up to 30 days following the Closing Date | \$0.12 per Agents' Option Unit / \$0.01 per Agents' Option Warrant |
| Broker Warrants | Up to 2,874,999 Broker Units ⁽¹⁾ | Exercisable for a period of 36 months following the Closing Date | \$0.12 per Broker Unit |
| Broker Unit Warrants comprising part of the Broker Units | Up to 2,874,999 Broker Unit Warrant Shares ⁽¹⁾ | Exercisable for a period of 36 months following the Closing Date | \$0.17 per Broker Unit Warrant Share |

(1) Assuming the Agents' Option is exercised in full and that no Units are sold to purchasers on the President's List.

The Offering is not guaranteed or underwritten by any person. The Agents, as agents, conditionally offer the Units for sale on a "commercially reasonable efforts" basis, if, as and when issued by the Company in accordance with the terms and conditions contained in the Agency Agreement and subject to approval of certain legal matters on behalf of the Company by Maxis Law Corporation, and on behalf of the Agents by Minden Gross LLP. See "*Plan of Distribution*".

The Offering is being made in the provinces of Alberta, British Columbia, Manitoba, Nova Scotia and Ontario. The Units will be offered in each of such provinces through those Agents or their affiliates who are registered to offer Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Units in the United States or to, or for the account or benefit of, U.S. Persons and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Agents. See "*Plan of Distribution*".

Subscriptions for the Units will be received subject to rejection or allotment, in whole or in part, and the Agents reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about August 10, 2022, or such other date as may be agreed upon by the Company and the Lead Agent, but in any event not later than [●] days after the date of the receipt of the (final) prospectus or such later date as may be permitted under securities legislation (the "**Closing Date**"). See "*Plan of Distribution*".

It is anticipated that the Unit Shares and the Warrants comprising the Units will be delivered under the book-based system through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. Except for purchasers that are in the United States or are U.S. Persons or are purchasing for the account or benefit of U.S. Persons or persons in the United States and that are purchasing as "accredited investors" (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act ("**U.S. Accredited Investors**")) but do not qualify as "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("**Qualified Institutional Buyers**")), who will receive the Units Shares and Warrants at closing in certificated form or confirmations under the Direct Registration System (DRS) maintained by the Company's Transfer Agent and the Warrant Agent, no definitive certificates will be issued unless specifically requested or required. See "*Plan of Distribution*".

Subject to applicable laws, the Agents may, in connection with the Offering, over-allot or effect transactions which are intended to stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

An investment in the Units is highly speculative and involves a high degree of risk. Prospective purchasers should consider the risk factors described under “*Risk Factors*” in this Prospectus and in the Company’s AIF (as defined herein), which can be found on SEDAR at www.sedar.com, before purchasing the Units. See “*Risk Factors*” and “*Cautionary Statement Regarding Forward-Looking Information*”.

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. The Company and the Agents have not authorized anyone to provide prospective purchasers with information different from that contained or incorporated by reference in this Prospectus. The Agents are offering to sell and seeking offers to buy the Units only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted. Readers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the cover page of this Prospectus.

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Units.

The head office and registered and records office of the Company is located at Suite 910 – 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and the documents incorporated herein by reference contain “forward-looking information” within the meaning of applicable Canadian and United States securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this Prospectus and the documents incorporated herein by reference are made only as of the date of the respective documents. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning future exploration plans at the Company’s Santa Daniela Project (as defined herein), including exploration timeline and anticipated costs; future financing plans; Company’s expectations with respect to the use of net proceeds of this Offering and the use of the available funds following completion of the Offering; and completion of the Offering and the date of such completion. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation, risks and uncertainties relating to: general business and economic conditions; risks related to the effects of COVID-19; the timing of the receipt and/or renewal of permits and other regulatory and governmental approvals for mining operations; changes in commodity prices; the supply and demand for, deliveries of, and the level and volatility of the price of gold; changes in project parameters as exploration plans continue to be refined; costs of exploration including labour and equipment costs; risks and uncertainties related to the ability to obtain or maintain necessary licenses, permits or surface rights; changes in credit market conditions and conditions in financial markets generally; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the availability of qualified employees and contractors; the impact of value of the Mexican Peso, Canadian dollar and U.S. dollar, foreign exchange rates on costs and financial results; market competition; exploration results not being consistent with the Company’s expectations; changes in taxation rates; the ability to obtain or maintain necessary licenses, permits, or water rights; technical difficulties in connection with mining activities; changes in environmental regulation; environmental compliance issues; other risks of the mining industry; the completion of the Offering; and those factors discussed in the section entitled “*Risk Factors*” in this Prospectus and in the AIF (as defined herein) and elsewhere in the documents incorporated by reference in this Prospectus. 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 forward-looking statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company’s annual filings that are available at www.sedar.com.

The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS OR COMPANIES

The following directors of the Company reside outside of Canada and have appointed the following agent for service of process in Canada:

| Name of Individual | Name and Address of Agent |
|--------------------|--|
| William Pincus | Maxis Law Corporation Suite 910 – 800 West Pender Street Vancouver, BC V6C 2V6 |
| Gustavo Mazón | |
| Martyn Buttenshaw | |

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

GENERAL MATTERS

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. Neither the Company nor the Agents have authorized any other person to provide prospective purchasers with different information. If a prospective purchaser is provided with different or inconsistent information, the prospective purchaser should not rely on such information. The information contained on the Company's website is not intended to be included in or incorporated by reference into this Prospectus and prospective investors should not rely on such information when deciding whether or not to invest in the Units.

Unless the context otherwise requires, any references in this Prospectus to the "Company" or "Ranchero" refer to Ranchero Gold Corp. and its subsidiaries.

Unless the context otherwise requires, all references to "\$", "C\$" and "dollars" mean references to the lawful money of Canada.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as defined in National Instrument 41-101 – *General Prospectus Requirements*) that are utilized by the Agents in connection with the Offering, including the Marketing Materials (as defined herein), are not part of this Prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus. Any "template version" of any "marketing materials" filed on SEDAR at www.sedar.com after the date of this Prospectus, but before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template versions of any marketing materials) is deemed to be incorporated by reference in this Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, based on the provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") as of the date hereof, the Unit Shares, Warrants and the Warrant Shares, if issued on the date hereof, would be "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan and tax-free savings account (collectively, "**Registered Plans**") or deferred profit sharing plan ("**DPSP**") (each as defined in the Tax Act), provided that:

- (i) in the case of the Unit Shares and the Warrant Shares, the Unit Shares and the Warrant Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes Tier 2 of the TSXV) or the Company otherwise qualifies as a "public corporation" (as defined in the Tax Act), and
- (ii) in the case of the Warrants:
 - a. the Warrants are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes Tier 2 of the TSXV); or
 - b. the Warrant Shares are qualified investments as described in (i) above and neither the Company, nor any person with whom the Company does not deal at arm's length, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of the particular Registered Plan or DPSP.

