

FORM 2B
LISTING APPLICATION

Sendero Resources Corp.
(Formerly 1319732 B.C. Ltd.)

Application for the listing on the TSX Venture Exchange of the common shares in the capital of Sendero Resources Corp., the issuer resulting from the transactions described herein.

As of September 25, 2023.

No securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities which are the subject of this application.

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GLOSSARY OF TERMS

The following is a glossary of certain definitions used in this Listing Application. Terms and abbreviations used in the appendices to this Listing Application are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the policies of the TSX Venture Exchange and applicable securities laws. In the event of a conflict between a term defined in this Glossary and a term defined in the policies of the TSX Venture Exchange, the definition of the TSX Venture Exchange will govern.

"131" means Sendero Resources Corp. (formerly 1319732 B.C. Ltd.), prior to the completion of the Transaction;

"131 Board" means the board of directors of 131 as the same is constituted from time to time;

"131 Financial Statements" means the audited financial statements of 131 for the period from incorporation to July 31, 2022 and the unaudited condensed interim financial statements of 131 for nine months ended April 30, 2023, available on 131's SEDAR profile at www.sedar.com and attached hereto as Appendix "A";

"131 MD&A" means the management discussion and analysis for the 131 Financial Statements, which are available on 131's SEDAR profile and attached hereto as Appendix "B";

"131 Incentive Plan" means the equity incentive plan of 131 in effect as of the date hereof and attached hereto as Appendix "H";

"131 Options" means incentive stock options to purchase 131 Shares;

"131 Shareholders" means the holders of 131 Shares from time to time;

"131 Shares" means the common shares in the capital of 131 (prior to completion of the Transaction);

"131 Subco" means 1409689 B.C. Ltd., a wholly-owned subsidiary of 131 incorporated under the BCA for the sole purpose of effecting the Amalgamation;

"Adjustment" means the Split and the TriForce Issuance;

"Affiliate" means a corporation that is affiliated with another corporation as follows:

- (a) a corporation is an "Affiliate" of another corporation if: (i) one of them is the subsidiary of the other; or (ii) one of them controls the other or if they are under common control by the same Person;
- (b) a corporation is "controlled" by a Person if: (i) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that Person; and (ii) the voting securities, if voted, entitle the Person to elect a majority of the directors of the corporation;

- (c) a Person beneficially owns securities that are beneficially owned by: (i) a corporation controlled by that Person; or (ii) an Affiliate of that Person or an Affiliate of any corporation controlled by that Person;

“Amalco” means Sendero Holdings Ltd. (formerly Sendero Resources Corp.) following the Amalgamation;

“Amalco Common Shares” means the common shares in the capital of Amalco;

“Amalgamation” means the amalgamation of the Amalgamating Parties under Section 269 of the BCA and in accordance with the terms and conditions of this Agreement;

“Amalgamating Parties” means, collectively, Subco and Sendero;

“Amalgamation Agreement” means the agreement dated April 27, 2023 among Sendero, 131 and 131 Subco pursuant to which such parties have agreed to complete the Transaction on such terms and conditions set forth therein;

“Arm’s Length Transaction” means a transaction which is not a Related Party Transaction;

“Associate(s)”, when used to indicate a relationship with a person or company, means:

- (a) a partner, other than a limited partner, of that person or company;
- (b) a trust or estate in which that person or company has a substantial beneficial interest or for which that person or company serves as trustee or in a similar capacity;
- (c) an issuer in respect of which that person or company beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer; or
- (d) in the case of a person, a relative of that person, including (i) that person’s spouse or child, or (ii) any relative of the person or of his spouse who has the same residence as that person,

but:

- (e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company;

“Athena Management Agreement” means the amended and restated executive management agreement between Athena Jade Limited and Sendero, effective February 23, 2023, pursuant to which Athena Jade Limited was retained by Sendero and Athena Jade Limited agreed to provide the services of Michael Wood to Sendero and for Mr. Wood to act in the capacity of Executive Chairman and CFO of Sendero;

“Audit Committee” means the audit committee of the Resulting Issuer, as defined by NI 52-110;

“Barton” means Barton SAS, a company existing under the laws of Argentina, a wholly-owned subsidiary of

Sendero;

“Barton Financial Statements” means the audited financial statements of Barton for the fiscal year ended July 31, 2021 and for the period from August 1, 2021 to October 26, 2021, including the notes thereto and the report of the auditors thereon;

“Barton Share Purchase Agreement” means the share transfer agreement dated October 26, 2021 between Hernan Vera, Emerging Markets Capital and Sendero pursuant to which Hernan Vera transferred all of the issued and outstanding common shares in the capital of Barton to Sendero;

“BCA” means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended from time to time;

“Business Days” means a day other than a Saturday, Sunday or day on which the chartered banks are closed in the City of Vancouver;

“Caserones Property” means the property located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, consisting of one exploration concessions (Cateos) covering 3,587.03 hectares;

“CEO” means chief executive officer;

“CFO” means chief financial officer;

“CIM Definition Standards” means the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014, which are incorporated by reference in NI 43-101;

“Closing Time” means the effective time of the Amalgamation as set forth in the Certificate of Amalgamation issued to Amalco;

“Closing” means the closing of the Amalgamation;

“Code” means the code of business conduct to be adopted by the Resulting Issuer Board following the completion of the Transaction;

“COVID-19” means the novel coronavirus designated as a pandemic by the World Health Organization on March 11, 2020;

“CRA” means the Canada Revenue Agency;

“Effective Date” means the date shown on the certificate of amalgamation issued by the Director giving effect to the Amalgamation;

“Effective Time” means the time on the Effective Date that the Amalgamation became effective;

“Escrow Release Conditions” has the meaning ascribed thereto in the Subscription Receipt Agreement;

“Escrowed Funds” means the amount of \$2,025,987.23 (plus interest thereon), representing the proceeds

from the Subscription Receipt Offering (after payment of partial commissions and expense reimbursements of the agents conducting the Subscription Receipt Offering), held in escrow by Odyssey Trust Company prior to the satisfaction of the Escrow Release Conditions pursuant to the Subscription Receipt Agreement;

“Exchange” means the TSX Venture Exchange;

“Exchange Policy 2.2” means Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements* of the TSXV Venture Exchange;

“Exchange Policy 5.4” means Exchange Policy 5.4 – *“Escrow, Vendor Consideration and Resale Restrictions”* of the TSX Venture Exchange;

“Final Exchange Bulletin” means the Exchange Bulletin which is issued following the submission of all required documentation and that evidences the final Exchange acceptance of the Listing;

“IFRS” means International Financial Reporting Standards;

“Income Tax Act” means *Income Tax Act* (R.S.C., 1985, c. 1 (5th Supp.));

“Insider”, if used in relation to an issuer, means: (a) a director or senior officer of the issuer; (b) a director or senior officer of the corporation that is an Insider or subsidiary of the issuer; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% (d) of the voting rights attached to all outstanding voting shares of the issuer; or (e) the issuer itself if it holds any of its own securities;

“Law” or **“Laws”** means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity or self-regulatory authority (including the Exchange);

“Letter Agreement” means the letter agreement between 131 and Sendero dated March 3, 2023 with Sendero, pursuant to which the parties agreed to complete the Transaction;

“Listing” means the listing on the Exchange of the Resulting Issuer Shares;

“Listing Application” means this Exchange Form 2B Listing Application to list on the Exchange;

“Member” means a Person who has executed the Members’ Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements;

“Members’ Agreement” means the members’ agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange;

“Name Change” means the change of 131’s name to “Sendero Resources Corp.”;

“NEOs” means named executive officers’ which include (a) the Chief Executive Officer (or an individual acting in a similar capacity), (b) the Chief Financial Officer (or an individual who acted in a similar capacity), (c) the other most highly compensated executive officer, whose total compensation exceeded \$150,000 and (d) each individual who would be named executive officer under paragraph (c) but for the fact that the individual was

not an executive officer, and was not acting in a similar capacity, at the end of the financial year;

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

“NI 52-110” means National Instrument 52-110 – *Audit Committees*;

“NI 58-101” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;

“Non-Arm’s Length Party” means in relation to a company, a Promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person;

“Non-Brokered Offering” means the non-brokered offering of 18,265,250 Sendero Non-Brokered Units at a price of \$0.20 per Sendero Non-Brokered Units for gross proceeds of \$3,653,050, which closed between April 27, 2023 and July 25, 2023;

“NP 58-201” means National Policy 58-201 – *Corporate Governance Guidelines*;

“Peñas Negras Property” means the property located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, consisting of ten mining concessions covering 11,682.54 ha (including six exploitation concessions (Minas) totalling 5,515.26 ha and four exploration concessions (Cateos) totalling 6,167.28 ha) as further described in the Technical Report;

“Person” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;

“Phase I Work Program” means the Phase I work program for the Peñas Negras Property, as described in the Technical Report;

“Phase II Work Program” means the Phase II work program for the Peñas Negras Property, as described in the Technical Report;

“Promoter” means (a) a person or company that, acting alone or in conjunction with one or more other persons, companies or a combination of them, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer or (b) a person or company that, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property or both services and property, 10% or more of the issued securities of a class of securities of the issuer or 10% or more of the proceeds from the sale of a class of securities of a particular issue, but a person or company who receives the securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be considered a Promoter within the meaning of this definition where that person or company does not otherwise take part in founding, organizing or substantially reorganizing the business;

“Resulting Issuer” means Sendero Resources Corp. (formerly 1319732 B.C. Ltd.), after consummation of the Transaction;

“Resulting Issuer Board” means the board of directors of the Resulting Issuer as the same is constituted from time to time, following the completion of the Transaction;

“Resulting Issuer Officers” means the officers of Resulting Issuer, following the completion of the Transaction;

“Resulting Issuer Shares” means the common shares in the capital of the Resulting Issuer, post-Amalgamation;

“Resulting Issuer Incentive Plan” means the 131 Incentive Plan as adopted by the Resulting Issuer, following the completion of the Transaction;

“Resulting Issuer Option” means incentive stock options to purchase Resulting Issuer Shares;

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

“Sendero” means Sendero Resources Corp., a corporation existing under the BCA, as it exists prior to the completion of the Transaction;

“Sendero Board” means the board of directors of Sendero as the same is constituted from time to time;

“Sendero Financial Statements” means the audited financial statements of Sendero for the fiscal year ended July 31, 2022, including the notes thereto and the report of the auditors thereon, and the unaudited financial statements of Sendero for the nine month period ended April 30, 2023, including the notes thereto;

“Sendero MD&A” means the management discussions and analysis in respect of the Sendero Financial Statements;

“Sendero Non-Brokered Units” means a unit of Sendero comprising (i) one Sendero Share and (ii) one half of one Sendero Warrant;

“Sendero Shareholders” means the holders Sendero Shares;

“Sendero Shares” means the common shares in the capital of Sendero as presently constituted;

“Sendero Subscription Receipt Unit” means a unit of Sendero comprising (i) one Sendero Share and (ii) one half of one Sendero Warrant, issuable upon conversion of a Sendero Subscription Receipt;

“Sendero Warrants” means a warrant to purchase one Sendero Share at a price of \$0.30 until the date that is the later of the 24 month anniversary (a) from the date of issuance and (b) following the satisfaction of the Escrow Release Conditions;

“Split” means the split of the issued and outstanding 131 Shares on the basis of the Split Ratio;

“Split Ratio” means the split of the issued and outstanding 131 Shares on the basis of 1.6 post-Split 131 Share for every one (1) pre-Split 131 Share held with the result being 4,000,000 131 Shares issued and outstanding following the Split;

“Subscription Receipt Agency Agreement” means the agency agreement dated April 27, 2023 by and among Sendero and the Subscription Receipt Offering Agents in respect of the Subscription Receipt Offering;

“Subscription Receipt Agreement” means the subscription receipt agreement dated April 27, 2023 by and among Sendero, Echelon Wealth Partners Inc. and Odyssey Trust Company as subscription receipt agent;

“Subscription Receipt Broker Warrants” means 771,016 common share purchase warrants of Sendero issued to the Subscription Receipt Offering Agents, with each such warrant exercisable to purchase one Sendero Share at a price of \$0.20 per share until the later of (a) April 27, 2025 and (b) the 24 month anniversary following the satisfaction of the Escrow Release Conditions;

“Subscription Receipt Offering Agents” means Echelon Wealth Partners Inc., M Partners Inc. and PI Financial Corp., acting as agents in respect of the Subscription Receipt Offering;

“Subscription Receipt Offering” means the brokered Subscription Receipt Offering, offering of 11,014,500 Subscription Receipts at a price of \$0.20 per Subscription Receipt for gross proceeds of \$2,202,900, which closed on April 27, 2023;

“Subscription Receipt” means a subscription receipt issued by Sendero pursuant to a brokered Subscription Receipt Offering, with each such Subscription Receipt convertible, for no additional consideration, into one Sendero Subscription Receipt Unit upon the satisfaction of the Escrow Release Conditions on the Effective Date;

“Technical Report” means the technical report prepared and certified by Julio Bruna Novillo, PhD, PGeo, FAusIMM, and Stanley C. Bartlett, M.Sc., PGeo., titled “NI 43-101 Technical Report on the Peñas Negras Copper-Gold Project in La Rioja, Argentina” dated July 18, 2023 and attached hereto as Appendix “G”;

“Termination Date” has the meaning ascribed in the Subscription Receipt Agreement;

“Transaction” means the business combination of 131, 131 Subco and Sendero by way of a “three- cornered” amalgamation under the provisions of the BCA, and will be read to include, collectively, as the context permits or requires, the Split, the Amalgamation, the Name Change and such other transactions contemplated by the Amalgamation Agreement;

“TriForce Issuance” means the issuance of 2,000,000 post-Split 131 Shares to TriForce Ventures SA immediately following the Split, pursuant to a finder’s agreement between TriForce Ventures SA and 131, with the result being an aggregate of 6,000,000 131 Shares issued and outstanding;

“Unit Broker Warrants” means 825,649 common share purchase warrants of Sendero issued in connection with the Non-Brokered Offering, with each such warrant exercisable to purchase on Sendero Share at a price of \$0.20 per share until the later of the date that is the 24 month anniversary (a) from the date of issuance and (b) following the satisfaction of the Escrow Release Conditions; and

“Independence Fortaleza Management Agreement” means the amended and restated executive management agreement between Independence Fortaleza, Sociedad Limitada and Sendero, effective February 23, 2023, pursuant to which Independence Fortaleza, Sociedad Limitada was retained by Sendero and Independence Fortaleza, Sociedad Limitada agreed to provide the services of Hernan Vera to Sendero and for Mr. Vera to act in the capacity of CEO of Sendero.

FORWARD-LOOKING STATEMENTS

This Listing Application contains certain forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the growth, results of operations, performance and business prospects and opportunities of Sendero or the Resulting Issuer. All statements other than statements of historical fact are forward-looking statements. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology. These statements are only predictions. In addition, this Listing Application may contain forward-looking statements attributed to third party industry sources.

Forward-looking statements are necessarily based on estimates and assumptions made by management in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as factors that management believe are appropriate. Forward-looking statements in this Listing Application include, but are not limited to: the anticipated Closing and Effective Date; the anticipated use of the Escrowed Funds (following the release thereof) by the Resulting Issuer; the Resulting Issuer's anticipated capital structure; the anticipated legal name of the Resulting Issuer; the anticipated Split Ratio; the anticipated TriForce Issuance; the anticipated escrow periods, release schedules and contractual restrictions on transfer affecting the securities of the Resulting Issuer; the proposed directors, officers and insiders of the Resulting Issuer and their holdings of securities of the Resulting Issuer; the expected executive compensation and corporate governance practices of the Resulting Issuer; the future growth, results of operations, performance and business prospects and opportunities of Sendero (and therefore, the Resulting Issuer); the funds available to the Resulting Issuer; the business objectives of Sendero (and therefore, the Resulting Issuer); the timeline and budget disclosed with respect to the Phase I Work Program or Phase II Work Program; the ability of Sendero to execute its business plan successfully or as disclosed herein, such that the future growth, results of operations, performance and business prospects and opportunities of Sendero will be as anticipated; the ability for Sendero to develop and commercialize the Peñas Negras Property; and the impacts of the COVID-19 pandemic on the business and operations of Sendero (and therefore, the Resulting Issuer).

Although management of Sendero believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Sendero cannot guarantee future results, levels of activity, performance, or achievements. Some of the risks and other factors, some of which are beyond the control of Sendero, which could cause results to differ materially from those expressed in the forward-looking statements contained in this Listing Application include, but are not limited to: Sendero may not complete the Transaction or receive Exchange approval; the Amalgamation Agreement may be terminated by either Sendero or 131 in certain circumstances; the Transaction will have dilutive effect on 131 Shareholders; the Transaction may divert the attention of the management of Sendero; the tax consequences of the Transaction; Sendero may not realize anticipated benefits of the Transaction; pro-forma financial statements are illustrative only; market price and listing of the Resulting Issuer Shares is dependent on satisfaction of Exchange requirements; the market price of the Resulting Issuer Shares may be volatile; the Resulting Issuer may issue additional equity securities; the value assigned to Sendero may be incorrect; there is no assurance that the Resulting Issuer will declare a dividend; the limited operating history of Sendero; Sendero has a history of negative cash flow and no assurance can be given that the Resulting Issuer will ever attain positive cash flow; dependence on the Peñas Negras Property; mineral deposits may not be economical; changes in the

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market price of metals; volatility in the price of gold; volatility in the price of copper; mining operations may not be established or profitable; the Resulting Issuer may not use the available funds as described in the Listing Application; ability to exploit future discoveries; financing risks; mining is inherently dangerous; operations and exploration may be subject to governmental regulations; operation and exploration activities are subject to environmental and endangered species laws and regulations; mineral properties may be subject to the rights of indigenous peoples; permits and licences; additional costs to mineral property operators resulting from international climate control initiatives; community relations; competition; defects in title to mineral properties; future litigation could affect title; deficient third party reviews, reports and projections; dependence on key individuals; directors and officers may have conflicts of interest; global financial conditions may be volatile; the ongoing spread of COVID-19 may negatively impact Sendero's business; adequate infrastructure may not be available to develop the Peñas Negras Property; adverse tax consequences arising from the CRA's recent focus on foreign income earned by Canadian companies; anti-bribery laws; the availability of equipment, materials and skilled technical workers; the Resulting Issuer will be exposed to foreign exchange risk; the availability and commitment of qualified management and technical personnel; Sendero's operations are subject to human error; disruption from non-governmental organizations; compliance with health and safety laws and regulations; nature and climate conditions; uninsured or uninsurable risks; and disruption in Sendero's activities due to acts of God may adversely affect Sendero.

This list is not exhaustive of the factors that may affect any of the forward-looking statements regarding Sendero or the Resulting Issuer. Forward-looking statements are statements about the future and are inherently uncertain. Actual events or results could differ materially from those projected in the forward-looking statements including as a result of the matters set out in this Listing Application generally and certain economic and business factors, some of which may be beyond the control of Sendero (and therefore the Resulting Issuer). Some of the important risks and uncertainties that could affect forward-looking statements are described under the heading "*PART VII – Risk Factors*". Neither Sendero nor the Resulting Issuer intends, and neither assumes any obligation, to update any of the forward-looking statements after the date of this Listing Application so as to conform such statements to actual results or to changes in the expectations of Sendero, other than as required by applicable securities law. For all these reasons, readers should not place undue reliance on the forward-looking statements contained herein, as the Resulting Issuer's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Resulting Issuer's business, or if Sendero's estimates or assumptions prove inaccurate. The forward-looking statements contained in this Listing Application are expressly qualified by this cautionary statement.

TECHNICAL INFORMATION

Except where otherwise stated, the disclosure in this Listing Application relating to the Peñas Negras Property based on the Technical Report prepared and published in accordance with NI 43-101.

The Peñas Negras Property is material to Sendero for the purposes of NI 43-101. In addition to the Peñas Negras Property, Sendero, through Barton, owns the Caserones Property which it has determined at this time is not a material property and accordingly has not provided technical information related to the Caserones Property in this Listing Statement. Sendero will continue to assess the materiality of its assets, including the Caserones Property, as new assets are acquired, further exploration work is performed or assets move into production.

CIM Definition Standards

Any reference to Proven, Probable, Measured, Indicated and Inferred Resources regarding the Peñas Negras Property (including as used in the Technical Reports) have been used in accordance with the CIM Definition Standards, which are incorporated by reference in NI 43-101. The following definitions are reproduced from the CIM Definition Standards:

“Indicated Mineral Resource” is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between observation points. An Indicated Mineral Resource has a lower confidence level than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

“Inferred Mineral Resource” is that part of a Mineral Resource for which quantity and grade or quality are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower confidence level than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

“Measured Mineral Resource” is part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from the detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between observation points. A Measured Mineral Resource has a higher level of confidence than applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or a Probable Mineral Reserve.

“Mineral Reserve” means the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.

“Mineral Resource” means a concentration or occurrence of solid material of economic interest in or on the earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

For the purposes of the CIM Definition Standards, ***“Modifying Factors”*** are considerations used to

convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

Qualified Persons

Julio Bruna Novillo, PhD, PGeo, FAusIMM, and Stanley C. Bartlett, M.Sc., PGeo., co-authors of the Technical Report, are qualified persons for the purposes of NI 43-101, and have reviewed and approved the scientific and technical disclosure contained in this Listing Application.

MARKET AND INDUSTRY DATA

Market and industry data presented throughout this Listing Application was obtained from third-party sources. The market and industry data contained in this Listing Application are based upon information from independent industry and other publications and Sendero's management's knowledge of, and experience in, the industry in which Sendero operates. None of the sources of market and industry data has provided any form of consultation, advice or counsel regarding any aspect of, or is in any way whatsoever associated with, the Transaction. Market and industry data are subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data at any particular point in time, the voluntary nature of the data gathering process or other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data are not guaranteed. Sendero has not independently verified any of the data from third party sources referred to in this Listing Application or ascertained the underlying assumptions relied upon by such sources. References in this Listing Application to research reports or to articles and publications should not be construed as depicting the complete findings of the entire referenced report or article. The information in each report or article is expressly not incorporated by reference into this Listing Application.

EXCHANGE RATE AND CURRENCY INFORMATION

Unless otherwise indicated, all references to "\$" or "Canadian dollars" in this Listing Application refer to Canadian dollars. Sendero's financial statements incorporated herein are reported in Canadian dollars and are prepared in accordance with IFRS.

INFORMATION CONTAINED IN THIS LISTING APPLICATION

The information contained in this Listing Application is given as of the date of this Listing Application, except where otherwise noted. No Person has been authorized to give any information or to make any representation in connection with the Transaction and other matters described herein other than those contained in this Listing Application and, if given or made, any such information or representation should be considered not to have been authorized by Sendero or the Resulting Issuer and should not be relied upon.

The information concerning each party contained in this Listing Application has been provided by management of that party. Although the parties have no specific knowledge that would indicate that any of such information regarding the other party is untrue or incomplete, the parties assume no responsibility for the accuracy or completeness of information or the failure by the other party to disclose events which may have occurred or may affect the completeness or accuracy of such information which are unknown to

that party.

This Listing Application does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any Person in any jurisdiction.

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

All financial information in this Listing Application has been prepared in accordance with IFRS, unless otherwise noted. The financial year end of Sendero is July 31.

Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

PART I – SUMMARY OF LISTING APPLICATION

The following is a summary of information relating to 131, Sendero and the Resulting Issuer (assuming completion of the Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Listing Application. Reference is made to the Glossary of Terms for the definitions of certain abbreviations and terms used in this Listing Application and in this summary. All information provided in this summary and in the Listing Application is current as of the date of this Listing Application unless otherwise noted.

This Listing Application has been prepared in accordance with Exchange Policy 2.3 and Exchange Form 2B – *Listing Application*.

Parties

Sendero Resources Corp. (“**Sendero**”) is a private company that was incorporated on August 4, 2020 under the laws of the Province of British Columbia and carries on the business of the acquisition, exploration and development of resource properties. For additional information about Sendero, please see “*Part IV – Information Concerning Sendero*”.

1319732 B.C. Ltd. (“**131**”) is an unlisted reporting issuer incorporated on August 13, 2021 under the laws of the Province of British Columbia. 131 was previously a wholly-owned subsidiary of Rio Verde Industries Inc. (“**Rio Verde**”). Pursuant to an order of the Supreme Court of British Columbia dated October 21, 2021 approving Rio Verde’s plan of arrangement, 131 was spun out of Rio Verde with the result that Rio Verde shareholders initially held all of the shares of 131. 131 does not carry on an active business beyond investigating and evaluating business opportunities to acquire or participate in. For additional information about 131, please see “*Part III – Information Concerning 131*”.

1409689 B.C. Ltd. (“**131 Subco**”) was incorporated on April 6, 2023 under the BCA. 131 Subco was incorporated for the sole purpose of effecting the amalgamation with Sendero (the “**Amalgamation**”) as described in this Listing Application. For additional information about 131, please see “*Part III – Information Concerning 131 – Corporate Structure – Intercorporate Relationships*”.

Amalgamation

The Transaction will be completed by way of “three-cornered” amalgamation pursuant to which Sendero will amalgamate with 131 Subco. The amalgamated company (“**Amalco**”) will be named “Sendero Holdings Ltd.” In exchange for their securities of Sendero, the securityholders of Sendero will receive post-Adjustment (as defined below) securities of 131 on a 1:1 basis. As a result, Amalco will be a wholly owned subsidiary of 131. 131 will concurrently change its name to “Sendero Resources Corp.” pursuant to the Name Change (as discussed further below) (such resulting entity, the “**Resulting Issuer**”).

Sendero, 131 and 131 Subco entered into an amalgamation agreement dated April 27, 2023 (the “**Amalgamation Agreement**”) in connection with the Transaction. The completion of the Transaction is subject to certain terms and conditions set forth in the Amalgamation Agreement.

It is intended that the Resulting Issuer will be listed as a Tier 2 Issuer as set out in the Initial Listing Requirements of the Exchange. See “*Part II – Information Concerning The Transaction – The Amalgamation*”.

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Agreement and the Transaction”.

Proximate Transactions

Prior to Closing, 131 will complete a split (the “**Split**”) of its issued and outstanding common shares (the “**131 Shares**”) on the basis of 1.6 post-Split 131 Share for every one (1) pre-Split 131 Share held. The Split will result in 4,000,000 post-Split 131 Shares issued and outstanding. Immediately following the Split, 131 will issue 2,000,000 post-Split 131 Shares to TriForce Ventures SA (such issuance, along with the Split, the “**Adjustment**”), pursuant to a finder’s agreement between TriForce Ventures SA and 131, with the result being an aggregate of 6,000,000 post-Adjustment 131 Shares issued and outstanding. See “*Part II – Information Concerning The Transaction – The Amalgamation Agreement and the Transaction – The Adjustment.*”

In addition, in connection with the Amalgamation, 131 will change its name to “Sendero Resources Corp.” (the “**Name Change**”). Sendero is hereby applying to list the common shares of the Resulting Issuer (the “**Resulting Issuer Shares**”) on the Exchange (the “**Listing**”) under the symbol “SEND”. The Listing will be subject to the Resulting Issuer fulfilling all of the minimum listing requirements of the Exchange and obtaining conditional approval of the Exchange. See “*Part VI – Information Concerning the Resulting Issuer – Description of the Securities*”.

Concurrent with the completion of the Transaction, the board of directors and officers of the Resulting Issuer will be replaced with the nominees of Sendero, as further described below. See “*Part VI – Information Concerning the Resulting Issuer – Directors, Officers and Promoters*”.

Sendero Subscription Receipt Offering and Non-Brokered Offering

In connection with the Transaction, Sendero has completed a brokered offering of 11,014,500 subscription receipts (each a “**Subscription Receipt**”) at a price of \$0.20 per Subscription Receipt for gross proceeds of \$2,202,900 (the “**Subscription Receipt Offering**”). Echelon Wealth Partners Inc., M Partners Inc. and PI Financial Corp. (collectively, the “**Subscription Receipt Offering Agents**”) acted as agents in respect of the Subscription Receipt Offering. As part consideration for their services, the Subscription Receipt Offering Agents received 771,016 common share broker warrants (the “**Subscription Receipt Broker Warrants**”) of Sendero, each exercisable to acquire one Sendero Share at an exercise price of \$0.20 per share until the later of (a) April 27, 2025 and (b) the 24 month anniversary following the satisfaction of the Escrow Release Conditions. In connection with the Subscription Receipt Offering, Echelon Wealth Partners Inc. received 125,000 common shares in the capital of Sendero, issued at \$0.20 per share, in satisfaction of a \$25,000 corporate finance fee payable to Echelon Partners Inc.

The Subscription Receipts were created and issued pursuant to a subscription receipt agreement (the “**Subscription Receipt Agreement**”) between Sendero, Echelon Wealth Partners Inc. and Odyssey Trust Company as subscription receipt agent and escrow agent.

Each Subscription Receipt is automatically convertible into one unit (a “**Sendero Subscription Receipt Unit**”) without any payment or further action on part of the holder, provided the Escrow Release Conditions are satisfied on or before the Termination Date (each as defined in the Subscription Receipt Agreement). The proceeds of the Subscription Receipt Offering will be released to Sendero from escrow upon the satisfaction of the Escrow Release Conditions. If the Escrow Release Conditions are not met, all proceeds from the Subscription Receipt Offering will be returned to subscribers together with any interest thereon.

Each Sendero Subscription Receipt Unit comprises (i) one Sendero Share and (ii) one half of one common share purchase warrant (a “**Sendero Warrant**”). Each whole Sendero Warrant entitles the holder to purchase one Sendero Share at a price of \$0.30 for a period of 24 months from the date of issuance.

In addition, Sendero has completed a non-brokered offering of 18,265,250 units (each, a “**Sendero Non-Brokered Unit**”) at a price of \$0.20 per Sendero Non-Brokered Unit for gross proceeds of \$3,653,050 (the “**Non-Brokered Offering**”). The proceeds of the Non-Brokered Offering are not subject to any escrow release conditions. Each Sendero Non-Brokered Unit comprises (i) one Sendero Share and (ii) one half of one Sendero Warrant.

In connection with the Non-Brokered Offering, Sendero issued 825,649 common share broker warrants (the “**Unit Broker Warrants**”) of Sendero, each exercisable to acquire one Sendero Share at an exercise price of \$0.20 per share until the later of the 24 month anniversary (a) from the date of issuance and (b) following the satisfaction of the Escrow Release Conditions.

The Subscription Receipts and the Sendero Non-Brokered Units were issued on a prospectus exempt basis to accredited investors (as defined in National Instrument 45-106 – Prospectus Exemptions) and certain other prospectus exemptions.

See “*Part II – Information Concerning the Transaction – The Subscription Receipt Offering*” and “*Part IV – Information Concerning Sendero – The Subscription Receipt Offering*”.

Principal Assets

Sendero’s only business is the identification of resource properties for exploration and development.

Sendero’s principal assets are (a) cash and (b) its interest in the Peñas Negras Property located in a developing porphyry district at the intersection between the south end of the Maricunga Copper-Gold Belt and the northern extent of the El Indio Gold-Silver Belt, in north-western Argentina in the General Lamadrid department, in the province of La Rioja, just north of the San Juan province near the Chilean border. In addition, Sendero holds its interest in the Caserones Property. See “*Part IV – Information Concerning Sendero – Narrative Description of the Business*”.

Conditions to Completion of the Transaction

The completion of the Transaction is conditional upon, among other things, obtaining necessary shareholder approval or consents, where applicable, and meeting the terms and conditions set forth in the Amalgamation Agreement. See “*Part II – Information Concerning the Transaction*”.

It is expected that the Resulting Issuer will meet the public distribution requirements of a Tier 2 Issuer as set out in the Initial Listing Requirements of the Exchange.

Interests of Insiders

No Insider of Sendero or 131 and no Associate or Affiliate of the same, has any interest in the Transaction, other than those which arise from the holding of 131 securities or Sendero securities.

There is no person or company that is a control person of Sendero or that has been, within the two most recently completed financial years or during the current financial year, a promoter of Sendero or any

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subsidiary of Sendero, as such term is defined in the Securities Act (British Columbia).

Arm's Length Transactions

To the knowledge of 131 and Sendero, the Transaction is not a Non-Arm's Length Transaction pursuant to the policies of the Exchange. See *"Part II – Information Concerning the Transaction – Summary of the Transaction and Related Transactions"*, *"Part V – Information Concerning 131 – Arm's Length Transactions"* and *"Part VI – Information Concerning 131 – Arm's Length Transactions"*.

Directors, Officers and Promoters of the Resulting Issuer

Concurrently with the completion of the Amalgamation, 131 will cause all of the then current directors and officers of 131 and 131 Subco to resign without payment by or any liability to 131, 131 Subco or Amalco, and to cause each such director and officer to execute and deliver a release in favour of 131, 131 Subco and Amalco, in a form acceptable to 131 and Sendero. The Resulting Issuer Board will consist of Hernan Vera, Michael Wood, Marco Roque, Jimmy Lim and Zach Goldenberg. The management of the Resulting Issuer will initially be comprised of Hernan Vera as Chief Executive Officer and Michael Wood as Executive Chairman and Chief Financial Officer. It is anticipated that the number and percentage of Resulting Issuer Shares over which such new directors and officers, and the Associates and Affiliates of such new directors and officers, exercise control, will be as set forth below. See *"Part VI – Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.

Proposed Directors, Officers and Promoters	Number and Percentage of Resulting Issuer Shares upon Completion of the Transaction and % of Class Held or Controlled⁽¹⁾
Hernan Vera⁽²⁾ Chief Executive Officer, Director	14,500,000 Common Shares (22.17%)
Michael Wood⁽³⁾ Executive Chairman, Chief Financial Officer, Director	1,850,000 Common Shares (2.83%)
Marco Roque Director	650,000 Common Shares (0.99%)
Jimmy Lim Director	Nil
Zachary Goldenberg⁽⁴⁾ Director	1,952,283 Common Shares (2.98%)

Notes:

- (1) Calculation on an undiluted basis and based on 65,408,438 Resulting Issuer Shares outstanding upon the Completion of the Transaction.
- (2) Includes 14,500,000 Sendero Shares held by Independence Fortaleza, Sociedad Limitada, a company controlled by Mr. Vera. Excludes 1,670,355 additional Resulting Issuer Shares, issuable to Independence Fortaleza, Sociedad Limitada upon the completion of several milestones, including the completion of the Listing, pursuant to the Independence Fortaleza Management Agreement.

- (3) Includes 1,850,000 Sendero Shares held by Athena Jade Limited, a company controlled by Mr. Wood. Excludes 1,000,000 additional Resulting Issuer Shares, issuable to Athena Jade Limited upon the completion of several milestones, including the completion of the Listing, pursuant to the Athena Management Agreement.
- (4) Calculated post-Split and post-Triforce Issuance. Held by 2578218 Ontario Ltd., a company controlled by Mr. Goldenberg.

Available Funds

The following table sets forth the funds anticipated to be available to the Resulting Issuer on a consolidated basis after giving effect to the Transaction:

Source of Funds	Amount (\$) ⁽¹⁾
Estimated working capital of Sendero as at August 31, 2023 ⁽²⁾	(681,200)
Estimated working capital of 131 as at August 31, 2023	(37,900)
Net Proceeds from Sendero Subscription Receipt Offering ⁽³⁾	1,948,900
Net Proceeds from Non-Brokered Offering ⁽⁴⁾	3,487,900
Total Estimated Funds Available⁽⁵⁾	4,717,700

Notes:

- (1) Rounded to the nearest hundred.
- (2) Exclusive of proceeds of Sendero Subscription Receipt Offering and Non-Brokered Offering.
- (3) After deduction of the Subscription Receipt Offering Agents' commission and expenses and Odyssey Trust Company's fees and expenses, but excluding \$25,000 in corporate finance work fees paid in Sendero Shares.
- (4) After deduction of finder's fees and commissions.
- (5) Does not include expenses incurred in connection with the Transaction.

See "Part IV – Information Concerning the Resulting Issuer - Available Funds".

Purposes of Funds

The following table summarizes the expenditures anticipated by the Resulting Issuer required to achieve its business objectives during the 12 months following completion of the Transaction:

Use of Funds	Amount (\$)
Phase I Work Program ⁽¹⁾	
Field Supervision, Geologists	51,200
Data Compilation, Modelling, Analysis	15,000
Roads, Access and Drill Site Preparation	100,000
Surveying	30,000
Permits	20,000

Camp and Housing	85,000
Vehicles	25,000
Geochemical Talus Fines Sampling and Analyses	192,000
Phase II Work Program ⁽²⁾	
Field Supervision, Geologists	51,200
Camp and Housing	136,000
Vehicles	40,000
Drilling (3,500 m RC, 1,500 m DD) ⁽³⁾	1,710,000
Other Expenses	
Salaries ⁽⁴⁾	460,000
Legal Fees ⁽⁵⁾	225,000
Audit Fees ⁽⁶⁾	45,000
Accounting Fees	80,000
Public Company Costs ⁽⁷⁾	50,000
Marketing	500,000
Miscellaneous ⁽⁸⁾	100,000
Total Estimated Uses of Funds	3,915,400

Notes:

- (1) The Phase I Work Program is expected to take place between September 2023 and December 2023.
- (2) The Phase II Work Program is expected to take place, depending on the results of the Phase I program, between January 2024 and April 2024.
- (3) Drill hole locations and program to be finalized after compilation of historical data, airborne geophysics and talus fine geochemical data.
- (4) Includes bonuses issuable to Independence Fortaleza, Sociedad Limitada and Athena Jade Limited upon completion of certain milestones, pursuant to the Independence Fortaleza Management Agreement and the Athena Management Agreement, respectively.
- (5) Includes \$200,000 for legal fees related to the Transaction (including the Subscription Receipt Offering).
- (6) Includes \$22,000 for audit fees related to the Transaction.
- (7) Includes regulatory filing fees.
- (8) Includes travel, office costs and internet.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary or prudent. It is difficult, at this time,

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to definitively project the total funds necessary to effect the planned activities of the Resulting Issuer. For these reasons, management of 131 and Sendero consider it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. For additional information, see “Part V - Information Concerning the Resulting Issuer – Available Funds”, “Part V – Information Concerning the Resulting Issuer – Principal Purposes” and “Part V - Information Concerning the Resulting Issuer – Narrative Description of the Business”. Further, the above uses of available funds should be considered estimates. See “Forward- Looking Statements”.

Dividends

It is not expected that the Resulting Issuer will declare any dividends for the foreseeable future. Sendero has not declared or paid any cash dividends to its shareholders during the three most recently completed financial years or during its current financial year. This policy may be reviewed in the future. Sendero and 131 are not aware of any restrictions that could prevent the Resulting Issuer from paying dividends.

See “Part V – Information Concerning the Resulting Issuer – Dividends”.

Selected Pro Forma Consolidated Capitalization of the Resulting Issuer

	Number of Common Shares	Percentage of Resulting Issuer Shares (undiluted)
<u>Resulting Issuer Shares</u>		
Held by Sendero Current Shareholders ⁽¹⁾	45,723,583	69.90%
Held by Sendero Subscription Receipt Investors ⁽²⁾	11,014,500	16.84%
Held by 131 Current Shareholders ⁽³⁾	6,000,000	9.17%
Bonus Resulting Issuer Shares ⁽⁴⁾	2,670,355	4.08%
Total	65,408,438	100.00%
<u>Resulting Issuer Convertible Securities</u>		
Sendero Warrants issued in the Sendero Subscription Receipt Offering exchanged for Resulting Issuer warrants	5,507,250	25.57%
Sendero Warrants issued in the Non-Brokered Offering exchanged for Resulting Issuer warrants	9,132,625	42.41%
Subscription Receipt Broker Warrants exchanged for Resulting Issuer warrants	771,016	3.58%
Unit Broker Warrants exchanged for Resulting	825,649	3.83%

Issuer warrants

Resulting Issuer Options ⁽⁵⁾	5,300,000	24.61%
Total	21,536,540	100.00%

Notes:

- (1) Includes 18,265,250 Sendero Shares issued in the Non-Brokered Offering and 125,000 Sendero Shares issued pursuant to a corporate finance fee.
- (2) After the conversion of Subscription Receipts to Sendero Subscription Receipt Units.
- (3) After giving effect to the Split and the Triforce Issuance.
- (4) Issuable upon the completion of several milestones, including the completion of the Listing to (i) Independence Fortaleza, Sociedad Limitada pursuant to the Independence Fortaleza Management Agreement (1,670,355 Resulting Issuer Shares), and (ii) Athena Jade Limited pursuant to the Athena Management Agreement (1,000,000 Resulting Issuer Shares).
- (5) To be granted by 131 prior to listing.

See “Part V – Information Concerning Resulting Issuer – Fully Diluted Share Capital”.

Selected Pro Forma Financial Information of the Resulting Issuer

	Sendero as at April 30, 2023 (\$)	131 as at April 30, 2023 (\$)	Pro Forma Adjustments (\$)	Pro Forma Consolidated ⁽¹⁾ (\$)
Cash	4,566,216	5,292	124,951	4,696,459
Total Assets	6,791,876	5,292	124,951	6,922,119
Total Liabilities	2,400,224	31,776	(2,234,676)	197,324
Total Shareholders' Equity	4,391,652	(26,484)	2,359,628	6,724,795

Notes:

- (1) Includes proceeds of the Subscription Receipt Offering.

See Appendix “F” - “Unaudited Pro Forma Balance Sheet of the Resulting Issuer”.

Trading Price

As the 131 Shares are not listed on a stock exchange, there is no recent trading price for 131 Shares. See “Part III – Information Concerning 131 – Trading Price”.

Shareholder Approval

No approval of the Transaction by the 131 Shareholders is required, however, 131 shareholders approved, among other things, the appointment of the Resulting Issuer Board, the Name Change, the Split and the TriForce Issuance on September 22, 2023.

Pursuant to the provisions of the BCA, the Amalgamation requires the approval of the Sendero Shareholders. The Sendero Shareholders approved the Amalgamation on July 21, 2023.

See *“Part II – Information Concerning the Transaction – Approvals Necessary for the Transaction – Shareholder Approval”*.

Conflicts of Interest

To the knowledge of Sendero, there are no known material existing or potential conflicts of interest among Sendero’s directors, officers or other members of management, or any person expected to be a director or executive officer of the Resulting Issuer, as a result of their outside business interests as of the date of this Listing Application.

Certain proposed directors of the Resulting Issuer are, or may in the future be, directors, officers or shareholders of other companies that are, or may in future be, engaged in the business of, or enter into transactions with, the Resulting Issuer. Such associations and transactions may give rise to conflicts of interest from time to time.

See *“Part V - Information Concerning the Resulting Issuer – Conflicts of Interest”*.

Risk Factors

Although management of Sendero believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Sendero cannot guarantee future results, levels of activity, performance, or achievements. Some of the risks and other factors, some of which are beyond the control of Sendero, which could cause results to differ materially from those expressed in the forward-looking statements contained in this Listing Application include, but are not limited to: Sendero may not complete the Transaction or receive Exchange approval; the Amalgamation Agreement may be terminated by either Sendero or 131 in certain circumstances; the Transaction will have a dilutive effect on 131 Shareholders; the Transaction may divert the attention of the management of Sendero; the tax consequences of the Transaction; Sendero may not realize anticipated benefits of the Transaction; pro-forma financial statements are illustrative only; market price and listing of the Resulting Issuer Shares is dependent on satisfaction of Exchange requirements; the market price of the Resulting Issuer Shares may be volatile; the Resulting Issuer may issue additional equity securities; the value assigned to Sendero may be incorrect; there is no assurance that the Resulting Issuer will declare a dividend; the limited operating history of Sendero; Sendero has a history of negative cash flow and no assurance can be given that the Resulting Issuer will ever attain positive cash flow; dependence on the Peñas Negras Property; mineral deposits may not be economical; changes in the market price of metals; volatility in the price of gold; volatility in the price of copper; mining operations may not be established or profitable; the Resulting Issuer may not use the available funds as described in the Listing Application; ability to exploit future discoveries; financing risks; mining is inherently dangerous; operations and exploration may be subject to governmental regulations; operation and exploration activities are subject to environmental and endangered species laws and regulations; mineral properties may be subject to the rights of indigenous peoples; permits and licences; additional costs to mineral property operators resulting from international climate control initiatives; community relations; competition; defects in title to mineral properties; future litigation could affect title; deficient third party reviews, reports and projections; dependence on key individuals; directors and officers may have conflicts of interest; global financial conditions may be volatile; the ongoing spread of COVID-19 may negatively impact Sendero’s

business; adequate infrastructure may not be available to develop the Peñas Negras Property; adverse tax consequences arising from the CRA's recent focus on foreign income earned by Canadian companies; anti-bribery laws; the availability of equipment, materials and skilled technical workers; the Resulting Issuer will be exposed to foreign exchange risk; the availability and commitment of qualified management and technical personnel; Sendero's operations are subject to human error; disruption from non-governmental organizations; compliance with health and safety laws and regulations; nature and climate conditions; uninsured or uninsurable risks; and disruption in Sendero's activities due to acts of God may adversely affect Sendero

The Resulting Issuer's future development and actual operating results may be very different from those expected as at the date of this Listing Application. No representation is or can be made as to the future performance of the Resulting Issuer and there can be no assurance that the Resulting Issuer will achieve its objectives. Accordingly, readers should carefully consider the risk factors contained herein under "*Part VI – Risk Factors*".

Conditional Approval

The Listing will be subject to the Resulting Issuer fulfilling all of the minimum listing requirements of the Exchange and obtaining conditional approval of the Exchange. There can be no assurance that the Exchange will list the Resulting Issuer Shares.

Interests of Experts

The auditor of Sendero is De Visser Gray LLP. De Visser Gray LLP is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia. Upon completion the Transaction, De Visser Gray LLP is expected to become the auditors of the Resulting Issuer. See "*Part IV – Information Concerning Sendero - Auditor, Transfer Agent and Registrar*" and "*Part V – Information Concerning the Resulting Issuer - Auditor, Transfer Agent and Registrar*".

The auditor of 131 is Stern & Lovrics LLP. Stern & Lovrics LLP is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The auditor of Barton is Norberto Raul Lucero.

Julio Bruna Novilla, PhD, PGeo, MAusIMM(CP), Micon Associate and Consultant with Patagonia Geosciences (PGSc) and Stanley Bartlett, M.Sc., PGeo., Micon Vice President and Senior Geologist prepared the Technical Report which is referred to in this Listing Application. Mr. Novilla and Mr. Bartlett are the "qualified persons" for the purposes of NI 43-101 and are independent of Sendero, verified and approved the technical and scientific disclosure contained in this Listing Application. See "*Part IV - Information Concerning Novel - Peñas Negras Property*"

None of the foregoing persons or any of their respective directors, officers or employees beneficially own, directly or indirectly, any securities, nor do they have any interest in the Peñas Negras Property, 131, Sendero, the Resulting Issuer or any of their Associates or Affiliates. See "*Part VII – General Matters – Interests of Experts.*"

PART II – INFORMATION CONCERNING THE TRANSACTION

The following is a summary of the material terms of the Amalgamation Agreement. This summary does not purport to be a complete summary of the Amalgamation Agreement and is qualified in its entirety by reference to the full text of the Amalgamation Agreement, a copy of which is available for review under 131's SEDAR profile at www.sedar.com.

Terms used in this *"Part II – Information Concerning the Transaction"* but not otherwise defined in this Listing Application shall have the meaning ascribed thereto in the Amalgamation Agreement.

Background of Transaction

Sendero is a private company that was incorporated on August 4, 2020 under the laws of the Province of British Columbia and carries on the business of the acquisition, exploration and development of resource properties. For additional information about Sendero, please see *"Part IV – Information Concerning Sendero"*.