Notwithstanding the foregoing, the holder or subscriber of, or an annuitant under a Registered Plan, as the case may be (the "**Controlling Individual**"), will be subject to a penalty tax in respect of Unit Shares, Warrants or Warrant Shares held in the Registered Plan if such securities are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. A Unit Share, Warrant or Warrant Share generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with the Company for the purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Company. In addition, the Unit Shares and Warrant Shares will generally not be a "prohibited investment" if such securities are "excluded property" (as defined in the

Tax Act) for the Registered Plan. Controlling Individuals should consult their own tax advisors as to whether the Unit Shares, Warrants or Warrant Shares will be a prohibited investment in their particular circumstances.

Persons who intend to hold Unit Shares, Warrants or Warrant Shares in a Registered Plan or DPSP, should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Company, at its registered office at Suite 910 – 800 West Pender Street, British Columbia, V6C 2V6, or by telephone at (604) 685-6100, and are also available electronically at www.sedar.com.

Except to the extent that their contents are modified or superseded by a statement contained in this Prospectus or in any other subsequently filed document that is also incorporated by reference herein, the following documents filed with the securities commission or similar regulatory authority in Canada are specifically incorporated by reference into, and form an integral part of, this Prospectus:

1. the annual information form of the Company dated May 6, 2022 for the financial year ended December 31, 2021 (the “**AIF**”);
2. the audited annual consolidated financial statements of the Company for the financial years ended December 31, 2021 and 2020, together with the notes thereto and the independent auditor’s report thereon;
3. the management’s discussion and analysis of the Company dated April 25, 2022 for the financial year ended December 31, 2021;
4. the auditor’s report of Davidson & Company LLP dated April 5, 2021 in respect of the audited annual consolidated financial statements of PrivCo (as defined herein) for the financial years ended December 31, 2020 and 2019, as attached to the Filing Statement of the Company dated September 30, 2021 (the “**Filing Statement**”);
5. the statement of executive compensation of the Company dated June 30, 2022 for the financial year ended December 31, 2021;
6. the management information circular of the Company dated October 25, 2021 for the annual and special meeting of shareholders held on December 2, 2021;
7. the unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2022, together with the notes thereto, except for the notice of no audit review in respect thereof (the “**Interim Financial Statements**”);
8. the management’s discussion and analysis of the Company dated May 30, 2022 for the three months ended March 31, 2022 (the “**Interim MD&A**”);
9. the material change report of the Company dated January 10, 2022 in respect of the appointment of Brian Szeto as the President of the Company;
10. the press release of the Company dated January 26, 2022 in respect of drill results on Phase I of the Company’s drilling program on the Santa Daniela Project;
11. the press release of the Company dated February 23, 2022 in respect of final drill results on Phase I of the Company’s drilling program on the Santa Daniela Project;
12. the press release of the Company dated April 7, 2022 in respect of a summary of Phase 1 of the Company’s drilling program on the Santa Daniela Project;
13. the press release of the Company dated May 25, 2022 in respect of the Company’s reconnaissance targeting efforts on the Santa Daniela Project in partnership with GoldSpot Discoveries Corp.;

14. the “template version” (as defined in National Instrument 41-101 – *General Prospectus Requirements*) of the term sheet dated July 20, 2022, filed on SEDAR in connection with the Offering; and
15. the “template version” of the investor presentation dated July 20, 2022, filed on SEDAR in connection with the Offering.

For greater certainty, other than the auditor’s report of Davidson & Company LLP dated April 5, 2021, the information contained in the Filing Statement is not incorporated by reference into this Prospectus.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* and required to be incorporated by reference in a short form prospectus (excluding confidential material change reports), if filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of the distribution pursuant to the Offering will be deemed to be incorporated by reference in this Prospectus.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the statement or document that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed in its unmodified or superseded form to constitute part of this Prospectus.

DESCRIPTION OF THE BUSINESS

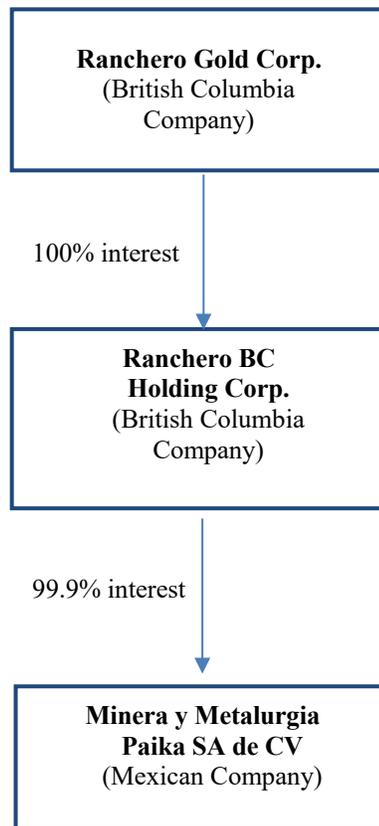
Name and Incorporation

The Company was incorporated on June 1, 1995 under the laws of the Province of British Columbia under the name “497675 British Columbia Ltd.”. On November 7, 1995, the Company changed its name to “Madoc Mining Company Ltd.”. On January 28, 1999, the Company changed its name to “Adobe Ventures Inc.”. On October 27, 2005, the Company changed its name to “Coalcorp Mining Inc.”. On September 29, 2011, the Company changed its name to “Melior Resources Inc.”. On October 7, 2021, the Company completed the acquisition of Rancho Gold Corp. (as it was then, the reverse takeover acquirer) (“**PrivCo**”) by way of a three-cornered amalgamation under the provisions of the *Business Corporations Act* (British Columbia) pursuant to which PrivCo and a wholly-owned subsidiary of the Company were amalgamated to form Rancho BC Holding Corp. (the “**RTO Transaction**”). The RTO Transaction constituted a reverse takeover of the Company pursuant to the policies of the TSXV. In connection with the RTO Transaction, the Company completed a consolidation of the Common Shares on the basis of one post-consolidated Common Share for every 32.6764 pre-consolidated Common Shares, and the Company changed its name to “Rancho Gold Corp.”.

The head office and registered office of the Company is located at Suite 910 – 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6.

Inter-corporate Relationships

The following diagram sets forth all of the subsidiaries of the Company, their jurisdictions of incorporation and the percentage of voting securities beneficially owned or controlled by the Company.