131 is an unlisted reporting issuer incorporated on August 13, 2021 under the laws of the Province of British Columbia. 131 was previously a wholly-owned subsidiary of Rio Verde. Pursuant to an order of the Supreme Court of British Columbia dated October 21, 2021 approving Rio Verde's plan of arrangement, 131 was spun out of Rio Verde with the result that Rio Verde shareholders initially held all of the shares of 131. 131 does not carry on an active business beyond investigating and evaluating business opportunities to acquire or participate in. For additional information about 131, please see *"Part III – Information Concerning 131"*.

Sendero, through Barton, holds a 100% interest in the Peñas Negras Property located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, consisting of ten mining concessions covering 11,682.54 ha (including six exploitation concessions (Minas) totalling 5,515.26 ha and four exploration concessions (Cateos) totalling 6,167.28 ha) as further described in the Technical Report. See *"Part IV – Information Concerning Sendero – Peñas Negras Property - Property Acquisition"*.

131 entered into the Letter Agreement with Sendero, pursuant to which the parties agreed to complete the Transaction and subsequently entered into the Amalgamation Agreement in connection with the Transaction. Sendero and 131 are hereby applying to list the Resulting Issuer Shares on the Exchange concurrently with the completion of the Transaction.

Reasons for the Transaction

The Transaction, together with the release of the Escrowed Funds, will provide Sendero with additional capital to pursue its business objectives. The Transaction will also provide Sendero with potentially greater access to capital markets in the future and may facilitate the completion of acquisitions on accretive terms in the future. Further, the Transaction provides the potential for liquidity to Sendero's and 131's Shareholders.

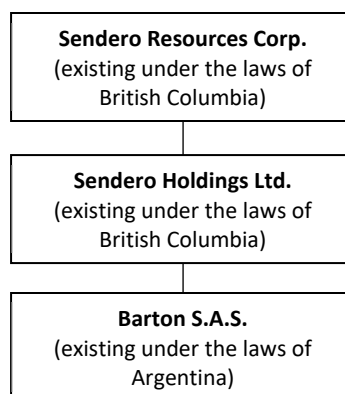
Summary of the Transaction and Related Transactions

In connection with the completion of the Transaction and pursuant to the Amalgamation Agreement and the Subscription Receipt Agreement, it is anticipated that the following transactions will be completed:

- (a) the Subscription Receipts will be exchanged for Sendero Subscription Receipt Units, each Sendero Share included in each Sendero Subscription Receipt Unit will then immediately be exchanged for Resulting Issuer Shares;
- (b) the Escrowed Funds will be released from escrow and remitted to Sendero, subject to the terms of the Subscription Receipt Agreement;
- (c) 131 will cause the current directors and officers of 131 and 131 Subco to resign, and Sendero will designate the Resulting Issuer Board and management thereof prior to the Effective Date;
- (d) 131 will acquire Sendero through the Amalgamation, the steps of which are described further below under the heading *“Part II– Description of the Transaction – The Amalgamation Agreement and the Transaction – Amalgamation Steps”*; and
- (e) the Resulting Issuer will be renamed “Sendero Resources Corp.”

The Transaction is intended to be completed prior to the Listing and will result in the reverse takeover of 131 by the shareholders of Sendero. Completion of the Transaction is subject to compliance with the terms and conditions set forth in the Amalgamation Agreement, which are discussed further below under the heading *“Part II – Description of the Transaction – The Amalgamation Agreement and the Transaction – Conditions of the Transaction”*. If the terms and conditions of the Amalgamation Agreement are satisfied (or waived, as applicable), it is expected that the Transaction will be completed and become effective on or about September 25, 2023 or such other date as may be determined by the parties thereto. However, the effective date of the Transaction could be delayed for a number of reasons. See *“Part VII– Risk Factors”*.

A corporate organizational chart reflecting the expected corporate structure of the Resulting Issuer following the Effective Date is set forth below. See *“Part VI – Information Concerning the Resulting Issuer – Corporate Structure”*.



The terms of the Transaction, as set out in the Amalgamation Agreement and summarized below, were established through arm’s length negotiations between the respective management of Sendero and 131.

The Amalgamation Agreement and the Transaction

The Amalgamation Agreement provides for the reverse takeover of 131 by the shareholders of Sendero by way of a three-cornered amalgamation under the provisions of the BCA, pursuant to which Sendero and 131 Subco will amalgamate and continue as one corporation to be named Sendero Holdings Ltd. (or such other name as Sendero determines), and 131 will acquire a 100% interest in Amalco. The following is a summary of the Amalgamation Agreement and is qualified in its entirety by the full text of the Amalgamation Agreement, which has been filed on SEDAR and is incorporated by reference herein.

Representations, Warranties and Covenants

Sendero and 131 agreed to certain representations and warranties relating to, among other things: power and authority to enter into the Amalgamation Agreement and carry out its intentions; incorporation; capitalization; absence of litigation; enforceability; material contracts; no conflict; default under material contracts; indebtedness; financial statements; employees; absence of undisclosed liabilities; taxes duly filed; completion and accuracy of corporate records; absence of bankruptcy and insolvency proceedings; absence of prejudice to any creditor as a result of the Amalgamation; subsidiaries; absence of guarantees; absence of pre-emptive rights; and absence of voting arrangement or agreement.

131 further represents and warrants that 131 is a Reporting Issuer under the securities legislation of British Columbia and Alberta; accuracy of public disclosure; and currency of required filings and fees.

In addition, Sendero agreed to other representations and warranties relating to, among other things: registration; not a Reporting Issuer; insurance; adverse legislation; ownership of intellectual property; indebtedness to shareholders, officers, directors, employees or non-arm's length persons; absence of labour disputes; absence of collective bargaining agreement; compliance with applicable law; absence of undisclosed indebtedness; absence of undisclosed obligations to pay commission, royalty, licence, fee or similar payment; or title to material real estate and personal property.

Conditions of the Transaction

The Amalgamation Agreement contains a number of conditions precedent to the obligations of 131 and Sendero. Unless all such conditions are satisfied or waived by the party for whom benefit such conditions exist, to the extent it may be capable of waiver, the Transaction will not proceed. There is no assurance that these conditions will be satisfied or waived on a timely basis, or at all. The conditions to the Transaction becoming effective are set out in the Amalgamation Agreement and are summarized below.

Mutual Conditions Precedent

The parties are not required to complete the Amalgamation unless each of the following conditions is satisfied on or prior to the Effective Date, which conditions may only be waived by the mutual consent of each of the parties:

- (a) the special resolution of Sendero Shareholders authorizing, approving and adopting the Amalgamation and related matters (the "**Sendero Resolution**") shall have been executed by all of the Sendero Shareholders or passed by a special majority of all the Sendero Shareholders at a special meeting of the Sendero Shareholders (the "**Sendero Meeting**"), as the case may be;

- (b) 131 shall have received all shareholder and/or board approvals necessary or desirable in connection with the Amalgamation, including, without limitation, approval of the Split and the Name Change;
- (c) 131 shall have effected the Split and the Name Change on or prior to the effective date of the Amalgamation;
- (d) the Amalgamation shall have become effective on or prior to October 31, 2023;
- (e) the completion of the Subscription Receipt Offering and the Non-Brokered Offering;
- (f) 131 and Sendero shall have executed and delivered a copy of this Listing Application to the Exchange and this Listing Application shall have been conditionally accepted by the Exchange subject only to customary conditions of closing, provided that if the Amalgamation is rejected by the Exchange, (i) all recourse or rights of appeal as contemplated thereby will have been exhausted, and (ii) the party wishing to terminate the Amalgamation Agreement on that basis will have first used commercially reasonable efforts to remedy the terms of the proposed transaction objectionable to the Exchange on terms acceptable to the parties, acting reasonably;
- (g) 131 shall not be in default of the requirements of any securities commission and no order shall have been issued and currently in effect preventing the Amalgamation or the trading of any securities of 131;
- (h) all other consents, orders and approvals, including regulatory and third-party approvals and orders, necessary or desirable for the completion of the transactions provided for in the Amalgamation Agreement and the Amalgamation shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances;
- (i) the Amalgamation Agreement shall not have been terminated under part 9 of the Amalgamation Agreement;
- (j) dissent rights shall not have been exercised with respect to the Amalgamation by Sendero Shareholders which in the aggregate represent 10% or more of issued and outstanding Sendero shares on the execution date of the Sendero Resolution or the record date of the Sendero Meeting, as applicable;
- (k) the availability of prospectus exemptions for the Amalgamation under applicable Canadian securities laws and the availability of registration exemptions for the Amalgamation under applicable securities laws of the United States in respect of any post-Adjustment 131 Shares to be issued in the United States;
- (l) the Exchange shall have granted an exemption from the sponsorship requirement or a sponsor shall have filed an acceptable sponsor's report with the Exchange;
- (m) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Amalgamation Agreement and the Amalgamation.

Conditions for the Benefit of 131 and 131 Subco

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The completion of the Transaction is subject to the following conditions being satisfied at or prior to the Effective Date, which conditions are for the exclusive benefit of 131 and 131 Subco and may be waived, in whole or in part, by 131 and Subco in their sole discretion:

- (a) Sendero shall have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by it on or before the Effective Date pursuant to the terms of the Amalgamation Agreement and that the representations and warranties of Sendero made in the Amalgamation Agreement shall be true and correct in all material respects as at the Effective Date with the same force and effect as if such representations and warranties had been made on and as of such date;
- (b) Sendero shall have furnished 131 with:
 - (i) certified copies of the resolutions duly passed by the board of directors of Sendero approving the Amalgamation Agreement and the consummation of the transactions contemplated thereby;
 - (ii) certified copies of the Sendero Resolution approved by the Sendero Shareholders;
 - (iii) certified copies of Sendero's Constatng Documents;
 - (iv) a certificate of good standing of Sendero and its material subsidiaries, including the Sendero Subsidiaries, dated within one day of the Effective Date;
 - (v) if applicable, duly executed investment agreements, including accredited investor certifications, for any shareholders of Sendero resident in the United States, in a form satisfactory to 131 and its counsel, acting reasonably; and
 - (vi) a certificate of Sendero addressed to 131 and dated the Effective Date, signed on behalf of Sendero by two senior officers of Sendero, confirming that the conditions in section 7.2(a), (c) and (e) of the Amalgamation Agreement have been satisfied;
- (c) Sendero shall have prepared such financial statements of Sendero as may be required for the purposes of this Listing Application, and which financial statements will be prepared in accordance with IFRS, and shall include a balance sheet, a statement of cash flows and an income statement for relevant periods;
- (d) at or prior to the Effective Date and effective upon completion of the Amalgamation, the Resulting Issuer and Sendero shall have executed and delivered releases to the resigning directors and officers of 131, in a form acceptable to such directors and officers;
- (e) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Sendero or any Sendero Subsidiary before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of 131, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a material adverse change

respecting Sendero taken as a whole or would materially impede the ability of the parties to complete the Amalgamation;

- (f) there shall not have occurred any material adverse change of Sendero taken as a whole;
- (g) the Exchange escrow agreement shall be duly executed and delivered by all required parties thereto;
- (h) 131 shall have received consents from the Sendero nominees to act as directors of the Resulting Issuer with effect as of the Effective Date; and
- (i) the holders of the issued and outstanding Sendero Shares holding marketable title thereto, free and clear of any and all encumbrances, liens, charges and demands of whatsoever nature.

Conditions for the Benefit of Sendero

The completion of the Transaction is subject to the following conditions being satisfied at or prior to the Effective Date, which conditions are for the exclusive benefit of Sendero and may be waived, in whole or in part, by Sendero in its sole discretion:

- (a) 131 and 131 Subco shall have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by them on or before the Effective Date pursuant to the terms of the Amalgamation Agreement and that the representations and warranties of 131 and 131 Subco made in the Amalgamation Agreement shall be true and correct in all material respects as at the Effective Date with the same force and effect as if such representations and warranties had been made on and as of such date;
- (b) the shares of 131 to be issued to the Sendero Shareholders shall be issued as fully paid and non-assessable common shares in the capital of 131, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those pursuant to any relevant Exchange policies or applicable securities laws;
- (c) between the date of the Amalgamation Agreement and the Effective Time, 131 shall not have incurred or otherwise accepted liability for any contractual obligation, liability or expense out for which 131 has not made adequate provision for such obligation, liability or expense to not be an obligation, liability of expense of the Resulting Issuer;
- (d) 131 shall have furnished Sendero with:
 - (i) certified copies of the resolutions duly passed by the boards of directors of 131 and 131 Subco approving the Amalgamation Agreement and the consummation of the transactions contemplated thereby;
 - (ii) certified copies of the resolutions of 131, as the sole shareholder of 131 Subco, approving the Amalgamation Agreement and the consummation of the transactions contemplated thereby;
 - (iii) certified copies of 131 and 131 Subco's constating documents;

- (iv) evidence that 131 is a reporting issuer in the Province of British Columbia and Alberta and is not in default of any of the provisions therein;
 - (v) certificates of good standing of 131 and 131 Subco dated within one day of the Effective Date;
 - (vi) a certificate of 131 addressed to Sendero and dated the Effective Date, signed on behalf of 131 by a senior officer of 131, confirming that the conditions in Section 7.3(a), (e), and (f) of the Amalgamation Agreement have been satisfied; and
 - (vii) audited and auditor-reviewed financial statements of 131 as may be required for purposes of such other disclosure document, including this Listing Application, required by the Exchange and applicable laws related to the proposed transaction;
- (e) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting 131 before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Sendero, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a material adverse change respecting 131 or would materially impede the ability of the parties to complete the Amalgamation;
- (f) there shall not have occurred any material adverse change of 131 or 131 Subco; and
- (g) at the time of the closing of the Amalgamation, each of the current directors and officers of 131 and 131 Subco as at the date hereof, shall have provided a resignation and mutual release in form and substance satisfactory to Sendero, acting reasonably, and 131 shall have taken all necessary action to cause the board of directors and officers of 131 post-closing to be comprised of the directors and officers set forth in Section 2.10 and Section 2.11 of the Amalgamation Agreement.

Covenants of the Parties during the Period prior to the Effective Date

During the period between the date of the Amalgamation Agreement and the Closing Time, the parties shall, except as otherwise expressly permitted by the Amalgamation Agreement, or as required by applicable laws, among other things: carry on business in the ordinary course; not incur indebtedness other than in the ordinary course, or as required by the Amalgamation Agreement; not alter constating documents except as required by the Amalgamation Agreement; take all action necessary to complete the Amalgamation, using reasonable commercial efforts; not take any action that would render any representation or warranty made by such party in the Amalgamation Agreement untrue in any material respect; use reasonable commercial efforts to obtain and maintain applicable third-party approvals; except as provided in the Amalgamation Agreement, not enter into any corporate reorganization that interferes or is inconsistent with the completion of the transactions contemplated by the Amalgamation Agreement; furnish to the other parties information regarding the party as reasonably requested by another party; notify the other parties in writing of any change in representation or warranty provided in the Amalgamation Agreement or any material breach of any covenant or obligation in the Amalgamation Agreement; and not solicit a competing offer.

During the period from the date of the Amalgamation Agreement to the Closing Time, 131 and 131 Subco shall, among other things, use reasonable commercial efforts to satisfy the conditions precedent set out in Sections 7.1 and 7.3 of the Amalgamation Agreement and 131 shall, among other things, obtain approval of its shareholders in respect of the Split and Name Change; cause the 131 board of directors and management to be reconstituted with such directors as determined by Sendero; and provide to the transfer agent of the Resulting Issuer a direction authorizing the issuance of the Resulting Issuer Shares.

During the period from the date of the Amalgamation Agreement to the Closing Time, Sendero shall, among other things, use reasonable commercial efforts to satisfy the conditions precedent set out in Sections 7.1 and 7.2 of the Amalgamation Agreement; use reasonable commercial efforts to seek approval of Sendero Shareholders pursuant to the Sendero Resolution; use reasonable commercial efforts to obtain an insurance policy in respect of its business; and advise 131 of the number of Sendero Shares for which Sendero receives notices of dissent.

Furthermore, promptly after the Closing, 131 shall make, or cause to be made, all filings, required to be given or made to the Exchange in order to obtain final approval of the Exchange, including the issuance and listing of the 131 Shares to be issued and delivered to Sendero pursuant to Section 2.2 of the Amalgamation Agreement. 131 shall promptly advise Sendero if final approval of the Exchange is not granted for any reason whatsoever.

Agreements of the Parties After Execution of the Amalgamation Agreement

Promptly after execution of the Amalgamation Agreement, in compliance with applicable laws, Sendero shall take all commercially reasonable lawful action to obtain the approval of all of the Sendero Shareholders on the Sendero Resolution and promptly advise 131 of any material communication from dissenting shareholders opposing the Amalgamation.

Promptly after execution of the Amalgamation Agreement, in compliance with applicable laws, 131 shall, take all commercially reasonable lawful action to obtain the approval of all of the 131 shareholders on the special resolution of 131 shareholders to authorize the Name Change, and Split and promptly advise Sendero of any material communication from dissenting shareholders opposing the Amalgamation

Sendero and 131 shall, among other things, apply to the Exchange and diligently seek the approval of the Exchange for the Transaction and listing of the Resulting Issuer Shares, deliver this Listing Application to the Exchange, use reasonable commercial efforts to consummate the transactions contemplated by the Amalgamation Agreement.

Promptly after execution of the Amalgamation Agreement, in compliance with applicable laws, Sendero and 131 shall, among other things, prepare and cause this Listing Application to be filed with applicable regulatory authorities in all required jurisdictions.

Conditional upon receipt of 131 shareholder approval, prior to the Effective Time, 131 shall effect the 131 Split.

Sendero will use commercially reasonable efforts to complete the Subscription Receipt Offering and Non-Brokered Offering prior to the Effective Date.

On or prior to the Effective Date, 131 shall change its name to “Sendero Resources Corp.” or such other name as determined by Sendero.

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Termination Rights

The Amalgamation Agreement may be terminated by mutual consent of Sendero and 131, or by either party on the following conditions:

The Amalgamation Agreement may be terminated at any time in each of the following circumstances:

- (a) by written agreement executed and delivered by 131, 131 SubCo and Sendero;
- (b) by any party if the Effective Date shall not have occurred by October 31, 2023 unless the failure to complete the Amalgamation by such date is the result, directly or indirectly, of a breach of this Agreement by the party seeking to terminate the Amalgamation Agreement, in which case the Amalgamation Agreement shall not be terminated pursuant to this paragraph;
- (c) as set out in Sections 7.1, 7.2 and 7.3 of the Amalgamation Agreement upon a party's failure to satisfy their respective conditions precedent; or
- (d) by a non-breaching party, in the event of a material breach of a material representation, warranty or covenant contained herein which is not cured within 10 Business Days of a non-breaching party providing written notice of the breach to the breaching party.

Upon the termination of this Agreement, the parties shall be released from their obligations other than as expressly contemplated in the Amalgamation Agreement.

Directors and Officers of the Resulting Issuer

Concurrently with the completion of the Amalgamation, 131 will cause all of the then-current directors and officers of 131 and 131 Subco to resign without payment by or any liability to 131, 131 Subco or Amalco, and to cause each such director and officer to execute and deliver a release in favour of 131, 131 Subco and Amalco, in a form acceptable to 131 and Sendero. The Resulting Issuer Board will consist of Hernan Vera, Michael Wood, Marco Roque, Jimmy Lim and Zachary Goldenberg. The management of the Resulting Issuer will be comprised of Hernan Vera as Chief Executive Officer, Michael Wood as Chief Financial Officer and Executive Chairman.

Sendero and 131 shall enter into mutual releases with all former directors and officers of 131, in a form acceptable to 131 and Sendero, acting reasonably, at the Effective Time.

Amalgamation Steps

Pursuant to the terms and conditions set forth in the Amalgamation Agreement:

- (a) Sendero shall call and convene the Sendero Meeting (or, in lieu of such meeting, procure the written consent of all Sendero Shareholders for the purposes of approving the Sendero Resolution);
- (b) 131 shall, in its capacity as sole shareholder of 131 Subco, approve and execute a special resolution of 131 Subco approving the Amalgamation and all related matters;

- (c) Following the receipt of the approvals set forth in the foregoing clauses (a) through (b) and subject to the terms of the BCA and the terms of this Agreement (including the satisfaction or waiver of all conditions precedent), Sendero and 131 Subco shall jointly file the Amalgamation Application under the BCA

Effect of Amalgamation

Upon the terms and subject to the conditions set forth in the Amalgamation Agreement, at the Effective Time:

- (a) Sendero and 131 Subco shall be amalgamated and continue as one corporation;
- (b) each of Sendero and 131 Subco shall cease to exist as entities separate from Amalco;
- (c) the property of each of 131 Subco and Sendero shall continue to be the property of Amalco;
- (d) Amalco shall continue to be liable for the obligations of each of 131 Subco and Sendero; and
- (e) the articles attached as Schedule "A" to the Amalgamation Agreement shall be the articles of Amalco.

Upon the terms and subject to the conditions set forth in the Amalgamation Agreement:

- (a) The name of Amalco shall be "Sendero Holdings Ltd." or such other name as determined by the directors of Sendero.
- (b) The registered office of Amalco shall be 1900 – 1040 West Georgia Street, Vancouver, British Columbia V6E 4H3.
- (c) The authorized capital of Amalco shall consist of an unlimited number of common shares without par value, which shall have the rights, privileges, restrictions and conditions set out in the Articles.
- (d) The fiscal year end of Amalco shall be July 31 of each calendar year.
- (e) There shall be no restriction on the business which Amalco is authorized to carry on.

It is anticipated that immediately following completion of the foregoing steps, an aggregate of approximately 65,408,438 Resulting Issuer Shares will be issued and outstanding, and: (a) former Sendero Shareholders will hold 59,408,438 Resulting Issuer Shares, representing approximately 74.18% of the outstanding Resulting Issuer Shares; (b) former Sendero Subscription Receipt holders will hold 11,014,500 Resulting Issuer Shares, representing approximately 16.84% of the outstanding Resulting Issuer Shares; and (c) current 131 Shareholder will hold 6,000,000 Resulting Issuer Shares, representing approximately 9.17% of the outstanding Resulting Issuer Shares, each on an undiluted basis.

The Adjustment

Prior to the completion of the Amalgamation, 131 shall have completed the Split of the issued and outstanding 131 Shares on the basis of the Split Ratio, resulting in 4,000,000 post-Split 131 Shares outstanding.

Immediately following the Split and prior to the completion of the Amalgamation, 131 shall have issued 2,000,000 post-Split 131 Shares to TriForce Ventures SA, with the result being an aggregate of 6,000,000 131 Shares issued and outstanding. The 2,000,000 post-Split 131 Shares issued to TriForce Ventures SA are expected to be subject to escrow.

The Subscription Receipt Offering

In connection with the Transaction, on April 27, 2023, Sendero completed the Subscription Receipt Offering. See *Part IV – Information Concerning the Sendero – Subscription Receipt Offering*.

The Non-Brokered Offering

In connection with the Transaction, between April 27, 2023 and July 25, 2023, Sendero completed the Non-Brokered Offering. See *Part IV – Information Concerning the Sendero – Non-Brokered Offering*.

Procedure for the Transaction to Become Effective

Procedural Steps

The Transaction will be carried out pursuant to the provisions of the BCA. The following procedural steps must be taken in order for the Transaction to become effective:

- (a) the Amalgamation Agreement must be entered into between Sendero, 131 and 131 Subco;
- (b) the satisfaction of all conditions precedent to the Transaction as set forth in the Amalgamation Agreement, including receipt of Exchange approval for the Listing; and
- (c) articles of amalgamation in the form prescribed by the BCA must be filed.

The Transaction will become effective when a certificate of amalgamation is issued in respect of the Amalgamation.

Approvals Necessary for the Transaction

Shareholder Approval

No approval of the Transaction by the 131 Shareholders is required, however, by written consent on September 22, 2023, the 131 Shareholders approved, among other things, the appointment of the Resulting Issuer Board, the Name Change, the Split and the TriForce Issuance.

Pursuant to the provisions of the BCA, the Amalgamation requires the approval of the Sendero Shareholders. Sendero Shareholders approved the Amalgamation on July 21, 2023.

TSXV Approval

On August 17, 2023, the Exchange conditionally approved the Listing of the Resulting Issuer Shares, including those to be issued pursuant to the Amalgamation to the former Sendero Shareholders. The Listing is subject

to the fulfillment of all of the requirements of the Exchange on or before September 22, 2023.

Legally, the Effective Date of the Amalgamation will be on the date a certificate of amalgamation is issued in respect of the Amalgamation. However, the Listing will be completed on the date the Exchange issues a Final Exchange Bulletin in respect of the Listing, which is expected to be within three (3) days after the Effective Date, provided all required documentation is filed with the Exchange.

PART III – INFORMATION CONCERNING 131

The following information is presented prior to giving effect to the Transaction as at the date hereof or as otherwise specified herein. See “*Part VI - Information Concerning the Resulting Issuer*” for pro forma business, financial and share capital information relating to the Resulting Issuer.

Corporate Structure

Name and Incorporation

131 was incorporated under the laws of the Province of British Columbia on August 13, 2021. 131’s registered office and principal place of business is located at 1000 - 595 Burrard Street, Vancouver, BC V7X 1S8.

Intercorporate Relationships

131 has one wholly-owned subsidiary, 131 Subco, formed for the purposes of completing the Amalgamation.

General Development of the Business

Overview and History of 131

131 is an unlisted reporting issuer incorporated under the laws of the Province of British Columbia. 131 was previously a wholly-owned subsidiary of Rio Verde. Pursuant to an order of the Supreme Court of British Columbia dated October 21, 2021 approving Rio Verde’s plan of arrangement, 131 was spun out of Rio Verde with the result that Rio Verde shareholders initially held all of the shares of 131.

131 does not carry on an active business beyond investigating and evaluating business opportunities to acquire or participate in.

Narrative Description of the Business

131 is an unlisted reporting issuer which, since 2021, has not conducted any operations. See *General Development of the Business – Overview and History of 131*.

Financing

Neither 131 nor any Non-Arm’s Length Party to the Amalgamation are proceeding with any manner of financing in conjunction with the Amalgamation.

Selected Consolidated Financial Information

The following table sets forth selected audited consolidated financial information for 131 for period from incorporation to July 31, 2022, and the unaudited condensed interim financial statements of 131 for the nine months ended April 30, 2023. Such information has been derived from and should be read in conjunction with the 131 Financial Statements and the 131 MD&A, attached to this Listing Application as Appendix “A” and Appendix “B”, respectively.

	Nine Month Period Ended April 30, 2023 (\$)	Year Ended July 31, 2022 (\$)
Total Assets	5,292	7,379
Total Liabilities	31,776	32,190
Shareholders Equity	(26,484)	(24,811)
Total Revenue	-	-
Net and Comprehensive Loss	(138,601)	(60,387)
Basic and Diluted Income (loss) per Share	(0.04)	(0.03)

Quarterly Information

The following table sets forth selected financial information for 131 for each of the eight most recently completed quarters ending at the end of the most recently completed financial year. Such information is derived from the 131 Financial Statements, and should be read in conjunction with such financial statements and the notes thereto, which are attached hereto as Appendix “A”.

	April 30, 2023	January 31, 2023	October 31, 2022	July 31, 2022	April 30, 2022	January 31, 2022	Period from incorpora tion to October 31, 2021
Total revenue	-	-	-	-	-	-	-
Net and Comprehensive loss	(12,034)	(6,565)	(5,815)	(13,818)	(21,092)	(16,575)	(8,901)

Management’s Discussion & Analysis

The 131 MD&A are attached hereto at Appendix “B” and should be read in conjunction with the 131 Financial Statements, respectively, which are attached hereto at Appendix “A”.

Description of the Securities

Common Shares

Following consummation of the Split and the Triforce Issuance, there will be an aggregate of 6,000,000 131 Shares issued and outstanding. There are no other 131 securities, including securities exchangeable or exercisable for or convertible into 131 Shares, outstanding.

Warrants

As of the date hereof, there are no outstanding warrants to purchase 131 Shares.

Options

On or prior to the listing, 5,300,000 131 Options will be issued and outstanding, entitling the holders thereof to purchase up to 5,300,000 131 Shares.

Equity Incentive Plan

The 131 Incentive Plan will authorize the 131 Board to issue a variety of equity-based awards that provide different types of incentives to be granted to directors, officers, employees and consultants of 131. The following discussion is qualified in its entirety by the text of the 131 Incentive Plan. Unless otherwise specified, all capitalized terms used in the following summary have the same meanings as those given to such terms in the 131 Incentive Plan.

The purpose of the 131 Incentive Plan is to attract and retain the types of employees, consultants and directors who will contribute to 131's long range success, provide incentives to align the interests of recipients of awards under the 131 Incentive Plan and those of security holders of 131 and to promote the success of 131's business.

The 131 Incentive Plan will continue as the equity incentive plan of the Resulting Issuer.

Administration

The 131 Incentive Plan is administered by the 131 Board, subject to the 131 Board's power to delegate such administrative duties and powers to a committee. In connection with its administrative role, the 131 Board may make, amend and repeal at any time and from time to time such policies not inconsistent with the 131 Incentive Plan as it may deem necessary or advisable for the proper administration of the plan. The 131 Board's administration of the 131 Incentive Plan will be consistent with the policies and rules of the TSXV and will comply with such other stock exchanges on which the 131 Shares may be listed from time to time.

Common Shares Subject to the 131 Incentive Plan

The maximum number of common shares that are issuable to participants under awards, other than stock options, will be equal to 10% of the Resulting Issuer Shares issued and outstanding at Listing, which is expected to be equal to 6,540,844 Resulting Issuer Shares. The maximum number of common shares that are issuable to participants under stock options is 10% of the common shares issued and outstanding from time to time.

Eligibility

Only persons who are bona fide directors, officers, employees and consultants of the Company or of an affiliate, are eligible to be granted awards under the 131 Incentive Plan

Restrictions on Awards

The 131 Incentive Plan imposes the following restrictions on common shares subject to awards:

- (a) unless the 131 obtained the requisite disinterested shareholder approval in accordance with Section 5.3 of Policy 4.4 of the Exchange:
 - (i) the number of 131 Shares that may be issued to insiders of 131 cannot exceed 10% of 131 Shares issued and outstanding (A) within any one-year period, or (B) at any time, in each case, under the 131 Incentive Plan, alone or when combined with all other security based compensation plans of 131; and
 - (ii) the number of 131 Shares subject to awards granted during a single 12 month period to any one participant shall not exceed 5% of the 131 Shares issued and outstanding, calculated as at the grant date of any award to be granted to such participant;
- (b) the number of 131 Shares subject to awards granted during a single 12 month period to any one consultant shall not exceed 2% of the 131 Shares issued and outstanding, calculated as at the grant date of any award to be granted to such consultant;
- (c) the number of common shares subject to awards granted during a single 12 month period to all investor relations service providers, in aggregate, shall not exceed 2% of the 131 Shares issued and outstanding, calculated as at the grant date of any award to be granted to any such investor relations service provider;
- (d) investor relations service providers may not receive any awards other than stock options; and
- (e) all awards granted under the 131 Incentive Plan are non-assignable and non-transferable.

Prior Sales

The following table set outs the securities of 131 that have been issued within the twelve (12) months before the date of this Listing Application:

Date	Type of Security	Number of Securities⁽¹⁾⁽²⁾⁽³⁾	Price Per Security (\$)	Aggregate Gross Proceeds (\$)
January 21, 2022	131 Shares	1,762,488	0.0173	30,576
August 25, 2022	131 Shares	1,309,638	0.10 to 0.20	136,928

Notes:

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- (1) On August 25, 2022, 131 completed a 67,788 to 1 share consolidation. All references to the number of shares and per share amounts have been retrospectively restated as if the share consolidation occurred effective August 13, 2021.
- (2) In connection with the Adjustment, 131 intends to issue 2,000,000 131 shares to Triforce Ventures SA, after completion of the Split.
- (3) Share numbers on a pre-Adjustment basis.

Trading Price

As the common share of 131 are not listed on a stock exchange, there is no recent trading price for 131 Shares.

Arm's Length Transactions

The Transaction is not a Non-Arm's Length Transaction within the meaning of the policies of the Exchange.

Legal Proceedings

To 131's knowledge, 131 is neither a party to, nor is any of its property the subject matter of, any legal proceedings, nor are any such proceedings known to 131 to be contemplated by any party since the beginning of the fiscal year ended July 31, 2022, being the most recently completed financial year for which 131 Financial Statements are being included in this Listing Application.

Auditor, Transfer Agent and Registrar

The auditor of 131 is Stern & Lovrics LLP, 1210 Sheppard Avenue East, Suite 302, Toronto, Ontario, M2K 1E3. Stern & Lovrics LLP is independent with respect to 131 in accordance with the Rules of Professional Conduct of Chartered Professional Accountants of Ontario.

Material Contracts

131 has not entered into any material contracts, outside of the ordinary course of business, prior to the date hereof, other than the Amalgamation Agreement.

Copies of this agreement is available for inspection at the head office of 131 at 1000-595 Burrard Street Vancouver, British Columbia, V7X 1S8, during normal business hours until the completion of the Transaction and for a period of 30 days thereafter.

PART IV – INFORMATION CONCERNING SENDERO

The following information has been provided by Sendero and is reflective of the current business, financial and share capital position of Sendero. See also the Sendero Financial Statements and the Sendero MD&A attached hereto at Appendix “C” and “D”, respectively, and the Barton Financial Statements for the period prior to acquisition by Sendero attached hereto as Appendix “E”. See “*Part VI - Information Concerning the Resulting Issuer*” for pro forma business, financial and share capital information relating to the Resulting Issuer following the Transactions.

Although 131 has no knowledge that would indicate any statements contained herein relating to Sendero, its affiliates or the Sendero Shares taken from or based upon such information provided by Sendero are untrue or incomplete, neither 131 nor any of its officers or directors assumes any responsibility for the accuracy or completeness of the information relating to Sendero, its affiliates or the Sendero Shares, or for any failure by Sendero to disclose facts or events that may have occurred or may affect the significance or accuracy of any such information but which are unknown to 131.

Corporate Structure

Name and Incorporation

Sendero’s full name is “Sendero Resources Corp.” Sendero is a private company that was incorporated on August 4, 2020 under the name “Reyna Gold Corp.” under the laws of the Province of British Columbia. Sendero’s registered office and principal place of business is located at 1900 – 1040 West Georgia Street, Vancouver, BC, Canada V6E 4H3. Sendero’s name was changed from “Reyna Gold Corp.” to “1260005 B.C. Ltd.” on January 21, 2021 and subsequently to “Sendero Resources Corp.” on June 1, 2021.

Intercorporate Relationships

Sendero currently has one wholly-owned Subsidiary, Barton. The shares of Barton were acquired by Sendero pursuant to the Barton Share Purchase Agreement.

General Development of the Business

Sendero is a private company existing under the laws of the Province of British Columbia. Sendero’s only business is the identification of resource properties for exploration and development and its principal asset is its interest in the Peñas Negras Property located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, consisting of ten mining concessions covering 11,682.54 ha (including six exploitation concessions (Minas) totalling 5,515.26 ha and four exploration concessions (Cateos) totalling 6,167.28 ha) as further described in the Technical Report.

Narrative Description of the Business

Sendero’s current principal assets are (a) cash and (b) its interest, through Barton, in the Peñas Negras Property.

Peñas Negras Property

The following disclosure regarding the Peñas Negras Property is derived from the Technical Report The {02012501.14}

Technical Report is incorporated by reference herein and is available under 131's profile on SEDAR.

Julio Bruna Novillo, PhD, PGeo, FAusIMM, and Stanley C. Bartlett, M.Sc., PGeo., authors of the Technical Report, are qualified persons for the purposes of NI 43-101, and have reviewed and approved the scientific and technical disclosure contained in this Listing Application.

The Peñas Negras Property is located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, just north of the San Juan province near the Chilean border. The area presents elevations ranging from 3,900 masl to 4,955 masl. The central geographic coordinates are 28°19' south latitude and 69°25' west longitude, or 2,458,457 m East, and 6,868,474 m North (Gauss Krüger - Zone 2, POSGAR 94).

The district hosts an elongate belt of rocks containing sizeable hydrothermal alteration zones, with geological evidence of porphyry gold and copper-gold mineralisation and potential for epithermal gold-silver deposits. It is located in a developing porphyry district at the intersection between the south end of the Maricunga Copper-Gold Belt and the northern extent of the El Indio Gold-Silver Belt, with both districts hosting world-class porphyry and epithermal deposits.

Property Ownership

Sendero, through Barton, is the holder of ten mining concessions covering 11,682.54 ha (116.83 km²), all of which properties are plotted on the Provincial Mining Cadastre of the province of La Rioja, according to the Gauss Kruger coordinates and updated to April 2023. The property includes six exploitation concessions (Minas) totalling 5,515.26 ha and four exploration concessions (Cateos) totalling 6,167.28 ha, for a total of 11,682.54 ha.

Property Acquisition

On October 26, 2021, the Company entered into a share transfer agreement with the owner of Barton pursuant to which the Company acquired 100% of the issued and outstanding share capital of Barton in exchange for the issuance of 12,500,000 Sendero Shares to Hernan Vera, a director of the Sendero.

History

Peñas Negras has been a district explored by companies within the last couple of decades. Similar geological features and a short distance to the prolific mining zone of Maricunga and El Indio belts have encouraged exploration. The Maricunga belt to the north is notable for its porphyry gold-copper systems, and the El Indio belt to the south hosts world-class high sulphidation epithermal deposits.

Exploration work in the area began in the 1970s by the National Mining Service (North Cordilleran Plan) performing geochemical sediment prospecting tasks on different rivers and basins of the Cordillera Frontal.

Between 1987 and 1988, geologists from BRGM (Bureau de Recherches Géologiques et Minières, France) performed geological mapping and geochemical sampling of the area.

In 1992, the company Norwest Mine Service, with the support of Campbell and Associates, studied and carried out some works with Thematic Mapper (TM) satellite images in an area of the Andes Mountains that included the provinces of Catamarca, La Rioja and San Juan. The work identified more than 40 areas or sectors with colour anomalies, which were considered targets to be evaluated in the field.

From 1994 to 1995, Minera El Solitario SA (El Solitario) worked in the area Crown Property (the area for them was Solitario 23-I cateo), with a short prospecting programme. The programme was limited to sampling of rocks and soils, and the excavation and sampling of a pair of trenches. Finally, a short drilling programme was developed.

Between 1994 and 1997, Minera Eldorado SA (Eldorado) completed geological studies and various sampling programmes, including 10,150 m of reverse circulation (RC) and diamond drill core (DD) drilling, distributed mainly between the colour anomalies 16 and 14. About 13,033 m of trenches and accesses were constructed, where a total of 4,619 samples were collected. Within these activities, 108.3 km of ground magnetometry and 192.20 km of induced polarisation/resistivity were performed between anomalies 14, 16, 18A (Cerro El Potro - Sillimanita), 19 (Miranda), and Ritsuko.

From 1995 to 1998, the National Secretary of Mining conducted expeditionary work in La Ollita, La Vicuña and Río Tamberías, in compliance with the PASMA project and the agreement with JICA/MMA/JMEC.

In 2007, Minera Vale Río Doce - DEPROMIN SA, carried out exploration work in what they called the "Regional Project," which was divided into two zones, Regional North (Peñas Negras area) in the province of La Rioja and Regional South (Cordón de La Brea area) in the province of San Juan. The studies in the Peñas Negras area were concentrated in the areas of Caserones, Solitario 23-I, Ritsuko, Miranda (former Anomaly 19 of the TDP) and Solitario 17.

In 2012, Golden Arrow carried out exploration tasks developed for the Caballos area, north of the Project property block, and an exploration agreement was also signed for the Ritsuko sector. The tasks performed were a background compilation of previous work and basic prospecting activities, mainly surface geochemistry, on alteration zones present in the western margin of the caldera.

From 2009 to 2014, Anglo American Argentina SA (Anglo American) was the last company to conduct exploratory work in the Cristian I-II-III and Ángela II-III mining concessions. A total of 833 different types of samples were collected. A geophysical survey of 140 km of magnetometry and 23 km of induced polarisation/resistivity were carried out. During the period between 2011 and 2012 six diamond drill holes were drilled.

There have not been any historical resource estimates conducted on the Project and there has not been any historical mining conducted in the area of the concessions.

Property Geology

The Peñas Negras district is located within the morphostructural unit corresponding to the Cordillera Frontal Geological Province in the high mountain range of La Rioja.

According to the Pastillos 6929-I Geological Sheet (Fauqué, 1999), the basement comprises sandstones, quartzites, limonitic units, and conglomerates belonging to the Ranchillos Formation, assigned to the Carboniferous. Above, there is a volcanoclastic unit belonging to the Choiyoi Group (Permo-Triassic), a volcano-sedimentary complex. The unit is composed of a group of volcanic and pyroclastic rocks characterised by acid rocks of rhyolitic and rhyodacitic composition and intermediate to basic andesitic rocks. In general, these rocks are folded and partially metamorphosed by Permo-Triassic granitic intrusions of the Carnerito Formation.

Also, reduced outcrops of conglomerates and multicoloured sandstones can be observed in the sector {02012501.14}

belonging to the Chapitas Formation, whose age is assigned to the Jurassic-Cretaceous, although it is probable that they are younger, possibly Palaeocene.

The Oligo-Miocene magmatism is limited to the Cordillera Frontal area. They consist of andesites and dacites from the Doña Ana Formation, 27 Ma to 19 Ma old and rhyolites, dacites and andesites from the Las Tórtolas Formation, 17 Ma to 11 Ma old. These units are intruded and altered by rhyolitic, dacitic, dioritic and quartz-dioritic domes and dykes.

The deformation of the Palaeozoic sediments in the Cordillera Frontal area is attributable to movements that occurred at the end of the Palaeozoic. The Andean orogeny would have produced tilting and lateral movement of blocks, leaving the oldest Tertiary volcanites in some sectors folded and others in a homoclinal position. At the same time, the Veladero Formation lies in a sub-horizontal position indicating the minor effect of neotectonics.

Finally, and in congruency with the tectonic uplift suffered in the area, the erosion of the tertiary rocks has taken place exposing the basement and the mineralised porphyries.

In the Peña Negra Project, a chain of volcanic units has been emplaced from the lower Oligocene. It constitutes a belt of about 50 km wide, built on a base that includes intrusive and volcanic units of the Palaeozoic and perhaps Mesozoic. The Peñas Negras Project has several areas or sectors of interest:

- Cerro Verde: is a sector comprising two well-differentiated areas Cerro Verde North (Ángela II-III) and Cerro Verde South (Cristian I-II-III);
- El Chiqui: is an area comprising several targets of interest, some already tested and explored, such as La Ollita, Tamberías, Crown Property, partially the area called Vicuña, located 5.5 km NNE of La Ollita;
- Don Álvaro and Isidoro: located north and east of El Chiqui, covering sectors evaluated in previous exploratory works within the La Ollita area, and even Isidoro covers part of the La Peña sector;
- Ritsuko: volcanic caldera with strong colour anomalies and domoic bodies in its interior; and,
- Caserones: the area has characteristics related to the porphyry copper system, developed in the rhyolitic basement of the Choiyoi Group (Permo-Triassic).

Regarding the geology in the sector, the lithological units are older to the west and younger to the east. The Permo-Triassic granitic/ volcanic basement, followed by the Upper Eocene-Oligocene volcanic/ sedimentary/ Intrusive sequences, the Middle to Lower Miocene volcano-sedimentary units, and finally, the moraine deposits (of fluvio-glacial origin). The Pleistocene-Holocene sediments occupy the slope areas, river courses and valleys in the region. There is more significant erosion of the lithological units to the west and less to the east. The Eocene-Oligocene units outcrop within a north-eastern corridor (generating a pull-apart system) defined by structures that contact the Permo-Triassic basement units and the Lower to Middle Miocene sediments and volcanites.

Recommendations

Upon completion of the Transaction, the Resulting Issuer plans to conduct an exploration programme at its Peñas Negras Project through its 100% subsidiary Barton SAS.

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The proposed exploration programme includes a Phase I, during which geological mapping, talus fines sampling and infrastructure improvements will be conducted. This work will include road and drill site preparation. The Phase II exploration will include a 4,000 m drilling programme.

The total cost of the proposed exploration programme is CAD\$2,455,400. The work is planned to commence in November 2023 and is expected to be completed in March 2024. The Phase II programme is contingent on the results of the Phase I programme. This is largely dependent on access to sufficient drilling sites given the high elevation and potential for significant snow accumulation.

By Phase II, the RC drilling will be used on the newly identified targets and based on the results of the surface works and analytical values obtained in Phase I. Also, considering the historical information, the DD programme will seek to confirm the mineralised sectors.

The authors of the Technical Report reviewed Sendero and 131's proposal for its exploration programme on the Peñas Negras Property and recommended that Barton continues the exploration programme as proposed. The programme is subject to funding and any other matters, which may cause the proposed exploration programme to be altered in the ordinary course of its business activities or alterations that may affect the programme as a result of exploration activities themselves.

The authors of the Technical Report agree with the general direction of Sendero and 131's initial and proposed exploration programmes for the Project and make the following additional general recommendations for the Property:

1. Barton personnel review the November 2018 CIM Mineral Exploration Best Practice Guidelines (the Exploration Guidelines) for exploration programmes and make any necessary adjustments to ensure that it is conducting its exploration programmes within the guidelines.
2. All Sendero and 131's exploration QA/QC procedures and practices be compiled into one document. This document can be used for training purposes for new personnel and is also a record of all QA/QC procedures and practices that can be appended to any report in the future.
3. A logging protocol be carried out before starting the drilling to unify criteria, taking historical information as a basis.
4. Implementing a modern system that complies with the best practices of sample preparation, analysis, security, a chain of custody and data verification for future exploration work.
5. The available historical information and data be organised and to implement an adequate data management system. A robust and auditable base ensures the reliability and integrity of the data. This will facilitate the re-interpretation, acceptable use and benefit of previous and future information generated for the Project.
6. A PIMA (portable infrared mineral analyser) be used to identify and map alteration mineral assemblages accurately and which are important to the understanding of and exploration for hydrothermal ore deposits. Data collection must be systematically organised and carried out by a trained operator.

7. For any future exploration programmes, all the samples generated are assayed for arsenic, mercury and antimony, in addition to the economic minerals. This is due to the previously high levels of these elements identified in the mineralisation and their potential deleterious processing and environmental effects. These elements will need to be modelled in any future mineral resource block model to identify their potential extent and assist with identifying ways to mitigate their effects.

For more information, please see the Technical Report posted on the Resulting Issuer's SEDAR profile at www.sedar.com.

Selected Consolidated Financial Information

The following table sets forth selected audited consolidated financial information of Sendero for the nine months ended April 30, 2023, and the year ended July 31, 2022 and the period from August 4, 2020 (date of incorporation) to July 31, 2021. Such information has been derived from and should be read in conjunction with the Sendero Financial Statements, the Sendero MD&A and the Barton Financial Statements attached to this Listing Application as Appendix "C", Appendix "D" and Appendix "E", respectively.

Date	Nine months ended April 30, 2023 (\$)	Year ended July 31, 2022 (\$)	Period from August 4, 2020 (Formation) to July 31, 2021 (\$)
Total assets	6,791,876	2,412,711	127,400
Total liabilities	2,400,224	370,283	11,687
Shareholders' equity	4,391,652	2,042,428	115,713
Total income	-	-	-
Total comprehensive income (loss)	(367,023)	(1,079,342)	(28,980)
Basic and diluted income (loss) per share	(0.01)	(0.05)	(0.08)

Management's Discussion and Analysis

Included as Appendix "D" to this Listing Application is the Sendero Resources Corp. Management's Discussion and Analysis for the period from August 4, 2020 (date of incorporation) to January 31, 2021, for the year ended July 31, 2022 and for the nine months ended April 30, 2023. It includes financial information from, and should be read in conjunction with, the audited consolidated financial statements for the period from August 4, 2020 (date of incorporation) to January 31, 2021, for the year ended July 31, 2022 and the consolidated interim financial statements for the nine months ended April 30, 2023 of Sendero and the notes thereto, which are attached as Appendix "C" to this Listing Application, as well as the disclosure contained throughout this Listing Application.

Description of Securities

Authorized Capital

Sendero is currently authorized to issue an unlimited number of Sendero Shares, of which 45,723,583 Sendero Shares are issued and outstanding. Also, 11,014,500 Subscription Receipts, 771,016 Subscription Receipt Broker Warrants, 825,649 Unit Broker Warrants and 14,639,875 Sendero Warrants (Including Sendero Warrants issued upon the conversion of Sendero Subscription Receipts into Sendero Subscription Receipt Units) are issued and outstanding. It is expected that a further 2,670,355 Sendero Shares will be issued pursuant to the Athena Management Agreement and the Independence Fortaleza Management Agreement following the Listing. There are no other Sendero securities, including securities exchangeable or exercisable for or convertible into Sendero Shares, outstanding.

Holders of Sendero Shares have the right to receive notice of any meeting of shareholders of Sendero, to attend such meeting and to vote thereat, with the exception of meetings at which only holders of other classes of shares are entitled to vote. Holders of Sendero Shares are entitled to receive, *pari passu* with one another, non-cumulative dividends if, as and when declared by the Sendero Board. Sendero Shares will be entitled to receive dividends or other distributions on the Sendero Shares. Furthermore, holders of Sendero Shares are entitled to receive, on a *pari passu* basis, (i) the remaining property of Sendero upon its liquidation, dissolution or winding-up, and (ii) the remaining proceeds in the event of a change of control.

None of the securities of Sendero are currently listed or quoted for trading on any stock exchange.

Consolidated Capitalization

The following table sets forth Sendero's capitalization and outstanding debt as at the dates indicated below, as more particularly described in the Sendero Financial Statements, which are attached hereto at Appendix "C":

Designation of Security or Debt	Amount Outstanding as at April 30, 2023	Amount Outstanding as at the Filing Statement Date (prior to giving effect to the Transaction)
Sendero Shares	42,506,083	45,723,583 ⁽¹⁾⁽²⁾
Sendero Subscription Receipts	11,014,500	11,014,500
Sendero Options	-	-(3)
Sendero Warrants	13,031,125	14,639,875 ⁽⁴⁾
Subscription Receipt Broker Warrants	771,016	771,016
Unit Broker Warrants	630,612	825,649
Long Term Debt	-	-

Notes:

- (1) Includes 1,666,667 Sendero Shares issued pursuant to the acquisition of the Caserones Property, as well as Sendero Shares issued (i) upon the conversion of Sendero Subscription Receipts into Sendero Subscription Receipt Units; (ii) in connection with the Non-Brokered Offering and (iii) 125,000 Sendero Shares for the corporate finance fee.
- (2) Excludes (i) 1,000,000 Resulting Issuer Shares issuable to Athena Jade Limited upon the completion of several milestones, including the completion of the Listing, pursuant to the Athena Management Agreement and (ii) 1,670,355 Resulting Issuer Shares issuable to Independence Fortaleza, Sociedad Limitada upon the completion of several milestones, including the completion of the Listing, pursuant to the Independence Fortaleza Management Agreement.
- (3) Excludes 5,300,000 131 Options to be issued prior to the Listing.
- (4) Includes Sendero Warrants issued (i) upon the conversion of Sendero Subscription Receipts into Sendero Subscription Receipt Units and (ii) in connection with the Non-Brokered Offering.

Prior Sales

The following table set outs the securities of Sendero that have been issued within the 12 months before the date of this Listing Application:

Date	Type of Security	Number of Securities	Issue Price per Security	Aggregate Issue Price (\$)
February 25, 2023	Sendero Shares ⁽¹⁾	1,666,667	0.20	333,333.40
April 27, 2023	Subscription Receipts	11,014,500	0.20	2,202,900
April 27, 2023	Sendero Shares ⁽²⁾	125,000	0.20	25,000
April 27, 2023	Subscription Receipt Broker Warrants	771,016	N/A	N/A
April 27, 2023	Unit Broker Warrants	630,612	N/A	N/A
April 27, 2023	Sendero Non-Brokered Units	15,047,750	0.20	3,009,550
May 12, 2023	Sendero Non-Brokered Units	1,225,000	0.20	245,000
May 12, 2023	Unit Broker Warrants	56,787	N/A	N/A
July 25, 2023	Sendero Non-Brokered Units	1,992,500	0.20	398,500
July 25, 2023	Unit Broker Warrants	138,250	N/A	N/A

Notes:

- (1) Issued pursuant to the Purchase and Sale Agreement dated February 25, 2023 between Sendero, Barton and Hernan Vera, Sendero issued 1,666,667 Sendero Shares to Hernan Vera in exchange for the Caserones Property.
- (2) Issued in connection with the Subscription Receipt Offering, Echelon Wealth Partners Inc. received 125,000 Sendero Shares, issued at \$0.20 per share, in satisfaction of a \$25,000 corporate finance fee payable to Echelon Partners Inc.

Subscription Receipts

In connection with the Subscription Receipt Offering, Sendero issued 11,014,500 Subscription Receipts. Each Subscription Receipt is convertible, for no additional consideration, into one Sendero Subscription Receipt Unit upon the satisfaction of the Escrow Release Conditions on the Effective Date. Each Sendero Subscription Receipt Unit will be comprised of (i) one Sendero Share and (ii) one half of one Sendero Warrant.

Sendero Warrants

In connection with the Non-Brokered Offering, Sendero issued 9,132,625 Sendero Warrants.

Options

As of the date hereof, Sendero has no options outstanding.

Equity Incentive Plan

In connection with the Transaction, Sendero anticipates 131 adopting an equity incentive plan prior to or concurrently with the closing of the Transaction and granting 5,300,000 options on or prior to the Listing.

Offerings

Subscription Receipt Offering

In connection with the Transaction, on April 27, 2023, Sendero completed the brokered Subscription Receipt Offering of 11,014,500 Subscription Receipts at a price of \$0.20 per Subscription Receipt for gross proceeds of \$2,202,900. The Subscription Receipt Offering Agents acted as agents under the Subscription Receipt Offering. As part consideration for their services, the Subscription Receipt Offering Agents received 771,016 Subscription Receipt Broker Warrants, each exercisable to acquire one Sendero Share at an exercise price of \$0.20 per share until the later of (a) April 27, 2025 and (b) the 24 month anniversary following the satisfaction of the Escrow Release Conditions. Of the net proceeds from the Subscription Receipt Offering, \$2,025,987.23 was deposited with Odyssey Trust Company as escrow agent.

The Subscription Receipts were created and issued pursuant to the Subscription Receipt Agreement between Sendero and Odyssey Trust Company as subscription receipt agent and escrow agent.

Each Subscription Receipt is automatically convertible into one Subscription Receipt Unit, without any payment or further action on part of the holder, provided the Escrow Release Conditions are satisfied on or before the Termination Date. Each Subscription Receipt Unit is comprised of one Sendero Share and one-half of one Sendero Warrant. The proceeds of the Subscription Receipt Offering will be released to Sendero from escrow upon the satisfaction of the Escrow Release Conditions. If the Escrow Release Conditions are not met, all proceeds from the Subscription Receipt Offering will be returned to subscribers together with any interest thereon. The Subscription Receipts were issued on a prospectus exempt basis to accredited investors (as

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defined in National Instrument 45-106 – *Prospectus Exemptions*).

Non-Brokered Offering

In connection with the Transaction, between April 27, 2023 and July 25, 2023, Sendero completed the Non-Brokered Offering of 18,265,250 Sendero Non-Brokered Units at a price of \$0.20 per Sendero Non-Brokered Unit for gross proceeds of \$3,653,050. In connection with the Non-Brokered Offering, 825,649 Unit Broker Warrants were issued, each exercisable to acquire one Sendero Share at an exercise price of \$0.20 per share until the later of the date that is the 24 month anniversary (a) from the date of issuance and (b) following the satisfaction of the Escrow Release Conditions.

Each Sendero Non-Brokered Unit is comprised of one Sendero Share and one-half of one Sendero Warrant. The Sendero Non-Brokered Units were issued on a prospectus exempt basis to accredited investors (as defined in National Instrument 45-106 – *Prospectus Exemptions*).

Executive Compensation

Compensation Discussion and Analysis

At no time prior to the date of this Listing Application was Sendero a reporting issuer for the purposes of Canadian securities laws. Significant elements of the compensation to be awarded to, earned by, paid to or payable to named executive officers of the Resulting Issuer following the Closing, to the extent it has been determined, is set forth in “Part VI - Information Concerning the Resulting Issuer – Executive Compensation”.

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Sendero to its NEOs and directors, in any capacity, for the most recently completed financial years ending July 31, 2022 and the period from August 4, 2020 (date of incorporation) to July 31, 2021.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option Based Awards (\$)	Non-Equity Incentive Plans Compensation (\$)				Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans	Pension Value (\$)	All Other Compensation (\$)	
Hernan Vera CEO and Director	2022	27,441	50,000 ⁽¹⁾	-	-	-	-	-	77,441
	2021	-	-	-	-	-	-	-	-

Michael Wood	2022	-	-	-	-	-	-	-	-
Executive Chairman and Director	2021	-	-	-	-	-	-	-	-
Matt Hudson ⁽²⁾	2022	90,000	-	-	-	-	-	-	90,000
Former CEO	2021	-	-	-	-	-	-	-	-
Mit Tilkov ⁽³⁾	2022	21,000	-	-	-	-	-	-	21,000
Former CEO and Former Director	2021	7,000	-	-	-	-	-	-	7,000

Notes:

- (1) Hernan Vera received 333,333 Sendero Shares at \$0.15 per share as a consulting fee.
- (2) Matt Hudson's cash payments paid to Kimon Pty Ltd, a private company owned by Mr. Hudson, during fiscal 2022; and paid to Aerospace Industries Pty Ltd., a private company owned by Mr. Hudson, during fiscal 2023. Mr. Hudson resigned from being the Chief Executive Officer effective December 31, 2022.
- (3) Mit Tilkov's cash payments as the former Chief Executive Officer were paid through 0851901 B.C. Ltd., a private company owned by Mr. Tiklov. Mr. Tiklov resigned as Chief Executive Officer on or around November 30, 2021.

Such information has been derived from and should be read in conjunction with the Sendero Financial Statements and the Sendero MD&A, attached to this Listing Application as Appendix "C" and Appendix "D", respectively.

Management Contracts

Management functions of Sendero are, and since incorporation have been, performed by the directors of Sendero, and are not to any substantial degree performed by any other person or corporation.

Sendero has entered into an amended and restated executive management agreement with Independence Fortaleza, Sociedad Limitada, effective as of February 23, 2023, pursuant to which Independence Fortaleza, Sociedad Limitada was retained by Sendero to provide the services of Hernan Vera to Sendero and to act in the capacity of CEO of Sendero. Pursuant to the Independence Fortaleza Management Agreement, as of July 1, 2023 Sendero pays a fee of \$15,000 per month to Independence Fortaleza, Sociedad Limitada. Also pursuant to the management agreement, Sendero will issue additional Sendero Shares and pay a cash bonus of \$50,000 to Independence Fortaleza, Sociedad Limitada upon the completion of (i) the Listing and (ii) an equity financing of at least \$4,000,000 in proceeds. The number of additional Sendero Shares issuable to Independence Fortaleza, Sociedad Limitada will be equal to 0.9 Sendero Shares for each dollar of equity financing proceeds raised by Sendero in excess of \$4,000,000. In addition, in the event Sendero completes an equity financing in excess of \$5,500,000 in proceeds, Sendero will pay Independence Fortaleza, Sociedad Limitada an additional cash bonus of \$25,000. Based on the proceeds of the concurrent financing, Sendero

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will pay to Independence Fortaleza, Sociedad Limitada an aggregate cash bonus of \$75,000 and will issue 1,670,355 Resulting Issuer Shares to Independence Fortaleza, Sociedad Limitada.

Sendero has entered into an amended and restated executive management agreement with Athena Jade Limited, effective as of February 23, 2023, pursuant to which Athena Jade Limited was retained by Sendero and Athena Jade Limited agreed to provide the services of Michael Wood to Sendero and for Mr. Wood to act in the capacity of Executive Chairman of Sendero. Pursuant to the Athena Jade Management Agreement, as of July 1, 2023 Sendero pays a fee of \$15,000 per month to Athena Jade Limited. Also pursuant to the management agreement, Sendero will issue 1,000,000 Sendero Shares and pay a cash bonus of \$50,000 to Athena Jade Limited upon Sendero's completion of (i) the Listing and (ii) an equity financing of at least \$4,000,000 in proceeds. In addition, in the event Sendero completes an equity financing in excess of \$5,500,000 in proceeds, Sendero will pay Athena Jade Limited an additional cash bonus of \$25,000. Based on the proceeds of the concurrent financing, Sendero will pay to Athena Jade Limited an aggregate cash bonus of \$75,000 and will issue 1,000,000 Resulting Issuer Shares to Athena Jade Limited.

Interest of Management and Others in Material Transactions

Other than as set out in this Listing Application or below, within three years prior to the date of this Listing Application, no director, executive officer, or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of outstanding voting securities of Sendero, or any known associates or Affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect Sendero.

In addition, other than as set out in this Listing Application or below, within three years prior to the date of this Listing Application, no director, no person expected to be a director, executive officer, or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of outstanding voting securities of the Resulting Issuer, or any known associates or Affiliates of such persons, has any material interest, direct or indirect, in any transaction that is reasonably expected to materially affect the Resulting Issuer.

Hernan Vera, Chief Executive Officer and Director of Sendero is a party to the following contracts that may materially affect the Resulting Issuer: (i) the Primer Testimonio – Esc. N° 14: Donación De Propiedades Mineras y Cesión Gratuita De Derechos Mineros dated June 16, 2021 between Mr. Vera and Barton pursuant to which Mr. Vera transferred ownership of the Peñas Negras Property to Barton; (ii) the Purchase and Sale Agreement dated February 25, 2023 between Sendero, Barton and Mr. Vera, pursuant to which Sendero issued 1,666,667 Sendero Shares to Hernan Vera in exchange for the Caserones Property; and (iii) a Net Smelter Returns Royalty Agreement dated March 15, 2023 between Mr. Vera and Sendero, pursuant to which, as partial consideration for the transfer of the Caserones Property by Mr. Vera, Sendero granted Mr. Vera certain royalties with respect to the Peñas Negras Property and the Caserones Property.

Investor Relations Arrangements

Except as disclosed below, Sendero has not entered into and does not presently intend to enter into, any written or oral agreement or understanding with any person to provide promotional or investor relations services to Sendero.

Sendero entered into a marketing services agreement dated June 1, 2023 with Peak Investor Marketing Corp.

pursuant to which Peak Investor Marketing Corp. will provide marketing, public relations and advisory services to Sendero for an initial term of ten months. During the initial term, Sendero will pay Peak Investor Marketing Corp. an aggregate amount of \$120,000, paid in four equal installments over the 90 days following the satisfaction of the Escrow Release Conditions, and Sendero will grant 400,000 131 Options to Peak Investor Marketing Corp. exercisable at \$0.20 per option. No more than 25% of the total number of granted options will vest each quarter following the grant and the options will expire ninety days after the termination of the marketing services agreement. Unless terminated by either party, after the completion of the initial term the agreement will continue on a month to month basis, during which, Sendero will pay Peak Investor Marketing Corp. a monthly fee of \$12,000.

Non-Arm's Length Party Transactions

To the knowledge of Sendero, except as set out in this Listing Application or below, there have been no transactions before the date of this Listing Application, or proposed, in which any director, officer, Promoter or principal stockholder of Sendero or Associates or Affiliates thereof have or have had a material interest.

Hernan Vera, Chief Executive Officer and Director of Sendero is a party to (i) the Primer Testimonio – Esc. N° 14: Donación De Propiedades Mineras y Cesión Gratuita De Derechos Mineros dated June 16, 2021 between Mr. Vera and Barton pursuant to which Mr. Vera transferred ownership of the Peñas Negras Property to Barton; (ii) the Purchase and Sale Agreement dated February 25, 2023 between Sendero, Barton and Mr. Vera, pursuant to which Sendero issued 1,666,667 Sendero Shares to Hernan Vera in exchange for the Caserones Property; and (iii) a Net Smelter Returns Royalty Agreement dated March 15, 2023 between Mr. Vera and Sendero, pursuant to which, as partial consideration for the transfer of the Caserones Property by Mr. Vera, Sendero granted Mr. Vera certain royalties with respect to the Peñas Negras Property and the Caserones Property.

Legal Proceedings

To the knowledge of Sendero, there are no legal proceedings to which Sendero is a party to, or in respect of which any of its assets are the subject of, which is or will be material to Sendero, and Sendero is not aware of any such legal proceedings that are contemplated.

Auditor, Transfer Agent and Registrar

The auditor of Sendero is De Visser Gray LLP, 905 W Pender St, Vancouver, BC V6C 1L6. Sendero does not currently employ a transfer agent or registrar.

Material Contracts

Except for contracts entered into by Sendero in the ordinary course of business, the only current material contracts entered into or currently anticipated to be entered into by Sendero which can reasonably be regarded as presently material are:

- the Amalgamation Agreement;
- the Subscription Receipt Agency Agreement;

- the Subscription Receipt Agreement; and
- the Sendero Argentina Share Purchase Agreement.

After completion of the Transaction, the material agreements listed above will be considered to be the material agreements of the Resulting Issuer.

Copies of all material agreements referred to in this Listing Application may be inspected at the head office of Sendero located at 1900 – 1040 West Georgia Street, Vancouver, BC V6E 4H3 during normal business hours until the closing of the Transaction and for a period of thirty (30) days thereafter.

PART V – INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Transaction basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer. This section only includes information respecting the Resulting Issuer that is materially different from information provided earlier in this Listing Application. Following the completion of the Transaction, the Resulting Issuer will carry on the businesses currently carried on by Sendero. See the various headings under “Information Concerning 131” and “Information Concerning Sendero” for additional information regarding 131 and Sendero, respectively. See also the Pro Forma Financial Statements of the Resulting Issuer attached hereto as Appendix “F”.

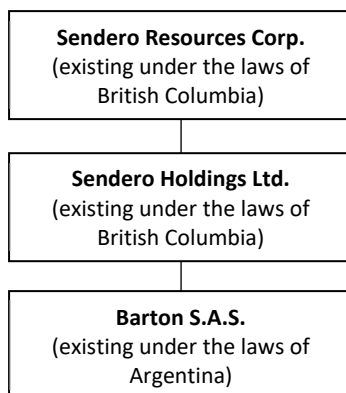
Corporate Structure

Name and Incorporation

131 was incorporated under the laws of the Province of British Columbia on August 13, 2021. It is expected that, following the Transaction, the Resulting Issuer’s full corporate name will be “Sendero Resources Corp.” and its registered office and principal place of business will be located at 1900 – 1040 West Georgia Street, Vancouver, BC V6E 4H3. The Resulting Issuer’s website will be available at: www.sendero-resources.com.

Intercorporate Relationships

Following the Transaction, the Resulting Issuer will be the sole shareholder of Amalco. Following the Transaction, Amalco will continue the business of Sendero. Following the Transaction, the Resulting Issuer will wholly-own Barton through the Resulting Issuers wholly owned subsidiary, Amalco.



Narrative Description of the Business

The following disclosure contains forward-looking statements, including with respect to the Resulting Issuer’s business objectives and milestones. Such statements involve known and unknown risks, uncertainties and other factors outside of management’s control, including the risk factors set forth elsewhere in this Listing Application that could cause results to differ materially from those described or anticipated in such forward-looking statements.

Upon completion of the Transaction, the Resulting Issuer will carry on the businesses of Sendero. See “*Part IV – Information Concerning Sendero – Narrative Description of the Business*”, “*Part VI – Information Concerning the Resulting Issuer – Available Funds*” and “*Part VI – Information Concerning the Resulting Issuer – Principal Purposes*”.

Business Objectives and Milestones

The Resulting Issuer’s intended primary business objectives and milestones following the completion of the Transaction is to continue its multi-phase plan to systematically explore and develop the Peñas Negras Property, implement the Phase I exploration programme and, depending on the results of the Phase I programme, implement the Phase II exploration and drilling programme, as further described under “*Part IV – Information Concerning Sendero – Peñas Negras Property*”, above. The Resulting Issuer intends to implement the work plan based upon the recommendations of the authors in the Technical Report. The current work plan will span over two phases and the proposed budget for the work plan is set out above. See “*Part IV – Peñas Negras Property – Recommendations*”.

Description of the Securities

Sendero is hereby applying to list the Resulting Issuer Shares on the Exchange under the symbol “SEND”. The Listing will be subject to the Resulting Issuer fulfilling all of the minimum listing requirements of the Exchange and obtaining conditional approval of the Exchange. There can be no assurance that the Exchange will list the Resulting Issuer Shares. If listing approval is ultimately obtained prior to the Effective Time, trading on the Exchange of the Resulting Issuer Shares is expected to commence shortly following the Effective Date.

It is expected that following the Transaction, the Resulting Issuer will be authorized to issue an unlimited number of Resulting Issuer Shares. Assuming the completion of the Transaction, approximately 65,408,438 Resulting Issuer Shares will be outstanding following the Effective Time. In addition to the Resulting Issuer Shares, the following securities of the Resulting Issuer are expected to be outstanding immediately following the completion of the Amalgamation:

- (a) 14,639,875 warrants, each exercisable to acquire one Resulting Issuer Share at a price of \$0.30 until the later of the 24 month anniversary (a) from the date of issuance and (b) following the satisfaction of the Escrow Release Conditions, which are being issued in exchange for the Sendero Warrants;
- (b) 771,016 warrants, each exercisable to acquire one Resulting Issuer Share at a price of \$0.20 until the later of (a) April 27, 2025 and (b) the 24 month anniversary following the satisfaction of the Escrow Release Conditions, which are being issued in exchange for the Subscription Receipt Broker Warrants;
- (c) 825,649 warrants, each exercisable to acquire one Resulting Issuer Share at a price of \$0.20 until the later of the date that is the 24 month anniversary (a) from the date of issuance and (b) following the satisfaction of the Escrow Release Conditions, which are being issued in exchange for the Unit Broker Warrants; and

- (d) 5,300,000 options, each exercisable to acquire one Resulting Issuer Share at a price of \$0.20 until 5 years from the date of issuance and subject to certain vesting conditions which are being issued in exchange for 131 Options.

See “Part VI – Information Concerning the Resulting Issuer – Fully Diluted Share Capital” of this Listing Application for the total issued and outstanding share capital of the Resulting Issuer and securities convertible into Resulting Issuer Shares.

Fully Diluted Share Capital

Sendero is seeking to list the Resulting Issuer Shares on the Exchange. The following table sets forth the expected fully-diluted share capital of the Resulting Issuer on a pro forma basis as of the date of this Listing Application based on the share capital of Sendero, and 131 as at the same date:

	Number of Common Shares	Percentage of Resulting Issuer Shares (undiluted)
<u><i>Resulting Issuer Shares</i></u>		
Held by Sendero Current Shareholders ⁽¹⁾	45,723,583	69.90%
Held by Sendero Subscription Receipt Investors ⁽²⁾	11,014,500	16.84%
Held by 131 Current Shareholders ⁽³⁾	6,000,000	9.17%
Bonus Resulting Issuer Shares ⁽⁴⁾	2,670,355	4.08%
Total	65,408,438	100.00%
<u><i>Resulting Issuer Convertible Securities</i></u>		
Sendero Warrants issued in the Sendero Subscription Receipt Offering exchanged for Resulting Issuer warrants	5,507,250	25.57%
Sendero Warrants issued in the Non-Brokered Offering exchanged for Resulting Issuer warrants	9,132,625	42.41%
Subscription Receipt Broker Warrants exchanged for Resulting Issuer warrants	771,016	3.58%
Unit Broker Warrants exchanged for Resulting Issuer warrants	825,649	3.83%
Resulting Issuer Options ⁽⁵⁾	5,300,000	24.61%
Total	21,536,540	100.00%

Notes:

- (1) Includes 18,265,250 Sendero Shares issued in the Non-Brokered Offering and 125,000 Sendero Shares issued pursuant to a corporate finance fee.
- (2) After the conversion of Subscription Receipts to Sendero Subscription Receipt Units.
- (3) After giving effect to the Split and the Triforce Issuance.
- (4) Issuable upon the completion of several milestones, including the completion of the Listing to (i) Independence Fortaleza, Sociedad Limitada pursuant to the Independence Fortaleza Management Agreement (1,670,355 Resulting Issuer Shares), and (ii) Athena Jade Limited pursuant to Athena Management Agreement (1,000,000 Resulting Issuer Shares).

Available Funds

The following table sets forth the funds anticipated to be available to the Resulting Issuer on a consolidated basis after giving effect to the Transaction:

Source of Funds	Amount (\$) ⁽¹⁾
Estimated working capital of Sendero as at August 31, 2023 ⁽²⁾	(681,200)
Estimated working capital of 131 as at August 31, 2023	(37,900)
Net Proceeds from Sendero Subscription Receipt Offering ⁽³⁾	1,948,900
Net Proceeds from Non-Brokered Offering ⁽⁴⁾	3,487,900
Total Estimated Funds Available⁽⁵⁾	4,717,700

Notes:

- (1) Rounded to the nearest hundred.
- (2) Exclusive of proceeds of Sendero Subscription Receipt Offering and Non-Brokered Offering.
- (3) After deduction of the Subscription Receipt Offering Agents' commission and expenses and Odyssey Trust Company's fees and expenses, but excluding \$25,000 in corporate finance work fees paid in Sendero Shares.
- (4) After deduction of finder's fees and commissions.
- (5) Does not include expenses incurred in connection with the Transaction.

Dividends

Sendero has not declared or paid any cash dividends to its shareholders during the three most recently completed financial years or during its current financial year. Sendero's current policy is to retain earnings to finance the growth and development of its business, and it is expected that such policy will continue to be applied by the Resulting Issuer. This policy may be reviewed in the future. Sendero and 131 are not aware of any restrictions that could prevent the Resulting Issuer from paying dividends.

Principal Purposes

The following table summarizes the expenditures anticipated by the Resulting Issuer required to achieve its business objectives during the 12 months following completion of the Transaction:

Use of Funds	Amount (\$)
Phase I Work Program ⁽¹⁾	
Field Supervision, Geologists	51,200
Data Compilation, Modelling, Analysis	15,000
Roads, Access and Drill Site Preparation	100,000
Surveying	30,000
Permits	20,000
Camp and Housing	85,000
Vehicles	25,000
Geochemical Talus Fines Sampling and Analyses	192,000
Phase II Work Program ⁽²⁾	
Field Supervision, Geologists	51,200
Camp and Housing	136,000
Vehicles	40,000
Drilling (3,500 m RC, 1,500 m DD) ⁽³⁾	1,710,000
Other Expenses	
Salaries ⁽⁴⁾	460,000
Legal Fees ⁽⁵⁾	225,000
Audit Fees ⁽⁶⁾	45,000
Accounting Fees	80,000
Public Company Costs ⁽⁷⁾	50,000
Marketing	500,000
Miscellaneous ⁽⁸⁾	100,000
Total Estimated Uses of Funds	3,915,400

Notes:

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- (1) The Phase I Work Program is expected to take place between September 2023 and December 2023.
- (2) The Phase II Work Program is expected to take place, depending on the results of the Phase I Work Program, between January 2024 and April 2024.
- (3) Drill hole locations and program to be finalized after compilation of historical data, airborne geophysics and talus fine geochemical data.
- (4) Includes bonuses issuable to Independence Fortaleza, Sociedad Limitada and Athena Jade Limited upon completion of certain milestones, pursuant to the Independence Fortaleza Management Agreement and the Athena Management Agreement, respectively.
- (5) Includes \$200,000 for legal fees related to the Transaction (including the Subscription Receipt Offering).
- (6) Includes \$22,000 for audit fees related to the Transaction.
- (7) Includes regulatory filing fees.
- (8) Includes travel, office costs and internet.

The Resulting Issuer intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its objectives or to pursue other opportunities that management believes are in the interests of the Resulting Issuer.

Use of Proceeds and Principal Purposes

The aggregate net proceeds of the Subscription Receipt Offering and the Non-Brokered Offering to Sendero was approximately \$4,717,700, representing the gross proceeds of the Subscription Receipt Offering less agents' or finders commission and expenses.

Subject to the release thereof, the aggregate net proceeds of the Subscription Receipt Offering and the Non-Brokered Offering are expected to be used (i) to carry out the stated work program, (ii) for general corporate purposes and working capital, (iii) to repay certain indebtedness, and (iv) to pay certain fees and expenses incurred in connection with the Listing. Sendero will retain approximately \$802,300 in unallocated working capital.

The following budget is sufficient to fund the proposed program which will consist initially of compilation of previous results, geological mapping, geophysics, high resolution topographic control and trenching.

The Phase I Work Program includes geological mapping, talus fines sampling and infrastructure improvements. The program is expected to be conducted between September 2023 and December 2023 with an estimated budget is \$518,200.

The Phase II Work Program is contingent on the results of the Phase I Work Program and includes exploration drilling (both RC and DDH). The program is expected to be conducted between January 2024 and April 2024 with an estimated budget of \$1,937,200.

The following table summarizes the expenditures anticipated by Sendero required to achieve its business objectives during Phase I Work Program and the Phase II Work Program:

Use of Funds	Amount (\$)
Phase I Work Program ⁽¹⁾	
Field Supervision, Geologists	51,200

Data Compilation, Modelling, Analysis	15,000
Roads, Access and Drill Site Preparation	100,000
Surveying	30,000
Permits	20,000
Camp and Housing	85,000
Vehicles	25,000
Geochemical Talus Fines Sampling and Analyses	192,000
Phase II Work Program	
Field Supervision, Geologists	51,200
Camp and Housing	136,000
Vehicles	40,000
Drilling (3,500 m RC, 1,500 m DD) ⁽²⁾	1,710,000
Total Estimated Uses of Funds	2,455,400

Notes:

- (1) The Phase I Work Program is expected to take place between August 2023 and December 2023.
- (2) The Phase II Work Program is expected to take place, contingent on the results of the Phase I Work Program, between January 2024 and April 2024.
- (3) Drill hole locations and program to be finalized after compilation of historical data, airborne geophysics and talus fine geochemical data.

The Resulting Issuer intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its objectives or to pursue other opportunities that management believes are in the interests of the Resulting Issuer. See “Part VI – Risk Factors – Risks Related to the Resulting Issuer’s Business – The Resulting Issuer May Not Use the Available Funds as Described in this Listing Application”.

Principal Securityholders

To the best of the knowledge of management and the directors of 131 and Sendero, upon completion of the Transaction, no person will beneficially own, directly or indirectly, or exercise control or direction over, Resulting Issuer Shares carrying more than 10% of the voting rights attached to all Resulting Issuer Shares as of the date of this Listing Application.

Directors, Officers and Promoters

The following table provides the names, province or state and country of residence, position, and principal

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occupations of each executive officer and director expected to be an executive officer and/or director of the Resulting Issuer, as well as the number and percentage of Resulting Issuer Shares that are expected to be beneficially owned, directly or indirectly, or which control or direction is expected to be exercised, by each such person. It is expected that the term of each director listed below will conclude at the end of the Resulting Issuer's next annual meeting of shareholders following closing of the Transaction, subject to reappointment by the shareholders of the Resulting Issuer at such meeting.

Name and Residence	Positions Held with Resulting Issuer	Principal Occupation or Employment During the Past Five Years	Start Date with Sendero	Number of Resulting Issuer Shares Beneficially Owned, or Controlled	Percentage of Resulting Issuer Shares Beneficially Owned, or Controlled
Hernan Vera ⁽¹⁾ <i>Argentina</i>	Chief Executive Officer and Director	President of SEARGEN (private company) President of ORION DEL SUR (private company)	December 6, 2021	14,500,000	23.11%
Michael Wood ⁽²⁾ <i>Hong Kong</i>	Chief Financial Officer, Executive Chairman and Director	CEO of Reyna Gold Corp. and CFO Reyna Silver Corp.	August 4, 2020	1,850,000	2.95%
Jimmy Lim <i>Hong Kong</i>	Director	Founder and Principal of Virtova Capital Management Limited	On the Effective Date	Nil	Nil
Marco Roque <i>Hong Kong</i>	Director	CEO of Cassiar Gold Corp.	August 4, 2020	650,000	1.04%
Zachary Goldenberg ⁽³⁾ <i>Ontario</i>	Director	Principal of Liberty Venture Partners	On the Effective Date	1,952,283	3.11%

Notes:

- (1) Includes 14,500,000 Sendero Shares held by Independence Fortaleza, Sociedad Limitada, a company controlled by Mr. Vera, but excluding 1,670,355 additional Sendero Shares (or Resulting Issuer Shares) issuable to Independence Fortaleza, Sociedad Limitada, pursuant to the Independence Fortaleza Management Agreement, upon the completion of several milestones, including the completion of the Listing.
- (2) Includes 1,850,000 Sendero Shares held by Athena Jade Limited, a company controlled by Mr. Wood, but excluding 1,000,000 additional Sendero Shares (or Resulting Issuer Shares) issuable to Athena Jade Limited pursuant to Athena Management Agreement, upon the completion of several milestones, including the completion of the Listing.
- (3) Calculated post-Split and post-Triforce Issuance. Held by 2578218 Ontario Ltd., a company controlled by Mr. Goldenberg.

The executive officers and directors of the Resulting Issuer are expected to own, directly or indirectly, or exercise control or direction over 18,999,997 Resulting Issuer Shares, representing approximately 30.21% of the Resulting Issuer Shares expected to be issued and outstanding following the Transaction.

Biographies of Management and Directors

Biographical information regarding each such director and executive officer is presented below.

Hernan Vera, CEO and Director – 63

Mr. Vera has held Executive and Director positions with several mining companies, including as VP of Barrick Gold Corporation and Yamana Gold Inc. and GM of AngloGold Ashanti Limited. He has over 34 years of experience in exploration, mine operations, construction and metallurgical plants in South America, North America and Africa. He was part of the leadership of the Cerro Vanguardia (AngloGold Ashanti Limited), Veladero (Barrick Gold Corporation) and Gualcamayo (Yamana Gold Inc.) mines from feasibility to production.

Michael Wood, CFO, Executive Chairman and Director – 43

Mr. Wood is the Co-Founder and CEO of Reyna Gold Corp., Co-Founder and CFO of Reyna Silver Corp. and Director and Chair of Audit Committee of Cassiar Gold Corp. He is also a director of and the interim CFO of Infinitum Copper Corp. He holds an MBA from Hong Kong University of Science and Technology and BSc Economics Cardiff University.

Marco Roque, Director – 39

Mr. Roque is the CEO of Cassiar Gold Corp. and Director of Infinitum Copper Corp. He is a former banker at Millennium BCP, and Barclays with a focus on commodities derivatives and structured products. Mr. Roque is a CFA charterholder and holds an MBA from Hong Kong University of Science and Technology and London Business School, and a Masters in Finance from Nova School of Business and Economics in Lisbon.

Jimmy Lim, Director – 49

Mr. Lim is the founder and principal of Virtova Capital Management Limited a natural resources investment firm based in Hong Kong. He is a Senior Advisor to Morgan Stanley Asia General Industrials Group, Director of 5E Advanced Materials, Inc. and of Stanmore Resources Limited. He has over 20 years of experience in energy metals and mining, he is a former Morgan Stanley, Goldman Sachs and JP Morgan Resources Banker.

Zachary Goldenberg, Director – 34

Zachary Goldenberg is the principal of Liberty Venture Partners, a Toronto-based advisory and investment firm focused on early-stage and growth companies in rapidly emerging industries. Zachary is a graduate of the combined JD / HBA program from Western Law and Ivey School of Business, is a member of the TSX Venture Exchanges Ontario Advisory Committee, and is a recipient of ICD.D designation from the Institute of Corporate Directors.

Other Directorships

The following table describes each director's and officer's personal experience as a director or officer of another reporting issuer (or the equivalent in another jurisdiction) in the last five-year period:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	Term
Hernan Vera	-	-	-	-
Michael Wood	Reyna Gold Corp.	TSXV	CEO	January 2022 - Present
	Reyna Silver Corp.	TSXV	CFO	June 2020 - Present
	Infinitum Copper Corp.	TSXV	CFO and Director	March 2022 - Present
	Cassiar Gold Corp.	TSXV	Director	September 2022 - Present
Jimmy Lim	Stanmore Resources Limited (SMR)	ASX	Director	October 2019 - Present
	5E Advanced Materials (FEAM)	NASDAQ	Director	January 2022 - Present
Marco Roque	Infinitum Copper Corp.	TSXV	Director	March 2022 - Present
	Cassiar Gold Corp.	TSXV	President, CEO and Director	July 2020 - Present

Zachary Goldenberg	PowerStone Metals Corp.	CSE	Director	June 9, 2022 – Present
	Aardvark Capital Corp.	TSXV	Director and Officer	January 2021 – April 2022
	Aardvark 2 Capital Corp.	TSXV	Director and Officer	December 2021 - Present
	AIM2 Ventures Inc.	TSXV	Director	October 2017 – October 2018
	AIM3 Ventures Inc.	TSXV	Officer	June 2018 – May 2020
	AIM4 Ventures Inc.	TSXV	Director and Officer	November 2018 – December 2020
	AIM5 Ventures Inc.	TSXV	Director and Officer	August 2020 – Present
	AIM6 Ventures Inc.	TSXV	Director and Officer	January 2021 – Present
	Alpha Peak Capital Inc.	Unlisted	Director and Officer	December 2020 – Present
	Star Navigation Systems Group Inc.	CSE	Director	December 2019 – April 2020
	Tiidal Gaming Group Corp.	CSE	Director	November 2021 – Present
	Tova Ventures II Inc.	TSXV	Director and Officer	June 2017 – September 2018

Composition of the Audit Committee

The following will be the members of the Audit Committee: Zachary Goldenberg, Marco Roque, and Jimmy Lim. All such members are financially literate, and each of: Zachary Goldenberg, Marco Roque, and Jimmy Lim are independent.

For additional details regarding the relevant experience of each member of the Resulting Issuer’s Audit Committee, see the relevant biographical experiences for each of the Resulting Issuer’s directors and officers under the heading “*Part VI – Directors, Officers and Promoters – Name, Occupation and Security Holding of Directors and Officers*”.

Audit Committee Oversight

The primary function of the Audit Committee will be to assist the Resulting Issuer Board in fulfilling its financial oversight responsibilities by reviewing the Resulting Issuer's (i) financial reports and other financial information provided by the Resulting Issuer to regulatory authorities and shareholders, and (ii) auditing, accounting and financial reporting processes.

The Resulting Issuer Board will adopt a written charter for the Audit Committee which sets out the Audit Committee's responsibility in reviewing the financial statements of the Resulting Issuer and public disclosure documents containing financial information and reporting on such review to the Resulting Issuer Board, ensuring that adequate procedures are in place for the review of the Resulting Issuer's public disclosure documents that contain financial information, overseeing the work and reviewing the independence of the external auditors, setting policies and procedures for the engagement of non-audit services and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management.

Reliance on Certain Exemptions

As the Resulting Issuer will be listed on the Exchange, it will be a "venture issuer" and may avail itself of exemptions from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110, which require the independence of each member of an audit committee, subject to limited exceptions and the disclosure of audit committee information in an annual information form, respectively. It is expected that the Resulting Issuer will rely on the exemption in Part 3 because not all the members of its Audit Committee will be independent, and it is expected that it also will rely on exemption in Part 5 because, as a venture issuer, it is not required to file an annual information form.

External Auditor Services Fees

Sendero's auditor De Visser Gray LLP. The following table provides the aggregate fees billed by Sendero's external auditor since incorporation.

Nature of Services	Fees Billed by Auditor during the period from August 4, 2020 (incorporation) to January 31, 2023
Audit Fees ⁽¹⁾	19,000
Audit-Related Fees ⁽²⁾	3,000
Tax Fees ⁽³⁾	-
All Other Fees ⁽⁴⁾	-
Total	22,000

Notes:

- (1) Includes fees necessary to perform the annual audit and quarterly reviews of Sendero's consolidated financial statements. Also includes aggregate fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (2) Includes fees for services that are traditionally performed by the auditor. These audit-related services include aggregate fees for employee benefit audits, due diligence assistance, accounting consultations on the Transaction, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) Includes fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes aggregate fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) Includes all other non-audit services, in the aggregate.

Corporate Governance

Canadian securities regulatory policy as reflected in National Instrument 58-101 - *Disclosure of Corporate Governance Practices* requires that venture issuers like the Resulting Issuer must disclose on an annual basis their approach to corporate governance. National Policy 58-201 - *Corporate Governance Guidelines* provides regulatory staff guidance on preferred governance practices, although the guidelines are not prescriptive, other than for audit committees. The Resulting Issuer’s approach to corporate governance in the context of NI 58-101 and NP 58-201 as well as its compliance with the mandatory rules relating to audit committees is set out below.

Board of Directors

The policies of the Exchange require that the board of directors of a venture issuer determine and disclose the status of each director as independent or not, based on each director’s interest in or other relationship with the issuer. Under the policies of the Exchange, the applicable definition of independence is that contained in National Instrument 52-110 – *Audit Committees*, under which a director is “independent” where he or she “has no direct or indirect material relationship” with the issuer. A “material relationship” is a relationship which could, in the view of the issuer’s board of directors, be reasonably expected to interfere with the exercise of a member’s independent judgement. National Instrument 52-110 – *Audit Committees* also deems certain individuals as having a material relationship with the issuer, and who are therefore not independent.

The Resulting Issuer intends to have 5 directors. A majority of the directors will be independent.

Orientation and Continuing Education

It is anticipated that the Resulting Issuer Board will have formal orientation and training programs, each new director will receive an orientation, minutes of meetings, written mandates, guidelines and other relevant corporate documents needed to understand the Resulting Issuer’s business and processes. The commitment needed from directors, particularly the commitment of time and energy, will be emphasized to directors prior to their appointment nomination.

Directors will be encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management’s assistance; and to keep themselves up to date with best director and corporate governance practices. The Resulting Issuer intends to provide continuing education for its directors as the need arises. Directors will have full access to the Resulting Issuer’s records.

Ethical Business Conduct

The Resulting Issuer Board intends to adopt a related party transaction policy, a code of business conduct and ethics and a whistleblower policy for its directors, officers, employees, and contractors. The Resulting Issuer Board will be responsible for monitoring compliance with the foregoing.

The Resulting Issuer Board will take appropriate measures to exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer may have a material interest. Where appropriate, directors will abstain from portions of board or committee meetings to allow independent discussion of points in issue.

Nomination of Directors

The Resulting Issuer Board does not intend to establish a nominating committee. The Resulting Issuer Board as a whole will be responsible for filling vacancies on the Resulting Issuer Board and recommending potential nominees for directors, and will use an informal consultative process. The Resulting Issuer Board will analyze the needs of the board when vacancies arise and identify and propose new nominees who have the necessary competencies and characteristics to meet those needs. In order to foster an objective nomination process, the independent members of the Resulting Issuer Board will be encouraged to recommend nominees for the Resulting Issuer Board.

Compensation

The Resulting Issuer does not intend to establish a compensation committee. The Resulting Issuer Board will review directors' compensation once a year, taking into consideration the compensation paid to directors of comparable publicly traded Canadian companies. The Resulting Issuer Board will decide the compensation of the Resulting Issuer's officers based on industry standards and the Resulting Issuer's financial situation.

Other Board Committees

The Resulting Issuer Board does not intend to have committees other than the Audit Committee. The Resulting Issuer Board will review its corporate governance practices and consider, among other matters, whether it would be desirable to establish additional committees of the Resulting Issuer Board.

Assessments

The Resulting Issuer Board will monitor the adequacy of information given to directors, communication between the Resulting Issuer Board and management and the strategic direction and processes of the Resulting Issuer Board and the Audit Committee.

Promoter Consideration

There is no person or company that has been, within the two most recently completed financial years or during the current financial year, a promoter of Sendero or any Subsidiary of Sendero, as such term is defined in the *Securities Act* (Ontario).

Bankruptcies, Penalties and Sanctions

No person expected to be a director or executive officer of the Resulting Issuer, or to the best of Sendero's

knowledge, a shareholder holding a sufficient number of shares to materially affect control of the Resulting Issuer:

- (a) is, as of the date of this Listing Application, or has been within 10 years preceding the date of this Listing Application, a director or executive officer of any company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Listing Application, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No person expected to be a director or executive officer of the Resulting Issuer, or to the best of Sendero's knowledge, a shareholder holding a sufficient number of shares to materially affect control of the Resulting Issuer, has been subject to:

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

Cease Trade Orders

Other than as set out below, no person expected to be a director or executive officer of the Resulting Issuer, is, as of the date of this Listing Application, or has been, within the 10 years preceding the date of this Listing Application, a director, chief executive officer or chief financial officer of any company, that:

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

Mr. Goldenberg was elected as a director of Star Navigation Systems Group Ltd. ("SNSG") at a shareholders' meeting held on December 11, 2019. At such time, SNSG was already the subject of a cease trade order (the {02012501.14})

“CTO”) issued on November 1, 2019 by the Ontario Securities Commission as a result of SNSG’s failure to meet its timely disclosure filing obligations. The CTO was partially revoked on March 6, 2020. Mr. Goldenberg resigned from the board of directors of SNSG effective April 30, 2020.

Personal Bankruptcies

None of the proposed directors, officers, Insiders or the Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within the 10 years before the date of this Listing Application, has been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interests

To the knowledge of Sendero, there are no known material existing or potential conflicts of interest among Sendero’s directors, officers or other members of management, or any person expected to be a director or executive officer of the Resulting Issuer, as a result of their outside business interests as of the date of this Listing Application.

Certain of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon completion of the Transaction are also directors and/or officers of other reporting and non-reporting issuers or are or will be, and may continue to be, involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the technologies, products and services Sendero intends to provide. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of the BCA to act at all times in good faith in the interests of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise.

Executive Compensation

Compensation Discussion and Analysis

At no time prior to the date of this Listing Application was Sendero a reporting issuer for the purposes of Canadian securities laws. Significant elements of the compensation to be awarded to, earned by, paid to or payable to NEOs of the Resulting Issuer following the Closing, to the extent it has been determined, is set forth in “Part V - Information Concerning the Resulting Issuer”.

Summary Compensation Table

The following table sets forth the anticipated compensation for each of the Resulting Issuer’s three most highly compensated executive officers, in addition to the proposed Chief Executive Officer and Chief Financial Officer for the 12 month period after giving effect to the Transaction.

Name and Principal Position	Salary / Consulting Fees (\$)	Share - Based Awards (\$) ⁽¹⁾	Option Based Awards ⁽²⁾	Annual Incentive Plans	Long-Term Incentive Plans	Pension Value	All Other Compensation	Total Compensation (\$)

Hernan Vera <i>Chief Executive Officer</i>	180,000	262,341 ⁽³⁾	_(4)	-	-	-	75,000 ⁽⁵⁾	517,341
Michael Wood <i>Executive Chairman and Chief Financial Officer</i>	180,000	200,000 ⁽⁶⁾	_(7)	-	-	-	75,000 ⁽⁸⁾	455,000

Notes:

- (1) Means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) Means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features.
- (3) 1,670,355 Resulting Issuer Shares issuable pursuant to the Independence Fortaleza Management Agreement, including the completion of the Listing, at a price of \$0.20 per share.
- (4) 1,000,000 options will be issued pursuant to the 131 Incentive Plan to Mr. Vera upon the completion of the Transaction.
- (5) Bonus payable pursuant to the Independence Fortaleza Management Agreement, upon the completion of several milestones, including the completion of the Listing.
- (6) 1,000,000 Resulting Issuer Shares issuable pursuant to the Athena Management Agreement upon the completion of several milestones, including the completion of the Listing, at a price of \$0.20 per share.
- (7) 1,000,000 options will be issued pursuant to the 131 Incentive Plan to Mr. Wood upon the completion of the Transaction.
- (8) Bonus payable pursuant to Athena Management Agreement upon the completion of several milestones, including the completion of the Listing.