General Description of the Business

The Company is a Canadian mineral exploration company involved in the acquisition and exploration of resource properties in the Americas. The Company will seek to put the Company's Santa Daniela project (the "**Santa Daniela Project**"), located in Sonora, Mexico, into production but, until then, unless it acquires additional properties, it will have no producing properties and consequently no operating income cash flow or revenues, nor will it provide any products or services to third parties.

The Company is in the exploration stage and does not mine, produce or sell any mineral products at this time, nor does the Santa Daniela Project have any known mineral resources or mineral reserves. As the Company is an exploration stage company with no producing properties, it has no current operating income, cash flow or revenues. The Company has not undertaken a current resource estimate on the Santa Daniela Project. There is no assurance that a commercially viable mineral deposit exists on the Santa Daniela Project. The Company does not expect to receive income from the Santa Daniela Project within the foreseeable future. The Company intends to continue to evaluate, explore and develop the Santa Daniela Project through additional equity or debt financing. The Company's primary objectives are to complete exploration on the Santa Daniela Project with a view to development. Toward this end, the Company intends to undertake the exploration program on the Santa Daniela Project described in the AIF, which is incorporated by reference into this Prospectus. If the results of such programs merit further exploration, the Company may commence further exploration programs.

RECENT DEVELOPMENTS

On May 25, 2022, the Company announced that it had augmented its previous reconnaissance program at the Santa Daniela Project in partnership with GoldSpot Discoveries Corp., which includes the identification of new exploration targets and the refinement of previously-identified exploration targets.

For further information regarding the Company, see the AIF and other documents incorporated by reference in this Prospectus available under the Company's profile at www.sedar.com.

DIVIDENDS

There is no restriction in the Company's constating documents that prevent the Company from paying dividends on the Common Shares. The Company has not declared any dividends during the three most recently completed financial years and

during the current financial year, and the Company does not foresee declaring any dividends in the near future. Dividends paid by the Company would be subject to tax and, potentially, withholdings. Any decision to declare or pay dividends will be made by the Company's board of directors (the "**Board of Directors**") based upon the Company's earnings, financial requirements and other conditions existing at such future time.

CONSOLIDATED CAPITALIZATION

There have been no material changes to the Company's share and loan capitalization on a consolidated basis since March 31, 2022. The following table sets forth the consolidated capitalization of the Company as at the dates indicated, adjusted to give effect to the Offering on the share capital of the Company since March 31, 2022, the date of the consolidated financial statements for its most recently completed interim consolidated financial period included in this Prospectus. This table should be read in conjunction with the Interim Financial Statements and the Interim MD&A that are incorporated by reference in this Prospectus.

| | As at March 31, 2022 before giving effect to the Offering (unaudited) | As at March 31, 2022 after giving effect to the Offering ⁽¹⁾ (unaudited) | As at March 31, 2022 after giving effect to the Offering and the Agents' Option ^{(1) (2)} (unaudited) |
|---|--|---|---|
| Common Shares | \$10,303,305 65,737,322 | \$15,303,305 109,903,987 ⁽³⁾ | \$16,053,305 116,528,986 ⁽³⁾ |
| Stock Options | 3,700,000 | 3,700,000 | 3,700,000 |
| Warrants | 319,093 | 44,485,758 ⁽⁴⁾ | 51,110,757 ⁽⁴⁾ |
| Fully diluted issued and outstanding | 69,756,415 Common Shares | 158,089,745 Common Shares | 171,339,743 Common Shares |

- (1) Before deducting the Commission and the expenses of the Offering. Assumes that no Units are sold to purchasers on the President's List. For more information see "*Plan of Distribution*".
- (2) Assumes that the Agents' Option is exercised in full resulting in the issuance of 6,249,999 Agents' Option Units.
- (3) Includes the total number of Broker Unit Shares that may be issued upon exercise of the Broker Warrants.
- (4) Includes the total number of Broker Unit Warrants that may be issued upon exercise of the Broker Warrants.

USE OF PROCEEDS

The net proceeds of the Offering, after deducting the Commission of \$300,000 (assuming no exercise of the Agents' Option and no Units are sold to purchasers on the President's List) and after deducting the estimated expenses of the Offering of \$250,000, will be approximately \$4,450,000. If the Agents' Option is exercised in full, the net proceeds of the Offering, after deducting the Commission of \$345,000 (assuming no Units are sold to purchasers on the President's List) and after deducting the estimated expenses of the Offering of \$250,000, will be approximately \$5,155,000. The Commission and the expenses of the Offering will be paid from the proceeds of the Offering.

Principal Purposes

The key business objectives the Company intends to pursue with the majority of the net proceeds of the Offering are to continue the exploration of the Santa Daniela Project. The balance of the net proceeds of the Offering will be allocated to general and administrative expenses and working capital, as set out below.

The Company intends to use the net proceeds of the Offering as follows:

| Use of Proceeds | Approximate Amount (\$) |
|---|-------------------------|
| Drill program at Santa Daniela (Maiz Azul prospect) | \$900,000 |
| Geophysics program | \$100,000 |
| Exploration camp | \$180,000 |
| Geologists | \$270,000 |

| | |
|----------------------------------|--------------------|
| Contingent exploration expense | \$1,300,000 |
| Land fees | \$1,000,000 |
| General working capital purposes | \$700,000 |
| Total | \$4,450,000 |

There is no minimum amount of funds that must be raised under the Offering. This means that the Company could complete the Offering after raising only a small portion of the Offering amount. The proposed use of the proceeds of the Offering set out above assumes that the maximum amount of the Offering of \$5,000,000 is raised. If less than the maximum amount of the Offering is raised, the reconnaissance program described above will be reduced or eliminated, followed by a reduction or elimination of the drilling program, followed by a reduction of the funds allocated towards general and administrative expenses and working capital. In the event the Agents' Option is exercised, any additional net proceeds will be allocated to further fund exploration programs, development, capital, corporate development initiatives and general working capital.

William Pincus, the Chief Executive Officer and a director of the Company, is the "qualified person", within the meaning under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"), responsible for designing, budgeting and recommending the proposed exploration program at the Santa Daniela Project and has supervised the preparation of the above use of proceeds.

The above noted allocation and anticipated timing represents the Company's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the net proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. While actual expenditures may differ from the above amounts and allocations, the net proceeds will be used by the Company in furtherance of, and for activities at, the Santa Daniela Project, for corporate development and for general corporate and working capital purposes. See "*Risk Factors – Discretion in the use of Proceeds*".

Business Objectives and Milestones

The Company intends to continue to advance the exploration of the Santa Daniela Project with the proceeds of the Offering. This includes the planned expansion of the mineralization footprint at the Maiz Azul prospect, the most advanced mineral exploration target at the Santa Daniela Project, with a drill program of up to a 4,000-meters (including a geophysics program prior to drilling), that has an associated budget of \$1,000,000, and is expected to begin in the third quarter of 2022 and be completed by the end of 2022. A successful drill program will lead to further drilling in 2023 of an additional 4,000-meters with an associated budget of \$1,000,000. In parallel with drilling activities, a comprehensive reconnaissance program is underway to identify additional exploration targets at the Santa Daniela Project, which will include field work and geophysical surveys at nine high-priority targets. The Company anticipates having additional drill-ready targets at the new prospects by the end of 2022 or early 2023. The cost of the aforementioned program is approximately \$750,000.

The Company has outstanding land fee payments together with accrued interest owing to the Mexican government in respect of the Santa Daniela Project in the amount of approximately \$1,600,000. Interest accrues on the outstanding land fee payments, together with unpaid interest, at a rate published by the Mexican government and adjusted on a monthly basis. Land fee payments on the Santa Daniela Project continue to accrue on a bi-annual basis. The Company intends to settle approximately \$1,000,000 of the land fee payments and accrued interest owing in the remainder of 2022.

There is no assurance that the foregoing goals and objectives will be achieved in the stated timeline, or at all. If there are changes in the anticipated timeline and/or an increase in costs, this may result in a re-allocation of the net proceeds of the Offering and/or the need for additional funds beyond the net proceeds of the Offering to complete certain of these milestones. The exploration, development and advancement of mineral projects are subject to a number of risks and uncertainties. See "*Risk Factors*".

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Company will appoint the Agents, as agents, to conditionally offer the Units at the Offering Price, on a "commercially reasonable efforts" agency basis, subject to commercial reasonableness, and without underwriter liability, and the Company has agreed to issue and sell, on the Closing Date, up to an aggregate of 41,666,666

Units at the Offering Price, for aggregate gross proceeds of up to \$5,000,000, payable in cash to the Company, against delivery of the Units, subject to and in compliance with all of the necessary legal requirements and terms and conditions contained in the Agency Agreement. The Offering Price was determined by arm's length negotiation between the Company and the Lead Agent, on behalf of the Agents, with reference to the prevailing market price of the Common Shares. The obligations of the Agents under the Agency Agreement are several (and not joint, nor joint and several), and are subject to certain closing conditions and may be terminated at their discretion on the basis of "disaster out", "due diligence out", "material adverse change out", "regulatory change out" and "market out" provisions in the Agency Agreement, and may also be terminated upon the occurrence of certain stated events. The Agents are not obligated to purchase any Units under the Agency Agreement nor are they obligated, directly or indirectly, to advance their own funds to purchase any of the Units.

Each Unit will consist of one Unit Share and one Warrant. Each Warrant will entitle the holder to purchase one Warrant Share at the Warrant Exercise Price for a period of 36 months from the Closing Date, subject to adjustment in certain customary events. The Warrants will be issued pursuant to and be governed by a warrant indenture to be entered into on or prior to the Closing Date between the Company and the Warrant Agent. The Warrant Indenture will contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events. No fractional Warrants will be issued.

There is no minimum amount of funds that must be raised under this Offering. This means that the Company could complete this Offering after raising only a small proportion of the offering amount set out above.

The Agents have been granted the Agents' Option, exercisable, in whole or in part, at any time on or before the Agents' Option Deadline, to sell up to an additional 6,249,999 Units at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The Agents' Option may be exercised by the Agents: (a) to acquire or sell Agents' Option Units at the Offering Price, or (b) to acquire or sell Agents' Option Warrants at a price of \$0.01 per Agents' Option Warrant, or (c) to acquire or sell any combination of Agents' Option Units and Agents' Option Warrants, so long as the aggregate number of Agents' Option Warrants that may be issued under such Agents' Option does not exceed 6,249,999 Agents' Option Warrants. The grant of the Agents' Option and the Agents' Option Securities issuable upon exercise of the Agents' Option are hereby qualified for distribution under this Prospectus. A purchaser who acquires Agents' Option Securities forming part of the Agents' over-allocation position acquires such Agents' Option Securities under this Prospectus regardless of whether the over-allocation position is ultimately filled through the exercise of the Agents' Option or secondary market purchases.

In consideration for the services rendered by the Agents in connection with the Offering, the Company shall pay to the Agents the Commission equal to 6% of the gross proceeds of the Offering, including in respect of any gross proceeds raised on the exercise of the Agents' Option, except in respect of gross proceeds from the sale of Units sold to certain purchasers designated by the Company on the President's List, for which the Commission will be equal to 3% of the gross proceeds raised from purchasers on the President's List. The Company has also agreed to reimburse the Agents for their reasonable out-of-pocket fees and expenses, including the fees and expenses of their legal counsel, whether or not the Offering is completed. All amounts payable to the Agents will be paid from the proceeds of the Offering. Pursuant to the terms of the Agency Agreement, the maximum gross proceeds from the sale of Units to purchasers on the President's List is \$1,000,000.

As additional consideration for the services rendered by the Agents in connection with the Offering, the Company shall issue to the Agents Broker Warrants to purchase that number of Broker Units that is equal to 6% of the number of Units sold pursuant to the Offering, including any Agents' Option Units sold on the exercise of the Agents' Option, except in respect of Units sold to purchasers on the President's List for which there will be no Broker Warrants issued to the Agents. Each Broker Warrant shall entitle the holder thereof to acquire one Broker Unit at the Offering Price for a period of 36 months from the Closing Date. Each Broker Unit will be comprised of one Broker Unit Share and one Broker Unit Warrant. Each Broker Unit Warrant shall entitle the holder thereof to acquire one Broker Unit Warrant Share at the Warrant Exercise Price for a period of 36 months from the Closing Date. The distribution of the Broker Warrants is qualified by this Prospectus.

The Offering is being made in Alberta, British Columbia, Manitoba, Nova Scotia and Ontario. The Units will be offered in each of such provinces through those Agents or their affiliates who are registered to offer Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Units in the United States or to, or for the account or benefit of, U.S. Persons and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Agents, in each case in accordance with applicable laws provided that no prospectus, registration statement or similar document is required to be filed in any such jurisdiction.

The Company will apply to list the Unit Shares, the Warrant Shares, the Broker Unit Shares and the Broker Unit Warrant Shares on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under the Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. See “Risk Factors”.

Pursuant to the Agency Agreement, the Company has agreed that it will not, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any Common Shares or any securities convertible into or exchangeable for or exercisable to acquire Common Shares for a period of 120 days from the Closing Date without the prior written consent of the Lead Agent, except in certain circumstances described in the Agency Agreement.