Pension and Retirement Plans

Sendero has no pension or retirement plans or other forms of retirement compensation. Furthermore, it is not anticipated that the Resulting Issuer will have any pension or retirement plan or deferred compensation plan in the 12 months following completion of the Transaction.

Indebtedness of Directors and Officers

No director, executive officer or senior officer of Sendero, or expected director, executive officer or senior officer of the Resulting Issuer, or any associates of such persons, is indebted to Sendero or is expected to be indebted to the Resulting Issuer immediately following the completion of the Transaction and no indebtedness of such persons in the Listing Application subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by Sendero or the Resulting Issuer.

Investor Relations Arrangements

Except as disclosed below, no written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer.

Sendero entered into a marketing services agreement dated June 1, 2023 with Peak Investor Marketing Corp.

pursuant to which Peak Investor Marketing Corp. will provide marketing, public relations and advisory services to Sendero for an initial term of ten months. During the initial term, Sendero will pay Peak Investor Marketing Corp. an aggregate amount of \$120,000, paid in four equal installments over the 90 days following the satisfaction of the Escrow Release Conditions, and Sendero will grant 400,000 131 Options to Peak Investor Marketing Corp. exercisable at \$0.20 per option. No more than 25% of the total number of granted options will vest each quarter following the grant and the options will expire ninety days after the termination of the marketing services agreement. Unless terminated by either party, after the completion of the initial term the agreement will continue on a month to month basis, during which, Sendero will pay Peak Investor Marketing Corp. a monthly fee of \$12,000.

Incentive Securities

The Equity Incentive Plan

Upon completion of the Transaction, the Resulting Issuer will retain the 131 Incentive Plan adopted by 131 and the 131 Incentive Plan as disclosed under the heading “*Part III – Information Concerning 131 – Description of the Securities – Equity Incentive Plan*”. The shareholders of the Resulting Issuer may approve a resolution at a meeting of the shareholders of the Resulting Issuer adopting a new equity incentive plan or amending the existing 131 Incentive Plan.

Options to Purchase Securities

Upon completion of the Transaction, it is anticipated that 5,300,000 Resulting Issuer Options, issued to directors, officers and consultants of the Resulting Issuer, will be outstanding. Any future grants of Resulting Issuer Options will be in accordance with the terms of the Resulting Issuer Incentive Plan, applicable requirements of the Exchange and customary practices.

Escrowed Securities

Pursuant to Policy 5.4, it is anticipated that securities of the following Principals, in the amounts set forth opposite their names, will be subject to escrow in connection with the Transaction.

Principal	Resulting Issuer Shares
Hernan Vera	14,500,000 ⁽¹⁾
Michael Wood	1,850,000 ⁽²⁾
Jimmy Lim	-
Marco Roque	650,000
Zachary Goldenberg	1,952,283 ⁽³⁾

Notes:

- (1) Includes 14,500,000 Sendero Shares held by Independence Fortaleza, Sociedad Limitada, a company controlled by Mr. Vera, but excluding 1,670,355 additional Resulting Issuer Shares issuable to Independence Fortaleza, Sociedad Limitada pursuant to the Independence Fortaleza Management Agreement, upon the completion of several milestones, including

the completion of the Listing. Any such additional Resulting Issuer Shares issued to Independence Fortaleza, Sociedad Limitada will be subject to escrow.

- (2) Includes 1,850,000 Sendero Shares held by Athena Jade Limited, a company controlled by Mr. Wood, but excluding 1,000,000 additional Resulting Issuer Shares issuable to Athena Jade Limited pursuant to Athena Management Agreement, upon the completion of several milestones, including the completion of the Listing. Any such additional Resulting Issuer issued to Athena Jade Limited will be subject to escrow.
- (3) Calculated post-Split and post-Triforce Issuance. Held by 2578218 Ontario Ltd., a company controlled by Mr. Goldenberg.

The timeline for release of the securities held by the foregoing Principals and non-Principals will be subject to release in accordance with the following Tier 2 Value Security escrow release timeline:

% of Securities Released from Escrow Tier 2 Issuer	Release Date
10%	Date of Final Exchange Bulletin
15%	6 months from Final Exchange Bulletin
15%	12 months from Final Exchange Bulletin
15%	18 months from Final Exchange Bulletin
15%	24 months from Final Exchange Bulletin
15%	30 months from Final Exchange Bulletin
15%	36 months from Final Exchange Bulletin

Seed Share Resale Restrictions

To the knowledge of the Resulting Issuer, based on the Exchange's analysis, certain "seed share resale restrictions" will be applicable to Resulting Issuer Shares held by non-"principals" of the Resulting Issuer (the "**Seed Shares**"). An aggregate of 14,631,050 Resulting Issuer Shares issued pursuant to the Transaction to (a) former Sendero Shareholders in exchange for Sendero Shares and (b) former 131 Shareholders in exchange for 131 Shares, are expected to be subject to the Exchange's seed share resale matrix under Exchange Policy 5.4.

The following table sets out, on a non-diluted basis, as of the date of this Listing Application and to the knowledge of the Resulting Issuer, the details of the seed resale restrictions of each Resulting Issuer shareholder who will be subject to the Exchange's seed share resale matrix.

Designation of Class	Aggregate number of Resulting Issuer Shares subject to resale restrictions⁽¹⁾	Percentage of Class	Expiry Date
Escrow – In accordance with a Value Security Agreement	7,897,717 ⁽²⁾	12.07%	See Note 2
No hold under the Exchange's seed share resale matrix	6,733,333 ⁽³⁾	10.29%	See Note 3

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Notes:

- (1) After giving effect to the Transaction, including Split, the TriForce Issuance and the exchange of Sendero Shares for Resulting Issuer Shares.
- (2) The (a) 3,850,000 Resulting Issuer Shares issued to former Sendero Shareholders that are non-principals and (b) 4,047,717 Resulting Issuer Shares issued to former 131 Shareholders that are non-principals (including Resulting Issuer Shares issued in the TriForce Issuance), are subject to a 36-month restriction as follows: 10% released upon completion of the Transaction, 15% released 6 months from completion of the Transaction, 15% released 12 months from completion of the Transaction, 15% released 18 months from completion of the Transaction, 15% released 24 months from completion of the Transaction, 15% released 30 months from completion of the Transaction, and 15% released 36 months from completion of the Transaction.
- (3) The 6,733,333 Resulting Issuer Shares issued to former Sendero Shareholders are not subject to an Exchange required hold period, but are subject to a 12-month restriction, pursuant to a voluntary pooling arrangement, as follows: 20% released upon completion of the Transaction, 20% released three month from completion of the Transaction, 20% released six months from completion of the Transaction, 20% released nine months from completion of the Transaction, and 20% released 12 months from completion of the Transaction.

Pooling Arrangement

A total of 6,858,333 Resulting Issuer Shares (the “**Pooled Shares**”) issued in exchange for Sendero Shares that were issued at a subscription price of \$0.05 or \$0.15 or that were issued to Echelon Wealth Partners Inc. in satisfaction of the corporate finance fee payable in connection with the Subscription Receipt Offering, will be subject to a voluntary pooling arrangement restricting resale, pursuant to which the Pooled Shares will be escrowed until released in accordance with the following release schedule:

% of Securities to be Released	Release Date
20%	On date of Listing
20%	3 months after Listing
20%	6 months after Listing
20%	9 months after Listing
20%	12 months after Listing

All certificates representing the Pooled Shares may contain legends noting the existence of such voluntary pooling arrangement.

Legal Proceedings

In the ordinary course of business, Sendero and the Resulting Issuer may become involved in various legal, administrative, regulatory and other proceedings, actions, claims and inquiries relating to its business.

Auditors, Transfer Agent and Registrar

The Resulting Issuer’s auditors is expected to be De Visser Gray LLP, 905 W Pender St, Vancouver, BC V6C 1L6.

The shareholders of the Resulting Issuer approved the appointment of De Visser Gray LLP as the auditor of

the Resulting Issuer on September 22, 2023, conditional upon the completion of the Transaction.

The transfer agent and registrar of the Resulting Issuer Shares shall be Odyssey Trust Company, at its office located at 1230 – 300 5th Ave. SW, Calgary, AB T2P 3C4.

PART VI – RISK FACTORS

An investment in the securities of Sendero or the Resulting Issuer is highly speculative, involves a high degree of risk and should be undertaken only by Persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prior to investing in such securities, you should carefully consider the risks described below, together with other information included in or incorporated by reference into this Listing Application and filed on SEDAR at www.sedar.com. If any of the following risks materialize, the business, financial condition, results of operation and future prospects of Sendero and the Resulting Issuer will likely be materially and adversely affected. This could cause actual future events to differ materially from those described in forward-looking statements and may cause the trading price of the Resulting Issuer's securities to decline.

The risks presented below should not be considered exhaustive and may not be all the risks the Resulting Issuer may face. Management of Sendero believes that factors set out below could cause actual results to be different from expected and historical results. Other sections of this Listing Application include additional factors that could have an effect on the business and financial performance of the Resulting Issuer's business following the completion of the Transaction. New risks may emerge from time to time and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. You should not rely upon forward-looking statements as a prediction of future results.

References below to "Sendero" will, as the context permits or requires, be read to include the "Resulting Issuer" upon the completion of the Transaction. Furthermore, references below to the "Resulting Issuer" refer to the Resulting Issuer and all of its subsidiaries, as applicable.

Risks Related to the Transaction

Completion of the Transaction and Exchange Approval

The completion of the Transaction is subject to several conditions precedent. There can be no assurance that the Transaction will be completed on the terms set out in the Amalgamation Agreement, as negotiated, or at all. In the event that any of the conditions precedent are not satisfied or waived, the Transaction may not be completed. In addition, there is no guarantee that the Resulting Issuer will be able to satisfy the requirements of the Exchange such that it will issue the Final Exchange Bulletin. See "*Part II – Information Concerning the Transaction – The Amalgamation Agreement and the Transaction – Conditions of the Transaction*". There is no certainty that these conditions will be satisfied on a timely basis or at all.

If the Transaction is not completed, Sendero and 131 will each remain liable for significant consulting, accounting, legal and other costs relating to the Transaction and will not realize anticipated benefits of the Transaction.

Termination of the Amalgamation Agreement in Certain Circumstances

Each of Sendero and 131 has the right to terminate the Amalgamation Agreement in certain circumstances. Accordingly, there is no certainty, nor can the parties provide any assurances that the Amalgamation Agreement will not be terminated by any of Sendero and 131 before the completion of the Transaction. Certain costs related to the Transaction, such as legal and accounting fees, must be paid by Sendero and 131 regardless of if the Transaction is completed. See "*Part II – Information Concerning the Transaction – The*

Amalgamation Agreement and the Transaction – Termination Rights”.

The Transaction Will Have a Dilutive Effect on the Ownership Interest of 131 Shareholders

The issuance of Resulting Issuer Shares pursuant to the Transaction if it is completed will have a very significant dilutive effect on the ownership interest of the current 131 Shareholders.

The Transaction May Divert the Attention of Management of Sendero

The Transaction could cause the attention of management of Sendero to be diverted from their day-to-day operations. These disruptions could be exacerbated by a delay in completion of the Transaction and could have an adverse effect on the business, operating results or prospects of Sendero regardless of whether the Transaction is ultimately completed, or of the Resulting Issuer if the Transaction is completed.

Tax Consequences

The transactions described herein may have tax consequences in Canada, or elsewhere, depending on each particular existing or prospective shareholder’s specific circumstances. Such tax consequences are not described herein and this Listing Application is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Existing and prospective shareholders should consult their own tax advisors with respect to any such tax considerations.

Sendero May Not Realize Anticipated Benefits of the Transaction

The Transaction is proposed to strengthen the position of Sendero in the mining and exploration industry and to create the opportunity to realize certain benefits. Achieving the benefits of the Transaction depends in part on the ability of Sendero to effectively capitalize on its scale, to realize the anticipated capital and operating synergies, to profitably sequence the growth prospects of its asset base and to maximize the potential of its improved growth opportunities and capital funding opportunities. A variety of factors, including those risk factors set forth in this Listing Application may adversely affect the ability of Sendero to achieve the anticipated benefits of the Transaction.

Pro-forma Financial Statements

The pro-forma financial statements attached to this Listing Application and information derived therefrom contained in this Listing Application are presented for illustrative purposes only and may not be an indication of Sendero’s financial condition following the Transaction for several reasons. For example, such pro-forma financial statements have been derived from the historical financial statements of Sendero and certain assumptions have been made. The information upon which these assumptions have been made is historical, preliminary and subject to change. Moreover, the pro-forma financial statements do not reflect all costs that are expected to be incurred by Sendero in connection with the Transaction. In addition, the assumptions used in preparing the pro- forma financial statements may not prove to be accurate.

Risk Factors Relating to the Resulting Issuer Shares

Market Price and Listing of Resulting Issuer Shares

The Resulting Issuer is seeking to have the Resulting Issuer Shares listed and posted for trading on the

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Exchange. The listing of the Resulting Issuer Shares will be subject to the satisfaction of all of the Exchange's initial listing requirements. If the Resulting Issuer receives final approval for listing the Resulting Issuer Shares on the Exchange, there is no assurance that it will maintain such listing on the Exchange or a listing on any other exchange or quotation service. There can be no assurance that an active trading market will develop or be sustained for the Resulting Issuer Shares. Shareholders may not be able to resell the Resulting Issuer Shares, which may affect the pricing of the Resulting Issuer Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Resulting Issuer Shares. If an active or liquid market for the Resulting Issuer Shares fails to develop or be sustained, the price at which the Resulting Issuer Shares trade may be adversely affected. An investment in Sendero's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders of the Resulting Issuer may lose their entire investment.

If the Resulting Issuer Shares are publicly traded, the market price of the Resulting Issuer Shares may be affected by many variables not directly related to the corporate performance of Sendero, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Resulting Issuer Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Resulting Issuer Shares.

The Market Price of Resulting Issuer Shares May Be Volatile

The market price of Resulting Issuer Shares could be subject to significant fluctuations following completion of the Transaction. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions and the risk factors described in this Listing Application could subject the market price of Resulting Issuer Shares to wide price fluctuations regardless of the Resulting Issuer's operating performance.

The Resulting Issuer May Issue Additional Equity Securities

Following completion of the Transaction, the Resulting Issuer may issue equity securities and or securities convertible into equity securities to finance its activities, including in order to finance acquisitions. If the Resulting Issuer were to issue additional equity securities the ownership interest of existing shareholders may be diluted and some or all of the Resulting Issuer's financial measures on a per share basis could be reduced.

Value Assigned to Sendero May Be Incorrect

The valuation placed on Sendero for the purposes of the Transaction has been determined by negotiation among Sendero and 131. There can be no assurance that the number of Resulting Issuer Shares will not, in the fullness of time, prove to be excessive. If the market determines that the number of Resulting Issuer Shares is excessive, the market price of the Resulting Issuer Shares will be adversely affected.

No Assurance of Payment of Dividends

The declaration, timing, amount and payment of dividends are at the discretion of the board of directors of the Resulting Issuer and will depend upon the Resulting Issuer's future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that the Resulting Issuer will declare a dividend on a quarterly, annual or other basis.

Risks Related to Resulting Issuer's Business

Limited Operating History

Sendero was incorporated on August 4, 2020 and has a limited operating history. Sendero does not have any history of earnings or profitability. The likelihood of success of the Resulting Issuer must be considered in light of the problems, expenses, difficulties, complication and delays frequently encountered in connection with the establishment of any business particularly in the junior mineral exploration sector. The Resulting Issuer will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Resulting Issuer will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Negative Cash Flow

Sendero has a limited history of operations, and no history of earnings, cash flow or profitability; it has had negative operating cash flow since its date of incorporation, and will continue to have negative operating cash flow for the foreseeable future. The Peñas Negras Property is at the initial exploration stage only. The Resulting Issuer will have no source of operating cash flow and no assurance that additional funding will be available for further exploration and development of the property when required. No assurance can be given that the Resulting Issuer will ever attain positive cash flow or profitability.

Dependence on the Peñas Negras Property

Presently, the Peñas Negras Property will account for all of the Resulting Issuer's future revenue. Any adverse development affecting the progress of the Peñas Negras Property such as, but not limited to, obtaining development financing on commercially suitable terms, hiring suitable personnel and mining contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Resulting Issuer's financial performance and results of operations. Ongoing activity at the Peñas Negras Property will be undertaken without established Mineral Resources or Mineral Reserves and the economic viability of the operations on either project have not been established.

Mineral Deposits May Not Be Economical

The determination of whether any mineral deposits at the Peñas Negras Property are economical is affected by numerous factors beyond the control of Sendero. These factors include: (a) the metallurgy of the mineralization forming the mineral deposit; (b) market fluctuations for metal prices; (c) the proximity and capacity of natural resource markets and processing equipment; and (d) government regulations, governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

Changes in Market Price of Metals

The potential of the Peñas Negras Property to be economically mined is significantly affected by changes in the market price of metals. The market price of metals is volatile and is impacted by numerous factors beyond the control of the Resulting Issuer, including: (a) expectations with respect to the rate of inflation; (b) the relative strength of the U.S. dollar and certain other currencies; (c) interest rates; (d) global or regional political or economic conditions; (e) supply and demand for jewelry and industrial products containing metals; and (f)

sales by central banks, other holders, speculators, and producers of copper, gold and other metals in response to any of the above factors. A decrease in the market price of metals could make it difficult or impossible to finance the exploration or development of the Peñas Negras Property or cause Sendero to determine that it is impractical to continue development of the Peñas Negras Property, which would have a material adverse effect on the financial condition and results of operations of Sendero. There can be no assurance that the market price of metals will not decrease.

Volatility of Gold Price

The price of gold is primarily influenced by interest rate cuts, volatility in the credit and financial markets, strong investment demand and inflation expectations. As with many other commodities, the price of gold has fluctuated widely in recent years. While the price of gold is currently in the order of US\$1,950 per ounce, there can be no assurance that gold prices will remain at such levels or be such that the Resulting Issuer's properties can be exploited at a profit. If the price of gold declines, it could have a material adverse effect on the Resulting Issuer's share price, business and operations.

Volatility of Copper Price

The price of copper is dependent on the global supply and demand factors that are beyond the control of the Resulting Issuer. The price of copper is currently in the order of US\$3.95 per pound; however, there can be no assurances that the price will remain at this level or be at such a price that the Resulting Issuer's properties can be exploited at a profit.

Mining Operations May Not Be Established or Profitable

The future development of the Peñas Negras Property will require additional financing, permits, design, construction, processing plant, and related infrastructure. As a result, Sendero will be subject to all of the risks associated with establishing mining operations and business enterprises, including: (a) the timing and cost, which will be considerable, of obtaining all necessary permits including environmental, construction, and operating permits; (b) the timing and cost, which will be considerable, of the construction of mining and processing facilities; (c) the availability and costs of skilled labour, power, water, transportation, and mining equipment; (d) the availability and cost of appropriate smelting and/or refining arrangements; (e) the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; and (f) the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during permitting, construction, and development. In addition, delays in the commencement of mineral production often occur, and once commenced, the production of a mine may not meet expectations or the estimates set forth in feasibility or other studies. Accordingly, there are no assurances that Sendero will successfully establish mining operations or become profitable.

The Resulting Issuer May Not Use the Available Funds as Described in this Listing Application

The Resulting Issuer currently intends to use its available funds as set out in this Listing Application. However, the Resulting Issuer Board and/or management will have discretion in the actual application of the available funds and may elect to allocate them differently from that described in the Listing Application if they believe it would be in the Resulting Issuer's best interests to do so. Shareholders may not agree with the manner in which the Resulting Issuer Board and/or management chooses to allocate and spend the net proceeds. The

failure by the Resulting Issuer Board and/or management to apply these funds effectively could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Ability to Exploit Future Discoveries

It may not always be possible for the Resulting Issuer to participate in the exploitation of successful discoveries. Such exploitation may involve the need to obtain licenses or clearance from the relevant authorities, which may not be available on a timely basis or may require conditions to be satisfied and/or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied, and such conditions may prove uneconomic or not practical. Furthermore, the decision to proceed to further exploitation may require the participation of other companies whose interest and objectives may not be consistent with those of the Resulting Issuer. Such further exploitation may also require the Resulting Issuer to meet or commit to financial obligations which it may not have anticipated or may not be able to commit to due to a lack of funds or an inability to raise funds.

Financing Risks

Sendero expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to Sendero on acceptable terms or at all.

From time to time, the Resulting Issuer may rely on debt financing for a portion of its business activities, including capital and operating expenditures. There are no assurances that the Resulting Issuer will be able to comply at all times with any covenants under its debt arrangements, if applicable; nor are there assurances that the Resulting Issuer will be able to secure new financing that may be necessary to finance its operations and capital growth program. Any failure of the Resulting Issuer to secure financing or refinancing, to obtain new financing or to comply with applicable covenants under its borrowings could have a material adverse effect on the Resulting Issuer's financial results. Further, any inability of the Resulting Issuer to obtain new financing may limit its ability to support future growth.

Additional equity or debt financings may significantly dilute positions held by shareholders of Sendero, increase Sendero's leverage or require Sendero to grant security over its assets. If Sendero is unable to obtain such financing, it may not be able to develop the Peñas Negras Property or execute on its business strategy. If Sendero is unable to obtain financing for business activities, it may determine to allocate income, if any, from other investments to finance business activities.

Mining is Inherently Dangerous

The business of mining is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, cave-ins, pit wall failures, flooding, fires, rock bursts, explosions, power outages, periodic interruptions due to inclement or hazardous weather conditions, and other acts of God or unfavourable operating conditions. Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, increased production costs, monetary losses, and possible legal liability.

Where considered practical to do so, Sendero will maintain insurance against risks in the operation of its business in amounts which it believes to be reasonable. Such insurance, however, contains exclusions and

limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums, or will be adequate to cover any resulting liability. In some cases, coverage is not available or is considered too expensive relative to the perceived risk. Sendero may suffer a material adverse effect on its business if it incurs losses related to any significant events that are not covered sufficiently or at all by its insurance policies.

Operations and Exploration Subject to Governmental Regulations

Sendero's operations and exploration and development activities are subject to extensive laws and regulations governing various matters, including: (a) environmental protection; (b) management and use of toxic substances and explosives; (c) management of natural resources; (d) management of tailings and other wastes; (e) mine construction; (f) exploration, development of mines, production and post-closure reclamation; (g) exports; (h) price controls; (i) taxation and mining royalties; (j) regulations concerning business dealings with indigenous groups; (k) labour standards and occupational health and safety, including mine safety; and (l) historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities, enjoining or curtailing operations, or requiring corrective measures, installation of additional equipment, or remedial actions, any of which could result in Sendero incurring significant expenditures. Sendero may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations, or permitting requirements. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of Sendero's operations, if any, and delays in the development of the Peñas Negras Property.

Operation and Exploration Activities are Subject to Environmental and Endangered Species Laws and Regulations

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of government laws and regulations, including laws and regulations relating to the protection of endangered and threatened species. Compliance with such laws and regulations can require significant expenditures and a breach may result in the imposition of fines and penalties, which may be material. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, increases in land use restrictions, larger fines and liability and potentially increased capital expenditures and operating costs. Any breach of environmental legislation by owners or operators of the property underlying the Resulting Issuer's asset portfolio could have a material impact on the viability of the relevant property and impair the revenue derived from the owned property or applicable interest, which could have a material adverse effect on the Resulting Issuer's operations, financial condition and the trading price of its securities.

Mineral Properties May Be Subject to Rights of Indigenous Peoples

Various international, national, state and provincial laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of indigenous peoples. The Resulting Issuer will hold, exploration interests in respect of operations located in some areas presently or previously inhabited or used by indigenous peoples. Many of these impose obligations on government to respect the rights of indigenous peoples. Some mandate consultation with indigenous peoples regarding actions which may affect indigenous peoples, including actions to approve or grant mining rights or permits. The obligations of

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government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous peoples continue to evolve and be defined. The Peñas Negras Property in respect of which the Resulting Issuer will hold a joint venture interest are subject to the risk that one or more groups of indigenous peoples may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by indigenous peoples to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous peoples. Claims and protests of indigenous peoples may disrupt or delay activities of the operators of assets in respect of which the Resulting Issuer holds an exploration interest which may result in a material adverse effect on the Resulting Issuer profitability, results of operations and financial condition and the trading price of its securities.

Permits and Licences

Operations of the Resulting Issuer will require licences and permits from various governmental authorities. The Resulting Issuer anticipates that it will be able to obtain in the future all necessary licences and permits to carry on the activities which it intends to conduct, and that it intends to comply in all material respects with the terms of such licences and permits. However, there can be no guarantee that the Resulting Issuer will be able to obtain at all or on reasonable terms, and maintain, at all times, all necessary licences and permits required to undertake its proposed exploration and development or to place its property into commercial production and to operate mining facilities thereon.

Additional Costs May Be Incurred by Mineral Property Operators as a Result of International Climate Change Initiatives

The Resulting Issuer acknowledges climate change as an international and community concern. The Resulting Issuer supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. In addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Resulting Issuer expects this may result in increased costs at the Peñas Negras Property, which could have a material impact on the viability of the property and impair the revenue derived from the interest, which could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of the Resulting Issuer's securities.

Community Relations

Sendero's relationships with the communities in which it operates and other stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of exploration activities on the environment and on communities impacted by such activities. Publicity adverse to Sendero, its operations or extractive industries generally, could have an adverse effect on Sendero and may impact relationships with the communities in which Sendero operates. While Sendero is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to Sendero's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social

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media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easy for individuals and groups to communicate and share opinions and views in regards to Sendero and its activities, whether true or not. While Sendero strives to uphold and maintain a positive image and reputation, Sendero does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of Sendero.

Competition

The mining industry is intensely competitive. Sendero will compete with other mining companies, many of which have greater financial resources for the acquisition of mineral claims, permits, and concessions, as well as for the recruitment and retention of qualified employees. Increased competition could adversely affect Sendero's ability to attract necessary capital funding.

Defects in Title to Mineral Properties

Establishing title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. While Sendero has investigated title to all of its mineral claims and, to the best of its knowledge, title to all of its properties are in good standing, mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by such undetected defects. There may be valid challenges to the title of Sendero's properties which, if successful, could impair exploration, development and/or operations. Sendero's mineral properties may be subject to aboriginal land claims, prior unregistered agreements or transfers and title may be affected by undetected defects. Sendero cannot give any assurance that title to its properties will not be challenged.

Defects in or disputes relating to the interests the Resulting Issuer holds or acquires may prevent it from realizing the anticipated benefits from these interests. Material changes could also occur that may adversely affect management's estimate of the carrying value of the Resulting Issuer's interests and could result in impairment charges. While Sendero currently seeks, and the Resulting Issuer will seek, to confirm the existence, validity, enforceability, terms and geographic extent of the interests it acquires, there can be no assurance that disputes or other problems concerning these and other matters or other problems will not arise. Confirming these matters is complex and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mineral property and to the documents reflecting the interest. The discovery of any defects in, or any disputes in respect of, the Resulting Issuer's interests, could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

A defect in the chain of title to one of the Resulting Issuer's interests or necessary for the anticipated development or operation of a particular project to which an interest relates may arise to defeat or impair the claim of the operator to a property which could in turn result in a loss of the Resulting Issuer's interest in respect of that property. In addition, claims by third parties or aboriginal groups in the Chile and elsewhere may impact on the operator's ability to conduct activities on a property to the detriment of the Resulting Issuer's interests. To the extent an owner or operator does not have title to the property, it may be required to cease operations or transfer operational control to another party. Certain interests can be contractual in nature, rather than an interest in land, with the risk that an assignment or bankruptcy or insolvency proceedings by an owner will result in the loss of any effective interest in a particular property. Further, even in those jurisdictions where there is a right to record or register interests held by the Resulting Issuer in land

registries or mining recorders offices, such registrations may not necessarily provide any protection to the Resulting Issuer. As a result, known title defects, as well as unforeseen and unknown title defects may impact operations at a project in respect of which the Resulting Issuer has an interest and may result in a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Future Litigation Could Affect Title

Potential litigation may arise on a property on which the Resulting Issuer holds an interest (for example, litigation between joint venture partners or between operators and original property owners or neighboring property owners), including the Peñas Negras Property. As a holder of such interests, the Resulting Issuer will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) or the expropriation or loss of rights to a property could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Deficient Third Parties' Reviews, Reports and Projections

The Resulting Issuer relies upon third parties to provide analysis, reviews, reports, advice and opinions regarding the Resulting Issuer's projects. There is a risk that such analysis, reviews, reports, advice, opinions are inaccurate, in particular with respect to resource estimation, process development and recommendations for products to be produced as well as with respect to economic assessments including estimating the capital and operation costs of the Resulting Issuer's project and forecasting potential future revenue streams. Uncertainties are also inherent in such estimations.

Dependence on Key Individuals

The Resulting Issuer is dependent on a relatively small number of key personnel, and the loss of any one of them could have an adverse effect on the Resulting Issuer. In addition, while certain of the Resulting Issuer's officers and directors have experience in the exploration and development of mineral producing properties; the Resulting Issuer will remain highly dependent upon contractors and other third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Resulting Issuer or be available upon commercially acceptable terms.

Directors and Officers May Have Conflicts of Interest

Certain of the proposed directors and/or officers of the Resulting Issuer, are or will be, and may continue to be, involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the technologies, products and services the Resulting Issuer intends to provide. Situations may arise where the other interest of these directors and officers conflict with, or diverge from, the Resulting Issuer's interest. Certain of such conflicts may be required to be disclosed in accordance with procedures and remedies, as applicable, under corporate law, however, such procedures and remedies may not fully protect the Resulting Issuer. In addition, in conflict of interest situations, the directors and officers of the Resulting Issuer may owe the same duty to another company and will need to balance their competing interest. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavorable to the Resulting Issuer.

Global Financial Conditions May Be Volatile

Market events and conditions, including the ongoing COVID-19 pandemic, disruptions in the international credit markets and other financial systems, along with political instability have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Resulting Issuer's control may have on commodity prices, demand for metals, including gold and silver, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect Resulting Issuer's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of Resulting Issuer to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to Resulting Issuer. Increased levels of volatility and market turmoil can adversely impact Resulting Issuer's operations and the price of the Resulting Issuer Shares.

The Ongoing Spread of COVID-19 May Negatively Impact Sendero's Business.

Sendero's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility, and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Sendero's operations, and the operations of suppliers, contractors and service providers.

Sendero may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to COVID-19 and other such events outside of Sendero's control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity. As at the date hereof, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how Sendero may be affected if the pandemic persists for an extended period of time. Sendero's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place Sendero's workforce at risk.

Adequate Infrastructure May Not Be Available to Develop the Peñas Negras Property

Mining, processing, development and exploration activities depend, to one degree or another, on adequate

infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect or inhibit the operations at the Peñas Negras Property in respect of which the Resulting Issuer holds an interest, which may result in a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of their securities.

Future Acquisitions and Partnerships

As part of the Resulting Issuer's business strategy, it may seek to grow by acquiring companies and/or assets or establishing new joint ventures that it believes will complement its future business. In pursuit of such opportunities, the Resulting Issuer may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions or integrate the acquired businesses or their personnel into the Resulting Issuer. There can be no assurance that the Resulting Issuer will complete any acquisition or business arrangement that it pursues on favorable terms or at all, or that any acquisitions or business arrangements completed will ultimately benefit the Resulting Issuer.

There are risks inherent in such activities. Specifically, there could be unknown or undisclosed risks or liabilities of such companies for which the Resulting Issuer is not sufficiently indemnified. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Resulting Issuer's financial performance and results of operations. The Resulting Issuer may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. The Resulting Issuer could encounter additional transaction and integration related costs or experience an impact to its operations or results of operation as a result of the failure to realize all of the anticipated benefits from such acquisitions or partnerships, or an inability to successfully integrate an acquisition as anticipated. As a result of integration efforts, the Resulting Issuer may experience interruptions in its business activities, costs of integration and harm to its reputation, all of which could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations. The Resulting Issuer may experience difficulties in combining corporate cultures, maintaining employee morale and retaining key employees. The integration of any such acquired companies may also impose substantial demands on management of the Resulting Issuer. There is no assurance that these acquisitions will be successfully integrated in a timely manner or without additional expenses incurred.

CRA's Recent Focus on Foreign Income Earned by Canadian Companies May Result in Adverse Tax Consequences

There has been a recent focus by the CRA on income earned by foreign subsidiaries of Canadian companies. Some of the Resulting Issuer's assets will be owned by and the related revenue received by the Resulting Issuer's subsidiaries. Although management believes that the Resulting Issuer will be in full compliance with Canadian tax law, there can be no assurance that the Resulting Issuer's structure may not be challenged in future. In the event the CRA successfully challenges the Resulting Issuer's structure, this could potentially result in additional federal and provincial taxes and penalties, which may have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Anti-Bribery Laws (Such as the Corruption of Foreign Public Officials Act of Canada ("CFPOA"))

The Resulting Issuer's business is subject to the CFPOA which generally prohibits companies and company

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employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. The CFPOA also requires companies to maintain accurate books and records and internal controls, including all foreign-controlled subsidiaries. In addition, the Resulting Issuer is subject to other anti-bribery laws of the nations in which it conducts business that apply similar prohibitions as the CFPOA. The Resulting Issuer's employees or other agents may, without the Resulting Issuer's knowledge and despite its efforts, engage in prohibited conduct under the CFPOA or other anti-bribery laws that the Resulting Issuer may be subject to and for which it may be held responsible. If employees or other agents are found to have engaged in such practices, the Resulting Issuer could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

Equipment, Materials and Skilled Technical Workers

The Resulting Issuer is dependent on the availability of affordable and accessible equipment, replacement parts, and repair services and the absence or disrepair of such equipment, parts and services could affect or halt exploration or eventual production on the properties of the Resulting Issuer. There can be no guarantee that such equipment, parts or repair services will be available to the Resulting Issuer, or that such equipment, replacement parts or repair work will be available on commercially reasonable terms.

The Resulting Issuer is dependent on the availability of affordable and accessible materials. There can be no guarantee of the availability, quality and reliability of the supply of neither such materials, nor that such materials will continue to be available to the Resulting Issuer on commercially reasonable terms.

The Resulting Issuer is also dependent on the availability of skilled technical workers to carry out various functions on the properties of the Resulting Issuer. There can be no guarantee that such skilled workers will be available to carry out such activities on behalf of the Resulting Issuer or that such workers will be available on commercially reasonable terms.

The Resulting Issuer Will Be Exposed to Foreign Exchange Risk

Certain of the Resulting Issuer's activities are located in the Argentina and the costs associated with these activities are largely denominated in Argentine Pesos. However, the Resulting Issuer's interests are denominated in Canadian dollars and, as a result, are subject to foreign currency fluctuations and inflationary pressures, which may have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition. There can be no assurance that the steps taken by management to address variations in foreign exchange rates will eliminate all adverse effects and the Resulting Issuer may suffer losses due to adverse foreign currency rate fluctuations.

Risks Relating to Attracting and Retaining Qualified Management and Technical Personnel

The Resulting Issuer will be dependent upon the continued availability and commitment of its key management personnel, whose contributions to immediate and future operations of the Resulting Issuer are of significant importance. The loss of any such key management personnel could negatively affect business operations. From time to time, the Resulting Issuer may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. In addition, the Resulting Issuer frequently retains third party specialized technical personnel to assess and execute on opportunities. These individuals may have conflicts of interest or scheduling conflicts, which may delay or inhibit the Resulting Issuer's ability to employ such individuals' expertise. Recruiting and retaining qualified personnel is critical to the Resulting Issuer's success and there can be no assurance that the Resulting Issuer will be able

to recruit and retain such personnel. If the Resulting Issuer is not successful in recruiting and retaining qualified personnel, the Resulting Issuer's ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition and the trading price of its securities.

Sendero's Operations Are Subject to Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Sendero's interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Sendero. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Sendero might undertake and legal claims for errors or mistakes by Sendero personnel.

Disruption from Non-Governmental Organizations

As is the case with any businesses which operate in the mining industry, the Resulting Issuer may become subject to pressure and lobbying from non-governmental organizations. There is a risk that the demands and actions of non-governmental organizations may cause significant disruption to the Resulting Issuer's business which may have a material adverse effect on its operations and financial condition.

Health & Safety

Mining, like many other exploration or extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations, lead to a loss of licences, affect the reputation of the Resulting Issuer and its ability to obtain further licences, damage community relations and reduce the perceived appeal of the Resulting Issuer as an employer.

There is no assurance that the Resulting Issuer has been or will at all times be in full compliance with all laws and regulations or hold, and be in full compliance with, all required health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Resulting Issuer from proceeding with the development of a project or the operation or further development of a project, and any noncompliance therewith may adversely affect the Resulting Issuer's business, financial condition and results of operations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in exploration expenses, capital expenditures or production costs, reduction in the levels of production at producing properties, or abandonment or delays in development of new mining properties.

Nature and Climatic Conditions

The Resulting Issuer and the mining industry continually face geotechnical challenges which could adversely impact the Resulting Issuer's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as severe rainfall, floods, landslides, droughts, pit wall failures and rock fragility may occur, and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict are often affected by risks and hazards outside of the Resulting Issuer's control. Such conditions could result in limited access to mine sites, suspensions or reductions in operations, government investigations, increased monitoring costs, remediation costs, loss or ore and other impacts

which could cause the Resulting Issuer's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Resulting Issuer's results of operations and financial position.

Uninsured or Uninsurable Risks

In the course of exploration, development and production of mineral resource properties, several risks and, in particular, significant risks that could result in damage to, or destruction of vessels and producing or processing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability, may occur. It is not always possible to fully insure against such risks, and the Resulting Issuer may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Resulting Issuer. The Resulting Issuer cannot be certain that insurance will be available on acceptable terms or conditions. In some cases, coverage may not be acceptable or may be considered too expensive relative to the perceived risk.

Disruption in Sendero's Activities Due to Acts of God May Adversely Affect Sendero.

Disruptions in the activities of Sendero may be caused by natural disasters, effects of climate change and man-made activities, pandemics, trade disputes and disruptions, war, terrorism, and any other form of economic, health, or political disruptions. Sendero's financial condition is reliant on continued operations, and in circumstances where continued operations are not possible, Sendero is likely to experience a decline in its revenue, and may suffer additional disruptions in the form of lack of access to its workforce, customers, technology, or other assets. The extent of the impact on Sendero will vary with the extent of the disruption and cannot be adequately predicted in advance.

PART VII – GENERAL MATTERS

Sponsorships/Relationships

Sendero is requesting an exemption from the sponsorship requirements under Exchange Policy 2.2 – Sponsorship and Sponsorship Requirements of the Exchange of the Exchange’s Corporate Finance Manual. Under Section 3.4(a)(ii) of Policy 2.2, an exemption from the sponsorship requirement may be available where, among other things, there is: (a) significant involvement of a bank or other major financial institution in the transaction; or (b) the issuer conducts a concurrent brokered financing of at least \$500,000 in connection with the transaction, and the agent for that transaction has provided the Exchange with confirmation that it has completed appropriate due diligence on both the transaction and the accompanying disclosure document describing it.

Such conditions will have been satisfied given the role of the Subscription Receipt Offering Agents (including the Subscription Receipt Offering Agents’ due diligence investigations) in connection with the Subscription Receipt Offering. Sendero expects that the Exchange will correspondingly grant the request for an exemption from the sponsorship requirements, subject to the Subscription Receipt Offering Agents submitting to the Exchange the due diligence confirmation letter contemplated by Section 3.4(a)(ii)(B)(II) of Exchange Policy 2.2.

Except as disclosed herein, there are no actual or anticipated agreements with any registrant to provide sponsorship or corporate finance services either now or in the future.

Opinions

The following professional persons have prepared reports or have provided opinions that are either included or referenced within this Listing Application:

1. Stern & Lovrics LLP, Chartered Professional Accountants, has provided auditor’s reports on the consolidated financial statements of 131 for the year ended July 31, 2022, included in this Listing Application as Appendix “A”.
2. De Visser Gray LLP, Chartered Professional Accountants, has provided auditor’s reports on the Sendero Financial Statements included in this Listing Application as Appendix “C”.
3. Norberto Raul Lucero, Argentina Chartered Professional Accountants, has provided auditor’s reports on the Barton Financial Statements included in this Listing Statement as Appendix “E”.

Interests of Experts

No individual or company whose profession or business gives authority to a statement made by the individual or corporation and who is named as having prepared or certified a part of this Listing Application or as having prepared or certified a report or valuation described or included in this Listing Application holds, or will hold immediately following the completion of the Transaction, any direct or indirect interest in any securities or property of the Resulting Issuer.

Other Material Facts

There are no other material facts in respect of the securities to be listed that are not disclosed in this Listing Application, or the documents incorporated herein by reference and that are necessary in order for this Listing Application to contain full, true and plain disclosure of all material facts relating to the securities to be listed.

Exemptions

No discretionary exemption from a securities regulator or securities regulatory authority has been applied for or received by Sendero within the 12 months preceding the date of this Listing Application.

Board Approval

The contents and the filing of this Listing Application have been approved by the board of directors of each of 131 and Sendero. Where information contained in this Listing Application rests particularly within the knowledge of a person other than 131 and Sendero, 131 and Sendero relied upon information furnished by such person.

CERTIFICATE OF SENDERO RESOURCES CORP.

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Listing Application and of any material fact not otherwise required to be disclosed under an item of this Listing Application.

DATED September 25, 2023.

(signed) "Michael Wood"
Michael Wood

(signed) "Hernan Vera"
Hernan Vera

On behalf of the Board of Directors

(signed) "Michael Wood"
Michael Wood

(signed) "Hernan Vera"
Hernan Vera

CERTIFICATE OF 1319732 B.C. LTD.

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Listing Application and of any material fact not otherwise required to be disclosed under an item of this Listing Application.

DATED September 25, 2023.

(signed) "Binyomin Posen"

Binyomin Posen

On behalf of the Board of Directors

(signed) "Cole Duthie"

Cole Duthie

(signed) "Jack Wortzman"

Jack Wortzman

APPENDIX "A"
131 FINANCIAL STATEMENTS

[See attached]

NOTICE TO READER

The Audit Committee, in consultation with management of the Company, has determined that the Company's previously filed unaudited and restated condensed consolidated interim financial statements and management's discussion and analysis for the three and nine months ended April 30, 2023, and for the period from incorporation (August 12, 2021) to April 30, 2022, needed to be amended to correct for various errors and disclosure deficiency.

Details of the changes are fully described in Note 10 and Note 11 to the Amended and Restated Unaudited Condensed Consolidated Interim Financial Statements as filed on SEDAR+ on September 22, 2023.

The previously filed unaudited condensed consolidated financial statements for the financial periods were originally filed by the Company on SEDAR+ on June 28, 2023. Each of the Amended and Restated Unaudited Condensed Consolidated Interim Financial Statements and Revised Management's Discussion and Analysis ("**MD&A**") replaces and supersedes the respective previously filed original unaudited condensed consolidated financial statements and related MD&A. This notice supersedes the previously filed version.

1319732 B.C. Ltd.

Amended Consolidated Interim Financial Statements

(Unaudited)

(Expressed in Canadian Dollars)

For the three and nine months ended
April 30, 2023 and for the period from
incorporation (August 12, 2021) to
April 30, 2022

1319732 B.C. LTD.

Amended Consolidated Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

As at		April 30, 2023	July 31, 2022
	Notes	\$	\$
ASSETS			
Current Assets			
Cash		5,291	7,379
TOTAL ASSETS		5,291	7,379
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current Liabilities			
Accounts payable and accrued liabilities		24,628	32,190
Loans payable	5	7,148	-
TOTAL LIABILITIES		31,776	32,190
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	6	172,503	35,576
Deficit		(198,988)	(60,387)
Total Shareholders' Equity (Deficiency)		(26,485)	(24,811)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		5,291	7,379

Nature of operations and going concern (Note 1)

Subsequent events (Note 10)

Approved on Behalf of the Board on September 22, 2023:

"Binyomin Posen"

Binyomin Posen – CEO/Director

"Cole Duthie"

Cole Duthie - Director

The accompanying notes are an integral part of these unaudited amended consolidated interim financial statements.

1319732 B.C. LTD.

Amended Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(Expressed in Canadian dollars)

	Three months ended April 30, 2023	Three months ended April 30, 2022	Nine months ended April 30, 2023	Period from incorporation (Aug 12, 2021) to April 30, 2022
Professional fees	\$ 5,799	\$ 1,500	\$ 7,299	\$ 2,473
Corporate management fees	-	-	125,000	-
Legal expenses	3,758	19,592	3,542	39,147
Filing expenses	2,477	-	2,760	4,948
	\$ (12,034)	\$ (21,092)	\$ (138,601)	\$ (46,568)
Net loss and comprehensive loss for the period	\$ (12,034)	\$ (21,092)	\$ (138,601)	\$ (46,568)
Weighted average number of shares outstanding				
- Basic and Diluted	3,678,983	2,440,368	3,611,472	1,171,690
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.04)	\$ (0.04)

The accompanying notes are an integral part of these unaudited amended consolidated interim financial statements.

1319732 B.C. LTD.**Amended Consolidated Interim Statements of Changes in Shareholders Equity****(Unaudited)****(Expressed in Canadian dollars)**

	<u>Share Capital</u>		Deficit	<u>Total Shareholders' Equity</u>
	Number	Amount		
Balance, August 12, 2021	-	\$ -	\$ -	\$ -
Shares issued during the period (Note 6)	2,440,368	35,576	-	35,576
Loss for the period	-	-	(46,568)	(46,568)
Balance, April 30, 2022	2,440,368	\$ 35,576	\$ (46,568)	\$ (10,992)
Balance, July 31, 2022	2,440,368	\$ 35,576	(60,387)	(24,811)
Shares issued for debt (Note 6)	1,309,638	136,928	-	136,928
Shares repurchased and cancelled (Notes 6)	(1,250,000)	(1)	-	(1)
Loss for the period	-	-	(138,601)	(138,601)
Balance, April 30, 2023	2,500,006	\$ 172,503	\$ (198,988)	\$ (26,485)

The accompanying notes are an integral part of these unaudited amended consolidated interim financial statements.

1319732 B.C. LTD.

Amended Consolidated Interim Statements of Cash flows
(Unaudited)
(Expressed in Canadian dollars)

	Nine months ended April 30, 2023	For the period from incorporation (August 13, 2021) to April 30, 2022
	\$	\$
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	(138,601)	(46,568)
Shares issued to settle debt (Note 6)	136,928	-
Net change in non-cash working capital items:		
Accounts payable and accrued liabilities	(7,562)	18,371
Loans payable	7,148	-
Cash flows used in operating activities	(2,087)	(28,197)
CASH FLOWS FROM FINANCING ACTIVITIES		
Common shares issued	-	35,576
Shares repurchased	(1)	-
Net Cash from financing activities	(1)	35,576
Change in cash during the period	(2,088)	7,379
Cash, beginning of period	7,379	-
Cash, end of period	5,291	7,379

The accompanying notes are an integral part of these unaudited amended consolidated interim financial statements.

1319732 B.C. LTD.

Notes to the Amended Consolidated Interim Financial Statements

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

1319732 BC Ltd. (the "**Company**" or "**732**") was incorporated under the British Columbia Business Corporations Act on August 13, 2021. The head office is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9 and records and registered office is located at 1000 – 595 Burrard Street, Vancouver, British Columbia, V7X 1S8.