Pursuant to the rules and policy statements of certain Canadian securities regulatory authorities, the Agents may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for their own accounts or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, (b) a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities, or (c) a bid or purchase to cover a short position entered into prior to the commencement of the prescribed restricted period. Subject to applicable laws and in connection with the Offering, the Agents may over-allot or effect transactions in connection with the Offering intended to stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued by the Agents at any time. The Agents may carry out these transactions on the TSXV, in the over-the-counter market or otherwise.

The Company has also agreed to indemnify the Agents and each of their respective subsidiaries and affiliates, and each of their respective directors, officers, employees, consultants, shareholders and agents and to hold them harmless from and against certain liabilities specified in the Agency Agreement.

Subscriptions for the Units will be received subject to rejection or allotment, in whole or in part, and the Agents reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about August 10, 2022, or such other date as may be agreed upon by the Company and the Lead Agent, but in any event not later than [●] days after the date of the receipt of the (final) prospectus or such later date as may be permitted under securities legislation. It is anticipated that the Unit Shares and the Warrants comprising the Units will be delivered under the book-based system through CDS or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. Except for purchasers that are in the United States or are U.S. Persons or are purchasing for the account or benefit of U.S. Persons or persons in the United States and that are purchasing as U.S. Accredited Investors but do not qualify as Qualified Institutional Buyers, who will receive the Units Shares and Warrants at closing in certificated form or confirmations under the Direct Registration System (DRS) maintained by the Company’s Transfer Agent and the Warrant Agent, no definitive certificates will be issued unless specifically requested or required.

Offering in the United States

The Units and Warrant Shares offered hereby have not been and will not be registered under the U.S. Securities Act or any securities laws of any state of the United States and, subject to registration under the U.S. Securities Act and applicable securities laws of any state of the United States or certain exemptions therefrom, may not be offered, sold, transferred, delivered or otherwise disposed of, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Units or Warrant Shares in the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States.

The Agents have agreed that, except as permitted under the Agency Agreement, they will not offer, sell or deliver, directly or indirectly, the Units at any time within the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States, except pursuant to an exemption from registration under the U.S. Securities Act and any applicable securities laws of any state of the United States.

The Agency Agreement permits the Agents, acting through their registered United States broker-dealer affiliates, to offer Units for sale by the Company in the United States or to, or for the account or benefit of, U.S. persons or persons in the United States who are either (i) U.S. Accredited Investors or (ii) Qualified Institutional Buyers that are also U.S. Accredited Investors, provided that in each case such offers and sales are made pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D under the U.S. Securities Act and pursuant to similar exemptions under and any applicable securities laws of any state of the United States. Moreover, the Agency Agreement provides that the Agents will offer and sell the Units outside the United States to non-U.S. persons and persons not acting for the account or benefit of U.S. persons or persons in the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Units Shares and Warrants that are sold in the United States or to, or for the account or benefit of, a U.S. person or a person in the United States will be restricted securities within the meaning of Rule 144 under the U.S. Securities Act and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States.

In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States or to, or for the account or benefit of, U.S. Persons by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act and similar exemptions under applicable securities laws of any state of the United States.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Units

The Offering consist of Units. Each Unit will be comprised of one Unit Share and one Warrant. The Units will separate into Unit Shares and Warrants immediately upon closing of the Offering.

Common Shares

The Company is authorized to issue an unlimited number of Common Shares without par value. The holders of Common Shares are entitled to receive notice of, attend and vote at any meeting of the shareholders of the Company. Each Common Share carries one vote per Common Share. As at March 31, 2022, 65,737,322 Common Shares were issued and outstanding. Subject to the provisions of the *Business Corporations Act* (British Columbia) and the rights of holders of preferred shares of the Company, if any, holders of Common Shares are entitled to dividends, if any, as and when declared by the directors. In the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, subject to prior rights of the holders of the preferred shares, if any, holders of Common Shares are entitled to receive the remaining property and assets of the Company on a pro-rata basis. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Warrants

Each Warrant entitles the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at the Warrant Exercise Price for a period of 36 months following the Closing Date, after which time the Warrants will be void and of no value.

The Warrants will be issued pursuant to and be governed by a warrant indenture to be entered into on or prior to the Closing Date (the "**Warrant Indenture**") between the Company and the Warrant Agent. The Company will designate the Warrant Agent, as agent for the Warrants. Prior to the closing of the Offering, the Company may name any other agent with respect to the Warrants.

The following is a summary of the principal attributes of the Warrants to be issued pursuant to the Offering and certain anticipated provisions of the Warrant Indenture. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. Upon execution, a copy of the Warrant Indenture may be

obtained on request from the Company’s Corporate Secretary and will be available electronically at www.sedar.com and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including a subdivision or consolidation of the Common Shares. The Warrant Indenture will also provide for adjustment in the class and/or number of securities or other property issuable upon the exercise of the Warrants and/or the exercise price per security upon the occurrence of the following additional events: (a) a reclassification or change of the Common Shares, (b) any consolidation, amalgamation, arrangement or other business combination of the Company resulting in any reclassification or change of the Common Shares into other shares, or (c) any sale, lease, exchange or transfer of the Company’s assets as an entirety or substantially as an entirety to another entity.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Any fraction of a Warrant Share will be rounded down to the nearest full Warrant Share, and any holder of Warrants shall not be entitled to any compensation in respect of any such fractional Warrant Share. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

The Warrants and the Warrant Shares issuable upon exercise thereof have not been and will not be registered under the U.S. Securities Act or any applicable securities laws of any state of the United States, and the Warrants may not be exercised in the United States or by or on behalf of any U.S. Person or person in the United States and the Warrant Shares may not be delivered into the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States.

Broker Warrants

As partial consideration for their services in connection with the Offering, the Agents will receive Broker Warrants on closing of the Offering. Each Broker Warrant shall entitle the holder thereof to acquire one Broker Unit at the Offering Price for a period of 36 months from the Closing Date. Each Broker Unit will consist of one Broker Unit Share and one Broker Unit Warrant. Each Broker Unit Warrant will entitle the holder to purchase one Broker Unit Warrant Share at the Warrant Exercise Price for a period of 36 months from the Closing Date, subject to adjustment in certain customary events. The terms of the Broker Warrants will be set out in the definitive certificates representing the Broker Warrants and will include, among other things, customary provisions for the appropriate adjustment of the number of Broker Units issuable pursuant to any exercise of the Broker Warrants and the exercise price of the Broker Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, any capital reorganization of the Company, or any arrangement, merger, consolidation or amalgamation of the Company with or into another corporation or entity, as well as customary amendment provisions. See also “*Plan of Distribution*”.

PRIOR SALES

The following table summarizes the issuances by the Company of Common Shares and securities convertible into Common Shares during the 12-month period prior to the date of this Prospectus.

| Date Issued | Number of Securities | Type of Security | Issue / Exercise Price per Security |
|-----------------|---------------------------|------------------|-------------------------------------|
| October 7, 2021 | 510,154 ⁽¹⁾ | Common Shares | \$0.55 |
| October 7, 2021 | 1,572,334 ⁽²⁾ | Common Shares | \$12.74 |
| October 7, 2021 | 4,877,425 ⁽²⁾ | Common Shares | \$2.45 |
| October 7, 2021 | 57,862,322 ⁽³⁾ | Common Shares | \$0.55 |

| | | | |
|------------------|------------------------|---------------|--------|
| October 7, 2021 | 319,093 ⁽⁴⁾ | Warrants | \$0.55 |
| February 2, 2022 | 3,400,000 | Stock Options | \$0.29 |
| March 7, 2022 | 300,000 | Stock Options | \$0.29 |

- (1) These Common Shares were issued to LACG Capital Inc. as a finder's fee paid in connection with the RTO Transaction.
- (2) These Common Shares were issued in connection with the RTO Transaction to settle the outstanding principal amount and interest of debt owing to Pala Investments Limited in the amount of approximately \$35,500,000.
- (3) These Common Shares were issued in exchange for the outstanding common shares of PrivCo pursuant to the RTO Transaction.
- (4) These Warrants were issued in exchange for the outstanding warrants of PrivCo pursuant to the RTO Transaction.

TRADING PRICE AND VOLUME

The Common Shares are primarily traded on the TSXV (trading symbol: "RNCH"). The following table identifies the reported trading history of the Common Shares on the TSXV for the periods indicated during the 12 months prior to the date of this Prospectus.

| Month | High | Low | Total Monthly Volume |
|--|--------|---------|----------------------|
| June 2021 – September 2021 ⁽¹⁾ | N/A | N/A | Nil |
| October 20, 2021 – October 29, 2021 ⁽¹⁾ | \$0.58 | \$0.42 | 228,393 |
| November 2021 | \$0.47 | \$0.26 | 525,885 |
| December 2021 | \$0.28 | \$0.20 | 481,401 |
| January 2022 | \$0.35 | \$0.24 | 226,666 |
| February 2022 | \$0.35 | \$0.25 | 298,134 |
| March 2022 | \$0.38 | \$0.24 | 434,673 |
| April 2022 | \$0.30 | \$0.23 | 434,344 |
| May 2022 | \$0.25 | \$0.16 | 975,750 |
| June 2022 | \$0.22 | \$0.14 | 446,659 |
| July 1 – July 19, 2022 | \$0.16 | \$0.145 | 231,021 |

- (1) The Common Shares were halted from trading on the TSXV in connection with the RTO Transaction. The Common Shares recommenced trading on the TSXV on October 20, 2021.

The Warrants to be issued pursuant to the Offering will not be listed on the TSXV or on any other exchange. See "*Risk Factors*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder of Unit Shares and Warrants acquired pursuant to this Offering, and Warrant Shares acquired on the exercise of such Warrants (the Unit Shares and Warrant Shares referred to herein as Common Shares unless otherwise indicated). This summary only applies to a holder that, for the purposes of the Tax Act and at all relevant times: (i) acquires and holds such Common Shares and Warrants as capital property, and (ii) is not affiliated with and deals at arm's length with the Company and the Agents (a "**Holder**"). A Common Share or Warrant generally will be capital property to a holder unless it is held in the course of carrying on a business of trading in or dealing in securities, or it has been acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act, (ii) that is a "specified financial institution" (as defined in the Tax Act); (iii) an interest in which is a "tax shelter investment" for purposes of the Tax Act; (iv) that has made a functional currency reporting election under section 261 of the Tax Act to report its "Canadian tax results" as defined in the Tax Act in a currency other than Canadian currency; (v) that has entered into, or will enter into, a "derivative forward agreement" or "synthetic disposition arrangement" (each as

defined in the Tax Act) with respect to the Common Shares or Warrants; (vi) that receives dividends on Common Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act); or (vii) that is a “foreign affiliate” (as defined in the Tax Act) of a taxpayer resident in Canada. This summary does not address the deductibility of interest by a Holder who has borrowed money to acquire Units. Such Holders should consult their own tax advisors.

Additional considerations, not discussed herein, may apply to a Holder that is a corporation resident in Canada, and is or becomes (or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the acquisition of the Units, controlled by a non-resident person or a group of persons comprised of any combination of non-resident corporations, non-resident individuals or non-resident trusts that do not deal with each other at arm’s length for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of purchasing Units pursuant to the offering.

This summary is based on the current provisions of the Tax Act in force on the date hereof, all specific proposals to amend the Tax Act or publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Prospectus (the “**Proposed Amendments**”) and counsel’s understanding of the current administrative practices and assessing policies of the Canada Revenue Agency (the “**CRA**”) publicly available prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law or in the administrative practices or assessing policies of CRA, whether by legislative, governmental, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units. The following description of income tax matters is of a general nature only and is not intended to be, nor should it be construed to be, legal or income tax advice to any particular Holder. Holders are urged to consult their own income tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.

Allocation of Offering Price

The offering price of a Unit must be allocated on a reasonable basis between the Unit Share and the Warrant comprising a Unit to determine the cost of each to the Holder for purposes of the Tax Act. For its purposes, the Company intends to allocate \$0.11 of the offering price as consideration for the issue of each Unit Share and \$0.01 of the offering price as consideration for the issue of each Warrant acquired as part of a Unit. Although the Company believes that its allocation is reasonable, it is not binding on the CRA or a Holder.

A Holder’s adjusted cost base of a Unit Share will be determined by averaging the cost of such share with the adjusted cost base of all Common Shares of the Company (if any) held by the Holder as capital property immediately before such acquisition.

Exercise of Warrants

A Holder will not realize a gain or loss upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder’s cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder’s adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder’s adjusted cost base of the Warrant Share so acquired will be determined by averaging the cost of the Warrant Share with the adjusted cost base to the Holder of all Common Shares of the Company (if any) held as capital property immediately before the exercise of the Warrant.

Taxation of Resident Holders

The following portion of this summary applies to a Holder who, for the purposes of the Tax Act, is or is deemed to be resident in Canada at all relevant times (a “**Resident Holder**”). A Resident Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Common Shares, and every other “Canadian security” (as defined in the Tax Act), held by such person, in the taxation year of the election and each subsequent taxation year to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors regarding this election.