On October 21, 2021, Rio Verde Industries Inc. ("**Rio Verde**") received a final order (the "**Final Order**") from the Supreme Court of British Columbia approving the previously announced statutory plan of arrangement with its wholly-owned subsidiaries, 1319472 B.C. Ltd., 1319651 B.C. Ltd., 1319732 B.C. Ltd., 1319735 B.C. Ltd., 1319738 B.C. Ltd., 1319741 B.C. Ltd., and 1319743 B.C. Ltd. (the "**Plan of Arrangement**"). Receipt of the Final Order follows Rio Verde's special meeting of shareholders held on Monday, October 4, 2021 (the "**Meeting**"), where the Plan of Arrangement was overwhelmingly approved by a total of 23,532,011 common shares in the capital of Rio Verde ("**Rio Verde Shares**") having voted in favour representing 98.5% of the total number of Rio Verde Shares represented in person and by proxy at the Meeting.

The Plan of Arrangement closed on October 20, 2021.

Pursuant to the Plan of Arrangement, the shareholders of Rio Verde now hold common shares in the following former subsidiaries of Rio Verde: 1319472 B.C. Ltd., 1319651 B.C. Ltd., 1319732 B.C. Ltd., 1319735 B.C. Ltd., 1319738 B.C. Ltd., 1319741 B.C. Ltd., and 1319743 B.C. Ltd. (collectively referred to as the "**Spincos**") Each of the Spincos is now an unlisted reporting issuer in the provinces of British Columbia and Alberta. Shareholders of Rio Verde continue to hold their interest in Rio Verde.

Pursuant to the terms of the Plan of Arrangement: i) Rio Verde altered its share capital to create the additional classes of common shares (the "**New Common Shares**") and Reorganization Shares (as defined below); (ii) each of the Rio Verde Shares was exchanged for one New Common Share, one Class 1 Reorganization Share, one Class 2 Reorganization Share, one Class 3 Reorganization Share, one Class 4 Reorganization Share, one Class 5 Reorganization Share, one Class 6 Reorganization Share and one Class 7 Reorganization Share of Rio Verde (collectively referred to as the "**Reorganization Shares**"), and all of the Rio Verde Shares outstanding prior to the Plan of Arrangement were cancelled; (iii) one class of the Reorganization Shares were transferred to each Spinco in exchange for common shares of each Spinco on a 1:1 basis and Rio Verde redeemed all Reorganization Shares through the transfer to each Spinco \$5,000 of working capital; and iv) the Rio Verde altered its share capital so that only the New Common Shares remain, were redesignated as "common shares" and deemed to be represented by the same certificate as the previously issued and outstanding Rio Verde Shares.

The Company is investigating and evaluating business opportunities to either acquire or in which to participate.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

On April 1, 2022 the Company and Canyon Gold & Gravel Inc. ("CGG") announced that the companies have entered into a binding letter agreement (the "Agreement") which sets forth, in general terms, the basic terms and conditions upon which 732 BC and CGG will combine their business operations resulting in a reverse takeover (the "RTO") of 732 BC by CGG and its shareholders.

On July 7, 2022, the Company announced that the letter agreement (the "Agreement") with Canyon Gold & Gravel Inc. ("CGG") as previously announced on April 1, 2022 has been terminated and the proposed transaction will not proceed.

On March 3, 2023, Sendero Resources Corp., a private company incorporated under the laws of the Province of British Columbia with mineral assets in the Peñas Negras region of Argentina, announced a proposed financing for aggregate gross proceeds of \$4,000,000 and the entering into of a binding letter agreement dated March 2, 2023 (the "Agreement") with 1319732 B.C. Ltd. Pursuant to the Agreement, Sendero and 131 will complete a three-cornered amalgamation (the "Transaction"), subject to the terms and conditions outlined below, with the ultimate result that the resulting successor of the Company (the "Resulting Issuer") will continue on as a reporting issuer and 100% owner of the business of Sendero.

Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the "Exchange").

Sendero, through its wholly owned subsidiary, Barton SAS, holds a 100% interest of the 120 km² Peñas Negras Project (the "Property"), located in the Vicuna district of Argentina. The Property is surrounded by significant copper discoveries belonging to Filo Mining (Filo Del Sol Project), Lundin Mining (Josemaria Project), and NGEx Minerals (Los Helados Project). Sendero will look to take advantage of its experience and operational knowledge to advance high priority drilling targets.

On January 21, 2022, the Company closed a non-brokered private placement raising aggregate gross proceeds of \$30,576 through the issuance of 26 common shares in the capital of the Company (the "Common Shares") at a price of \$1,176 per share.

These consolidated interim financial statements have been prepared in accordance with IFRS (as defined below) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than a process of forced liquidation. These consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. At April 30, 2023, the Company had no sources of revenue and had an accumulated deficit of \$198,988 (July 31, 2022 - \$60,387). At April 30, 2023, the Company had cash of \$5,291 (July 31, 2022 - \$7,379) and working capital deficit of \$26,485 (July 31, 2022 - \$24,811). These conditions raise material uncertainties which may cast significant doubt on the Company's ability to continue as a going concern.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

Continuing business as a going concern is dependent upon the ability of the Company to obtain additional debt or equity financing, both of which are uncertain. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

Should the Company be unable to realize its assets or discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the financial statements. These financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION**Statement of compliance**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited consolidated interim financial statements are based on IFRS issued and outstanding as of September 22, 2023, the date the Board of Directors approved the statements.

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

Basis of consolidation

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. These consolidated financial statements include the accounts of the Company and all its subsidiaries. Intercompany accounts and balances are eliminated upon consolidation.

Name of Subsidiary	Country of incorporation	Functional currency	2023 Percentage ownership
1409689 B.C. Ltd	Canada	CAD	100%

3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated interim financial statements of the Company have been prepared on the historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting, except for the statements of cash flows.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Significant Judgments

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

a. Deferred income taxes

The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

Significant Estimates

a. Going concern

Management assessment of going concern and uncertainties of the Company's ability to raise additional capital and/or obtain financing to meet its commitments.

Cash

Cash is comprised of cash on hand and in a Lawyers Trust account.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**Loss per share**

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reported period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Basic loss per share is calculated using the weighted-average number of shares outstanding during the year.

Financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2	Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and
Level 3	Inputs that are not based on observable market data.

The measurement of the Company's financial instruments is disclosed in Note 8 to these financial statements. Any financial instrument that is valued using level 2 or 3 inputs will involve estimation uncertainty.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of (loss) income in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

The following table shows the classification of the Company's financial instruments:

Financial asset Classification

Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax is recognized in respect of temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets and liabilities that affect neither accounting nor taxable loss to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

IFRS pronouncements not yet implemented

Certain new IFRS standards and interpretations have been issued but are not shown as they are not expected to have a material impact on the Company's financial statements.

4. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

On October 20, 2021, Shimcity Inc. ("Shimcity"), a corporation controlled by the former director of the Company, and 2657456 Ontario Inc. ("265"), a corporation controlled by the former director of the Company (collectively, the "Acquirors") acquired an aggregate of 677,880 Common Shares.

On January 21, 2022, pursuant to a private placement, both Shimcity and 265 acquired 881,244 Common Shares each.

On August 25, 2022, the Company issued 625,000 Common shares each at a price of \$0.10 per share to settle debt owed to 2674049 Ontario Inc. ("267 Ontario") of Toronto, Ontario, a Company controlled by a former director of the Company and 1000294101 Ontario Inc. ("101 Ontario"), of Toronto, Ontario, a company in which a former director is an officer.

On April 25, 2023, the Company announced that it has entered into share repurchase agreements with 1000294101 Ontario Inc. and Shimcity Inc. Please see note 6 below.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

4. RELATED PARTY TRANSACTIONS (continued)

Prior to the completion of the offering, each of Shimcity and 2657456 Ontario Inc. ("265 Ontario" and together, the "Transferors"), of Toronto, Ontario, transferred 610,090 Common Shares to 2578218 Ontario ("218 Ontario") at an aggregate purchase price of \$0.50, in a private transaction (the "Share Transfer"). In connection with the Share Transfer, the Transferors entered into separate options agreement (the "Agreements") with 218 Ontario pursuant to which the Transferors may repurchase the Common Shares transferred at a price equal to the purchase price, at a later date and subject to certain conditions. Under the Agreements, 218 Ontario has also assigned voting rights applicable to the Common Shares to the Transferors.

5. LOANS PAYABLE

Loans payable bear no interest and have no stated terms of repayment.

6. SHARE CAPITAL**(a) Authorized**

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

As at April 30, 2023, the Company had the following common shares issued and outstanding.

	Number of Shares	Amount (\$)
Shares issued – August 13, 2021	-	-
Shares issued – October 20, 2021 ⁽ⁱ⁾	677,880	5,000
Shares issued – January 21, 2022 ⁽ⁱⁱ⁾	1,762,488	30,576
Balance, July 31, 2022	2,440,368	35,576
Shares issued for debt ⁽ⁱⁱⁱ⁾	1,309,638	136,928
Shares repurchased and cancelled ^(iv)	(1,250,000)	(1)
Balance, April 30, 2023	2,500,006	172,503

- i) Pursuant to the terms of the Plan of Arrangement effective on October 20, 2021 each of the Rio Verde Shares was exchanged for one New Common Share and seven new classes of Reorganization Shares. The Reorganization Shares were then transferred by the shareholders of Rio Verde, including the Acquirors, to each of the Spincos in exchange for common shares of the Spincos on a 1:1 basis. In addition, each of the Spincos received \$5,000 in working capital from Rio Verde.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

- (ii) On January 21, 2022, the Company closed a non-brokered private placement raising aggregate gross proceeds of \$30,576 through the issuance of 1,762,488 common shares (post consolidation shares) in the capital of the Company at a price of \$0.0173 per share.

On January 27, 2022 the Company completed a share consolidation (the "Consolidation") of its common shares by exchanging one (1) new post-Consolidation Share for every three million two hundred sixty-seven thousand nine hundred and seventy-three (3,267,973) pre-Consolidation Shares as authorized by a resolution passed by the board of directors of the Company effective January 27, 2022 in accordance to the Company's Articles of Incorporation.

- (iii) On August 25, 2022, the shareholders of the Corporation by unanimous resolution approved the split of the issued and outstanding Common Shares on the basis of a ratio 67,788 post-split Common Share for every 1 pre-split Common Share held, such that the Corporation has immediately after the split 2,440,368 Common Shares issued and outstanding on a post-split basis (the "Stock Split"). All references to the number of shares and per share amounts have been retrospectively restated as if the share consolidation occurred effective August 31, 2021. The Company also announced the completion of a debt settlement of \$136,928 by issuing an aggregate of 1,309,638 Common Shares.

- (iv) On April 25, 2023, the Company announced that it has entered into share repurchase agreements with 1000294101 Ontario Inc. ("10002 ON") and Shimcity Inc. ("Shimcity", together with 10002 ON, the "Transferors") respectively dated April 25, 2023 pursuant to which 625,000 common shares (the "Transferred Shares") were repurchased by the Company from each Transferor for cancellation at an aggregate purchase price of \$1 (the "Share Repurchase").

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended April 30, 2023 was based on the loss attributable to common shareholders of \$138,601 for the nine months ended April 30, 2023.

8. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity (deficiency) and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

8. MANAGEMENT OF CAPITAL (continued)

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company considers its capital to be shareholders deficiency, comprising common shares and deficit which at April 30, 2023 totalled a deficiency of \$198,988 (July 31, 2022 - \$60,387). As at April 30, 2023, the Company is not subject to any externally imposed capital requirements.

9. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

i. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at April 30, 2023, the Company is not exposed to currency risk.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

iii. Price rate risk

The Company is exposed to price rate risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Management closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Given the Company's limited market exposure at this time it has assessed there to be a low level of price rate risk.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)**Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At April 30, 2023, the Company has limited sources of revenue and has a cash balance of \$5,291 (July 31, 2022 - \$7,379) to settle current liabilities of \$31,776 (July 31, 2022 - \$32,190). As such, the Company has insufficient cash to fund corporate overhead costs and the repayment of the Company's debt obligations for the next year.

Until such time as the Company's investments increase in value or begin generating significant dividend income, the Company will remain dependent upon the financial support of its shareholders and debt holders or the sale of investments. If the Company is unable to finance itself through these means, it is possible that the Company will be unable to continue as a going concern.

Additionally, the Company likely has insufficient funds from which to finance any identified business acquisition and as such will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern. Consequently, the Company is exposed to liquidity risk as at April 30, 2023.

Fair Value Risk

When participating in investment activities, the Company may incur losses if it is unable to resell the securities it has purchased or if it is forced to liquidate its holdings at less than their respective carrying values. All of the Company's investments are carried on a FVTPL basis and are recorded at their fair value. As such, changes in fair value affect earnings as they occur.

The fair value of cash at April 30, 2023 approximates their carrying values due to their short term to maturity.

10. SUBSEQUENT EVENTS

Amalgamation agreement

On April 27, 2023, the Company announced the signing of an amalgamation agreement with Sendero (the "Definitive Agreement").

The Company and Sendero are entering into the Definitive Agreement in furtherance of their commitments under their previously announced binding letter agreement dated March 2, 2023. Pursuant to the Definitive Agreement, the Company and Sendero have agreed to complete a three-cornered amalgamation (the "Transaction") pursuant to which the Company intends to acquire all of the issued and outstanding common shares of Sendero ("Sendero Shares") in exchange for the issuance of common shares of the Company ("Company Shares").

Following the completion of the Transaction, the Company (the "Resulting Issuer") will hold all of the assets of and continue the business of Sendero under the name "Sendero Resources Corp." (the "Name Change"). In connection with the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the "Exchange").

Concurrent financing

On April 27, 2023, the Company announced that Sendero has closed the previously announced brokered private placement of subscription receipts and closed a tranche of the previously announced non-brokered private placement of units for aggregate gross proceeds of \$5,212,450. The Offerings were previously announced in the Company's news release dated March 3, 2023. The Company issued 11,014,500 Subscription Receipts under the Subscription Receipt Offering at a price of \$0.20 per Subscription Receipt, for gross proceeds to Sendero of approximately \$2,202,900, pursuant to an agency agreement dated the date hereof among Echelon Wealth Partners Inc. ("**Echelon**"), who acted as lead agent, M Partners Inc. and PI Financial Corp. (collectively, the "**Agents**"), the Company and Sendero.

Each Subscription Receipt will be automatically exchanged, for no additional consideration, into one unit (a "**Unit**") of Sendero upon the satisfaction of certain escrow release conditions, including the satisfaction of all conditions precedent to the consummation of the Transaction. Each Unit is comprised of one Sendero common share and one-half of one Sendero common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.30 at any time prior to the second anniversary of the date of issuance. The Company issued 15,047,750 Non-Brokered Units under the Non-Brokered Offering at a price of \$0.20 per Non-Brokered Unit, for gross proceeds to Sendero of approximately \$3,009,550. Each Non-Brokered Unit is comprised of one Sendero common share and one-half of one common share purchase warrant with the same terms as the Warrants underlying the Subscription Receipts. The Company and Sendero had previously announced the intent to raise up to \$4,000,000 in gross proceeds in the Offerings, but increased the aggregate size of the Offerings due to investor demand. Sendero may issued additional Non-Brokered Units in subsequent closings under the Non-Brokered Offering.

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

10. SUBSEQUENT EVENTS (continued)Debt settlement

At April 30, 2023, the Company had loans payable of \$7,148 and subsequent to the quarter end, the Company received further loans of \$9,023 making the total loans payable at \$16,171. On September 13, 2023, the Company entered into debt settlement agreements with certain creditors whereby total loans payable for \$16,171 was forgiven for a nominal amount of \$1 to each of the creditors.

On September 13, 2023, the Company also entered into a debt settlement agreement with certain accounts payable where an amount of \$18,515 was forgiven.

11. RESTATEMENT OF PREVIOUSLY REPORTED FINANCIAL STATEMENTS

The Company is restating its statements of financial position as at April 30, 2023 and its statement of net loss and comprehensive loss, statement of cash flows and statement of changes in equity for the period ended April 30, 2023. The restatement reflects increase in professional fees and accrued liabilities and repurchase and cancellation of shares for the period ended April 30, 2023 and disclosures related to certain debt settlement agreements completed by the Company subsequent to the quarter end.

Statements of Financial Position	As previously reported	Adjustments	As restated
ASSETS			
Current Assets			
Cash	\$ 5,292	(1)	\$ 5,291
TOTAL ASSETS	\$ 5,292	\$ (1)	\$ 5,291
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities	22,128	2,500	24,628
Loans payable	7,148	-	7,148
TOTAL LIABILITIES	29,276	2,500	31,776
Share Capital and Deficit			
Share Capital	172,504	1	172,503
Accumulated deficit	(196,488)	(2,500)	(198,988)
	(23,984)	-	(26,485)
TOTAL LIABILITIES AND EQUITY	\$ 5,292	\$ 1	\$ 5,291

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

11. RESTATEMENT OF PREVIOUSLY REPORTED FINANCIAL STATEMENTS (continued)

Statement of Loss and Comprehensive Loss For the three months ended April 30, 2023	As previously reported	Adjustments	As restated
Professional fees	\$ 3,299	\$ 2,500	\$ 5,799
Legal expenses	3,758	-	3,758
Filing expenses	2,477	-	2,477
Loss before other items	\$ 9,534	\$ 2,500	\$ 12,034

Statement of Loss and Comprehensive Loss For the nine months ended April 30, 2023	As previously reported	Adjustments	As restated
Professional fees	\$ 4,799	\$ 2,500	\$ 7,299
Corporate management fees	125,000	-	125,000
Legal expenses	3,542	-	3,542
Filing expenses	2,760	-	2,760
Loss before other items	\$ 136,101	\$ 2,500	\$ 138,601

Statement of cash flows

For the nine-month ended April 30, 2023	As previously reported	Adjustments	As restated
Cash provided by (used in):			
Operating Activities			
Net gain / (loss) for period	\$ (136,101)	\$ (2,500)	\$ (138,601)
Shares issued to settle debt	136,928	-	136,928
Changes in non-cash working capital balances:			
Accounts payable and accrued liabilities	(10,062)	2,500	7,562
Loans payable	7,148	-	7,148
Cash Used in Operating Activities	(2,087)	-	(2,087)
Financing Activities	-	-	-
Shares repurchased	-	(1)	(1)
Cash used in financing activities	-	(1)	(1)
Change in cash during the period	(2,087)	(1)	(2,088)
Cash, Beginning	7,379	-	7,379
Cash, Ending	\$ 5,292	\$ (1)	\$ 5,291

1319732 B.C. LTD.**Notes to the Amended Consolidated Interim Financial Statements**

For the three and nine months ended April 30, 2023 and for the period from incorporation (August 12, 2021) to April 30, 2022

(Unaudited)

(Expressed in Canadian dollars)

11. RESTATEMENT OF PREVIOUSLY REPORTED FINANCIAL STATEMENTS (continued)

Statement of changes in equity For the period ended April 30, 2023	As previously reported	Adjustments (Note 6)	As restated
Capital and Deficit			
Number of shares	3,750,006	(1,250,000)	\$ 2,500,006
Share capital	\$ 172,504	(1)	172,503
Accumulated deficit	(196,488)	(2,500)	(198,988)
Total	\$ (23,984)	(2,501)	(26,485)

APPENDIX "B"
131 MANAGEMENT'S DISCUSSION AND ANALYSIS

[See attached]

NOTICE TO READER

The Audit Committee, in consultation with management of the Company, has determined that the Company's previously filed unaudited and restated condensed consolidated interim financial statements and management's discussion and analysis for the three and nine months ended April 30, 2023, and for the period from incorporation (August 12, 2021) to April 30, 2022, needed to be amended to correct for various errors and disclosure deficiency.

Details of the changes are fully described in Note 10 and Note 11 to the Amended and Restated Unaudited Condensed Consolidated Interim Financial Statements as filed on SEDAR+ on September 22, 2023.

The previously filed unaudited condensed consolidated financial statements for the financial periods were originally filed by the Company on SEDAR+ on June 28, 2023. Each of the Amended and Restated Unaudited Condensed Consolidated Interim Financial Statements and Revised Management's Discussion and Analysis ("**MD&A**") replaces and supersedes the respective previously filed original unaudited condensed consolidated financial statements and related MD&A. This notice supersedes the previously filed version.

1319732 B.C. LTD.

AMENDED MANAGEMENT DISCUSSION

AND ANALYSIS

**FOR THE NINE MONTHS ENDED
APRIL 30, 2023 AND FOR THE
PERIOD FROM INCORPORATION
(AUGUST 12, 2021) TO APRIL 30, 2022**

DESCRIPTION OF BUSINESS AND OVERVIEW OF OPERATIONS AND FINANCIAL CONDITION

The following amended management's discussion and analysis, prepared as of September 22, 2023, and should be read together with the unaudited consolidated interim financial statements and accompanying notes for the nine months ended April 30, 2023, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") effective for the reporting period ended April 30, 2023. All amounts are stated in Canadian dollars unless otherwise indicated.

The Company's ability to continue as a going concern and the recoverability of past expenditures mainly in day-to-day operations are dependent upon the ability of the Company to obtain necessary financing and/or loans to successfully complete its future objectives. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. Should the Company be unable to realize its assets or discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the financial statements. These financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management pursues relationships and alliances with diverse entities in order to attract additional sources of funds or other transactions that would assure the continuance of the Company's operations.

All statements in this report that do not directly and exclusively relate to historical facts constitute forward-looking statements. These statements represent the Company's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties, and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from the Company's expectations. The Company assumes no obligation to update or revise any forward-looking statements, as a result of new information, future events or otherwise.

Additional information related to the Company is available for view on SEDAR+ at www.sedarplus.ca.

DESCRIPTION OF BUSINESS

1319732 B.C. Ltd. (the "Company") was incorporated under the British Columbia Business Corporations Act on August 13, 2021. The head office is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9 and records and registered office is located at 1000 – 595 Burrard Street, Vancouver, British Columbia, V7X 1S8.

On October 21, 2021, Rio Verde Industries Inc. ("Rio Verde") announced that the Company received a final order (the "Final Order") from the Supreme Court of British Columbia approving the previously announced statutory plan of arrangement with its wholly-owned subsidiaries, 1319472 B.C. Ltd., 1319651 B.C. Ltd., 1319732 B.C. Ltd., 1319735 B.C. Ltd., 1319738 B.C. Ltd., 1319741 B.C. Ltd., and 1319743 B.C. Ltd. (the "Plan of Arrangement"). Receipt of the Final Order follows Rio Verde's special meeting of shareholders held on Monday, October 4, 2021 (the "Meeting"), where the Plan of Arrangement was overwhelmingly approved by a total of 23,532,011 common shares in the capital of Rio Verde ("Rio Verde Shares") having voted in favour representing 98.5% of the total number of Rio Verde Shares represented in person and by proxy at the Meeting.

The Plan of Arrangement closed on October 20, 2021.

Pursuant to the Plan of Arrangement, the shareholders of Rio Verde now hold common shares in the following former subsidiaries of Rio Verde: 1319472 B.C. Ltd., 1319651 B.C. Ltd., 1319732 B.C. Ltd., 1319735 B.C. Ltd., 1319738 B.C. Ltd., 1319741 B.C. Ltd., and 1319743 B.C. Ltd. (collectively referred to as the "Spincos") Each of the Spincos is now an unlisted reporting issuer in the provinces of British Columbia and Alberta. Shareholders of Rio Verde continue to hold their interest in Rio Verde.

Pursuant to the terms of the Plan of Arrangement: i) Rio Verde altered its share capital to create the additional classes of common shares (the "New Common Shares") and Reorganization Shares (as defined below); (ii) each of the Rio Verde Shares was exchanged for one New Common Share, one Class 1 Reorganization Share, one Class 2 Reorganization Share, one Class 3 Reorganization Share, one Class 4 Reorganization Share, one Class 5 Reorganization Share, one Class 6 Reorganization Share and one Class 7 Reorganization Share of Rio Verde (collectively referred to as the "Reorganization Shares"), and all of the Rio Verde Shares outstanding prior to the Plan of Arrangement were cancelled; iii) one class of the Reorganization Shares were transferred to each Spinco in exchange for common shares of each Spinco on a 1:1 basis and Rio Verde redeemed all Reorganization Shares through the transfer to each Spinco \$5,000 of working capital; and iv) the

Rio Verde altered its share capital so that only the New Common Shares remain, were redesignated as “common shares” and deemed to be represented by the same certificate as the previously issued and outstanding Rio Verde Shares.

The Company is investigating and evaluating business opportunities to either acquire or in which to participate.

On April 1, 2022 the Company and Canyon Gold & Gravel Inc. ("CGG") announced that the companies have entered into a binding letter agreement (the "Agreement") which sets forth, in general terms, the basic terms and conditions upon which 732 BC and CGG will combine their business operations resulting in a reverse takeover (the "RTO") of 732 BC by CGG and its shareholders.

On July 7, 2022, the Company announced that the letter agreement (the "Agreement") with Canyon Gold & Gravel Inc. ("CGG") as previously announced on April 1, 2022 has been terminated and the proposed transaction will not proceed.

On March 3, 2023, Sendero Resources Corp., a private company incorporated under the laws of the Province of British Columbia with mineral assets in the Peñas Negras region of Argentina, announced a proposed financing for aggregate gross proceeds of \$4,000,000 and the entering into of a binding letter agreement dated March 2, 2023 (the “Agreement”) with 1319732 B.C. Ltd. Pursuant to the Agreement, Sendero and 131 will complete a three-cornered amalgamation (the “Transaction”), subject to the terms and conditions outlined below, with the ultimate result that the resulting successor of the Company (the “Resulting Issuer”) will continue on as a reporting issuer and 100% owner of the business of Sendero.

Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the “Exchange”).

Sendero, through its wholly owned subsidiary, Barton SAS, holds a 100% interest of the 120 km² Peñas Negras Project (the “Property”), located in the Vicuna district of Argentina. The Property is surrounded by significant copper discoveries belonging to Filo Mining (Filo Del Sol Project), Lundin Mining (Josemaria Project), and NGEx Minerals (Los Helados Project). Sendero will look to take advantage of its experience and operational knowledge to advance high priority drilling targets.

On December 9, 2021, the Company announced the appointment to the board of directors three new directors, being Binyomin Posen, Cole Duthie and Jack Wortzman, and the resignation of two directors, being Shimmy Posen and Grant Duthie. Effective December 7, 2021, Binyomin Posen has also been appointed as Chief Executive Officer and Chief Financial Officer of the Company.

On January 21, 2022, the Company closed a non-brokered private placement raising aggregate gross proceeds of \$30,576 through the issuance of 26 common shares in the capital of the Company (the “Common Shares”) at a price of \$1,176 per share.

The Company’s consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. At April 30, 2023, the Company had no sources of revenue and had an accumulated deficit of \$198,988 (July 31, 2022 - \$60,387). At April 30, 2023, the Company had cash of \$5,291 (July 31, 2022 - \$7,379) and working capital deficit of \$26,485 (July 31, 2022 - \$24,811). These conditions raise material uncertainties which may cast significant doubt on the Company’s ability to continue as a going concern.

The Company’s ability to continue as a going concern and the recoverability of past expenditures mainly in day-to-day operations are dependent upon the ability of the Company to obtain necessary financing and/or loans to successfully complete its future objectives. Management pursues relationships and alliances with diverse entities in order to attract additional sources of funds or other transactions that would assure the continuance of the Company’s operations.

FORWARD LOOKING STATEMENTS

Certain statements contained in this amended Interim MD&A and in certain documents incorporated by reference in this amended Interim MD&A, constitute forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “forward-looking statements”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is

expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this amended Interim MD&A speak only as of the date of (i) this amended Interim MD&A or (ii) as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this amended Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

The forward-looking information in this MD&A reflects the current expectations, assumptions or beliefs of the Company based on information currently available to the Company. With respect to forward looking information contained in this MD&A, the Company has made assumptions regarding, among other things, the Company’s ability to successfully generate sufficient funds from capital markets to meet its future obligations as and when required, assumptions relating to the Company’s critical accounting policies, the Company’s business, the Company’s ability to pursue potential corporate transactions, the Company’s ability to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company’s demand. Although the Company believes that the assumptions inherent in the forward- looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company.

Any forward-looking information 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, future events or results or otherwise.

This MD&A (See “FINANCIAL INSTRUMENTS AND RISK”) contain information on risks, uncertainties and other factors relating to the forward - looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward - looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company’s control. Accordingly, readers should not place undue reliance on forward - looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

During the three months ended April 30, 2023, operating expenses of \$12,034 were comprised of the following.

- i) Professional fees were \$5,799;
- ii) Legal expenses were \$3,758; and
- iii) Filing expenses were \$2,477.

During the three months ended April 30, 2022, operating expenses of \$21,092 were mainly comprised of the following:

- i) Professional fees were \$1,500; and
- ii) Legal fees were \$19,592.

During the nine months ended April 30, 2023, operating expenses of \$138,601 were comprised mainly of the following.

- i) Professional fees were \$7,299;

1319732 B.C. LTD.**AMENDED MANAGEMENT DISCUSSION AND ANALYSIS****FOR THE NINE MONTHS ENDED APRIL 30, 2023 AND FOR THE PERIOD FROM INCORPORATION (AUGUST 12, 2021) TO APRIL 30, 2022**

- ii) Corporate management fees were \$125,000;
- iii) Legal expenses were \$3,542; and
- iv) Filing expenses were \$2,760.

During the period from incorporation (August 13, 2021) to April 30, 2022, operating expenses of \$46,568 were mainly comprised of the following:

- i) Professional fees were \$2,473;
- ii) Legal fees were \$39,147; and
- iii) Filing expenses were \$4,948.

LIQUIDITY AND CAPITAL RESOURCES

The Company's activities have been funded to date through the issuance of common shares.

Pursuant to the terms of the Plan of Arrangement effective on October 20, 2021 each of the Rio Verde Shares was exchanged for one New Common Share and seven new classes of Reorganization Shares. The Reorganization Shares were then transferred by the shareholders of Rio Verde, including the Acquirors, to each of the Spincos in exchange for common shares of the Spincos on a 1:1 basis. In addition, each of the Spincos received \$5,000 in working capital from Rio Verde.

On January 21, 2022, the Company closed a non-brokered private placement raising aggregate gross proceeds of \$30,576 through the issuance of 26 common shares in the capital of the Company (the "Common Shares") at a price of \$1,176 per share.

On January 27, 2022 the Company completed a share consolidation (the "Consolidation") of its common shares by exchanging one (1) new post-Consolidation Share for every three million two hundred sixty-seven thousand nine hundred and seventy-three (3,267,973) pre-Consolidation Shares as authorized by a resolution passed by the board of directors of the Company effective January 27, 2022 in accordance to the Company's Articles of Incorporation.

On August 25, 2022, the shareholders of the Corporation by unanimous resolution approved the split of the issued and outstanding Common Shares on the basis of a ratio 67,788 post-split Common Share for every 1 pre-split Common Share held, such that the Corporation has immediately after the split 2,440,368 Common Shares issued and outstanding on a post-split basis (the "Stock Split"). The Company also announced the completion of a debt settlement of \$136,928 by issuing an aggregate of 1,309,638 Common Shares.

On April 25, 2023, the Company announced that it has entered into share repurchase agreements with 1000294101 Ontario Inc. ("10002 ON") and Shimcity Inc. ("Shimcity", together with 10002 ON, the "Transferors") respectively dated April 25, 2023 pursuant to which 625,000 common shares (the "Transferred Shares") were repurchased by the Company from each Transferor for cancellation at an aggregate purchase price of \$1 (the "Share Repurchase").

SELECTED FINANCIAL INFORMATION

	For the period from incorporation (Aug 12, 2021) to July 31, 2022
Revenue	\$ Nil
Net loss for the year	\$ (60,387)
Net loss per common share, basic and diluted	\$ (0.03)
Weighted average number of common shares	1,863,215
Statement of financial position data:	
Working capital (deficiency)	\$ (24,811)
Total assets ¹	\$ 7,379

¹ Total asset consist primarily of cash in the Trust account.

SUMMARY OF QUARTERLY RESULTS

	April 30, 2023	Jan 31, 2023	Oct 31, 2022	July 31, 2022
Total assets	\$ 5,291	\$ 4,561	\$ 7,096	\$ 7,379
Working capital (deficiency)	(26,485)	(14,448)	(30,626)	(60,387)
Shareholders' equity (deficiency)	(26,485)	(14,448)	(30,626)	(60,387)
Revenue	-	-	-	-
Operating expenses	(12,034)	(120,752)	(5,815)	(13,818)
Net Gain / (loss)	(12,034)	(120,752)	(5,815)	(13,818)
Basic and diluted loss per share	(0.00)	(0.03)	(0.00)	(0.01)

	Apr 30, 2022	Jan 31, 2022	Oct 31, 2021
Total assets	\$ 7,379	\$ 27,304	\$ 5,000
Working capital (deficiency)	(10,992)	(10,100)	(3,901)
Shareholders' equity (deficiency)	(10,992)	(10,100)	(3,901)
Revenue	-	-	-
Operating expenses	(21,092)	(16,575)	(8,901)
Net Gain / (loss)	(21,092)	(16,575)	(8,901)
Basic and diluted loss per share	(0.01)	(0.02)	(0.01)

FINANCIAL INSTRUMENTS AND RISK

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. As at April 30, 2023, the carrying value of accounts payable and accrued liabilities approximate their fair value due to their short term to maturity. Cash is measured at fair value.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. As at April 30, 2023, the Company had cash balance of \$5,291 and current liabilities of \$31,776. To manage liquidity risk, the Company reviews additional sources of capital to continue its operations and discharge its commitments as they become due. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Credit risk

The Company's credit risk is primarily attributable to its liquid financial assets and would arise from the non-performance by counterparties of contractual financial obligations. The Company limits its exposure to credit risk on liquid assets by maintaining its cash with high-credit quality financial institutions, for which management believes the risk of loss to be minimal.

Interest rate risk

As of April 30, 2023, the Company has no interest-bearing term deposits.

Currency risk

The Company is not exposed to foreign currency risk.

OUTSTANDING SHARE DATA

As at the date of this report:

- a) Authorized: unlimited common shares without par value
- b) Issued and outstanding: 2,500,006 common shares.
- c) Outstanding stock options: At April 30, 2023, there are no outstanding stock options.
- d) Outstanding warrants: At April 30, 2023, there are no warrants outstanding.

CAPITAL MANAGEMENT

The Company considers its capital to be the components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

On October 20, 2021, Shimcity Inc. ("Shimcity"), a corporation controlled by the former director of the Company, and 2657456 Ontario Inc. ("265"), a corporation controlled by the former director of the Company (collectively, the "Acquirors") acquired an aggregate of 677,880 Common Shares. On January 21, 2022, pursuant to a private placement, both Shimcity and 265 acquired 881,244 Common Shares each.

On August 25, 2022, the Company issued 625,000 Common shares each at a price of \$0.10 per share to settle debt owed to 2674049 Ontario Inc. ("267 Ontario") of Toronto, Ontario, a Company controlled by a former director of the Company and 1000294101 Ontario Inc. ("101 Ontario"), of Toronto, Ontario, a company in which a former director is an officer.

Prior to the completion of the offering, each of Shimcity and 2657456 Ontario Inc. ("265 Ontario" and together, the "Transferors"), of Toronto, Ontario, transferred 610,090 Common Shares to 2578218 Ontario ("218 Ontario") at an aggregate purchase price of \$0.50, in a private transaction (the "Share Transfer"). In connection with the Share Transfer, the Transferors entered into separate options agreement (the "Agreements") with 218 Ontario pursuant to which the Transferors may repurchase the Common Shares transferred at a price equal to the purchase price, at a later date and subject to certain conditions. Under the Agreements, 218 Ontario has also assigned voting rights applicable to the Common Shares to the Transferors.

On April 25, 2023, the Company announced that it has entered into share repurchase agreements with 1000294101 Ontario Inc. ("10002 ON") and Shimcity Inc. ("Shimcity", together with 10002 ON, the "Transferors") respectively dated April 25,

2023 pursuant to which 625,000 common shares (the “Transferred Shares”) were repurchased by the Company from each Transferor for cancellation at an aggregate purchase price of \$1 (the “Share Repurchase”).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

NEWLY ADOPTED ACCOUNTING POLICIES, FUTURE ACCOUNTING POLICIES AND FINANCIAL INSTRUMENTS

Please refer to Note 2 of the financial statements for the period ended April 30, 2023 posted on www.sedarplus.ca.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

CONTINGENCIES

There are no contingent liabilities.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management’s estimates.

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management’s Discussion and Analysis. The Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

OTHER MATTER

Novel Coronavirus (“COVID-19”)

The Company’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis

that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

SUBSEQUENT EVENTS

Amalgamation agreement

On April 27, 2023, the Company announced the signing of an amalgamation agreement with Sendero (the "Definitive Agreement").

The Company and Sendero are entering into the Definitive Agreement in furtherance of their commitments under their previously announced binding letter agreement dated March 2, 2023. Pursuant to the Definitive Agreement, the Company and Sendero have agreed to complete a three-cornered amalgamation (the "Transaction") pursuant to which the Company intends to acquire all of the issued and outstanding common shares of Sendero ("Sendero Shares") in exchange for the issuance of common shares of the Company ("Company Shares").

Following the completion of the Transaction, the Company (the "Resulting Issuer") will hold all of the assets of and continue the business of Sendero under the name "Sendero Resources Corp." (the "Name Change"). In connection with the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the "Exchange").

Concurrent financing

On April 27, 2023, the Company announced that Sendero has closed the previously announced brokered private placement of subscription receipts and closed a tranche of the previously announced non-brokered private placement of units for aggregate gross proceeds of \$5,212,450. The Offerings were previously announced in the Company's news release dated March 3, 2023. The Company issued 11,014,500 Subscription Receipts under the Subscription Receipt Offering at a price of \$0.20 per Subscription Receipt, for gross proceeds to Sendero of approximately \$2,202,900, pursuant to an agency agreement dated the date hereof among Echelon Wealth Partners Inc. ("Echelon"), who acted as lead agent, M Partners Inc. and PI Financial Corp. (collectively, the "Agents"), the Company and Sendero.

Each Subscription Receipt will be automatically exchanged, for no additional consideration, into one unit (a "Unit") of Sendero upon the satisfaction of certain escrow release conditions, including the satisfaction of all conditions precedent to the consummation of the Transaction. Each Unit is comprised of one Sendero common share and one-half of one Sendero common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.30 at any time prior to the second anniversary of the date of issuance. The Company issued 15,047,750 Non-Brokered Units under the Non-Brokered Offering at a price of \$0.20 per Non-Brokered Unit, for a gross proceeds to Sendero of approximately \$3,009,550. Each Non-Brokered Unit is comprised of one Sendero common share and one-half of one common share purchase warrant with the same terms as the Warrants underlying the Subscription Receipts. The Company and Sendero had previously announced the intent to raise up to \$4,000,000 in gross proceeds in the Offerings, but increased the aggregate size of the Offerings due to investor demand. Sendero may issued additional Non-Brokered Units in subsequent closings under the Non-Brokered Offering.

Debt settlement

At April 30, 2023, the Company had loans payable of \$7,148 and subsequent to the quarter end, the Company received further loans of \$9,023 making the total loans payable at \$16,171. On September 13, 2023, the Company entered into debt settlement agreements with certain creditors whereby total loans payable for \$16,171 was forgiven for a nominal amount of \$1 to each of the creditors.

On September 13, 2023, the Company also entered into a debt settlement agreement with certain accounts payable where an amount of \$18,515 was forgiven.

RESTATEMENT OF PREVIOUSLY REPORTED FINANCIAL STATEMENTS

The Company is restating its statements of financial position as at April 30, 2023 and its statement of net loss and comprehensive loss, statement of cash flows and statement of changes in equity for the period ended April 30, 2023. The restatement reflects increase in professional fees and accrued liabilities and repurchase and cancellation of shares for the period ended April 30, 2023 and disclosures related to certain debt settlement agreements completed by the Company subsequent to the quarter end.

Statements of Financial Position	As previously reported	Adjustments	As restated
ASSETS			
Current Assets			
Cash	\$ 5,292	(1)	\$ 5,291
TOTAL ASSETS	\$ 5,292	\$ (1)	\$ 5,291

LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities	22,128	2,500	24,628
Loans payable	7,148	-	7,148
TOTAL LIABILITIES	\$ 29,276	2,500	\$ 31,776
Share Capital and Deficit			
Share Capital	172,504	1	172,503
Accumulated deficit	(196,488)	(2,500)	(198,988)
	(23,984)	-	(26,485)
TOTAL LIABILITIES AND EQUITY	\$ 5,292	\$ 1	\$ 5,291

Statement of Loss and Comprehensive Loss For the three months ended April 30, 2023	As previously reported	Adjustments	As restated
Professional fees	\$ 3,299	\$ 2,500	\$ 5,799
Legal expenses	3,758	-	3,758
Filing expenses	2,477	-	2,477
Loss before other items	\$ 9,534	\$ 2,500	\$ 12,034

Statement of Loss and Comprehensive Loss For the nine months ended April 30, 2023	As previously reported	Adjustments	As restated
Professional fees	\$ 4,799	\$ 2,500	\$ 7,299
Corporate management fees	125,000	-	125,000
Legal expenses	3,542	-	3,542
Filing expenses	2,760	-	2,760
Loss before other items	\$ 136,101	\$ 2,500	\$ 138,601

RESTATEMENT OF PREVIOUSLY REPORTED FINANCIAL STATEMENTS (continued)

For the nine-month ended April 30, 2023	As previously reported	Adjustments	As restated
Cash provided by (used in):			
Operating Activities			
Net gain / (loss) for period	\$ (136,101)	\$ (2,500)	\$ (138,601)
Shares issued to settle debt	136,928	-	136,928
Changes in non-cash working capital balances:			
Accounts payable and accrued liabilities	(10,062)	2,500	7,562
Loans payable	7,148	-	7,148
Cash Used in Operating Activities	\$ (2,087)	\$ -	\$ (2,087)
Financing Activities			
Shares repurchased	\$ -	(1)	(1)
Cash used in financing activities	-	(1)	(1)
Change in cash during the period	(2,087)	(1)	(2,088)
Cash, Beginning	7,379	-	7,379
Cash, Ending	\$ 5,292	\$ (1)	\$ 5,291
Statement of changes in equity			
For the period ended April 30, 2023	As previously reported	Adjustments (Note 6)	As restated
Capital and Deficit			
Number of shares	3,750,006	(1,250,000)	\$ 2,500,006
Share capital	\$ 172,504	(1)	172,503
Accumulated deficit	(196,488)	(2,500)	(198,988)
Total	\$ (23,984)	(2,501)	(26,485)

APPENDIX "C"
SENDERO FINANCIAL STATEMENTS

[See attached]

SENDERO RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine months ended April 30, 2023

(Unaudited)

SENDERO RESOURCES CORP.

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SENDERO RESOURCES CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Presented in Canadian Dollars)

	Note	April 30, 2023	July 31, 2022
			(Audited)
ASSETS			
Current			
Cash		\$ 4,566,216	\$ 534,345
GST receivable		5,971	3,366
Prepaid expenses		11,356	-
		<u>4,583,543</u>	<u>537,711</u>
Non-current			
Exploration and evaluation assets	6	2,208,333	1,875,000
		<u>2,208,333</u>	<u>1,875,000</u>
		<u>\$ 6,791,876</u>	<u>\$ 2,412,711</u>
LIABILITIES			
Current			
Trade and other payables	10	\$ 197,324	\$ 370,283
Subscription receipts financing	8	2,202,900	-
		<u>2,400,224</u>	<u>370,283</u>
SHAREHOLDERS' EQUITY			
Common shares	7	5,708,190	2,880,000
Common shares subscribed	7	24,250	270,750
Reserves	7	88,697	(45,402)
Deficit		(1,429,485)	(1,062,920)
		<u>4,391,652</u>	<u>2,042,428</u>
		<u>\$ 6,791,876</u>	<u>\$ 2,412,711</u>

Nature of operations and continuance of operations (Note 1)

Subsequent events (Note 12)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on September 25, 2023.

Approved by the Board of Directors:

Michael Wood

Michael Wood

Hernan Vera

Hernan Vera

See notes to the condensed consolidated interim financial statements

SENDERO RESOURCES CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**

(Presented in Canadian Dollars; Unaudited)

		Three months ended		Nine months ended	
	Note	April 30, 2023	April 30, 2022	April 30, 2023	April 30, 2022
Exploration expenses	6	\$ 31,040	\$ 322,504	\$ 120,836	\$ 627,354
Administrative expenses					
Accounting and audit		7,572	14,603	26,701	15,368
Bank charges		1,937	3,746	4,554	12,568
Consulting fee	10	5,922	-	12,383	50,000
Foreign exchange loss		-	8,464	1,302	9,364
Legal		8,498	19,466	36,845	28,870
Listing and filing fees		-	2,500	-	2,500
Management fee	10	5,440	45,000	97,803	66,000
Marketing		55,421	8,968	56,921	13,968
Travel		-	12,690	-	12,690
Office expense		2,809	7,678	9,220	13,216
		<u>87,599</u>	<u>123,115</u>	<u>245,729</u>	<u>224,544</u>
Net loss before income taxes		<u>118,639</u>	<u>445,619</u>	<u>366,565</u>	<u>851,898</u>
Other comprehensive loss					
Cumulative translation adjustment		1,603	12,230	458	15,512
Total comprehensive loss for the period		<u>\$ 120,242</u>	<u>\$ 457,849</u>	<u>\$ 367,023</u>	<u>\$ 867,410</u>
Basic and diluted loss per share		<u>\$ 0.00</u>	<u>\$ 0.02</u>	<u>\$ 0.01</u>	<u>\$ 0.04</u>
Weighted average number of common shares outstanding		<u>27,545,685</u>	<u>25,666,666</u>	<u>26,226,169</u>	<u>19,876,093</u>

See notes to the condensed consolidated interim financial statements

SENDERO RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Presented in Canadian Dollars)

		Common Shares			Reserves				Total	
	Note	Number of shares	Amount	Shares subscribed	Finder's warrants	Foreign exchange reserve	Total	Deficit	shareholders' equity	
Balance as at July 31, 2021	(Audited)	5,500,000	\$ 55,000	\$ 89,693	\$ -	\$ (421)	\$ (421)	\$ (28,559)	\$ 115,713	
Shares issued:										
Asset Purchase Agreement	7(b)	12,500,000	1,875,000	-	-	-	-	-	1,875,000	
Services rendered	7(b)	333,333	50,000	-	-	-	-	-	50,000	
Private placements	7(b)	7,333,333	900,000	(89,693)	-	-	-	-	810,307	
Net loss and comprehensive loss		-	-	-	-	(15,512)	(15,512)	(851,898)	(867,410)	
Balance as at April 30, 2022	(Unaudited)	25,666,666	2,880,000	-	-	(15,933)	(15,933)	(880,457)	1,983,610	
Shares to be issued	7(c)	-	-	270,750	-	-	-	-	270,750	
Net loss and comprehensive loss		-	-	-	-	(29,469)	(29,469)	(182,463)	(211,932)	
Balance as at July 31, 2022	(Audited)	25,666,666	2,880,000	270,750	-	(45,402)	(45,402)	(1,062,920)	2,042,428	
Shares issued:										
Private placements	7(b)	15,047,750	3,009,550	(270,750)	-	-	-	-	2,738,800	
Property acquisition	7(b)	1,666,667	333,333	-	-	-	-	-	333,333	
Shares to be issued	7(c)	-	-	24,250	-	-	-	-	24,250	
Share issue costs	7(b), 8	125,000	(514,693)	-	134,557	-	134,557	-	(380,136)	
Net loss and comprehensive loss		-	-	-	-	(458)	(458)	(366,565)	(367,023)	
Balance as at April 30, 2023	(Unaudited)	42,506,083	\$ 5,708,190	\$ 24,250	\$ 134,557	\$ (45,860)	\$ 88,697	\$ (1,429,485)	\$ 4,391,652	

See notes to the condensed consolidated interim financial statements

SENDERO RESOURCES CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

(Presented in Canadian Dollars; Unaudited)

	Nine months ended	
	April 30, 2023	April 30, 2022
Cash provided by (used for):		
Operating activities		
Net loss	\$ (366,565)	\$ (851,898)
Items not involving cash:		
Management fee paid in common shares	-	50,000
Foreign exchange	(458)	(15,512)
Changes in non-cash working capital items:		
GST receivable	(2,605)	(1,465)
Prepaid expenses	(11,356)	-
Trade and other payables	(266,741)	1,699
Cash used in operating activities	(647,725)	(817,176)
Financing activities		
Net proceeds from issuance of common shares	2,452,446	810,307
Subscription receipts financing	2,202,900	-
Shares subscribed	24,250	-
Cash provided by financing activities	4,679,596	810,307
Net (decrease) increase in cash	4,031,871	(6,869)
Cash - beginning of the period	534,345	127,400
Cash - end of the period	\$ 4,566,216	\$ 120,531
Supplemental disclosure with respect to cash flows:		
Common shares issuance pursuant to share issue costs	\$ 25,000	\$ -
Common shares issuance pursuant to property acquisition	\$ 333,333	\$ 1,875,000

See notes to the condensed consolidated interim financial statements

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Sendero Resources Corp. (the “Company” or “Sendero”) was incorporated on August 4, 2020 under the name of Reyna Gold Corp., changed its name to 1260005 B.C. Ltd. on January 21, 2021, and changed its name to Sendero Resources Corp. on June 1, 2021. The Company is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office is located at 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5. Between the date of incorporation and December 31, 2020, the Company was inactive and had no operation.