Expiry of Warrants

The expiry of an unexercised Warrant generally will result in a capital loss to the Resident Holder equal to the adjusted cost base of the Warrant to the Resident Holder immediately before its expiry. The tax treatment of capital gains and capital losses is discussed in greater detail below under the heading “*Capital Gains and Capital Losses*”.

Dividends

Dividends received or deemed to be received on the Common Shares will be included in computing a Resident Holder’s income. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of “taxable dividends” received from “taxable Canadian corporations” (as such terms are defined in the Tax Act). An enhanced gross-up and dividend tax credit will be available to individuals in respect of “eligible dividends” designated by the Company to the Resident Holder in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Company to designate dividends as eligible dividends.

Dividends received or deemed to be received on Common Shares by a Resident Holder that is a corporation will be included in computing its income and generally will be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances. In addition, a Resident Holder that is a “private corporation” or a “subject corporation” for purposes of the Tax Act will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received to the extent such dividends are deductible in computing such Resident Holder’s taxable income. Such Resident Holders should consult their own tax advisors in this regard.

Disposition of Common Shares and Warrants

A Resident Holder who disposes, or is deemed to dispose, of a Common Share (other than on a disposition to the Company that is not a sale in the open market in the manner in which shares would normally be purchased by any member of the public in an open market), or a Warrant (other than on the exercise thereof) generally will realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base to the Resident Holder of such Common Shares or Warrant, as the case may be, immediately before the disposition or deemed disposition. The taxation of capital gains and losses is generally described below under the heading “*Capital Gains and Capital Losses*”.

Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing income for a taxation year one-half of the amount of any capital gain (a “**taxable capital gain**”) realized by the Resident Holder in such taxation year. Subject to and in accordance with the rules contained in the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a particular taxation year against taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition or deemed disposition of a Common Share may be reduced by the amount of any dividends received or deemed to have been received by such Resident Holder on the Common Share (or on a share for which such Common Share has been substituted), to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, directly or indirectly, through a partnership or trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional refundable tax on certain investment income, including taxable capital gains. Such Resident Holders should consult their own tax advisors.

Alternative Minimum Tax

Generally, a Resident Holder that is an individual (including certain trusts) that receives or is deemed to have received taxable dividends on the Common Shares or realizes a capital gain on the disposition or deemed disposition of the Common Shares or Warrant may be liable for alternative minimum tax under the Tax Act. Resident holders should consult their own tax advisors with respect to the application of alternative minimum tax.

Taxation of Non-Resident Holders

The following portion of this summary is generally applicable to Holders who, for the purposes of the Tax Act and at all relevant times: (i) are not resident or deemed to be resident in Canada (including as a consequence of an applicable income tax treaty or convention), and (ii) do not and will not use or hold, and is not and will not be deemed to use or hold the Common Shares or Warrants in the course of a business carried on or deemed to be carried on in Canada (“**Non-Resident Holders**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Common Shares will generally be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, unless such rate is reduced by the terms of an applicable income tax treaty or convention. Under the *Canada-United States Tax Convention (1980)*, as amended (the “**Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty, is the beneficial owner of the dividends, and is fully entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally reduced to 15% of the gross amount of the dividend. The rate of withholding tax is further reduced to 5% if the beneficial owner of such dividend is a U.S. Holder that is a company that owns, directly or indirectly, at least 10% of the voting stock of the Company. Non-Resident Holders should consult their own tax advisors regarding the application of the Treaty or any other tax treaty.

Disposition of Common Shares and Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share or Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless such securities, as the case may be, constitutes “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Provided that the Common Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes Tier 2 of the TSXV), at the time of disposition, the Common Shares, and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition, (i) 25% or more of the issued shares of any class or series of the capital stock of the Company were owned by, or belonged to, any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm’s length (for purposes of the Tax Act), and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; and (ii) at such time, more than 50% of the fair market value of such shares was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in such properties, whether or not such property exists. Notwithstanding the foregoing, the Common Shares and Warrants may also be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain other circumstances. Non-Resident Holders should consult their own tax advisors as to whether their Common Shares or Warrants constitute “taxable Canadian property” in their own particular circumstances.

In the event that a Common Share or Warrant constitutes taxable Canadian property of a Non-Resident Holder and any capital gain that would be realized on the disposition thereof is not exempt from tax under the Tax Act pursuant to an applicable income tax treaty or convention, the income tax consequences discussed above for Resident Holders under “*Taxation of Resident Holders – Disposition of Common Shares and Warrants*” and “*Capital Gains and Capital Losses*” will generally apply to the Non-Resident Holder. Non-Resident Holders whose Common Shares or Warrants are taxable Canadian property should consult their own tax advisors.

THE FOREGOING SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES THAT MAY BE RELEVANT TO PARTICULAR HOLDERS OF UNITS AND IS NOT TAX OR LEGAL ADVICE. HOLDERS OF UNITS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, HOLDING AND DISPOSING OF UNITS.

RISK FACTORS

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

Prospective purchasers should carefully consider all information contained in this Prospectus, including the AIF and all other documents incorporated by reference, and the information contained in the section entitled "*Cautionary Statement Regarding Forward-Looking Information*" before deciding to purchase the Units.

The risks and uncertainties described or incorporated by reference in this Prospectus are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company's business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Common Shares could decline and purchasers could lose all or part of their investment. Additionally, purchasers should consider the following risk factors:

Title Risk

The failure to comply with all applicable laws and regulations in respect of the Santa Daniela Project, including a failure to pay taxes and land payment fees, could lead to the unilateral termination of concessions by mining authorities or other governmental entities. The Company has outstanding land fee payments and accrued interest owing to the Mexican government in respect of the Santa Daniela Project in the amount of approximately \$1,600,000. The Mexican government has the right to demand payment of the outstanding amount on 60 days' notice to the Company. To date, no notice of application has been received, and none of the mining concessions have been canceled. Accordingly, the mining concessions are currently in good standing. In the event that the Company is not able to pay the required amount after receiving a demand for payment from the Mexican government, title to the Santa Daniela Project could be challenged or impugned by the Mexican government in respect of these late payments, which, if successful, could result in the entire loss or reduction of the Company's interest in such property.

Completion of the Offering

The completion of the Offering remains subject to a number of conditions. There can be no certainty that the Offering will be completed. Failure by the Company to satisfy all of the conditions precedent to the Offering would result in the Offering not being completed. If the Offering is not completed, the Company may not be able to raise the funds required for the purposes contemplated under "*Use of Proceeds*" from other sources on commercially reasonable terms or at all.

Discretion in the Use of Proceeds

The Company intends to use the net proceeds from the Offering as set forth under "*Use of Proceeds*"; however, the Company maintains broad discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditure. The Company may re-allocate the net proceeds of the Offering other than as described under the heading "*Use of Proceeds*" if management of the Company believes it would be in the Company's best interest to do so and in ways that a purchaser may not consider desirable. Until utilized, the net proceeds of the Offering will be held in cash balances in the Company's bank account or invested at the discretion of the Board of Directors. As a result, a purchaser will be relying on the judgment of management of the Company for the application of the net proceeds of the Offering. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Company's results of operations may suffer, which could adversely affect the price of the Common Shares on the open market.

Additional Financing

The continued development of the Company may require additional financing. There is no guarantee that the Company will be able to achieve its business objectives, particularly expanded exploration programs. The Company may fund a portion of its future business activities by way of additional offerings of equity and/or debt financing as well as through anticipated positive cash flow from operations in the future. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Company. If additional funds are raised by offering equity securities, existing shareholders could suffer significant dilution. Any debt financing secured in the future could involve the granting of security against assets of the Company and also contain restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. The Company will require additional financing to fund its operations until positive cash flow is achieved.

Negative Operating Cash Flow

The Company had negative operating cash flow in recent periods. The Company's ability to generate positive operating cash flow will depend on a number of factors, including, among others, the results of exploration on the Santa Daniela Project. To the extent the Company has negative cash flows in future periods, the Company may use a portion of its general working capital or seek additional equity financing to fund such negative cash flows. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all.

Limited Market for Securities

There is no market through which the Warrants may be sold, and purchasers may not be able to resell the Warrants acquired pursuant to the Offering. This may affect the pricing of Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. There can be no assurance that a secondary market for the Warrants will develop or be sustained after the closing of the Offering. Even if a market develops for the Warrants, there can be no assurance that it will be liquid and that the price of the Warrants will be the same as the price allocated for the Warrants partially comprising the Units. If an active market for the Warrants does not develop, the liquidity of an investor's investment in the Warrants may be limited and the price may decline below the portion of the Offering Price allocated to the Warrants.

An investment in the Warrants and Common Shares should only be made by those persons who can afford the loss of their entire investment. There can be no assurance that an active and liquid market for the Common Shares will continue to develop, and shareholders may find it difficult to resell their Common Shares.

The Market Price of the Common Shares is Volatile and May Not Accurately Reflect the Long-Term Value of the Company

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Common Shares to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares.

Financial markets historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. In particular, the conflict between Russia and Ukraine and restrictive actions that are or may be taken by Canada, the U.S. and other countries in response thereto, such as sanctions or export controls, could have potential impacts on commodity prices and negative implications on the financial markets. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing

fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

There Are Potential Adverse Canadian Tax Consequences to Canadian Corporate Investors Controlled by Non-Residents

The Tax Act contains provisions which may result in adverse tax consequences to an investor that (i) is a corporation resident in Canada for purposes of the Tax Act; and (ii) is, or becomes as part of, a transaction or event or series of transactions or events that includes investment in the Units, controlled by a non-resident of Canada (within the meaning of the Tax Act) for the purposes of the foreign affiliate dumping rules in the Tax Act. Any such potential investor should consult their own tax advisor regarding the application of these rules in their particular circumstances.

Dilution

The Company may issue additional securities in the future, which may dilute a shareholder's holdings in the Company. The Company's constating documents permit the issuance of an unlimited number of Common Shares. The Company's shareholders do not have pre-emptive rights in connection with any future issuances of securities by the Company. The Board of Directors has discretion to determine the price and the terms of further issuances. Moreover, additional Common Shares may be issued by the Company on the exercise of options under the Company's stock option plan subject to compliance with securities laws and the policies of the TSXV, and upon the exercise of outstanding warrants.

Forward-Looking Statements May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditors are Smythe LLP, who have confirmed that they are independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The Transfer Agent for the Common Shares, and the Warrant Agent in respect of the Warrants, is TSX Trust Company at its principal office in Toronto, Ontario.

INTERESTS OF EXPERTS

Certain legal matters in connection with this Offering will be passed upon by Maxis Law Corporation and by Koffman Kalef LLP, on behalf of the Company, and by Minden Gross LLP, on behalf of the Agents.

Davidson & Company LLP has issued an independent auditor's report in connection with the audited annual consolidated financial statements of PrivCo for the financial years ended December 31, 2020 and 2019, which audit report is incorporated by reference in this Prospectus. For the years for which Davidson & Company LLP issued the above-referenced audit report, Davidson & Company LLP and its partners and employees were independent of PrivCo in accordance with the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

Smythe LLP has issued an independent auditor's report in connection with the audited annual consolidated financial statements of the Company for the financial years ended December 31, 2021 and 2020, which audit report is incorporated by reference in this Prospectus. Smythe LLP is independent of the Company in accordance with the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

William Pincus, the Chief Executive Officer and a director of the Company, a "qualified person" within the meaning under NI 43-101, is responsible for the review and approval of certain scientific or technical information contained in this Prospectus. Information of a scientific and technical nature regarding the Santa Daniela Project incorporated by reference in this Prospectus has also been excerpted or derived from the technical report for the Santa Daniela Project titled "CSA NI 43-101 Technical Report on the Santa Daniela Gold Project, Municipios of Sahuaripa and Yecora, Sonora, Mexico" with an effective date of

April 25, 2022, authored by William Pincus. Mr. Pincus holds 695,553 Common Shares, and incentive stock options exercisable to acquire up to an additional 1,000,000 Common Shares.

To the Company's knowledge, as of the date hereof, other than Mr. Pincus, the aforementioned experts hold either less than one percent or no securities of the Company or of any associate or affiliate of the Company.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the warrants, those amounts may not be recoverable under the statutory right or action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages, or consult with a legal adviser.

CERTIFICATE OF RANCHERO GOLD CORP.

Dated: July 20, 2022

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of Alberta, British Columbia, Manitoba, Nova Scotia and Ontario.

“William Pincus” (signed)
Chief Executive Officer

“Ranbir Sall” (signed)
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Brian Szeto” (signed)
Director

“Martyn Buttenshaw” (signed)
Director

CERTIFICATE OF THE AGENTS

Dated: July 20, 2022

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of Alberta, British Columbia, Manitoba, Nova Scotia and Ontario.

M PARTNERS INC.

“Steve Isenberg” (Signed)
Chief Executive Officer

RESEARCH CAPITAL CORPORATION

“David Greifenberger” (Signed)
Managing Director

CANACCORD GENUITY CORP.

“Earle McMaster” (Signed)
Managing Director

LAURENTIAN BANK SECURITIES INC.

“Joseph Gallucci” (Signed)
Managing Director, Head of Investment
Banking