On March 3, 2023, the Company entered into a binder letter agreement (the “Agreement”) with 1319732 B.C. Ltd. (“131”). Pursuant to the Agreement, the Company and 131 will complete a three-cornered amalgamation (the “Transaction”), resulting in a reverse takeover of 131 by the Company (the “Resulting Issuer”). For accounting purposes, the Company will be treated as the accounting parent, and 131 will be treated as the accounting subsidiary. Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the “Exchange”). As part of the Transaction, the Company completed certain financings (Notes 7(b), 8 and 12(a)).

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing to develop its exploration and evaluation assets, and to commence profitable operations in the future. To date, the Company has not generated any significant revenues and is considered to be in the exploration stage. There are material uncertainties that cast significant doubt about the appropriateness of the going concern assumption.

Management’s plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that may be necessary should the Company be unable to continue in existence.

		April 30,		July 31,
		2023		2022
Deficit	\$	(1,429,485)	\$	(1,062,920)
Working capital	\$	2,183,319	\$	167,428

2. BASIS OF PREPARATION**(a) Statement of compliance**

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

2. BASIS OF PREPARATION (Continued)**(b) Basis of preparation**

These condensed consolidated interim financial statements have been prepared on a historical cost basis. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed consolidated interim financial statements have been prepared on the basis of IFRS standards that are published at the time of preparation.

3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended July 31, 2022.

These unaudited condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended July 31, 2022. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the nine-month period ended April 30, 2023 are not necessarily indicative of the results that may be expected for the current fiscal year ending July 31, 2023.

New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the April 30, 2023 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- Presentation of financial statements

An amendment to IAS 1 was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2023. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk and liquidity risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank account. The Company's bank account is held with a major bank in Canada and the Company also has cash held in trust with its lawyer and transfer agent. Accordingly, the Company believes it is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As at April 30, 2023, the Company had a cash balance of \$4,566,216 to settle current liabilities of \$2,400,224.

d) Currency risk

The Company's property interest in Argentina make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and the Argentine pesos. The Company does not invest in foreign currency contracts to mitigate the risks. The Company does not have net monetary liabilities in Argentine pesos.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any financial assets measured at fair value.

5. CAPITAL MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS**ARGENTINA****(a) Pena Negras Property**

On October 26, 2021, the Company entered into a Share Transfer Agreement (the "Agreement") with the owner of Barton S.A.S. ("Barton") whereby the Company acquired 100% of the issued and outstanding share capital of Barton in exchange for the issuance of 12,500,000 common shares to Hernan Vera, a director of the Company. These common shares were valued at \$1,875,000, based on the issue price of the non-brokered private placement that was completed on October 22, 2021 (Note 7). As the only asset or liability in Barton was the Pena Negras property, the entire \$1,875,000 purchase price has been allocated to the property.

The Company holds a 100% interest in the Pena Negras property via Barton. The Pena Negras property is subject to a 1.5% net smelter returns royalty ("NSR") payable to a director of the Company pursuant to the NSR agreement dated March 1, 2023.

On February 25, 2023, the Company issued 1,666,667 shares at a fair value of \$0.20 per share (\$333,333) to a director of the Company for the acquisition of an additional mineral claim where such claim is subject to a 1.5% NSR (Note 7). This additional mineral claim has been dormant and has no expenditures spent from the date that the director acquired it.

	<u>Pena Negras (Argentina)</u>
Exploration and evaluation assets	
Acquisition costs	
As of July 31, 2021	\$ -
Addition during the year	1,875,000
As of July 31, 2022	1,875,000
Addition during the period	333,333
As of April 30, 2023	<u>\$ 2,208,333</u>

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (Continued)**ARGENTINA****(a) Pena Negras Property (Continued)**

	<u>Pena Negras (Argentina)</u>
Mineral exploration expenses for the nine months ended April 30, 2022	
Camp costs	\$ 47,100
Consulting and reporting	33,144
Field equipment and supplies	26,881
Geology and exploration	413,833
Maintenance costs	4,132
Other property related expenses	20,201
Sampling and assaying	17,533
Transportation and travel	64,530
	<u>\$ 627,354</u>

Mineral exploration expenses for the nine months ended April 30, 2023

Camp costs	\$ 6,634
Consulting and reporting	34,481
Field equipment and supplies	6,450
Geology and exploration	50,322
Maintenance costs	2,192
Other property related expenses	1,092
Sampling and assaying	18,622
Transportation and travel	1,043
	<u>\$ 120,836</u>

Cumulative mineral exploration expenses up to April 30, 2023

Camp costs	\$ 52,252
Consulting and reporting	67,625
Field equipment and supplies	35,810
Geology and exploration	522,269
Maintenance costs	6,136
Other property related expenses	23,273
Sampling and assaying	36,597
Transportation and travel	67,670
	<u>\$ 811,632</u>

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

7. SHARE CAPITAL

(a) Authorized:

At April 30, 2023, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

During the year ended July 31, 2022:

On August 5, 2021, the Company completed a non-brokered private placement by issuing 2,000,000 common shares at a price of \$0.05 per common share for gross proceeds of \$100,000.

On October 20, 2021, the Company completed a non-brokered private placement by issuing 2,482,000 common shares at a price of \$0.15 per common share for gross proceeds of \$372,300.

On October 22, 2021, the Company completed a non-brokered private placement by issuing 2,518,000 common shares at a price of \$0.15 per common share for gross proceeds of \$377,700.

On October 26, 2021, the Company issued 12,500,000 common shares at a value of \$1,875,000 pursuant to the Agreement (Note 6).

On December 3, 2021, the Company completed a non-brokered private placement by issuing 333,333 common shares at a price of \$0.15 per common share for gross proceeds of \$50,000.

On December 16, 2021, the Company issued 333,333 common shares at a value of \$50,000 as a consulting fee to a director of the Company (Note 10).

During the nine months ended April 30, 2023:

On February 25, 2023, the Company issued 1,666,667 shares at a value of \$333,333 to a director of the Company for the acquisition of a mineral claim (Notes 6 and 10).

On April 27, 2023, the Company completed the first tranche of a non-brokered financing, issuing 15,047,750 units for total proceeds of \$3,009,550, \$1,242,660 of which was held by the lawyer and subsequent to April 30, 2023 deposited into the Company's bank account. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying certain escrow release conditions (Note 12(a)). The Company incurred \$126,122 cash finder's fees and issued 630,612 finder's warrants valued at \$60,539 using the Black-Scholes option pricing model, whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On April 27, 2023, the Company also completed a brokered financing (Note 8). In conjunction with the brokered financing, the Company issued 125,000 common shares as corporate finance fee and 771,016 brokered warrants valued at \$74,018 using the Black-Scholes option pricing model, whereby each broker's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

7. SHARE CAPITAL (Continued)

(c) Shares subscribed:

During the year ended July 31, 2022:

The Company received \$270,750 for shares to be issued in fiscal 2023.

During the nine months ended April 30, 2023:

As of April 30, 2023, the Company received \$24,250 for shares to be issued on May 12, 2023 (Note 12(a)).

(d) Warrants:

The continuity of warrants for the nine months ended April 30, 2023 is as follows:

Expiry date	Exercise price	July 31, 2022	Issued	Exercised	Expired	April 30, 2023
April 27, 2025 (a)	\$ 0.30	-	7,523,875	-	-	7,523,875
Warrants outstanding		-	7,523,875	-	-	7,523,875
Weighted average exercise price	\$	-	\$ 0.30	\$	-	\$ 0.30

(a) These warrants expire on the later of April 27, 2025 and 24-month anniversary of satisfying certain escrow release conditions (Note 12(a)).

As at April 30, 2023, the weighted average contractual remaining life of warrants is 1.99 years assuming that the expiry date is April 27, 2025.

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

7. SHARE CAPITAL (Continued)

(e) Finder's / Broker's Warrants:

The continuity of finder's and broker's warrants for the nine months ended April 30, 2023 is as follows:

Expiry date	Exercise price	July 31, 2022	Issued	Exercised	Expired	April 30, 2023
April 27, 2025 (a)	\$ 0.20	-	1,401,628	-	-	1,401,628
Finder's warrants outstanding		-	1,401,628	-	-	1,401,628
Weighted average exercise price	\$	-	\$ 0.20	\$	-	\$ 0.20

(a) These warrants expire on the later of April 27, 2025 and 24-month anniversary of satisfying certain escrow release conditions (Note 12(a)).

As at April 30, 2023, the weighted average contractual remaining life of warrants is 1.99 years assuming that the expiry date is April 27, 2025.

The weighted average assumptions used to estimate the fair value of finder's warrants for the nine months ended April 30, 2022 were as follows:

	2023
Expected dividend yield	0.00%
Expected stock price volatility	86.49%
Risk-free interest rate	3.80%
Forfeiture rate	0.00%
Expected life of warrants	2 years

8. SUBSCRIPTION RECEIPTS FINANCING

On April 27, 2023, the Company completed a brokered financing, issuing 11,014,500 subscription receipts for gross proceeds of \$2,202,900. As part of the brokered financing, a total of \$154,203 broker's fee and \$99,811 other share issue costs were incurred. The net proceeds from this brokered financing of \$1,948,886 were held in trust as of April 30, 2023 and will be released to the Company upon the completion of the Transaction (Note 12(a)).

Each subscription receipt, upon the completion of the Transaction, will be converted into one common share of the resulting issuer and a half warrant. Each full warrant associated with these subscription receipts will be exercisable into one common share of the resulting issuer at \$0.30 and will expire on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions (Note 12(a)).

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

9. LOSS PER SHARE**Basic and diluted loss per share**

The calculation of basic and diluted loss per share for nine months ended April 30, 2023 was based on the loss attributable to common shareholders of \$366,565 (nine months ended April 30, 2022 – \$851,898) and a weighted average number of common shares outstanding of 26,226,169 (nine months ended April 30, 2022 – 19,876,093).

Diluted loss per share did not include the effect of the 7,523,875 warrants and 1,401,628 finders' and broker's warrants (April 30, 2022 – Nil warrants and Nil finders' and brokers' warrants) since they were anti-dilutive.

10. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the nine months ended April 30, 2023:

	Cash payments	Shares issued	TOTAL
Hernan Vera ⁽²⁾ Director	\$ 22,803	\$ 333,333	\$ 356,136
Matt Hudson ⁽³⁾ Former Chief Executive Officer	\$ 75,000	\$ -	\$ 75,000

For the nine months ended April 30, 2022:

	Cash payments	Shares issued	TOTAL
Mit Tilkov ⁽¹⁾ Former Chief Executive Officer, former Director	\$ 21,000	\$ -	\$ 21,000
Hernan Vera ⁽²⁾ Director	\$ 15,992	\$ 50,000	\$ 65,992
Matt Hudson ⁽³⁾ Chief Executive Officer	\$ 45,000	\$ -	\$ 45,000

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS (Continued)

Related party transactions and balances:

		Amounts included in Trade and other payables			
		As at		As at	
		April 30,		July 31,	
		2023		2022	
		Nine months ended			
		April 30, 2023		April 30, 2022	
Services for:					
0851901 BC Ltd ⁽¹⁾	Management fee	\$ -	\$ 21,000	\$ -	\$ -
Hernan Vera	Management fee and geology consulting	356,136	65,992	2,781	-
Aerospace Industries Pty Ltd ⁽³⁾	Management fee	75,000	-	-	-
Kimon Pty Ltd ⁽³⁾	Management fee	-	45,000	-	-
Total		\$ 431,136	\$ 131,992	\$ 2,781	\$ -

⁽¹⁾ Mit Tilkov's cash payments as the former Chief Executive Officer were paid through 0851901 B.C. Ltd., a private company owned by Mr. Tiklov.

⁽²⁾ Hernan Vera received 333,333 shares as consulting fee during fiscal 2022 and 1,666,667 shares for the sale of a mineral claim during fiscal 2023 (Note 7(b)).

⁽³⁾ Matt Hudson's cash payments paid to Kimon Pty Ltd, a private company owned by Mr. Hudson, during fiscal 2022; and paid to Aerospace Industries Pty Ltd., a private company owned by Mr. Hudson, during fiscal 2023. Mr. Hudson resigned from being the Chief Executive Officer effective December 31, 2022.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

SENDERO RESOURCES CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT APRIL 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

11. COMMITMENTS

(a) Executive compensation

On February 23, 2023, the Company signed two executive management agreements with Hernan Vera (Chief Executive Officer) and Michael Wood (Executive Chairman) where the Company will issue 1,000,000 common shares to Mr. Wood's company upon the completion of several milestones, including the completion of the Transaction and will issue 1,670,355 common shares to Mr. Vera (based on \$5,855,950 raised) upon the completion of several milestones, including the completion of the Transaction. Mr. Vera and Mr. Wood will also be getting a monthly compensation of \$15,000 per person effective July 2023 and \$75,000 per person as bonuses upon the completion of the Transaction.

12. SUBSEQUENT EVENTS

(a) Financing

The Company completed a brokered private placement via the issuance of subscription receipts (Note 8) and the first tranche of a non-brokered private placement via the issuance of units (Note 7(b)) on April 27, 2023.

On May 12, 2023, the Company completed the second tranche of the financing, issuing 1,225,000 units for total proceeds of \$245,000. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$11,358 in cash finder's fees and issued 56,787 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On July 25, 2023, the Company completed the third tranche of the financing, issuing 1,992,500 units for total proceeds of \$398,500. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$27,650 in cash finder's fees and issued 138,250 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying the escrow release conditions.

The escrow release conditions include the satisfaction of all conditions precedent to the consummation of the Transaction. In the event the escrow release conditions are not satisfied within 120 days of the closing of the financing, the proceeds from the brokered private placement will be returned to the holders of the subscription receipts. Prior to the original escrow release deadline of August 25, 2023, on August 18, 2023, the brokers agreed to extend the escrow release deadline to September 15, 2023. On September 14, 2023, the brokers agreed to further extend the escrow release deadline to September 29, 2023.

SENDERO RESOURCES CORP.
CONSOLIDATED FINANCIAL STATEMENTS

For the year ended July 31, 2022

and

For the period from incorporation on August 4, 2020 to July 31, 2021

SENDERO RESOURCES CORP.

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Sendero Resources Corp.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Sendero Resources Corp. (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2022 and 2021, and the consolidated statements of net loss and comprehensive loss, changes in shareholders' equity and cash flows for the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2022 and 2021 and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company's continuing operations are dependent upon its ability to raise adequate financing to develop its exploration and evaluation assets, and to commence profitable operations in the future. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to note 3 – Significant estimates and assumptions, note 3 – Accounting policy for exploration and evaluation assets and note 6 Exploration and evaluation assets</i>	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:

Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the property; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

- Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.
- Confirmed that the Company's right to explore the property had not expired.
- Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets.
- Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is James Roxburgh.

The image shows a handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC, Canada
September 25, 2023

SENDERO RESOURCES CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Presented in Canadian Dollars)

	Note	July 31, 2022	July 31, 2021
ASSETS			
Current			
Cash		\$ 534,345	\$ 127,400
GST receivable		3,366	-
		<u>537,711</u>	<u>127,400</u>
Non-current			
Exploration and evaluation assets	6	1,875,000	-
		<u>1,875,000</u>	<u>-</u>
		<u>\$ 2,412,711</u>	<u>\$ 127,400</u>
LIABILITIES			
Current			
Trade and other payables	8	\$ 370,283	\$ 11,687
SHAREHOLDERS' EQUITY			
Common shares	7	2,880,000	55,000
Common shares subscribed	7	270,750	89,693
Reserves	7	(45,402)	(421)
Deficit		(1,062,920)	(28,559)
		<u>2,042,428</u>	<u>115,713</u>
		<u>\$ 2,412,711</u>	<u>\$ 127,400</u>

Nature of operations and continuance of operations (Note 1)

Subsequent events (Notes 6, 8 and 10)

These consolidated financial statements are authorized for issue by the Board of Directors on September 25, 2023.

Approved by the Board of Directors:

Michael Wood

Michael Wood

Hernan Vera

Hernan Vera

See notes to the consolidated financial statements

SENDERO RESOURCES CORP.**CONSOLIDATED STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**

(Presented in Canadian Dollars)

		Year ended	From date of incorporation
	Note	July 31, 2022	on August 4, 2020 to
			July 31, 2021
Exploration expenses	6	\$ 672,302	\$ 18,494
Administrative expenses			
Accounting and audit		32,029	225
Bank charges		14,233	341
Consulting fee	8	58,171	1,000
Foreign exchange loss (gain)		2,972	(52)
Legal		49,864	43
Listing and filing fees		2,500	-
Management fee	8	120,623	7,000
Marketing		66,135	-
Office expense		15,532	1,508
		<u>362,059</u>	<u>10,065</u>
Net loss before income taxes		<u>1,034,361</u>	<u>28,559</u>
Other comprehensive loss			
Cumulative translation adjustment		<u>44,981</u>	<u>421</u>
Total comprehensive loss for the period		<u>\$ 1,079,342</u>	<u>\$ 28,980</u>
Basic and diluted loss per share		<u>\$ 0.05</u>	<u>\$ 0.07</u>
Weighted average number of common shares outstanding		<u>21,345,139</u>	<u>380,886</u>

See notes to the consolidated financial statements

SENDERO RESOURCES CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Presented in Canadian Dollars)

	Note	Common Shares		Shares subscribed	Reserves		Deficit	Total shareholders' equity
		Number of shares	Amount		Foreign exchange reserve			
Balance as at August 4, 2020		-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Shares issued:								
Private placements	7(b)	5,500,000	55,000	-	-	-	-	55,000
Shares to be issued	7(c)	-	-	89,693	-	-	-	89,693
Net loss and comprehensive loss		-	-	-	(421)	(28,559)	(28,980)	
Balance as at July 31, 2021		5,500,000	55,000	89,693	(421)	(28,559)	115,713	
Shares issued:								
Asset Purchase Agreement	7(b)	12,500,000	1,875,000	-	-	-	1,875,000	
Services rendered	7(b)	333,333	50,000	-	-	-	50,000	
Private placements	7(b)	7,333,333	900,000	(89,693)	-	-	810,307	
Shares to be issued	7(c)	-	-	270,750	-	-	270,750	
Net loss and comprehensive loss		-	-	-	(44,981)	(1,034,361)	(1,079,342)	
Balance as at July 31, 2022		25,666,666	\$ 2,880,000	\$ 270,750	\$ (45,402)	\$ (1,062,920)	\$ 2,042,428	

See notes to the consolidated financial statements

SENDERO RESOURCES CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Presented in Canadian Dollars)

	Year ended July 31, 2022	From date of incorporation on August 4, 2020 to July 31, 2021
Cash provided by (used for):		
Operating activities		
Net loss	\$ (1,034,361)	\$ (28,559)
Items not involving cash:		
Management fee paid in common shares	50,000	-
Foreign exchange	(44,981)	(421)
Changes in non-cash working capital items:		
GST receivable	(3,366)	-
Trade and other payables	358,596	11,687
Cash used in operating activities	(674,112)	(17,293)
Financing activities		
Net proceeds from issuance of common shares	810,307	55,000
Common shares subscribed	270,750	89,693
Cash provided by financing activities	1,081,057	144,693
Net change in cash	406,945	127,400
Cash - beginning of the period	127,400	-
Cash - end of the period	\$ 534,345	\$ 127,400

See notes to the consolidated financial statements

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2022;

AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021

(Presented in Canadian Dollars)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Sendero Resources Corp. (the “Company” or “Sendero”) was incorporated on August 4, 2020 under the name of Reyna Gold Corp., changed its name to 1260005 B.C. Ltd. on January 21, 2021, and changed its name to Sendero Resources Corp. on June 1, 2021. The Company is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office is located at 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5. Between the date of incorporation and December 31, 2020, the Company was inactive and had no operation.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing to develop its exploration and evaluation assets, and to commence profitable operations in the future. To date, the Company has not generated any significant revenues and is considered to be in the exploration stage. There are material uncertainties that cast significant doubt about the appropriateness of the going concern assumption.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

Management’s plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that may be necessary should the Company be unable to continue in existence.

	July 31,	July 31,
	2022	2021
Deficit	\$ (1,062,920)	\$ (28,559)
Working capital	\$ 167,428	\$ 115,713

2. BASIS OF PREPARATION**(a) Statement of compliance**

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

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2022;

AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021

(Presented in Canadian Dollars)

2. BASIS OF PREPARATION (Continued)**(b) Basis of preparation**

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements have been prepared on the basis of IFRS standards that are published at the time of preparation.

(c) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the July 31, 2022 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- Presentation of financial statements

An amendment to IAS 1 was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2023. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

3. SIGNIFICANT ACCOUNTING POLICIES**Basis of consolidation**Subsidiary

The consolidated financial statements include the financial statements of the Company and the entity controlled by the Company (its "subsidiary"). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The Company's subsidiary is:

	<u>% of ownership</u>	<u>Jurisdiction</u>	<u>Principal activity</u>
Barton S.A.S.	100%	Argentina	Exploration company

The subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases.

Inter-company balances and transactions

Inter-company balances and transactions, including unrealised income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2022;

AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021

(Presented in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

The functional and presentation currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rate of the exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Company has determined that the functional currency of its subsidiary in Argentina is the Argentine peso. Exchange differences arising from the translation of the subsidiary's functional currency into the Company's presentation currency are taken directly into the foreign exchange reserve.

Subsidiary

The results and financial position of the Company's subsidiary that have a functional currency different from the Company's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date;
- Income and expenses are translated at average exchange rates for the period;
- Equity is translated using historical rates; and
- All resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

On consolidation, exchange differences arising from the translation of the net investment in the foreign entity are taken to the foreign exchange reserve included in Reserves. When a foreign operation is sold, such exchange differences are recognized in the statement of loss as part of the gain or loss on sale.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares are issued.

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

Share-based payment transactions

Warrants with the right to acquire common shares in the Company are typically issued through the Company's equity financing activities. Where finders' warrants are issued on a stand-alone basis, their fair values are measured on their issuance date using the Black-Scholes option pricing model and are recorded as both an increase to reserves and as a share issue cost.

When warrants are exercised, the cash proceeds along with the amount previously recorded in reserves are recorded as share capital.

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(Presented in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)***Basic loss per share***

Basic loss per share is computed using the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The effect of potential issuances of shares from the exercise of outstanding options and warrants would be anti-dilutive for the years presented and accordingly, basic and diluted losses per share are the same.

Exploration and evaluation assets

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are expensed as incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or asset acquisition which are recognized as assets. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the consolidated statement of comprehensive loss.

Capitalized costs, including general and administrative costs, are only allocated to the extent that these costs can be related directly to operational activities in the relevant area of interest where they are considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Impairment of non-financial assets**

The carrying amount of the Company's long-lived assets (which include exploration and evaluation assets) is reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately as a charge in the statement of comprehensive loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal is recognized as a recovery in the statement of comprehensive loss for the period.

Significant estimates and assumptions

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout these consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the consolidated statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent, management considered both the funds from financing activities and the currency in which goods and services are paid. The functional currency of its subsidiary in Argentina is the Argentine peso. The Company chooses to report in Canadian dollar as the presentation currency;
- The assessment of indications of impairment of each mineral property and related determination of the net realized value and write-down of those properties where applicable; and
- The determination that the Company will continue as a going concern for the next year.

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)***Income taxes***Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Financial instruments*Financial Assets - Classification*

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value, either through Other Comprehensive Income ("OCI"), or through profit or loss ("FVTPL"), and
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

The Company has classified cash as subsequently measured at amortized cost.

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)*Financial Assets - Measurement*

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

Subsequent measurement of financial assets depends on their classification. These are the measurement categories under which the Company classifies its financial assets:

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

Impairment of Financial Assets at Amortized Cost

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

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED JULY 31, 2022;****AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021****(Presented in Canadian Dollars)**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Financial instruments (Continued)***Financial Liabilities*

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

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

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

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED JULY 31, 2022;****AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021****(Presented in Canadian Dollars)**

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk and liquidity risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank account. The Company's bank account is held with a major bank in Canada; accordingly, the Company believes it is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As at July 31, 2022, the Company had a cash balance of \$534,345 to settle current liabilities of \$370,283.

d) Currency risk

The Company's property interest in Argentina make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and the Argentine pesos. The Company does not invest in foreign currency contracts to mitigate the risks. The Company does not have net monetary liabilities in Argentine pesos.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any financial assets measured at fair value.

5. CAPITAL MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

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(Presented in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS**ARGENTINA****(a) Pena Negras Property**

On October 26, 2021, the Company entered into a Share Transfer Agreement (the "Agreement") with the owner of Barton S.A.S. ("Barton") whereby the Company acquired 100% of the issued and outstanding share capital of Barton in exchange for the issuance of 12,500,000 common shares to Hernan Vera, a director of the Company. These common shares were valued at \$1,875,000, based on the issue price of the non-brokered private placement that was completed on October 22, 2021 (see Note 7). As the only asset or liability in Barton was the Pena Negras property, the entire \$1,875,000 purchase price has been allocated to the property.

The Company holds a 100% interest in the Pena Negras property via Barton. Subsequent to July 31, 2022, the Pena Negras property is subject to a 1.5% net smelter returns royalty ("NSR") payable to a director of the Company pursuant to the NSR agreement dated March 1, 2023.

	<u>Pena Negras (Argentina)</u>
Exploration and evaluation assets	
Acquisition costs	
As of August 4, 2020	\$ -
Addition during the period	-
As of July 31, 2021	-
Addition during the period	1,875,000
As of July 31, 2022	\$ 1,875,000

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6. EXPLORATION AND EVALUATION ASSETS (Continued)**ARGENTINA****(a) Pena Negras Property (Continued)**

	<u>Pena Negras (Argentina)</u>
Mineral exploration expenses for the period from incorporation on August 4, 2020 to July 31, 2021	
Geology and exploration	\$ 18,239
Maintenance costs	183
Transportation and travel	72
	<u>\$ 18,494</u>

**Mineral exploration expenses for the year
ended July 31, 2022**

Camp costs	\$ 45,618
Consulting and reporting	33,144
Field equipment and supplies	29,360
Geology and exploration	453,708
Maintenance costs	3,761
Other property related expenses	22,181
Sampling and assaying	17,975
Transportation and travel	66,555
	<u>\$ 672,302</u>

**Cumulative mineral exploration expenses
up to July 31, 2022**

Camp costs	\$ 45,618
Consulting and reporting	33,144
Field equipment and supplies	29,360
Geology and exploration	471,947
Maintenance costs	3,944
Other property related expenses	22,181
Sampling and assaying	17,975
Transportation and travel	66,627
	<u>\$ 690,796</u>

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED JULY 31, 2022;****AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021****(Presented in Canadian Dollars)**

7. SHARE CAPITAL**(a) Authorized:**

At July 31, 2022, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

During the period from incorporation on August 4, 2020 to July 31, 2021:

On July 7, 2021, the Company completed a non-brokered private placement by issuing 5,500,000 common shares at a price of \$0.01 per common share for gross proceeds of \$55,000.

During the year ended July 31, 2022:

On August 5, 2021, the Company completed a non-brokered private placement by issuing 2,000,000 common shares at a price of \$0.05 per common share for gross proceeds of \$100,000.

On October 20, 2021, the Company completed a non-brokered private placement by issuing 2,482,000 common shares at a price of \$0.15 per common share for gross proceeds of \$372,300.

On October 22, 2021, the Company completed a non-brokered private placement by issuing 2,518,000 common shares at a price of \$0.15 per common share for gross proceeds of \$377,700.

On October 26, 2021, the Company issued 12,500,000 common shares at a value of \$1,875,000 pursuant to the Agreement (Note 6).

On December 3, 2021, the Company completed a non-brokered private placement by issuing 333,333 common shares at a price of \$0.15 per common share for gross proceeds of \$50,000.

On December 16, 2021, the Company issued 333,333 common shares at a value of \$50,000 as a consulting fee to a director of the Company (Note 8).

(c) Shares subscribed:

During the period from incorporation on August 4, 2020 to July 31, 2021:

The Company received \$89,693 for shares to be issued in fiscal 2022.

During the year ended July 31, 2022:

The Company received \$270,750 for shares to be issued in fiscal 2023.

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8. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the year ended July 31, 2022:

	Cash payments	Shares issued	TOTAL
Mit Tilkov ⁽¹⁾ Former Chief Executive Officer, former Director	\$ 21,000	\$ -	\$ 21,000
Hernan Vera ⁽²⁾ Director	\$ 27,441	\$ 50,000	\$ 77,441
Matt Hudson ⁽³⁾ Chief Executive Officer	\$ 90,000	\$ -	\$ 90,000

From incorporation on August 4, 2020 to July 31, 2021:

	Cash payments	Shares issued	TOTAL
Mit Tilkov ⁽¹⁾ Former Chief Executive Officer, former Director	\$ 7,000	\$ -	\$ 7,000

Related party transactions and balances:

	Services for:	Year ended July 31, 2022	From date of incorporation on August 4, 2020 to July 31, 2021	As at July 31, 2022	As at July 31, 2021
0851901 BC Ltd ⁽¹⁾	Management fee	\$ 21,000	\$ 7,000	\$ -	\$ 7,840
Hernan Vera	Management fee and geology consulting	77,441	-	-	-
Kimono Pty Ltd ⁽³⁾	Management fee	90,000	-	-	-
Total		\$ 188,441	\$ 7,000	\$ -	\$ 7,840

⁽¹⁾ Mit Tilkov's cash payments as the former Chief Executive Officer were paid through 0851901 B.C. Ltd., a private company owned by Mr. Tilkov.

⁽²⁾ Hernan Vera received 333,333 shares as consulting fee (Note 7(b)).

⁽³⁾ Matt Hudson's cash payments paid to Kimono Pty Ltd, a private company owned by Mr. Hudson, during fiscal 2022. Subsequently, Mr. Hudson resigned from being the Chief Executive Officer effective December 31, 2022.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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9. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		Year ended July 31, 2022	From date of incorporation on August 4, 2020 to July 31, 2021
Net loss for the period	\$	1,034,361	\$ 28,559
Statutory tax rate		26.15%	27.02%
Expected income tax recovery		270,497	7,717
Non-deductible amounts		(76,236)	(3,441)
Change in valuation allowance		(194,261)	(4,276)
Income tax recovery	\$	-	\$ -

The components of the Company's deferred income tax asset is as follows:

		July 31, 2022	July 31, 2021
Loss carry-forwards	\$	198,537	\$ 4,276
Valuation allowance		(198,537)	(4,276)
Net deferred income tax assets	\$	-	\$ -

The Company's Canadian non-capital loss carry-forwards expire as follows:

	Loss carry-forwards
2041	\$ 9,500
2042	313,000
	\$ 322,500

The Company also has Argentina non-capital loss carry-forwards of approximately \$446,000.

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2022;

AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021

(Presented in Canadian Dollars)

10. SUBSEQUENT EVENTS

(a) Shares for property acquisition

On February 25, 2023, the Company issued 1,666,667 shares at a fair value of \$0.20 per share to a director of the Company for the acquisition of a mineral claim in the province of La Rioja in Argentina where the claim is subject to a 1.5% NSR.

(b) Public listing and financing

On March 3, 2023, the Company entered into a binder letter agreement (the "Agreement") with 1319732 B.C. Ltd. ("131"). Pursuant to the Agreement, the Company and 131 will complete a three-cornered amalgamation (the "Transaction"), resulting in a reverse takeover of 131 by the Company (the "Resulting Issuer"). For accounting purposes, the Company will be treated as the accounting parent, and 131 will be treated as the accounting subsidiary. Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange. As part of the Transaction, the Company completed certain financings as noted below.

On April 27, 2023, the Company completed the first tranche of a non-brokered financing, issuing 15,047,750 units for total proceeds of \$3,009,550. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$126,122 cash finder's fees and issued 630,612 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On April 27, 2023, the Company also completed a brokered financing, issuing 11,014,500 subscription receipts for gross proceeds of \$2,202,900. As part of the brokered financing, a total of \$154,203 broker's fee and \$99,811 other share issue costs were incurred. The net proceeds from this brokered financing of \$1,948,886 were held in trust as of April 30, 2023 and will be released to the Company upon the completion of the Transaction. Each subscription receipt, upon the completion of the Transaction, will be converted into one common share of the resulting issuer and a half warrant. Each full warrant associated with these subscription receipts will be exercisable into one common share of the resulting issuer at \$0.30 and will expire on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions. In conjunction with the brokered financing, the Company issued 125,000 common shares as corporate finance fee and 771,016 broker's warrants whereby each broker's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On May 12, 2023, the Company completed the second tranche of the financing, issuing 1,225,000 units for total proceeds of \$245,000. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$11,358 in cash finder's fees and issued 56,787 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On July 25, 2023, the Company completed the third tranche of the financing, issuing 1,992,500 units for total proceeds of \$398,500. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$27,650 in cash finder's fees and issued 138,250 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying the escrow release conditions.

SENDERO RESOURCES CORP.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED JULY 31, 2022;****AND FOR THE PERIOD FROM INCORPORATION ON AUGUST 4, 2020 TO JULY 31, 2021****(Presented in Canadian Dollars)**

10. SUBSEQUENT EVENTS *(Continued)***(b) Public listing and financing** *(Continued)*

The escrow release conditions include the satisfaction of all conditions precedent to the consummation of the Transaction. In the event the escrow release conditions are not satisfied within 120 days of the closing of the financing, the proceeds from the brokered private placement will be returned to the holders of the subscription receipts.

(c) Executive compensation

On February 23, 2023, the Company signed two executive management agreements with Hernan Vera (Chief Executive Officer) and Michael Wood (Executive Chairman) where the Company will issue 1,000,000 common shares to Mr. Wood's company upon the completion of several milestones, including the completion of the Transaction and will issue 1,670,355 common shares to Mr. Vera (based on \$5,855,950 raised) upon the completion of several milestones, including the completion of the Transaction. Mr. Vera and Mr. Wood will also be getting a monthly compensation of \$15,000 per person effective July 2023 and \$75,000 per person as bonuses upon the completion of the Transaction.

APPENDIX "D"
SENDERO MANAGEMENT'S DISCUSSION AND ANALYSIS

[See attached]

SENDERO RESOURCES CORP.
(An Exploration Stage Company)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE NINE MONTHS ENDED APRIL 30, 2023**

OVERVIEW AND INTRODUCTORY COMMENT

Sendero Resources Corp. ("Sendero" or the "Company") is a growth-oriented junior exploration and development company seeking to be listed on the TSX Venture Exchange. The Company focuses on exploring for copper and gold deposits in Argentina.

Sendero's principal property is the Peña Negras Property in Argentina.

This MD&A is dated September 25, 2023 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the nine months ended April 30, 2023 and the Company's audited consolidated financial statements for the year ended July 31, 2022 and the related notes thereto.

MAJOR QUARTERLY OPERATING MILESTONES

Corporate update:

On March 3, 2023, the Company entered into a binder letter agreement (the "Agreement") with 1319732 B.C. Ltd. ("131"). Pursuant to the Agreement, the Company and 131 will complete a three-cornered amalgamation (the "Transaction"), subject to the terms and conditions outlined below, resulting in a reverse takeover of 131 by the Company (the "Resulting Issuer"). For accounting purposes, the Company will be treated as the accounting parent, and 131 will be treated as the accounting subsidiary.

Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange.

As part of the Transaction, the Company completed a brokered financing on April 27, 2023, issuing 11,014,500 subscription receipts for gross proceeds of \$2,202,900. As part of the brokered financing, a total of \$154,203 broker's fee and \$99,811 other share issue costs were incurred. The net proceeds from this brokered financing of \$1,948,886 were held in trust as of April 30, 2023 and will be released to the Company upon the completion of the Transaction. Each subscription receipt, upon the completion of the Transaction, will be converted into one common share of the resulting issuer and a half warrant. Each full warrant associated with these subscription receipts will be exercisable into one common share of the resulting issuer at \$0.30 and will expire on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

In conjunction with the brokered financing, the Company issued 125,000 common shares as corporate finance fee and 771,016 broker's warrants whereby each broker's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions

On April 27, 2023, the Company also completed the first tranche of a non-brokered financing, issuing 15,047,750 units for total proceeds of \$3,009,550, \$1,242,660 of which was held by the lawyer and subsequent to April 30, 2023 deposited into the Company's bank account. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying certain

escrow release conditions. The Company incurred \$126,122 cash finder's fees and issued 630,612 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On May 12, 2023, the Company completed the second tranche of the financing, issuing 1,225,000 units for total proceeds of \$245,000. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$11,357 in cash finder's fees and issued 56,787 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On July 25, 2023, the Company completed the third tranche of the financing, issuing 1,992,500 units for total proceeds of \$398,500. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$27,650 in cash finder's fees and issued 138,250 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying the escrow release conditions.

The escrow release conditions include the satisfaction of all conditions precedent to the consummation of the Transaction. In the event the escrow release conditions are not satisfied within 120 days of the closing of the financing, the proceeds from the brokered private placement will be returned to the holders of the subscription receipts. Prior to the original escrow release deadline of August 25, 2023, on August 18, 2023, the brokers agreed to extend the escrow release deadline to September 15, 2023. On September 14, 2023, the brokers agreed to further extend the escrow release deadline to September 29, 2023.

Property update:

The Company holds a 100% interest in the Pena Negras property via Barton S.A.S. The Pena Negras property is subject to a 1.5% net smelter returns royalty ("NSR") payable to a director of the Company pursuant to the NSR agreement dated March 1, 2023.

On February 25, 2023, the Company issued 1,666,667 shares at a fair value of \$0.20 per share (\$333,333) to a director of the Company for the acquisition of an additional mineral claim where such claim is subject to a 1.5% NSR.

QUARTERLY FINANCIAL CONDITION

Capital Resources

Pursuant to the "Major Quarterly Operating Milestones – Corporate update" section, the Company completed a brokered financing and two tranches of non-brokered financing, raising a total of \$5,457,450 by issuing 16,272,750 units and 11,014,500 subscription receipts.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants, finders' warrants, advisors' options and options, along with the planned developments within the Company are sufficient to carry out its activities throughout 2023. The Company would consider future equity financings if such financings are beneficial to the Company. If the market conditions change, the Company will make adjustment to its budgets accordingly.

Liquidity

As at April 30, 2023, the Company had a working capital of \$2,183,319 (July 31, 2022 – \$167,428). With respect to working capital, \$4,566,216 (July 31, 2022 - \$534,345) was held in cash and cash equivalents.

The increase in cash was mainly due to (a) net proceeds of \$2,452,446 from the issuance of shares; (b) \$2,202,900 from subscription receipts financing; and (c) \$24,250 from common shares subscribed while being offset by (d) operating cash flows including exploration expenses totaling \$647,725.

Operations

For the three months ended April 30, 2023 compared with the three months ended April 30, 2022:

The Company's exploration expenses amounted to \$31,040 (2022 - \$322,504), a decrease of \$291,464 as the Company slowed down its exploration to preserve cash while working on getting itself publicly listed.

Excluding the foreign exchange loss of \$Nil (2022 – \$8,464), the Company's administrative expenses amounted to \$87,599 (2022 - \$114,651), a decrease of \$27,052. The changes in the administrative expenses include decreases in: (a) management fees of \$5,440 (2022 - \$45,000) as the Company did not pay its officers this current period to preserve cash; (b) legal fees of \$8,498 (2022 - \$19,466) and (c) accounting and audit of \$7,572 (2022 - \$14,603). However, the Company incurred more on marketing (2023 - \$55,421; 2022 - \$8,968) and consulting fee (2023 - \$5,922; 2022 - \$Nil) as the Company marketed itself and its property to potential investors.

During the three months ended April 30, 2023, the Company reported a comprehensive loss of \$120,242 (2022 – \$457,849), a decrease of \$337,607.

For the nine months ended April 30, 2023 compared with the nine months ended April 30, 2022:

The Company's exploration expenses amounted to \$120,836 (2022 - \$627,354), a decrease of \$506,518 as the Company slowed down its exploration to preserve cash while working on getting itself publicly listed.

Excluding the foreign exchange loss of \$1,302 (2022 – \$9,364), the Company's administrative expenses amounted to \$244,427 (2022 - \$215,180), an increase of \$29,247. The changes in the administrative expenses include increases in: (a) marketing (2023 - \$56,921; 2022 - \$13,968) as the Company marketed itself and its property to potential investors; (b) legal fees (2023 - \$36,845; 2022 - \$28,870) and (c) accounting and audit (2023 - \$26,701; 2022 - \$15,368) as the Company prepared itself for the public listing. The Company also incurred management fees of \$97,803 (2022 - \$66,000) because in fiscal 2022, the amounts paid to a director was included in the exploration expenses.

During the nine months ended April 30, 2023, the Company reported a comprehensive loss of \$367,023 (2022 – \$867,410), a decrease of \$500,387.

SIGNIFICANT RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the nine months ended April 30, 2023:

	Cash payments	Shares issued	TOTAL
Hernan Vera ⁽²⁾ Director	\$ 22,803	\$ 333,333	\$ 356,136
Matt Hudson ⁽³⁾ Former Chief Executive Officer	\$ 75,000	\$ -	\$ 75,000

Related party transactions and balances:

		Nine months ended		Amounts included in Trade and other payables	
Services for:		April 30, 2023	April 30, 2022	As at April 30, 2023	As at July 31, 2022
0851901 BC Ltd ⁽¹⁾	Management fee	\$ -	\$ 21,000	\$ -	\$ -
Hernan Vera	Management fee and geology consulting	356,136	65,992	2,781	-
Aerospace Industries Pty Ltd ⁽³⁾	Management fee	75,000	-	-	-
Kimon Pty Ltd ⁽³⁾	Management fee	-	45,000	-	-
Total		\$ 431,136	\$ 131,992	\$ 2,781	\$ -

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

Other than disclosed in this MD&A – Quarterly Highlights as well as the followings, the Company does not have any commitments, expected or unexpected, or uncertainties.

On February 23, 2023, the Company signed two executive management agreements with Hernan Vera (Chief Executive Officer) and Michael Wood (Executive Chairman) where the Company will issue 1,000,000 common shares to Mr. Wood's company upon the completion of several milestones, including the completion of the Transaction and will issue 1,670,355 common shares to Mr. Vera (based on \$5,457,450 raised) upon the completion of several milestones, including the completion of the Transaction. Mr. Vera and Mr. Wood will also be getting a monthly compensation of \$15,000 per person effective July 2023 and \$75,000 per person as bonuses upon the completion of the Transaction.

RISK FACTORS

In our annual MD&A in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at April 30, 2023 and the date of this MD&A:

	Issued and outstanding	
	April 30, 2023	September 25, 2023
Common shares outstanding	42,506,083	45,723,583
Warrants	7,523,875	9,132,625
Finder's / broker's warrants	1,401,628	1,596,665
Subscription receipts ^(a)	11,014,500	11,014,500
Warrants associated with subscription receipts ^(b)	5,507,250	5,507,250
Fully diluted common shares outstanding	67,953,336	72,974,623

^(a) Upon the completion of the Transaction, the subscription receipts will be converted into the common shares of the Resulting Issuer without any additional consideration.

^(b) Upon the completion of the Transaction, the warrants associated with the subscription receipts will be converted into warrants of the Resulting Issuer with the same terms.

QUALIFIED PERSON

Julio Bruna Novillo, PhD, PGeo, FAusIMM, and Stanley C. Bartlett, M.Sc., PGeo., co-authors of the technical report on the Peñas Negras property dated July 18, 2023, are qualified persons for the purposes of NI 43-101, and have reviewed and approved the scientific and technical disclosure contained in this MD&A.

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the Year Ended July 31, 2022 and

For the Period from Incorporation on August 4, 2020 to July 31, 2021

Dated: September 25, 2023

1900-1040 W. Georgia Street
Vancouver, British Columbia, Canada
V6E 4H3

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the six months ended January 31, 2023, year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

INTRODUCTION

This is Management's Discussion and Analysis ("MD&A") for Sendero Resources Corp. ("Sendero" or the "Company") and has been prepared based on information known to management as of September 25, 2023.

The MD&A is intended to complement and supplement the Company's consolidated financial statements, but it does not form part of those consolidated financial statements. The MD&A should be read in conjunction with the audited consolidated financial statements and the related notes for the year ended July 31, 2022 and for the the period from incorporation on August 4, 2020 to July 31, 2021 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included in those financial statements and/or this MD&A are quoted in Canadian dollars unless otherwise specified.

Sendero recognizes environmental, social and governance ("ESG") best practices as key components to a responsible mineral exploration and mining sector. The Company's exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. Sendero strives to earn its social license wherever it is active, endeavoring to meet regularly with local communities, regulators and other concerned parties before, and during, exploration work to understand issues important to local and Indigenous communities. Sendero's approach is based on transparency, open communication, inclusivity and respect, to better enable social and economic benefit for communities as well as value for investors.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A provide, or may appear to provide, a forward-looking orientation with respect to the Company's activities and its future results. Consequently, certain statements contained in this MD&A constitute expressed or implied forward-looking statements. Terms including, but not limited to, "anticipate", "estimate", "believe" and "expect" may identify forward-looking statements. Forward-looking statements, while they are based on the current knowledge and assumptions of the Company's management, are subject to risks and uncertainties that could cause or contribute to the actual results being materially different than those expressed or implied. Readers are cautioned not to place undue reliance on any forward-looking statement that may be in this MD&A.

Forward looking statements that have been made in this MD&A include:

- Plans for exploration of the Company's exploration and evaluation assets;
- The progress, potential and uncertainties of the Company's subsidiary and exploration and evaluation assets in Argentina;
- References to future commodity prices;
- Budgets or estimates with respect to future activities;
- Estimates of how long the Company expects its working capital to last;
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties; and
- Management expectations of future activities and results.

SUMMARY AND OUTLOOK

Sendero's principal business is the acquisition, exploration and development of resource properties for the mining of precious or base metals with a focus in Argentina. The Company's key objective is to advance exploration at the Pena Negras Project with the objective of determining whether the property contains commercially exploitable deposits of precious or base metals.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

The environment for junior resource companies has been challenging for many months and it is anticipated that recovery of the sector may take many more months. We evaluate our projects on a regular basis using criteria that include political environment, relative cost of exploration, seasonality and type of mineral. As a result of our review, we may from time to time add or drop specific Mineral Properties.

Between July 2021 and December 2021, the Company completed a number of non-brokered private placements by issuing common shares at a price of \$0.01 per common share for gross proceeds of \$55,000. The gross proceeds of the financings are used for the Company's working capital, general corporate expenses and to undertake further early stage exploration in the property in Argentina.

On October 26, 2021, the Company issued 12,500,000 common shares at a value of \$1,875,000 pursuant to the Agreement (see section 3(a)) and on December 16, 2021, the Company issued 333,333 common shares at a value of \$50,000 as a consulting fee to a director of the Company.

During the year ended July 31, 2022, the Company completed a number of non-brokered private placements by issuing 7,333,333 common shares at prices ranging from of \$0.05 to \$0.15 for gross proceeds of \$900,000.

During the year ended July 31, 2022, the Company received a total of \$270,750 for shares to be issued in fiscal 2023.

Subsequent to July 31, 2022, the Company entered into binding agreement to get itself publicly listed as well as completing brokered and non-brokered financings totaling \$5,855,950 (see section 6).

The Company continues to monitor its cash very closely and focuses on key objectives to improve shareholder value.

On February 7, 2022, the Company entered into an agreement with Kimon Pty Ltd, to provide the personal services of Mr. Matthew Hudson to the Company to act in the capacity as President and Chief Executive Officer of the Company. Subsequently, this arrangement was terminated effective December 31, 2022.

Management's overall expectations for the Company are positive, due in part to the following factors:

- ❑ The Company focuses its objective to advance exploration at its property with potential for commercially exploitable deposits of precious or base metals;
- ❑ The Company's exploration team has an exceptional track record of discoveries; and
- ❑ The Company is well funded.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

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SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

1. Background

Sendero Resources Corp. (the “Company” or “Sendero”) was incorporated on August 4, 2020 under the name of Reyna Gold Corp., changed its name to 1260005 B.C. Ltd. on January 21, 2021, and changed its name to Sendero Resources Corp. on June 1, 2021. The Company is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office is located at 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5. Between the date of incorporation and December 31, 2020, the Company was inactive and had no operation.

2. Overview

2(a) Company Mission and Focus

Sendero, together with its wholly-owned subsidiary Barton S.A.S. (“Barton”), is a company that identifies, explores, and advances mineral resource assets, acquires projects during the value creation phase of discovery, and focuses on advancing opportunities through exploration.

2(b) Qualified Person

Julio Bruna Novillo, PhD, PGeo, FAusIMM, and Stanley C. Bartlett, M.Sc., PGeo., co-authors of the technical report on the Peñas Negras property dated July 18, 2023, are qualified persons for the purposes of NI 43-101, and have reviewed and approved the scientific and technical disclosure contained in this MD&A.

2(c) Description of Metal Markets

Gold and copper prices have remained above their long term averages, albeit with high levels of volatility.

2(d) Use of the terms “Mineral Resources” and “Mineral Reserves”

Any reference in this MD&A to Mineral Resources does not mean Mineral Reserve.

A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.

3. Mineral Property

The Company currently holds 100% of one mineral property located in Argentina called Peña Negras, via Barton.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

3(a) Argentina

i. Peña Negras Property

On October 26, 2021, the Company entered into a Share Transfer Agreement (the “Agreement”) with the owner of Barton whereby the Company acquired 100% of the issued and outstanding share capital of Barton in exchange for the issuance of 12,500,000 common shares to Hernan Vera, a director of the Company. These common shares were valued at \$1,875,000, based on the issue price of the non-brokered private placement that was completed on October 22, 2021. As the only asset or liability in Barton was the Peña Negras property, the entire \$1,875,000 purchase price has been allocated to the property.

The Peña Negras property is located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, just north of the San Juan province near the Chilean border. The district hosts an elongate belt of rocks containing sizeable hydrothermal alteration zones, with geological evidence of porphyry gold and copper-gold mineralisation and potential for epithermal gold-silver deposits. It is located in a developing porphyry district at the intersection between the south end of the Maricunga Copper-Gold Belt and the northern extent of the El Indio Gold-Silver Belt, with both districts hosting world-class porphyry and epithermal deposits.

The property covers an area of approximately 117 km² and is located within the region known as Cordillera Frontal in the province of La Rioja, Argentina. It is located approximately 1,300 km from Buenos Aires and 625 km northeast of Santiago, Chile.



SENDERO RESOURCES CORP.**Management Discussion and Analysis**

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

During the 2021 to 2022 exploration season Sendero collected numerous surface samples across the entire project area. A total of 348 samples were taken comprising both talus fines and rock chip samples. Talus fine samples were taken along 100 m long lines at 20 m intervals from a depth of approximately 40 cm. Rock samples were taken in areas surrounding talus fine lines in order to complement the results. The results of this sampling programme further confirmed the work of earlier companies.

In addition to the geochemical sampling work, Sendero also commissioned NuSense geophysics to fly a property wide aeromagnetic and radiometric survey. The area's magnetic data was processed to produce images that help differentiate lithologies, highlight possible structures that could be related to mineralisation and analyse the distribution of magnetic rocks in the area. Radiometric data was used to highlight possible potassic alteration and different volcanic and intrusive lithologies.

In October 2021, Micon International Co. Ltd. prepared a National Instrument 43-101 report ("NI 43-101 Report") on its Peñas Negras property for Sendero and in the NI 43-101 Report, the author recommended a two-phase exploration program as follows:

Table 26.1: Sendero Budget for the Exploration of the Peñas Negras Project 2021 and 2022

Item	Programme Costs		
	Phase I Oct-Jan 2021-2022 (US\$)	Phase II Feb-Dec 2022 (US\$)	Total Cost (US\$)
Field Supervision, Geologists	48,000	64,000	112,000
Data Compilation, Modelling, Analysis	30,000	10,000	40,000
Roads, Access and Drill Site Preparation	80,000	100,000	180,000
Surveying	10,000	30,000	40,000
Permits	10,000	20,000	30,000
Camp and Housing	95,000	170,000	265,000
Vehicles	25,000	50,000	75,000
Airborne Geophysical Survey	175,000	-	175,000
Geochemical Talus Fines Sampling and Analyses	144,000	192,000	336,000
Drilling (3,500 m RC, 1,500 m DD)*	-	1,710,000	1,710,000
Total	617,000	2,346,000	2,963,000

The 2021 and 2022 exploration programs consist of target definition work that includes geochemical and geological work, geophysical studies, and a drilling program (2022) of approximately 5,000 m (3,500 m reverse circulation drilling ("RC") and 1,500 m diamond drilling ("DD")).

By Phase II, the RC drilling will be used on the newly identified targets and based on the results of the surface works, geophysics and analytical values obtained in Phase I. Also, considering the historical information, the DD program will seek to confirm the mineralised sectors.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

4. Risks and Uncertainties

The Company is engaged in the exploration for mineral deposits. These activities involve significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be eliminated. The Company's success depends on a number of factors, many of which are beyond its control. The primary risk factors affecting the Company include inherent risks in the mining industry, metal price fluctuations and operating in foreign countries and currencies.

Inherent risks within the mining industry

The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that will affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure and use, environmental protection and reclamation and closure obligations could also have a profound impact on the economic viability of a mineral deposit.

Mining activities also involve risks such as unexpected or unusual geological operating conditions, floods, fires, earthquakes, other natural or environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or for other reasons. The Company does not currently maintain insurance against political or environmental risks. Should any uninsured liabilities arise, they could result in increased costs, reductions in profitability, and a decline in the value of the Company's securities.

There is no assurance at this time that the Company's current mineral properties will be economically viable for development and production.

Prices for gold and other commodities

Metals prices are subject to volatile price fluctuations and have a direct impact on the commercial viability of the Company's exploration properties. Price volatility results from a variety of factors, including global consumption and demand for metals, international economic and political trends, fluctuations in the US dollar and other currencies, interest rates, and inflation. The Company has not hedged any of its potential future gold or other metal sales. The Company closely monitors gold prices as well as other metal prices to determine the appropriate course of action to be taken by the Company.

Foreign currency risks

The Company uses the Canadian dollar as its measurement and reporting currency, and therefore fluctuations in exchange rates between the Canadian dollar and other currencies may affect the results of operations and financial position of the Company. The Company does not currently have any foreign currency or commercial risk hedges in place.

The Company raises the majority of its equity financings in Canadian dollars while foreign operations are predominately conducted in Argentine pesos and US dollars. Fluctuations in the exchange rates between the Canadian dollar, US dollar and Argentine pesos may impact the Company's financial condition.

Risks Associated with Foreign Operations

The Company's investments in foreign countries such as Argentina carry certain risks associated with different political, business, social and economic environments. The Company is currently evaluating gold and other commodities in Argentina, but will undertake new investments only when it is satisfied that the

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

risks and uncertainties of operating in different cultural, economic and political environments are manageable and reasonable relative to the expected benefits.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance and regulatory characteristics of property rights in certain foreign countries. Access to mineral properties also involves certain inherent risks due to the change in local ranchers and land owners.

Future government, political, legal or regulatory changes in the foreign jurisdictions in which the Company currently operates or plans to operate could affect many aspects of the Company's business, including title to properties and assets, environmental protection requirements, labor relations, taxation, currency convertibility, repatriation of profits or capital, the ability to import necessary materials or services, or the ability to export produced materials.

The exploration of mineral resources in Argentina is subject to a comprehensive review, approval and permitting process that involve various federal, state and local agencies. There can be no assurance given that the required approvals and permits for a mining project, if technically and economically warranted, on the Company's claims can be obtained in a timely or cost-effective manner. The Argentine government may enact a law requiring royalties on minerals produced from federal lands, including unpatented claims.

Competition

The Company competes with larger and better-financed companies for exploration personnel, contractors and equipment. Increased exploration activity has increased demand for equipment and services. There can be no assurance that the Company can obtain required equipment and services in a timely or cost-effective manner.

Financing

All of the Company's short- to medium-term operating and exploration cash flow have been derived from external financing. Should changes in equity-market conditions prevent the Company from obtaining additional external financing in the future, the Company will review its exploration-property holdings and programs to prioritize project expenditures based on funding availability.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

5. Material Financial and Operations Information**5(a) Summary of Quarterly Results**

The following is a summary of the Company's financial results for the last eight quarters:

	Three months ended			
	October 31, 2021	January 31, 2022	April 30, 2022	July 31, 2022
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenses	\$ 126,353	\$ 279,926	\$ 445,619	\$ 182,463
Comprehensive loss	\$ 137,981	\$ 271,580	\$ 457,849	\$ 211,932
Loss per share	\$ 0.02	\$ 0.01	\$ 0.02	\$ 0.01

	Three months ended			
	October 31, 2020	January 31, 2021	April 30, 2021	July 31, 2021
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenses	\$ -	\$ -	\$ -	\$ 28,559
Comprehensive loss	\$ -	\$ -	\$ -	\$ 28,980
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.07

5(b) Review of Operations and Financial Results**For the three months ended July 31, 2022 compared with the three months ended July 31, 2021:**

The Company's exploration expenses amounted to \$44,948 (2021 - \$18,494) as a result of the Company having more exploration work on its Peña Negras property in Argentina during fiscal 2022.

Excluding the foreign exchange of gain of \$6,392 (2021 - \$52), the Company's administrative expenses amounted to \$143,907 (2021 - \$10,117), an increase of \$133,792 mainly due to increases in (a) consulting fees (2022 - \$8,171; 2021 - \$1,000); (b) management fees (2022- \$54,623; 2021 - \$7,000); (c) accounting and audit fees (2022 - \$16,661; 2021 - \$225) and (d) legal fees (2022 - \$20,994; 2021 - \$43) as the Company worked towards getting a public listing.

During the three months ended July 31, 2022, the Company recorded a net comprehensive loss of \$211,932 (loss per share - \$0.01) (2021 - \$28,980 (loss per share - \$0.07)).

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

For the year-end July 31, 2022 compared with the period from date of incorporation to July 31, 2021:

The Company's exploration expenses amounted to \$672,302 (2021 - \$18,494). The Company was actively exploring on its Peña Negras property in Argentina during fiscal 2022. During the period from date of incorporation to July 31, 2021, the Company was not active in exploration work.

Excluding the foreign exchange loss of \$2,972 (2021 – foreign exchange gain of \$52), the Company's administrative expenses amounted to \$359,087 (2021 – \$10,117). During fiscal 2022, the Company incurred the administrative expenses to support its exploration program in Argentina. The Company was not active in fiscal 2021.

During the year ended July 31, 2022, the Company recorded a net comprehensive loss of \$1,079,342 (loss per share - \$0.05) compared to a net comprehensive loss of \$28,980 (loss per share - \$0.07) for the period from date of incorporation to July 31, 2021.

5(c) Liquidity and Capital Resources

As at July 31, 2022, the Company had a working capital of \$167,428 (July 31, 2021 – \$115,713). With respect to working capital, \$534,345 was held in cash and cash equivalents (July 31, 2021 - \$127,400). The increase in cash was mainly due to \$1,081,057 received for shares issued and to be issued while offset by \$674,112 in operating activities.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

From December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The full impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the severity of these developments and the impact on the financial results and condition of the Company in the future.

In late February 2022, a conflict commenced in Ukraine. In response, various countries, including Canada, issued broad-ranging economic sanctions against Russia. The ramifications of the sanctions may not be limited to Russia and Ukraine and may spill over to and negatively impact other regional and global economic markets, sectors, industries and markets for securities and commodities globally. The current circumstances are dynamic and the duration of the conflict and related impact of imposed sanctions on the business cannot be reasonably estimated at this time. While the Company expects any direct impacts of the conflict in Ukraine to the business to be limited, the direct impacts on the economy may negatively affect the business and future operations.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

5(d) Disclosure of Outstanding Share Data

Common Shares

At July 31, 2022, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

During the period from incorporation on August 4, 2020 to July 31, 2021:

On July 7, 2021, the Company completed a non-brokered private placement by issuing 5,500,000 common shares at a price of \$0.01 per common share for gross proceeds of \$55,000.

During the year ended July 31, 2022:

On August 5, 2021, the Company completed a non-brokered private placement by issuing 2,000,000 common shares at a price of \$0.05 per common share for gross proceeds of \$100,000.

On October 20, 2021, the Company completed a non-brokered private placement by issuing 2,482,000 common shares at a price of \$0.15 per common share for gross proceeds of \$372,300.

On October 22, 2021, the Company completed a non-brokered private placement by issuing 2,518,000 common shares at a price of \$0.15 per common share for gross proceeds of \$377,700.

On October 26, 2021, the Company issued 12,500,000 common shares at a value of \$1,875,000 pursuant to the exploration and evaluation asset purchase agreement of Peña Negras property.

On December 3, 2021, the Company completed a non-brokered private placement by issuing 333,333 common shares at a price of \$0.15 per common share for gross proceeds of \$50,000.

On December 16, 2021, the Company issued 333,333 common shares at a value of \$50,000 as a consulting fee to a director of the Company in lieu of services rendered.

5(e) Commitment

Subsequently, on February 23, 2023, the Company signed two executive management agreements with Hernan Vera (Chief Executive Officer) and Michael Wood (Executive Chairman) where the Company will issue 1,000,000 common shares to Mr. Wood's company upon the completion of several milestones, including the completion of the Transaction and will issue 1,670,355 common shares to Mr. Vera (based on \$5,855,950 raised) upon the completion of several milestones, including the completion of the Transaction. Mr. Vera and Mr. Wood will also be getting a monthly compensation of \$15,000 per person effective July 2023 and \$75,000 per person as bonuses upon the completion of the Transaction.

5(f) Off-Balance Sheet Arrangements

None.

SENDERO RESOURCES CORP.**Management Discussion and Analysis**

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

5(g) Transactions with Related Parties

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the year ended July 31, 2022:

	Cash payments	Shares issued	TOTAL
Mit Tilkov ⁽¹⁾ Former Chief Executive Officer, former Director	\$ 21,000	\$ -	\$ 21,000
Hernan Vera ⁽²⁾ Director	\$ 27,441	\$ 50,000	\$ 77,441
Matt Hudson ⁽³⁾ Chief Executive Officer	\$ 90,000	\$ -	\$ 90,000

For the period from incorporation on August 4, 2020 to July 31, 2021:

	Cash payments	Shares issued	TOTAL
Mit Tilkov ⁽¹⁾ Former Chief Executive Officer, former Director	\$ 7,000	\$ -	\$ 7,000

Related party transactions and balances:

	Services for:	Year ended July 31, 2022	From date of incorporation on August 4, 2020 to July 31, 2021	As at July 31, 2022	As at July 31, 2021
0851901 BC Ltd ⁽¹⁾	Management fee	\$ 21,000	\$ 7,000	\$ -	\$ 7,840
Hernan Vera	Management fee and geology consulting	77,441	-	-	-
Kimon Pty Ltd ⁽³⁾	Management fee	90,000	-	-	-
Total		\$ 188,441	\$ 7,000	\$ -	\$ 7,840

⁽¹⁾ Mit Tilkov's cash payments as the former Chief Executive Officer were paid through 0851901 B.C. Ltd., a private company owned by Mr. Tiklov.

⁽²⁾ Hernan Vera received 333,333 shares as consulting fee (Note 7(b)).

⁽³⁾ Matt Hudson's cash payments paid to Kimon Pty Ltd, a private company owned by Mr. Hudson, during fiscal 2022. Subsequently, Mr. Hudson resigned from being the Chief Executive Officer effective December 31, 2022.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

5(h) Financial Instruments

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk and liquidity risk.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank account. The Company's bank account is held with major banks in Canada and Argentina; accordingly, the Company believes it is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As at July 31, 2022, the Company had a cash balance of \$534,345 to settle current liabilities of \$370,283.

d) Currency risk

The Company's property interest in Argentina makes it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and the Argentine pesos. The Company does not invest in foreign currency contracts to mitigate the risks. The Company does not have monetary liabilities in Argentine pesos.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any financial assets measured at fair value.

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

5(i) Management of Capital Risk

The Company manages its cash and cash equivalents and common shares as capital. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

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

The Company expects its current capital resources will be sufficient to carry out its exploration or operations in the near term.

6. Events after the Reporting Period

On February 25, 2023, the Company issued 1,666,667 shares at a fair value of \$0.20 per share to a director of the Company for the acquisition of a mineral claim in the province of La Rioja in Argentina where the claim is subject to a 1.5% NSR.

On March 1, 2023, the Company signed a net smelter returns royalty ("NSR") agreement with a director of the Company where the Company will pay the director 1.5% NSR on its Pena Negras property.

On March 3, 2023, the Company entered into a binder letter agreement (the "Agreement") with 1319732 B.C. Ltd. ("131"). Pursuant to the Agreement, the Company and 131 will complete a three-cornered amalgamation (the "Transaction"), subject to the terms and conditions outlined below, resulting in a reverse takeover of 131 by the Company (the "Resulting Issuer"). For accounting purposes, the Company will be treated as the accounting parent, and 131 will be treated as the accounting subsidiary.

Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange. As part of the Transaction, the Company completed certain financings as noted below.

On April 27, 2023, the Company completed the first tranche of a non-brokered financing, issuing 15,047,750 units for total proceeds of \$3,009,550. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$126,122 cash finder's fees and issued 630,612 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On April 27, 2023, the Company also completed a brokered financing, issuing 11,014,500 subscription receipts for gross proceeds of \$2,202,900. As part of the brokered financing, a total of \$154,203 broker's fee and \$99,811 other share issue costs were incurred. The net proceeds from this brokered financing of \$1,948,886 are held in trust as of the date of this MD&A and will be released to the Company upon the completion of the Transaction. Each subscription receipt, upon the completion of the Transaction, will be converted into one common share of the resulting issuer and a half warrant. Each full warrant associated with these subscription receipts will be exercisable into one common share of the resulting issuer at \$0.30 and will expire on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions. In conjunction with the brokered financing, the Company issued 125,000 common shares as corporate finance fee and 771,016 broker's warrants whereby each broker's warrant entitles the holder to

SENDERO RESOURCES CORP.**Management Discussion and Analysis**

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

purchase one common share at an exercise price of \$0.20 expiring on the later of April 27, 2025 and 24-month anniversary of satisfying the escrow release conditions

On May 12, 2023, the Company completed the second tranche of the financing, issuing 1,225,000 units for total proceeds of \$245,000. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$11,358 in cash finder's fees and issued 56,787 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of May 12, 2025 and 24-month anniversary of satisfying the escrow release conditions.

On July 25, 2023, the Company completed the third tranche of the financing, issuing 1,992,500 units for total proceeds of \$398,500. Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of the Company at \$0.30 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying certain escrow release conditions. The Company incurred \$27,650 in cash finder's fees and issued 138,250 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of July 25, 2025 and 24-month anniversary of satisfying the escrow release conditions.

The escrow release conditions include the satisfaction of all conditions precedent to the consummation of the Transaction. In the event the escrow release conditions are not satisfied within 120 days of the closing of the financing, the proceeds from the brokered private placement will be returned to the holders of the subscription receipts.

	Issued and outstanding	
	July 31, 2022	September 25, 2023
Common shares outstanding	25,666,666	45,723,583
Warrants	-	9,132,625
Finder's / broker's warrants	-	1,596,665
Subscription receipts ^(a)	-	11,014,500
Warrants associated with subscription receipts ^(b)	-	5,507,250
Fully diluted common shares outstanding	25,666,666	72,974,623

^(a) Upon the completion of the Transaction, the subscription receipts will be converted into the common shares of the Resulting Issuer without any additional consideration.

^(b) Upon the completion of the Transaction, the warrants associated with the subscription receipts will be converted into warrants of the Resulting Issuer with the same terms.

7. Policies and Controls**7(a) Significant Accounting Judgments and Estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the consolidated statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent, management considered both the funds from financing activities and the currency in which goods and services are paid. The functional currency of its subsidiary in Argentina is the Argentine peso. The Company chooses to report in Canadian dollar as the presentation currency;
- The assessment of indications of impairment of the mineral property and related determination of the net realized value and write-down of this property where applicable;
- The determination of the value of the common shares issued pursuant to the acquisition of the exploration and evaluation assets and Peña Negras Copper-Gold Property in La Roija, Argentina; and
- The determination that the Company will continue as a going concern for the next year.

8. Internal Control Over Financial Reporting

Changes in Internal Control over Financial Reporting ("ICFR")

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Disclosure Controls and Procedures

The Company's CEO and CFO are responsible for establishing and maintaining the Company's disclosure controls and procedures. Management, including the CEO and CFO, have evaluated the procedures of the Company and have concluded that they provide reasonable assurance that material information is gathered and reported to senior management in a manner appropriate to ensure that material information required to be disclosed in reports filed or submitted by the Company is recorded, processed, summarized and reported within the appropriate time periods.

While management believes that the Company's disclosure controls and procedures provide reasonable assurance, they do not expect that the controls and procedures can prevent all errors, mistakes, or fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met.

9. Information on the Officers and Board of Directors

Directors:

Michael Wood

Hernan Vera

SENDERO RESOURCES CORP.

Management Discussion and Analysis

For the year ended July 31, 2022 and for the period from incorporation on August 4, 2020 to July 31, 2021

Management:

Hernan Vera – President / Chief Executive Officer

Michael Wood – Chief Financial Officer

APPENDIX "E"
BARTON FINANCIAL STATEMENTS

[See attached]

BARTON S.A.S

Financial Statements at 31/07/2021 and 26/10/2021

(Expressed in homogeneous currency - usd dólar at the closing date)

BARTON S.A.S.

Legal Address:	Brasil 258 West - San Juan - Argentina
Main Activity of the Company:	Exploration and Mining Exploitation
Tax Identification Number (C.U.I.T):	30-71698646-9
Registration Number in the Public Commerce Registry of San Juan:	697
Registration Date in the Public Commerce Registry of San Juan:	October 14, 2020
Controlling Entity:	Hernán A. E. Vera
Percentage of Control:	100%

FINANCIAL YEAR NO. 2 STARTED ON AUGUST 1, 2020

FINANCIAL STATEMENTS AT 31/07/2021 AND SHORT FINANCIAL YEAR STARTED ON AUGUST 1, 2021 TO OCTOBER 26, 2021

CAPITAL STRUCTURE

(Note 4)

Non-endorsable nominative common shares with 1 vote and nominal value of 1 usd dolar U\$S 350.



Hernán Antonio Elías Vera
Administrador

Signed for identification purposes with
my report dated December 12, 2021.
Norberto Raul Lucero
External Auditor
M.P. 3066 CPCE Province of San Juan

BARTON S.A.S.

BALANCE SHEET

(Expressed in homogeneous currency - usd dólar at the closing date)

.....31/07/2021..... ...26/10/2021...

ASSETS

CURRENT ASSETS

Cash and Banks (Note 3.1)	5.044	43.758
Total CURRENT ASSETS	5.044	43.758

ASSETS NO CURRENT

Other Receivables (Note 3.2)	210	137.324
Property, Plant and Equipment (Annex II)		78
Intangible Assets (Annex II)	9.154	38.157
Total Non-Current Assets	9.364	175.559
TOTAL	14.408	219.317

LIABILITIES

CURRENT LIABILITIES

Tax debts (note 3.3)		1.697
Income Tax Expense - current	76	-824
Total CURRENT LIABILITIES	76	873

NO CURRENT LIABILITIES

Other Debts (Note 3.3)	13.870	77.419
Total Non-Current Liabilities	13.870	77.419
TOTAL NO CURRENT LIABILITIES	13.870	77.419

NET EQUITY (according to the corresponding income statement) 462 141.025

TOTAL 14.408 219.317

The Notes 1 to 4 and Annexes I to III are an integral part of this statement.

Hernán Antonio Elías Vera
Administrator

Signed for identification purposes with
my report dated December 12, 2021.
Norberto Raul Lucero
External Auditor
M.P. 3066 CPCE Province of San Juan

BARTON S.A.S.

INCOME STATEMENT

(Expressed in homogeneous currency – usd dolar at the closing date)

	For the year ended 31/07/2021	For the period from 01/08/2021 to 26/10/2021
Revenue	-	
Cost of Revenue	-	
Gross Profits	-	
Administrative Expenses		
Selling Expenses	-	
Subtotal	-	
Financial and Inflation Exposure Results	253	(2.988)
Profit before Income Tax	253	(2.988)
Income Tax Expense - current	-76	896
Net Income (Loss) for the Period	177	(2.092)

The Notes 1 to 4 and Annexes I to III are an integral part of this statement.



Hernán Antonio Elías Vera
Administrator

Signed for identification purposes with
my report dated December 12, 2021.
Norberto Raul Lucero
External Auditor
M.P. 3066 CPCE Province of San Juan

BARTON S.A.S

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JULY 31, 2021 AND FOR THE PERIOD FROM 01/08/2021 TO 26/10/2021

(Expressed in homogeneous currency – usd dolar at the closing date)

.....31/07/2021.....					
Concepts	Capital	Capital Adjustments	Premium Issue	Retained Earnings	Total Equity
Balances at the beginning	350	26	-	(91)	285
Capital Subscription					-
Result of the year				177	177
Period-end closing balance	350	26	-	86	462

.....26/10/2021.....					
Concepts	Capital	Capital Adjustment	Premium Issue	Acummulated Deficit	Total Equity
Balances at the beginning	350	26	-	86	462
Inflation Adjustment		(83)		(120)	(203)
Irrevocables Contribuciones	142.857				142.857
Result of the period				(2.092)	(2.092)
Period-end closing balance	143.207	(57)	-	(2.126)	141.025

The Notes 1 to 4 and Annexes I to III are an integral part of this statement.


Hernán Antonio Elías Vera
 Administrator
 Signed for identification purposes
 with my report dated December 12, 2021.
Norberto Raul Lucero
 External Auditor
 M.P. 3066 CPCE Province of San Juan

BARTON S.A.S.

STATEMENT OF CASH FLOWS

(Expressed in homogeneous currency – usd dolar at the closing date)

CASH FLOW VARIATION	For the year ended 31/07/2021	For the period from 01/08/2021 to 26/10/2021
Cash at the beginning of the period	69	5.276
Cash at the end of the period	5.044	43.758
Net Increase (Decrease) in Cash	4.975	38.482
CAUSES OF CASH VARIATIONS		
Operating Activities		
Ordinary Profit of the Period	57	(3.168)
Result Adjustments		
Amortization of Property, Plant and Equipment		19
Amortization of Intangible Assets	136	14
Changes in Operating Assets and Liabilities:		
(Decrease) - Increase in Other Receivables	188	(137.105)
(Decrease) - Increase in Tax Debts		1.697
(Decrease) - Increase in Other Debts	13.870	62.910
Net Cash Flow (used in) generated by Operating Activities	14.129	(75.631)
Investing Activities		
Decrease) - Increase in Property, Plant and Equipment		(97)
Payments for Incorporation of Intangible Assets	9.154	(28.647)
Net Cash Flow (used in) generated by Investing Activities	9.154	(28.744)
Financing Activities		
Initial Capital Contribution	-	142.857
Net Cash Flow generated by (used in) Financing Activities	-	142.857
Net Increase (Decrease) in Cash	4.975	38.482

Note: The Notes 1 to 4 and Annexes I to III are an integral part of this statement.



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M.P. 3066 CPCE Province of San Juan

BARTON S.A.S

INTANGIBLE ASSETS

ANEXX II

Financial Statements at 31/07/2021 AND FOR THE PERIOD FROM 01/08/2021 TO 26/10/2021

(Expressed in homogeneous currency – usd dolar at the closing date)

.....2021.....							
.....Original value.....				Amortizations.....			
Concepts	Beginning Value	Acquisitions	Value at the End.	Accumulated at the Beginning	For the year	Accumulated at the end	Value at the End
Exploration Projects	-	9.154	9.154	-	-	-	9.154
Total 31/07/2021		9.154	9.154	-	-	-	9.154
Exploration Projects	9.154	29.003	38.157				38.157
Total 26/10/2021	9.154	29.003	38.157				38.157

Notes 1 to 4 and Annexes I to II are an integral part of this statement.


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BARTON S.A.S.

ANEXX III

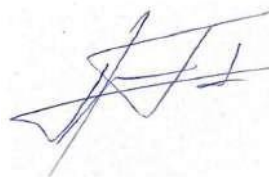
REQUIRED INFORMATION ACCORDING TO ARTICLE 64, SECTION b) OF LAW N° 19.550

Financial Statements at 31/07/2021 and at 26/10/2021

(Expressed in homogeneous currency used dolar at the closing date)

Concepts	31/07/2021.....		
	Total	Explorations Expenses	...26/10/2021...
Rent Expenses	77	77	670
Office expenses			11
Geological Services	6.860	6.860	20.082
Fees and Compensation	1.909	1.909	1.714
Taxes, Fees, and Contributions	290	290	611
Bank Charges	4	4	143
Explorations expenses			2.078
Administrative expenses			3.661
Amortization of properties, plants and equipment			19
Amortization of Intangible Assets		14	14
Subtotal	<u>9.140</u>	<u>9.154</u>	<u>29.003</u>
Transfer to Intangible Assets	<u>(9.140)</u>	<u>(9.154)</u>	<u>(29.003)</u>
Totals	<u>-</u>	<u>-</u>	<u>-</u>

Notes 1 to 4 and Annexes I to III are an integral part of this statement.



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BARTON S.A.S

NOTES TO THE FINANCIAL STATEMENTS

For the year ended July 31, 2021 and short financial year started on August 1, 2021 to October 26, 2021 (in usd dolar)

1. COMPANY'S SITUATION

The Company was incorporated as a Simplified Stock Company (Sociedad por Acciones Simplificada Unipersonal) by means of an Act dated March 12, 2020.

The registration with the Public Registry of Commerce of the province of San Juan was granted on October 14, 2020, under the number 697.

On March 15, 2021, the founder transferred all of their shares, resulting in a change of ownership and management, and a new registered address was established. These changes were duly registered on April 08, 2021, and the company effectively commenced its commercial activities related to exploration and analysis of mining properties, seeking opportunities for the development of the explored areas.

In May 2021, the Company accepted the transfer of mining properties located in the Province of La Rioja from Mr. Hernán A. E. Vera, who owned them in his own right and on a personal basis. The transfer was made free of charge through the execution of a donation contract or free assignment of rights in favor of BARTON S.A.S.

As the Company is not yet in the revenue-generating exploitation stage, all expenses incurred up to the closing of the year are fully recorded under the intangible assets category.



Hernán Antonio Elías Vera
Administrador

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BARTON S.A.S.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended July 31, 2021 and short financial year started on August 1, 2021 to October 26, 2021

The Management of the company estimates that the value of property, plant, and equipment, intangible assets, and tax credits will be recovered through future cash flows generated, to the extent that economic and financial conditions allow for the normal development of activities, the formation of the necessary working capital for such activities, and the absorption of its structural costs. For this reason, the financial statements at 31/07/2021 and at 26/10/2021 have been prepared assuming that the Company will continue its operations as a going concern.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND KEY MEASUREMENT AND EXPOSURE CRITERIA.

2.1 Applied accounting standards

The financial statements have been prepared in accordance with the measurement and exposure accounting standards contained the adoption of International Financial Reporting Standards.

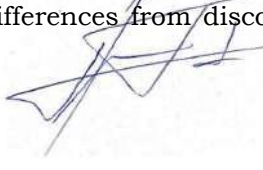
2.2 Measurement and Exposure Criteria

a) Assets and liabilities liquidable in pesos

Assets and liabilities liquidable in usd dolar were recorded at their nominal values, segregating any implicit financial components when significant, and computing, when applicable, the interest and financial components accrued until the end of each year. For balances of monetary items (CURRENT and non-CURRENT) that did not have an associated interest rate or for which no financial settlement was contemplated, they have been maintained at their nominal values due to difficulties in finding a rate that reflects market assessments of the time value of money, especially in cases where the time periods of realization are unknown.

b) Foreign currency assets

Assets liquidable in foreign currency were recorded at applicable exchange rates or prevailing quotes at the end of each year, segregating any implicit financial components when significant, and computing, when applicable, the interest and financial components accrued until the end of each year. For balances of CURRENT monetary items that did not have an associated interest rate or for which no financial settlement was contemplated, their nominal values have been maintained because they do not present significant differences from discounted values.



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BARTON S.A.S.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended July 31, 2021 and short financial year started on August 1, 2021 to October 26, 2021

c) Intangible Assets

Intangible assets consist of mining rights and permits, as well as all development expenses incurred in ongoing projects, based on the acquisition cost values. The breakdown of this category is presented in Annex II.

The value of intangible assets, considered as a whole, does not exceed their recoverable amount.

d) Equity

Share Capital: The share capital represents the issued capital, which is formed by contributions committed and/or made by shareholders, represented by shares, comprising ordinary shares in circulation at their nominal value. These ordinary shares are classified under equity.

Unappropriated Earnings: Unappropriated earnings include accumulated gains or losses without specific allocation, which, if positive, may be distributable by the decision of the Shareholders' Assembly, as long as they are not subject to legal and/or contractual restrictions.

e) Income Tax and Minimum Presumed Income Tax

The minimum presumed income tax is calculated by applying the current rate of 1% to the computable assets at the end of each year. This tax is complementary to income tax, as income tax taxes the taxable profit for the year, while the minimum presumed income tax represents the minimum tax on the potential income of certain productive assets, so that the company's tax liability for each year will coincide with the higher of the two taxes.



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BARTON S.A.S.

BARTON S.A.S.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended July 31, 2021 and short financial year started on August 1, 2021 to October 26, 2021

However, if the minimum presumed income tax exceeds the income tax payable in a year, the excess may be used as a payment on account of any surplus of income tax payable over the minimum presumed income tax that may arise in any of the following ten years. The Company does not record this tax since it benefits from the Mining Promotion Law No. 24.196, and its assets are exempt from this tax.

a) Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in accordance with the Argentine professional accounting standards requires that the Management of the Company make estimates that affect the determination of the amounts of assets and liabilities recorded, the determination of contingencies as of the date of the financial statements, as well as the recognition of revenues and expenses in each year. Actual results and amounts may differ from the estimates made at the date of preparation of these financial statements.

3. COMPOSITION OF THE MAIN EQUITY AND INCOME ITEMS.

3.1 Cash and Banks

In usd
dólar

.....31-07 2021..... 26/10/2021...

Bank	5.044	43.758
Total	5.044	43.758

Hernán Antonio Elías Vera
Administrador

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my report dated December 12, 2021.
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BARTON S.A.S.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended July 31, 2021 and short financial year started on August 1, 2021 to October 26, 2021

3.2 Other Receivables

	31/07/2021	26/10/2021
Currents		
Pending integration contributions		120.055
Non-Currents		
VAT Credit		16.539
VAT Credit Available		4
Deductions Gross Incomes		306
Tax Credit Law 24541	210	420
Subtotal	210	17.269
Total	210	137.324

3.3 Other Debts

	31/07/2021	26/10/2021
Non Currents:		
Shareholders-Individual Accounts	13.870	77.419

4. SHARE CAPITAL

At 31/07/2021, the subscribed share capital amounts to 350 and is fully subscribed and paid-up.

As of October 26, 2021, the subscribed share capital amounts to 35,000 shares with a Nominal Value of \$1 each, and it is fully paid up. Additionally, through a resolution of the Company's Board of Directors dated October 6, 2021, the acceptance of Irrevocable Contributions towards future subscriptions by Sendero Resources Corp was approved, for a total amount of \$142,857 US dollars, which, as of the closing date of this review, has been partially paid, resulting in a credit disclosed in note 3.2.

This Contribution was fully paid through separate transfers received on November 3, 2021.

Hernán Antonio Elías Vera
Administrador



Signed for identification purposes with
my report dated December 12, 2021.

Norberto Raul Lucero
External Auditor
M.P. 3066 CPCE Province of San Juan

INDEPENDENT AUDITOR'S REPORT

To the Management and Members of the Board of Directors

BARTON S.A.S

Tax ID Number: 30-71698646-9

Registered Address: Brasil 258 oeste- San Juan - Argentina

Report on the Financial Statements

1. Identification of the Audited Financial Statements

I have audited the attached financial statements of Barton S.A.S. (hereinafter referred to as "Barton" or the "Company"), which comprise the Balance Sheet at 31/07/2021 and 26/10/2021, the Income Statement, the Statement of Changes in Equity, and the Statement of Cash Flows, for the year then ended, as well as a summary of significant accounting policies and other explanatory information included in Notes 1 to 4 and Annexes II and III.

2. Responsibility of the Company's Management for the Financial Statements

The Company's Management is responsible for the preparation and fair presentation of the attached financial statements in accordance with IFRS professional accounting standards, as well as for the internal control it considers necessary to enable the preparation of financial statements free from material misstatement.

3. Auditor's Responsibility / Basis for Opinion

My responsibility is to express an opinion on the attached financial statements based on my audit. I conducted my examination in accordance with the International Standards on Auditing (ISA). These standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures, on a test basis, to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

4. Opinion

In my opinion, the financial statements mentioned in Chapter 1 of this report present fairly, in all material respects, the financial position of Barton S.A.S. at 31/07/2021 and 26/10/2021, as well as the results of its operations, changes in equity, and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

5.Emphasis of Matter – Uncertainty

Without modifying my opinion, I want to emphasize the information contained in the last paragraph of Note 1 to the attached financial statements, which states: "The Company's Management estimates that the value of property, plant and equipment, intangible assets, and tax credits will be recovered through future cash flows generated, to the extent that economic and financial conditions allow for normal development of operations, the formation of working capital necessary for such activities, and the absorption of its structure costs. For this reason, the financial statements at 31/07/2021 and 26/10/2021 have been prepared on a going concern basis." This assertion does not modify the audit opinion, given the express intention of the shareholders to continue with the company.

6.Report on Other Legal and Regulatory Requirements

- a) The figures in the financial statements mentioned in Chapter 1 of this report are derived from the Company's accounting records that have not yet been transcribed into the registered books.
- b) According to the Company's accounting records mentioned above, there is no accrued liability at 31/07/2021 and 26/10/2021, in favor of the Argentine Integrated Previsional System for social security contributions and payments.
- c) We have applied the procedures for preventing money laundering and the financing of terrorism, as provided for in the corresponding professional standards issued by the Professional Council of Economic Sciences of the Province of San Juan.

City of San Juan, December 12, 2021.



Norberto Raul Lucero

M.P. 3066 CPCE Province of San Juan

APPENDIX "F"
UNAUDITED PRO FORMA BALANCE SHEET OF THE RESULTING ISSUER

[See attached]

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Proforma Consolidated Statement of Financial Position

(unaudited)

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Unaudited pro form consolidated statement of financial position (in Canadian dollars, unless otherwise noted) April 30, 2023

	Sendero Resources Corp. As at April 30, 2023	1319732 B.C. Ltd. As at April 30, 2023	Notes	Pro Forma Adjustments	Pro-Forma Consolidated
Assets					
Current assets:					
Cash	\$ 4,566,216	\$ 5,291	4(a)	\$ (5,291)	\$ 4,696,459
			4(b)	619,250	
			4(b)	(39,008)	
			4(b)	(300,000)	
			4(e)	(150,000)	
GST receivable	5,971	-			5,971
Prepaid expenses	11,356	-			11,356
	<u>4,583,543</u>	<u>5,291</u>		<u>124,952</u>	<u>4,713,786</u>
Non-current assets					
Exploration and evaluation assets	2,208,333	-			2,208,333
	<u>\$ 6,791,876</u>	<u>\$ 5,291</u>		<u>\$ 124,952</u>	<u>\$ 6,922,119</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 197,324	\$ 24,628	4(a)	\$ (24,628)	\$ 197,324
Subscription receipts financing	2,202,900		4(b)	(2,202,900)	-
Loans payable	-	7,148	4(a)	(7,148)	-
	<u>2,400,224</u>	<u>31,776</u>		<u>(2,234,676)</u>	<u>197,324</u>
Shareholders' equity (deficiencies):					
Share capital	5,708,190	172,503	4(a)	26,485	10,230,930
			4(b)	2,846,400	
			4(b)	(39,008)	
			4(b)	(18,724)	
			4(c)	(198,988)	
			4(c)	1,200,000	
			4(e)	534,071	
Shares to be issued	24,250	-	4(b)	(24,250)	-
Reserves	88,697	-	4(c)	18,724	918,321
			4(d)	810,900	
Deficit	(1,429,485)	(198,988)	4(b)	(300,000)	(4,424,456)
			4(c)	198,988	
			4(c)	(1,200,000)	
			4(d)	(810,900)	
			4(e)	(684,071)	
	<u>4,391,652</u>	<u>(26,485)</u>		<u>2,359,628</u>	<u>6,724,795</u>
	<u>\$ 6,791,876</u>	<u>\$ 5,291</u>		<u>\$ 124,952</u>	<u>\$ 6,922,119</u>

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Notes to the unaudited pro form consolidated statement of financial position
(in Canadian dollars, unless otherwise noted) April 30, 2023

1. BASIS OF PRESENTATION

The unaudited pro-forma consolidated statement of financial position of 1319732 B.C. Ltd. ("131" or the "Company") has been prepared by management in accordance with International Financial Reporting Standards for inclusion in the Filing Statement of the Company. The Filing Statement describes a proposed transaction (the "Transaction") involving 131 and Sendero Resources Corp. ("Sendero") which is described in more detail in note 2. 131 will concurrently change its name to "Sendero Resources Corp." pursuant to a name change and such resulting entity is the resulting issuer.

The unaudited pro-forma consolidated statement of the financial position of the Company has been compiled from the following financial information:

- Unaudited financial statements of the Company for the nine months ended April 30, 2023.
- Unaudited consolidated financial statements of Sendero for the nine months ended April 30, 2023.

The unaudited pro-forma consolidated statement of the financial position is not intended to reflect the financial position of the Company that would have resulted had the proposed transactions described in note 2 and other pro-forma adjustments occurred as assumed. Further, the unaudited pro-forma consolidated statement of financial position is not necessarily indicative of the financial position that may be attained in the future. The unaudited pro-forma consolidated statement of the financial position should be read in conjunction with the financial information referred to above.

Amounts in the pro-forma consolidated statement of financial position are denominated in Canadian dollars.

2. DESCRIPTION OF THE TRANSACTION

a) The Transaction

131 will acquire all of the issued and outstanding securities of Sendero in exchange for securities of the Company (the "Transaction"). The Transaction is subject to, among other things, receipt of requisite shareholder approvals, regulatory approvals, including approval of the TSX Venture Exchange ("TSXV"), and additional conditions, as described in the governing agreement between the parties. The Transaction, including activities leading up to and upon completion of the Transaction, is described as follows:

- 131 has negotiated with its creditors to forgive the amounts owing so that immediately prior to the closing of the Transaction, 131 shall have no liabilities and no cash, except as consented to by Sendero (see note 4(a)).
- Prior to closing the Transaction, 131 will complete a split (the "Split") of its issued and outstanding common shares (the "131 Shares") on the basis of 1.6 post-Split 131 Share for every one pre-Split 131 Share held. The Split will result in 4,000,000 post-Split 131 Shares issued and outstanding. Immediately following the Split, 131 will issue 2,000,000 post-Split 131 Shares to TriForce Ventures SA ("Triforce Ventures") (such issuance, along with the Split, the "Adjustment"), pursuant to a finder's agreement between TriForce Ventures and 131, with the result being an aggregate of 6,000,000 post-Adjustment 131 Shares issued and outstanding. The result of 6,000,000 post-Split 131 Shares issued and outstanding has a deemed value of \$0.20 per share (see note 2(b)).
- As a condition of the Transaction, 131 and Sendero will together raise a minimum of \$4 million in a financing, at \$0.20 per unit (see note 4(b) where 131 and Sendero together raised a total of \$5,855,950 from three tranches of non-brokered financing and a brokered subscription receipt financing).

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Notes to the unaudited pro form consolidated statement of financial position
(in Canadian dollars, unless otherwise noted) April 30, 2023

2. DESCRIPTION OF THE TRANSACTION (Continued)

b) Accounting for the Transaction

The Transaction is being accounted for as a capital transaction in which Sendero is being identified as the acquirer of 131 and equity consideration is being measured at fair value. The Transaction does not constitute a business combination under IFRS 3. The Transaction is accounted for in the financial statements of the resulting issuer as a continuation of the financial statements of Sendero, subject to a deemed issuance of shares and re-capitalization of the resulting issuer's equity. The acquisition of 131 is accounted for as 6,000,000 common shares deemed issued at \$0.20 per share to acquire the net identifiable assets of 131. This \$1,200,000 equity consideration is allocated to 131's net identifiable assets and liabilities with the residual accounted for as listing expense. See note 4(c).

3. SIGNIFICANT ACCOUNTING POLICIES

The unaudited pro-forma statement of financial position has been compiled using the significant accounting policies, as set out in the unaudited financial statements of Sendero as at April 30, 2023. Management has determined that no material pro forma adjustments are necessary to conform the Company's accounting policies to the accounting policies used by Sendero in the preparation of its financial statements.

As such, the unaudited pro-forma consolidated statement of financial position should be read in conjunction with Sendero's April 30, 2023 unaudited financial statements, together with 131's unaudited financial statements as at April 30, 2023.

4. PRO-FORMA ADJUSTMENTS

a) Elimination of 131's net assets

In connection with the Transaction, 131 has negotiated with its creditors to forgive the amounts owing so that immediately prior to the closing of the Transaction, 131 has no liabilities and no cash, except as consented to by Sendero. Therefore, the net assets of 131 is \$Nil prior to the Transaction.

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Notes to the unaudited pro form consolidated statement of financial position
(in Canadian dollars, unless otherwise noted) April 30, 2023

4. PRO-FORMA ADJUSTMENTS (Continued)

b) Financing

On April 27, 2023, Sendero completed the first tranche of a non-brokered financing by issuing 15,047,750 units for gross proceeds of \$3,009,550 as well as a \$2,202,900 brokered financing by issuing 11,014,500 subscription receipts. Such amounts are already included in Sendero's unaudited April 30, 2023 financial statements as share capital and subscription receipts financing (liability) respectively.

On May 12, 2023, Sendero completed the second tranche of the non-brokered financing by issuing 1,225,000 units for total proceeds of \$245,000 (where \$24,250 was received as of April 30, 2023 and recorded in Sendero's unaudited April 30, 2023 financial statements as shares to be issued). On July 25, 2023, the Company completed the third tranche of the non-brokered financing by issuing 1,992,500 units for total proceeds of \$398,500.

Each unit consists of one common share and a half warrant. Each full warrant is exercisable into one common share of Sendero at \$0.30 expiring on the later of two years from the date of closing the tranches and 24-month anniversary of satisfying certain escrow release conditions. Sendero incurred \$39,008 in cash finder's fees and issued 195,037 finder's warrants whereby each finder's warrant entitles the holder to purchase one common share at an exercise price of \$0.20 expiring on the later of two years from the date of closing the tranches and 24-month anniversary of satisfying the escrow release conditions. A fair value of \$18,724 has been assigned to these finder's warrants. The fair value of these finder's warrants assumes an exercise price of \$0.20, a life of 2 years, annualized volatility of 86.49% and a risk-free rate of return of 3.80%.

Upon the completion of the Transaction, Sendero's 11,014,500 subscription receipts from the \$2,202,900 brokered financing will be converted into one common share of the resulting issuer and a half warrant. Each full warrant associated with these subscription receipts will be exercisable into one common share of the resulting issuer at \$0.30 and will expire on the later of two years from the date of closing and 24-month anniversary of satisfying the escrow release conditions.

The Company also expects to incur an additional \$300,000 in Transaction costs related to audit, accounting, legal and regulatory services.

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Notes to the unaudited pro form consolidated statement of financial position
(in Canadian dollars, unless otherwise noted) April 30, 2023

4. PRO-FORMA ADJUSTMENTS (Continued)

c) Shares consolidation

Pursuant to the Letter Agreement, 131 will undertake a stock split or share consolidation (the "Adjustment") such that post-Adjustment 131 common shares, when multiplied by \$0.20 being equal to \$1,200,000. .

As a result of the Transaction described in note 2 between the Company and Sendero, the former shareholders of Sendero will acquire control of the Company.

The cost of an acquisition should be based on the fair value of consideration given. The consideration of the acquisition is therefore \$1,200,000, calculated as 6,000,000 common shares (including the 2,000,000 common shares to TriForce Ventures SA) at \$0.20 per share, and is allocated to acquire the net identifiable assets of 131. The total purchase price of \$1,200,000 has been allocated as follows:

Fair value of consideration - purchase price	\$ 1,200,000
Identifiable net assets of 131 acquired by Sendero	
Cash	-
Liabilities	-
Total fair value of identifiable net assets acquired by Sendero	-
 Listing expense	 \$ 1,200,000

A listing expense of \$1,200,000 has been included in deficit to reflect the difference between the fair value of the amount paid and the fair value of the net assets received from 131.

d) Option grant

5,300,000 options would be granted to its directors, officers and consultants upon the completion of the Transaction, with each option exercisable at \$0.20 for a period of five years. 4,900,000 of these options vest one-third immediately and thereafter one-third every year; while the other 400,000 of these options vest 25% every quarter. A fair value of \$810,900 has been assigned to these options assuming an exercise price of \$0.20, a life of 5 years, annualized volatility of 101.27% and a risk-free rate of return of 3.76%.

e) Bonus shares and cash bonuses to the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO")

Sendero signed the executive management agreements with its CEO and CFO that upon the completion of the Transaction and raising over \$5.5 million in financings, the CEO will get 1,670,355 common shares and the CFO will get 1,000,000 common shares, deemed issued at \$0.20 per share pursuant to the recent non-brokered financing price and therefore valued at \$534,071. Each party will also get a cash bonus of \$75,000.

The effective consolidated pro forma tax rate is expected to approximate 27%.

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Notes to the unaudited pro form consolidated statement of financial position
(in Canadian dollars, unless otherwise noted) April 30, 2023

5. SHARE CAPITAL

	Note	Number of shares	Share capital	Shares to be issued	Reserves	Deficit	Total
Balance, Sendero prior to reverse acquisition		42,506,083	\$ 5,708,190	\$ 24,250	\$ 88,697	\$ (1,429,485)	\$ 4,391,652
Balance, 131 prior to reverse acquisition		2,500,006	172,503	-	-	(198,988)	(26,485)
Reverse acquisition of 131	2(a)(ii)	1,499,994	627,497	-	-	198,988	826,485
131 post-Split shares to Triforce Ventures	2(a)(ii)	2,000,000	400,000	-	-	-	400,000
Sendero common shares pursuant to the second and third tranches of non-brokered financing	4(b)	3,217,500	643,500	(24,250)	-	-	619,250
Sendero common shares pursuant to the conversion of subscription receipt brokered financing	4(b)	11,014,500	2,202,900	-	-	-	2,202,900
Transaction cost and finder's fees	4(b)	-	(57,731)	-	18,724	(300,000)	(339,008)
Listing expense	4(c)	-	-	-	-	(1,200,000)	(1,200,000)
Option grant	4(d)	-	-	-	810,900	(810,900)	-
Sendero bonus shares and cash bonuses to CEO and CFO	4(e)	2,670,355	534,071	-	-	(684,071)	(150,000)
		65,408,438	\$ 10,230,930	\$ -	\$ 918,321	\$ (4,424,456)	\$ 6,724,795

Sendero Resources Corp. (formerly 1319732 B.C. Ltd.)

Notes to the unaudited pro form consolidated statement of financial position
(in Canadian dollars, unless otherwise noted) April 30, 2023

6. OPTIONS, WARRANTS AND FINDER'S / BROKER'S WARRANTS

Options

Grant date	Expiry date	Exercise price	Issued
Upon the completion of Transaction	(a)	\$ 0.20	5,300,000
Options outstanding			5,300,000
Weighted average exercise price		\$	0.20

Warrants

Grant date	Expiry date	Exercise price	Issued
April 27, 2023 - first tranche non-brokered financing	(b)	\$ 0.30	7,523,875
April 27, 2023 - brokered financing (subscription receipts)	(b)	\$ 0.30	5,507,250
May 12, 2023 - second tranche non-brokered financing	(b)	\$ 0.30	612,500
July 25, 2023 - third tranche non-brokered financing	(b)	\$ 0.30	996,250
Warrants outstanding			14,639,875
Weighted average exercise price		\$	0.30

Finder's Warrants / Broker's Warrants

Grant date	Expiry date	Exercise price	Issued
April 27, 2023 - first tranche non-brokered financing	(b)	\$ 0.20	630,612
April 27, 2023 - brokered financing (subscription receipts)	(b)	\$ 0.20	771,016
May 12, 2023 - second tranche non-brokered financing	(b)	\$ 0.20	56,787
July 25, 2023 - third tranche non-brokered financing	(b)	\$ 0.20	138,250
Warrants outstanding			1,596,665
Weighted average exercise price		\$	0.20

- (a) The options will expire five years from the date of the completion of the Transaction.
(b) These warrants and finder's warrants/broker's warrants will expire on the later of two years from the date of the closing of the financings and 24-month anniversary of satisfying certain escrow release conditions.

APPENDIX "G"
TECHNICAL REPORT

[See attached]

SENDERO RESOURCES CORP.

AND

1319732 B.C LTD.

NI 43-101 TECHNICAL REPORT

ON THE PEÑAS NEGRAS

COPPER-GOLD PROJECT

IN LA RIOJA, ARGENTINA

Report Date: 18th July 2023

Effective Date: 18th July 2023

Updated: 18th July 2023

Prepared By

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July 2023

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1.0 SUMMARY

1.1 INTRODUCTION

Sendero Resources Corp. (Sendero), a British Columbia company and 1319732 B.C. Ltd. (131), a British Columbia company, have retained Micon International Co Limited (Micon) to provide an Independent Summary and Review of the Peñas Negras Project located in the province of La Rioja, Argentina. Micon has compiled this Technical Report to comply with the Canadian National Instrument (NI) 43-101 Standards of Disclosure for Mineral Projects, Form NI 43-101F1 requirements.

Sendero is a private exploration company that holds a 100% interest in the Peñas Negras Project (the Project) through its wholly owned subsidiary, Barton SAS (Barton), a simplified stock company based in San Juan, Argentina. 131 is an unlisted reporting issuer that is focused on investigating and evaluating business opportunities in the Canadian public markets.

Sendero entered into a share transfer agreement on 26th October 2021 with the owner of Barton pursuant to which the Sendero acquired 100% of the issued and outstanding share capital of Barton in exchange for the issuance of 12,500,000 Sendero common shares to Hernan Vera, a director of the Sendero.

Sendero and 131 entered into a definitive letter agreement on 2nd March 2023, pursuant to which the parties agreed to complete a three-cornered amalgamation, with the ultimate result that the successor of 131 (the “Resulting Issuer”) will continue on as a Canadian reporting issuer and 100% owner of the business of Sendero (the “Transaction”). The completion of the Transaction is subject to certain conditions, which include the following:

- 131 will complete a share split and certain reorganisation transactions (collectively, the “Split”) such that 131 will have an aggregate of 6,000,000 common shares on a post-Split basis;
- Sendero will conduct a concurrent brokered private placement for up to CAD\$3,750,000 in gross proceeds of subscription receipts and a concurrent non-brokered private placement of units;
- A wholly owned subsidiary of 131 will amalgamate with Sendero under the *Business Corporations Act* (British Columbia) and, in exchange for the common shares of Sendero, the shareholders of Sendero shall receive post-Split 131 shares on a 1:1 basis;
- Upon completion of the Transaction, the Resulting Issuer will change its name to “Sendero Resources Corp.”; and,
- The Resulting Issuer will apply to list its common shares for trading on the TSX Venture Exchange.

In this Report, the term Peñas Negras Project (the Project) refers to the area within the exploration or mining concessions upon which the historical exploration has been conducted, while the term Peñas Negras Property (the Property) refers to the entire land package (mineral claims). The information in this Report was derived from published material, data, professional opinions, and unpublished material submitted by the professional staff of Sendero and 131 or its consultants supplemented by Micon and the Qualified Person (QPs) independent observations and analysis. Much of these data came from prior reports on the Peñas Negras

Project, updated information provided by Sendero and 131, and information researched by Micon and the QPs.

Micon is a private company internally owned and is entirely independent of Sendero, 131 and their affiliated companies. The personnel responsible for this review and opinions expressed in this Report are Micon's full-time employees or Micon associates. For its services in preparing the report, Micon is receiving payment based upon time and expenses and will not receive any capital stock from Sendero, 131 or any of their affiliated companies. Micon is reimbursing its associates based upon time and expenses. Micon and the QPs do not have any previous material interest in Sendero, 131 or related entities.

This Report includes technical information which requires subsequent calculations or estimates to derive sub-totals, totals, and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, neither Micon nor the QPs considers them to be material.

This Report is intended to be used by Sendero and 131, subject to the terms and conditions of its agreement with Micon. That agreement permits Sendero and 131 to file this Report as a Technical Report with the Canadian Securities Administrators (CSA) under provincial securities legislation.

The conclusions and recommendations in this report reflect the authors' best independent judgment in light of the information available to them at the time of writing. The authors and Micon reserve the right, but will not be obliged, to revise this Report and conclusions if additional information becomes known to them after the date of this Report. Use of this report acknowledges acceptance of the foregoing conditions.

The Peñas Negras Properties was visited by Dr. Julio Bruna Novillo, CPG (Dr. Bruna), on 20th and 21st December 2021, for the purposes of completing the NI 43-101 required site visits. The scope of the site inspection was to discuss and review during the visit general data acquisition procedures, sampling procedures, quality assurance/quality control (QA/QC), geology, mineralisation, structural characteristics, historical drill pads, infrastructure and permits, and environmental impacts.

Dr. Bruna reviewed the results of exploration conducted during the 2022-2023 exploration season and concluded that although it served to enhance the understanding of the potential of the Project, the new information did not have a material impact on the Project. Therefore, the site visit made by Dr. Bruna in December 2021 is considered to be current.

Dr. Bruna is an independent consultant, Certified Professional Geologist (CPG), Micon Associate and a Fellow of the Australasian Institute of Mining and Metallurgy, in Geology FAusIMM(CP) who is based in Córdoba, Argentina. During the site visit, Dr. Bruna was accompanied by Mr. Ríos Gómez, Senior Geologist from Barton, and focussed the inspection on verifying the general geological setting, and site conditions, and where the different drilling programmes were undertaken.

The visit to the site was carried out before the end of the exploratory works in April 2022. The QP considers the inspection of the site current since there have been no substantial changes in the scientific and technical information on the property since the time of his inspection, as detailed in Section 9.0. The relevant work conducted was surface rock chip sampling. During his site visit, the QP reviewed these sampling methods and procedures.

1.2 PROPERTY DESCRIPTION, LOCATION AND MINERAL TENURE

The Peñas Negras Project is located in north-western Argentina in the General Lamadrid department, in the province of La Rioja, just north of the San Juan province near the Chilean border. The area presents elevations ranging from 3,900 masl to 4,955 masl. The central geographic coordinates are 28°19' south latitude and 69°25' west longitude, or 2,458,457 m East, and 6,868,474 m North (Gauss Krüger - Zone 2, POSGAR 94).

The district hosts an elongate belt of rocks containing sizeable hydrothermal alteration zones, with geological evidence of porphyry gold and copper-gold mineralisation and potential for epithermal gold-silver deposits. It is located in a developing porphyry district at the intersection between the south end of the Maricunga Copper-Gold Belt and the northern extent of the El Indio Gold-Silver Belt, with both districts hosting world-class porphyry and epithermal deposits.

The Project is located 450 km northwest from the city of La Rioja and 130 km and 165 km, in the same direction, from the towns of Vinchina and Guandacol, respectively. Access to the Property is via the Vinchina and Guandacol. The route passes through Vinchina, advances along the road to the Pircas Negras international pass and on through the towns of Jagüe-Laguna Brava-Campamento Barrancas Blancas-Río Salado-Pucha Pucha. The route continues along the Peñas Negras river to the Peñas Negras camp. It takes approximately 5 hours to reach the project area.

A second access option is through Guandacol-Arroyo Troya-Río Macho Muerto-Río Peñas Negras. It is recommended not to travel this route in summer due to possible cuts caused by seasonal rains, especially in the Arroyo Troya area.

Barton is the holder of ten mining concessions covering 11,682.54 ha (116.83 km²), all of which properties are plotted on the Provincial Mining Cadastre of the province of La Rioja, according to the Gauss Kruger coordinates and updated to April 2023. The property includes six exploitation concessions (Minas) totalling 5,515.26 ha and four exploration concessions (Cateos) totalling 6,167.28 ha, for a total of 11,682.54 ha.

The QPs note the certificates issued on 25th August 2021, by the Department of Mining Notary of the province of La Rioja, certifying that the mining concessions belong to Barton SAS and that they do not register encumbrances, debt, or asset forfeiture. The Cateo Caserones presents a certificate issued on 29th March 2023.

A total rental payment of US\$2,562 was made for the 2021 to 2022 seasons and US\$2,474 for 2022 to 2023 on the exploitation concessions.

Surface exploration work in the Peñas Negras area is permitted under three Declaración de Impacto Ambiental's (DIA's). The original DIA applications were submitted on 30th November 2021 for the Isidoro, Don Álvaro and El Chiqui exploration permits (Cateo) and were granted on 30th November 2023 under Resolutions 355-SE-2021, 356-SE-2021 and 357-SE-2021, respectively.

New EIAs before the expiration of the current resolutions must be submitted and meet the requirements established in resolution SA 037/15 of the Secretary of the Environment of La Rioja. In the case of requiring new roads or drilling, it is necessary to present a new EIA that contemplates these stages with the corresponding permits and qualifications.

The Argentine Mining Code (AMC) sets out rules under which surface rights and easements can be granted for a mining operation and covers aspects including land occupation, rights-of-way, access routes, transport routes, rail lines, water usage and any other infrastructure needed for operations.

The properties of Barton SAS are located in the General Lamadrid Department of the Province of La Rioja, in the area called "Usos Múltiples" ("Multiple Uses"), which is the marginal area of the Laguna Brava Provincial Reserve, where mining activities are fully authorised (Resol. N° 286 – Environmental secretary).

Barton has negotiated access and the right to use surface lands sufficient for many years of operation. A sufficient area exists at the Peñas Negras Project for all anticipated future surface infrastructure.

1.3 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The Project covers an area of approximately 117 km² and is located within the region known as Cordillera Frontal in the province of La Rioja, Argentina. It is located approximately 1,300 km from Buenos Aires and 625 km northeast of Santiago, Chile.

The Peñas Negras Project is remote; other than road access, no infrastructure is available. The most important logistics centre in the region is San Juan, which has a population of approximately 818,234 people. San Juan has a domestic airport with daily scheduled flights to Buenos Aires. The city of Mendoza, approximately 170 km (2.0 hours driving time) south of San Juan city, has an international airport with flights to Santiago and elsewhere internationally and within Argentina. The nearest city in Chile is Copiapó, which has approximately 175,000 people and is a regional mining hub with access to mining materials and skilled labour as well as a modern airport with several daily flights to Santiago.

The El Dorado basecamp installed on-site by Minera Eldorado SA (Eldorado) company and later expanded by YAMIRI SA is located about 500 km from San Juan, the city from which the technical and logistical support for the exploration campaign will be operated. The power sources for the camp are provided through an electric generator.

There are two alternative access routes: a) From Guandacol (San Juan), with the total length of the trip 242 km, and it takes about 4.5 hours to cover the distance using 4 x 4 vehicles, and b) from Jagüe (La Rioja), via a route of 162 km that requires about 4 hours to cover using 4 x 4 vehicles.

The Project is located in the phytogeographic province called Altoandina, which includes levels between 4,650 masl and 3,600 masl. The area is associated with a cold climate Type B (tundra), covering all of the mining properties with average summer temperatures between 5°C and 25°C, while the average winter temperature can reach values between -7°C and -25°C.

There is little or no vegetation cover, resulting in significant surface flow when rains occur and extensive alluvial plains with drainage of some importance. There is a substantial water supply in many drainages in an unvegetated landscape and no difficulty locating sufficient water to support drilling despite the barrenness.

Due to severe weather conditions, exploration work can only be carried out in the summer season (November to April).

The Property is located close to two logistical, industrial, and mining centres: San Juan, Argentina (to the south) and Copiapo, Chile (to the north) to 50 km to the border crossing station (migratory and custom facilities) in eastern Chile.

The most outstanding feature of the region is the mountain range that forms the international border between Argentina and Chile, with heights that are consistently higher than 4,000 masl. Elevations such as Cerro El Potro at 5,879 masl, Cerro Colorado at 5,172 masl, Cerro Caserones at 5,147 masl and Cerro Come Caballos at 5,199 masl, all located on the international border, mark the most impressive peaks in the work zone.

The Peñas Negras Project has large enough properties to locate and accommodate the infrastructure necessary to host any future mining operations, should sufficient economic mineralisation be identified on the property.

1.4 HISTORY

Peñas Negras has been a district explored by companies within the last couple of decades. Similar geological features and a short distance to the prolific mining zone of Maricunga and El Indio belts have encouraged exploration. The Maricunga belt to the north is notable for its porphyry gold-copper systems, and the El Indio belt to the south hosts world-class high sulphidation epithermal deposits.

Exploration work in the area began in the 1970s by the National Mining Service (North Cordilleran Plan) performing geochemical sediment prospecting tasks on different rivers and basins of the Cordillera Frontal.

Between 1987 and 1988, geologists from BRGM (Bureau de Recherches Géologiques et Minières, France) performed geological mapping and geochemical sampling of the area.

In 1992, the company Norwest Mine Service, with the support of Campbell and Associates, studied and carried out some works with Thematic Mapper (TM) satellite images in an area of the Andes Mountains that included the provinces of Catamarca, La Rioja and San Juan. The work identified more than 40 areas or sectors with colour anomalies, which were considered targets to be evaluated in the field.

From 1994 to 1995, Minera El Solitario SA (El Solitario) worked in the area Crown Property (the area for them was Solitario 23-I cateo), with a short prospecting programme. The programme was limited to sampling of rocks and soils, and the excavation and sampling of a pair of trenches. Finally, a short drilling programme was developed.

Between 1994 and 1997, Minera Eldorado SA (Eldorado) completed geological studies and various sampling programmes, including 10,150 m of reverse circulation (RC) and diamond drill core (DD) drilling, distributed mainly between the colour anomalies 16 and 14. About 13,033 m of trenches and accesses were constructed, where a total of 4,619 samples were collected. Within these activities, 108.3 km of ground magnetometry and 192.20 km of induced polarisation/resistivity were performed between anomalies 14, 16, 18A (Cerro El Potro - Sillimanita), 19 (Miranda), and Ritsuko.

From 1995 to 1998, the National Secretary of Mining conducted expeditionary work in La Ollita, La Vicuña and Río Tamberías, in compliance with the PASMA project and the agreement with JICA/MMA/JMEC.

In 2007, Minera Vale Río Doce - DEPROMIN SA, carried out exploration work in what they called the "Regional Project," which was divided into two zones, Regional North (Peñas Negras area) in the province of La Rioja and Regional South (Cordón de La Brea area) in the province of San Juan. The studies in the Peñas Negras area were concentrated in the areas of Caserones, Solitario 23-I, Ritsuko, Miranda (former Anomaly 19 of the TDP) and Solitario 17.

In 2012, Golden Arrow carried out exploration tasks developed for the Caballos area, north of the Project property block, and an exploration agreement was also signed for the Ritsuko sector. The tasks performed were a background compilation of previous work and basic prospecting activities, mainly surface geochemistry, on alteration zones present in the western margin of the caldera.

From 2009 to 2014, Anglo American Argentina SA (Anglo American) was the last company to conduct exploratory work in the Cristian I-II-III and Ángela II-III mining concessions. A total of 833 different types of samples were collected. A geophysical survey of 140 km of magnetometry and 23 km of induced polarisation/resistivity were carried out. During the period between 2011 and 2012 six diamond drill holes were drilled.

There have not been any historical resource estimates conducted on the Project and there has not been any historical mining conducted in the area of the concessions.

1.5 GEOLOGICAL SETTING AND MINERALISATION

The Peñas Negras district is located within the morphostructural unit corresponding to the Cordillera Frontal Geological Province in the high mountain range of La Rioja.

According to the Pastillos 6929-I Geological Sheet (Fauqué, 1999), the basement comprises sandstones, quartzites, limonitic units, and conglomerates belonging to the Ranchillos Formation, assigned to the Carboniferous. Above, there is a volcanoclastic unit belonging to the Choiyoi Group (Permo-Triassic), a volcano-sedimentary complex. The unit is composed of a group of volcanic and pyroclastic rocks characterised by acid rocks of rhyolitic and rhyodacitic composition and intermediate to basic andesitic rocks. In general, these rocks are folded and partially metamorphosed by Permo-Triassic granitic intrusions of the Carnerito Formation (Marcos et al., 1971).

Also, reduced outcrops of conglomerates and multicoloured sandstones can be observed in the sector belonging to the Chapitas Formation (Marcos et al., 1971), whose age is assigned to the Jurassic-Cretaceous, although it is probable that they are younger, possibly Palaeocene.

The Oligo-Miocene magmatism is limited to the Cordillera Frontal area. They consist of andesites and dacites from the Doña Ana Formation (Otamendi et al., 1994), 27 Ma to 19 Ma old and rhyolites, dacites and andesites from the Las Tórtolas Formation, 17 Ma to 11 Ma old. These units are intruded and altered by rhyolitic, dacitic, dioritic and quartz-dioritic domes and dykes.

The deformation of the Palaeozoic sediments in the Cordillera Frontal area is attributable to movements that occurred at the end of the Palaeozoic. The Andean orogeny would have

produced tilting and lateral movement of blocks, leaving the oldest Tertiary volcanites in some sectors folded and others in a homoclinal position. At the same time, the Veladero Formation lies in a sub-horizontal position indicating the minor effect of neotectonics.

Finally, and in congruency with the tectonic uplift suffered in the area, the erosion of the tertiary rocks has taken place exposing the basement and the mineralised porphyries.

In the Peña Negra Project, a chain of volcanic units has been emplaced from the lower Oligocene. It constitutes a belt of about 50 km wide, built on a base that includes intrusive and volcanic units of the Palaeozoic and perhaps Mesozoic. The Peñas Negras Project has several areas or sectors of interest:

- **Cerro Verde:** is a sector comprising two well-differentiated areas Cerro Verde North (Ángela II-III) and Cerro Verde South (Cristian I-II-III);
- **El Chiqui:** is an area comprising several targets of interest, some already tested and explored, such as La Ollita, Tamberías, Crown Property, partially the area called Vicuña, located 5.5 km NNE of La Ollita;
- **Don Álvaro and Isidoro:** located north and east of El Chiqui, covering sectors evaluated in previous exploratory works within the La Ollita area, and even Isidoro covers part of the La Peña sector;
- **Ritsuko:** volcanic caldera with strong colour anomalies and domoic bodies in its interior; and,
- **Caserones:** the area has characteristics related to the porphyry copper system, developed in the rhyolitic basement of the Choiyoi Group (Permo-Triassic).

Regarding the geology in the sector, the lithological units are older to the west and younger to the east. The Permo-Triassic granitic/volcanic basement, followed by the Upper Eocene-Oligocene volcanic/sedimentary/Intrusive sequences, the Middle to Lower Miocene volcano-sedimentary units, and finally, the moraine deposits (of fluvioglacial origin). The Pleistocene-Holocene sediments occupy the slope areas, river courses and valleys in the region. There is more significant erosion of the lithological units to the west and less to the east. The Eocene-Oligocene units outcrop within a north-eastern corridor (generating a pull-apart system) defined by structures that contact the Permo-Triassic basement units and the Lower to Middle Miocene sediments and volcanites.

1.6 DEPOSIT TYPES

The Maricunga belt to the north is notable for its porphyry gold-copper systems, and the El Indio belt to the south hosts world-class high sulphidation (HS) epithermal deposits. Historically, the area has been overshadowed by these two high-profile metallogenic belts, partly due to the lack of preservation of extensive Miocene volcanic rocks, which was incorrectly interpreted to reflect a paucity of Miocene mineral deposits. Latterly, the area has proved to be very prospective for porphyry copper-gold and epithermal systems, and subsequent works have shown this to be the case, with the discovery of Josemaría, Filo del Sol and Los Helados deposits with Late Oligocene to Late Miocene ages.

In recent times, exploration work carried out has discovered several projects on the Argentine side (Josemaría and Filo del Sol in San Juan, Cerro Delta and Caballos in La Rioja, Valle Ancho north of Catamarca). These discoveries demonstrate the continuity of these metallogenic belts. In general, they are associated with groups of subvolcanic and even domoic

bodies that generate significant mineralisation in Cu, Cu-Au-Mo, Au-Ag and other minor elements such as As±Sb±Te, among others.

The overall alteration mineralisation architecture is heavily dependent on the structural setting and degree of telescoping of Andean porphyry copper systems. These factors vary between structural blocks due to stress partitioning and do not appear to be constant throughout entire segments of a metallogenic belt. The vertical alteration mineralisation sequence tends to be highly telescoped with appreciable overprinting and mineralogical reconstitution of earlier and deeper zones during younger and shallower hydrothermal events. The overprint geometry, especially the form and position of the sericitic and deep parts of advanced argillic zones, is highly influenced by faults active during deposit genesis (Sillitoe and Perelló, 2005).

Alteration zoning and overprinting relationships in a porphyry system at different temperatures and types, coexisting with the typical ones generated (potassic, propylitic, phyllic, intermediate argillic) with alterations due to more acidic fluids corresponding to the high sulphidation stage (advanced argillic, sericitisation and silicification mainly) (Sillitoe, 2010).

Porphyry subvolcanic bodies are present in the Project area, mainly consisting of a dacitic composition and, to a lesser extent, dioritic-quartz and dioritic.

Therefore, all these properties are considered gold-copper porphyry systems with overprinted epithermal mineralisation, belonging to a transition between the southern end of the so-called Maricunga Belt and porphyries area as the Josemaría project, in the territory of San Juan.

1.7 EXPLORATION

Favourable geology has been explored since the 1990s with well-developed targets and some historical exploration programmes on the property.

The Project database for different historical exploration programmes is summarised below:

- Assay results from 9,430 m of Reverse Circulation (RC);
- Assay results from 3,282.6 m of Diamond Drilling (DD);
- Assay results for over 6,141 surface samples;
- 248.30 line-km of ground magnetic surveying;
- 236 line-km of IP geophysical surveying; and,
- Processed Satellite Alteration Imagery.

Minera El Solitario SA (El Solitario), a company subsidiary of Sovereign Gold (USA), worked between 1994 and 1995 in the area known as Crown Property (the area for them was Solitario 23-I cateo), with a relatively short prospecting programme, it was limited to a sampling of rocks and soils, the excavation and sampling of a pair of trenches. Finally, a short drilling programme was developed. The results were not as satisfactory as expected, and the company abandoned the cateo (exploration permit).

Minera Eldorado SA (Eldorado) was the Argentinian subsidiary of Eldorado Gold Corporation, based in Vancouver, Canada. The company carried out a series of prospecting and exploration programmes completed between 1994 and 1997, which began with geological surveys and sampling a slope, soils, rock chips and stream sediments in rivers.

In this period, 10,140.90 m of reverse circulation and diamond drilling was carried out, distributed mainly between the La Ollita (El Chiqui) and Cristian III (Cerro Verde). After the drill hole was completed, a PVC pipe was placed in the hole, and the collar was cemented. The drill hole number, total depth, azimuth, and inclination were stamped into a metal plate cemented into the collar pad. About 13,033 m of trenches and accesses were constructed, in which a total of 4,619 samples were collected.

A complete geophysical study was conducted by the Geodata company, which executed 108.30 km of ground magnetometry and 192.20 km of induced polarisation/resistivity were performed between the areas of anomalies 14, 16, 18A (Cerro El Potro - Sillimanita), 19 (Miranda) and Ritsuko.

In 2007, the company Minera Vale Río Doce together with DEPROMIN SA (Desarrollo y Proyectos Mineros SA), carried out exploration works in what they called "Regional Project", which was divided into two zones, Regional Norte (Peñas Negras area) in the province of La Rioja and Regional Sur (Cordón de La Brea area) in the province of San Juan. Studies in the Peñas Negras area focused on the Caserones, Solitario 23-I (El Chiqui), Ritsuko, Miranda (former Anomaly 19 of the TDP programme) and Solitario 17 sectors.

In 2012, the Golden Arrow company, a subsidiary of Grosso Group (Canada), carried out exploration tasks developed for the Caballos area, north of the Project property block, and an exploration agreement was also signed for the Ritsuko sector. The tasks carried out in the area focused on collecting background information on previous work and basic prospecting activities. It consisted mainly of surface geochemistry on zones of argillic alteration with silicification, generally associated with quartz stockwork and iron oxides, present on the western margin of the caldera. A soil grid and complete sampling of different rocky outcrops were carried out. The company did not carry out any more work, leaving the area.

Anglo American was the last company to work in the area between 2009 and 2014, and it carried out exploratory work in the Cristian I-II-III and the Ángela II-III concessions. This sector was defined by Minera Anglo American Argentina SA (Anglo American) as the Cerro Verde Project (North and South). A total of 833 rock chips, soil, water, lag-type, and stream sediment samples were collected. These samples were collected selectively in the rock outcrops of these areas and systematically in three grids, carried out in the sectors of Ángela II-III.

The geophysical survey carried out by Anglo American included 140 km of magnetometry with east-west oriented lines and 23 km of induced polarisation/resistivity with seven east-west and one north-south oriented lines. Line spacing was 200 m for both methods. Preliminary analysis of these surveys showed indications of magnetite-bearing and magnetite-free bodies and IP signals in the area's northern and southern blocks.

Between 2009 and 2011, six diamond holes were drilled for a total of 2,597.70 m to test the geochemical and geophysical anomalies defined in the previous campaigns. These were distributed mainly between the Cristian I-II and Ángela II-III areas, proving the existence of mineralisation below the presence of a lithocap. In this last sector, a trench was made for detailed mapping and geochemical sampling. After the drill hole was completed, a PVC pipe was placed in the hole, and the collar was cemented. The drill hole number, total depth, azimuth, and inclination were stamped into a metal plate cemented into the collar pad.

Two different hydrothermal systems were identified from the exploration work carried out. The Cristian I-II-III areas correspond to a porphyry system, developed in the Miocene volcanic rocks, intruded by dioritic-type bodies, emplaced according to the northwest direction. In the Ángela II and III area, a hydrothermal system was defined in Permo-Triassic basement rocks (Choiyoi Group), formed by granites and volcanic rocks with a lithocap on the surface hydrothermal breccias, presence of grey banded quartz-epidote-tourmaline-pyrite veinlets. In this sector, some zones of supergene enrichment (chalcocite) were identified.

All these works led to the conclusion that the sector of greater interest was the north sector. This was mainly due to the intersection of the zone of copper supergene enrichment, identified by drillings. The best gold assay (best value of 1 g/t Au) was only obtained in the sampling of a trench related to epithermal structures.

Regarding sample preparation, security, analysis and data verification, all data is historical from previous operators. There is no access to any physical samples, neither core, RC cuttings or laboratory pulps or rejects.

However, there is access to a great deal of valuable historical data compiled into a Geographic Information System (GIS), but it is not possible to verify its accuracy or suitability at this time. Most of the information is between 10 years and 25 years old, is difficult to source and has no access to assay certificates. The database will be used to lead back into the most important areas, guide drilling decisions in some places and generally will have to rely on this data from large reputable former operators like Anglo American and Eldorado.

During the 2021 to 2022 and 2022 to 2023 exploration seasons (November to April), Sendero completed significant work with the objective of mapping and sampling in detail the lithologies present, alterations and mineralised sectors in the different prospects of interest that comprise the Peñas Negras Project.

The exploration programme involved surface work, including geological mapping and surface geochemistry (talus and rock sampling). An aeromagnetic and radiometric study carried out by the company New Sense (Canada) a detailed tectonic/structural analysis was carried out by Winocur (2022) over a central area that he covered within the Peñas Negras Project.

In addition to these field studies have been added investigations and detailed desk studies, beginning with a complete interpretation of the geophysical data carried out by Fathom Geophysics (Toronto, Canada), a spectral study through ASTER images of the area covered by the Peñas Negras Project carried out by Ducart (Campinas, São Paulo, Brazil, 2022). This work included the measurement, processing, and interpretation of spectral data from field samples. Spectral measurements were made at the Institute of Geosciences of the University of Campinas with an ASD/FieldSpec-4 spectroradiometer.

A total of 587 samples were taken comprising both talus fines and rock chip samples. A sampling of the talus fines has been completed using a compositing method that results in samples representative of 100 m along the sampling line. The distance between lines is 200 m, while the separation between contiguous samples is 100 m. However, each sample is composed of 5 samples spaced 20 m apart. The line is oriented east-west or north-south (perpendicular to the main structures of the sector).

The sampling methodology consisted of digging a hole between 30 cm and 40 cm, extracting the soil with a hand shovel, and sieving it through a 10-mesh screen until the required weight was achieved (approximately 2 kg) was achieved. In the camp, the five composite samples were mixed and manually quartered, resulting in a final sample of approximately 5 kg and an equal amount of reject.

Rock chip outcrops were sampled by collecting approximately 1 kg to 3 kg of sample. The sample location, length and geological descriptions were recorded.

During the 2021 to 2022 exploration season Sendero collected numerous surface samples across the entire project area. A total of 348 samples were taken comprising both talus fines and rock chip samples. Talus fines samples were taken along 100 m long lines at 20 m intervals from a depth of approximately 40 cm. Rock samples were taken in areas surrounding talus fines lines in order to complement the results. The results of this sampling programme further confirmed the work of earlier companies.

In addition to the geochemical sampling work, Sendero also commissioned New-Sense Geophysics Ltd. to fly a property wide airborne magnetic and gamma-ray spectrometric surveys. The survey produced 715.1 line-km of geophysical survey data covering 125.1 square km. The area's magnetic data was processed to produce images that help differentiate lithologies, highlight possible structures that could be related to mineralisation and analyse the distribution of magnetic rocks in the area. Radiometric data was used to highlight possible potassic alteration and different volcanic and intrusive lithologies.

1.8 DATA VERIFICATION

The Peñas Negras Properties were visited by Dr. Julio Bruna, (CPG) on the 20th and 21st December 2021, for the purposes of completing the NI 43-101 required site visits. The scope of the site inspection was to discuss and review during the visit general data acquisition procedures, sampling procedures, quality assurance/quality control (QA/QC), geology, mineralisation, structural characteristics, historical drill pads, infrastructure and permits and environmental impacts.

Dr. Bruna is an independent consultant, Certified Professional Geologist (CPG), Micon Associate and a member of the Australasian Institute of Mining and Metallurgy, Fellow Chartered Professional in Geology and AusIMM (CP Geo) who is based in Córdoba, Argentina. During the site visit, Dr. Bruna was accompanied by Mr. Ríos Gómez, Senior Geologist from Barton, and focussed the inspection on verifying the general geological setting, and site conditions, where the different drilling programmes were undertaken.

The site was visited in the first season of 2021 to 2022 before the end of the exploratory works in April 2023. The QP considers the inspection of the site current since there have been no substantial changes in the scientific and technical information on the property since the time of his inspection, as detailed in Section 12.0.

The relevant exploration work was surface rock chip sampling. During his site visit, the QP reviewed these sampling methods and procedures.

The QP considers the check assay programme adequate to provide confidence in the data. Samples associated with QA/QC failures are reviewed before inclusion in the exploration databases.

Exploration sampling, security, and analysis procedures are being conducted in a manner that meets industry standard practice. The coarse reject samples and the master pulps are saved and available for further checks in a warehouse at Guandacol and San Juan.

1.9 CONCLUSIONS

Given the work conducted previously at the Project, there is access to a significant amount of valuable historical data compiled into a Geographic Information System. Still, its accuracy cannot be verified or its suitability at this time as there is no access to any physical samples, neither core, RC cuttings or geochemistry pulps or rejects. Most of the information is between 10 and 25 years old, is difficult to source, and has no assay certificates are available.

Micon and the QPs believe that the database has to be used to lead back into the most important areas and guide drilling decisions in some places through a more detailed analysis of the results of the previous exploration programmes. A focused exploration programme should follow this in delineating the mineralised bodies geometry and their confirmation. This will assist Sendero and 131 to start estimating the resources and identifying other exploration targets elsewhere on the Property.

In case of future access to any historical physical samples, Sendero and 131 will need to conduct further work, as much as possible, including a relogging and sample check of the remaining historical core and conduct further verification mapping and sampling with QA/QC on the property to be able to incorporate the historical data into future resource estimates.

The QPs notes that Barton will decide whether reduction of the area covered by Cateos is required subsequent to the completion of the proposed exploration programme. The reduction of the size of the Cateos is not currently mandatory but is subject to the results of the proposed exploration programme. If the proposed exploration programme demonstrates that the entire area of the present Cateos has high mineral potential, then it will not be necessary to reduce the area covered by the Cateos.

Sendero and 131 commissioned the Qualified Persons responsible for this technical Report to review all the historical and available geological information such as geology, geochemical, geophysical, surface trenching and diamond drill core sampling pertaining to the Peñas Negras Project (located in the province of La Rioja, Argentina) to compile all available information in accordance with the guidelines of the Canadian Institute of Mining and Metallurgy (CIMM), and to define and validate the mineralised sectors and identifying new sectors by carrying out various stages of exploration.

The exploration work carried out since the 1990s by different companies (surface sampling, mapping, geophysics, and drilling) at the Peñas Negras Project allowed the QP to recognise the evidence of two different deposit styles formed at different crustal levels with characteristic metal grades and metallurgy. The first is an epithermal system with HS characteristics represented by the association of Au-Ag-Cu-As-Sb-Te, controlled by structures, and directly linked to a porphyry-type system at depth. The second corresponds to a porphyry Cu-Au±Mo system, developed in Miocene volcanic rocks, intruded by dacitic-dioritic-type bodies.

The 2021 to 2023 exploration programme included detailed geological and structural mapping, sampling of surface materials and geophysical studies.

The size of the Property package, coupled with the style of mineralisation, indicates a clear need for a careful and systematic approach to target definitions.

This Technical Report's purpose is to provide the basic foundations for advancing the Peñas Negras Property in a logical and systematic manner from its present status through the various stages of Mineral Resource definition and the economic viability determination, following the Best Practice Guidelines for exploration programmes according to CIM Mineral Exploration (2018).

In future Sendero and 131 must focus its explorations programmes on confirmation of mineralisation, improve the quality of the data to be used for resource estimation, and expand the known mineralisation at the Peñas Negras Project.

The QPs of this report are confident that Sendero and 131 will undertake this work as part of its overall exploration programmes and be able to validate the historical information.

1.10 RECOMMENDATIONS

Once the merger transaction is complete Sendero and 131 plan to conduct an exploration programme at its Peñas Negras Project through its 100% subsidiary Barton SAS.

The proposed Sendero and 131 exploration programme includes a Phase I, during which geological mapping, talus fines sampling and infrastructure improvements will be conducted. This work will include road and drill site preparation. The Phase II exploration will include a 4,000 m drilling programme.

The total cost of the proposed exploration programme is CAD\$2,455,400. The work is planned to commence in November 2023 and is expected to be completed in March 2024 (Table 1.1). The Phase II programme is contingent on the results of the Phase I programme. This is largely dependent on access to sufficient drilling sites given the high elevation and potential for significant snow accumulation.

Table 1.1: Sendero and 131 Budget for the Exploration of the Peñas Negras Project 2023 - 2024

Item	Programme Costs		
	Phase I Aug 2023 - Dec 2023 (CAD\$)	Phase II Jan 2024 - Apr 2024 (CAD\$)	Total Cost (CAD\$)
Field Supervision, Geologists	51,200	51,200	102,400
Data Compilation, Modelling, Analysis	15,000	-	15,000
Roads, Access, and Drill Site Preparation	100,000	-	100,000
Surveying	30,000	-	30,000
Permits	20,000	-	20,000
Camp and Housing	85,000	136,000	221,000
Vehicles	25,000	40,000	65,000
Geochemical Talus Fines Sampling and Analyses	192,000	-	192,000
Drilling (2,500 m RC, 1,500 m DD)*	-	1,710,000	1,710,000
Total	518,200	1,937,200	2,455,400

Notes: Phase I: Re-establish base camp, access; roads and drill site prep; talus fines geochemistry programme.

Phase II: Camp improvements continued; drilling programme; 6-8 drill holes in preliminary target areas.

* Drill hole locations will be finalised after compilation of both historical and recent exploration data.

The 2023-2024 exploration programme consists of target definition work that includes geochemical and geological work, and a drilling programme of approximately 4,000 m (2,500 m RC and 1,500 m DD).

By Phase II, the RC drilling will be used on the newly identified targets and based on the results of the surface works, geophysics and analytical values obtained in Phase I. Also, considering the historical information, the DD programme will seek to confirm the mineralised sectors.

Micon and the QPs have reviewed Sendero and 131's proposal for its exploration programme on the Peñas Negras property and recommend that Barton continues the exploration programme as proposed. The programme is subject to funding and any other matters, which may cause the proposed exploration programme to be altered in the ordinary course of its business activities or alterations that may affect the programme as a result of exploration activities or access due to climatic conditions prevailing at the time.

2.0 INTRODUCTION

2.1 TERMS OF REFERENCE

Sendero Resources Corp. (Sendero), a British Columbia company and 1319732 B.C. Ltd. (131), a British Columbia company, have retained Micon International Co Limited (Micon) to provide an Independent Summary and Review of the Peñas Negras Project located in the province of La Rioja, Argentina. Micon has compiled and updated this Technical Report to comply with the Canadian National Instrument (NI) 43-101 Standards of Disclosure for Mineral Projects, Form NI 43-101F1 requirements.

Sendero is a private exploration company that holds a 100% interest in the Peñas Negras Project (the Project) through its wholly owned subsidiary, Barton SAS (Barton), a simplified stock company based in San Juan, Argentina. 131 is an unlisted reporting issuer that is focused on investigating and evaluating business opportunities in the Canadian public markets.

Micon has compiled this Technical Report to comply with the Canadian National Instrument (NI) 43-101 Standards of Disclosure for Mineral Projects, Form NI 43-101F1 requirements.

In this Report, the term Peñas Negras Project (the Project) refers to the area within the exploration or mining concessions upon which the historical exploration has been conducted, while the term Peñas Negras Property (the Property) refers to the entire land package (mineral claims).

The information in this Report was derived from published material, data, professional opinions, and unpublished material submitted by the professional staff of Sendero and 131 or its consultants supplemented by Micon and the Qualified Person (QPs) independent observations and analysis. Much of these data came from prior reports on the Peñas Negras Project, updated information provided by Sendero and 131, and information researched by Micon and the QPs. Micon and the QPs do not have any previous material interest in Sendero, 131 or any of their affiliated companies.

This Report includes technical information which requires subsequent calculations or estimates to derive sub-totals, totals, and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, neither Micon nor the QPs considers them to be material.

This Report is intended to be used by Sendero and 131, subject to the terms and conditions of its agreement with Micon. That agreement permits Sendero and 131 to file this Report as a Technical Report with the Canadian Securities Administrators (CSA) under provincial securities legislation.

The conclusions and recommendations in this report reflect the authors' best independent judgment in light of the information available to them at the time of writing. The authors and Micon reserves the right, but will not be obliged, to revise this Report and conclusions if additional information becomes known to them after the date of this Report. Use of this report acknowledges acceptance of the foregoing conditions.

2.2 INDEPENDENCE

This Report has been compiled by Micon International Co Limited on behalf Sendero and 131 in accordance with the scope of work determined by Sendero and 131.

Micon has exercised reasonable technical skill and diligence. The opinions expressed herein are those of Micon and are based on information provided by Sendero and 131, and the site visit conducted by Dr. Bruna during 20th - 21st December 2021. In conducting the Independent Summary and Review Micon has found no reason to doubt the reliability or completeness of the data provided by Sendero and 131.

Whilst Micon has reviewed the exploration and mining licences, permits and entitlements of the property in so far as these may influence the investigation and development of the mining assets, Micon has not undertaken legal due diligence of the asset portfolio described in this Report. The reader is therefore cautioned that the inclusion of exploration and mining properties within this Report does not in any form imply legal ownership.

Micon is a private company internally owned and is entirely independent of Sendero, 131 and their affiliated companies. The personnel responsible for this review and opinions expressed in this Report are Micon's full-time employees or Micon associates. For its services in preparing the report, Micon will receive payment based upon time and expenses and will not receive any capital stock from Sendero, 131 or any of their affiliated companies. Micon will reimburse its associates based upon time and expenses.

2.3 QUALIFIED PERSONS, SITE VISIT AND AREAS OF RESPONSIBILITY

The principal consultants responsible for the Independent Summary and Review and the preparation of this Technical Report have extensive experience in the mining industry and have appropriate professional qualifications:

- Julio Bruna Novillo, PhD, CPG, FAusIMM(CP), Micon Associate and Consultant with Patagonia Geosciences (PGSc); and,
- Stanley C. Bartlett, M.Sc., PGeo., Micon Vice President and Senior Economic Geologist.

The Peñas Negras Properties was visited by Dr Julio Bruna, CPG, on 20th and 21st December 2021, for the purposes of completing the NI 43-101 required site visits. The scope of the site inspection was to discuss and review during the visit general data acquisition procedures, sampling procedures, quality assurance/quality control (QA/QC), geology, mineralisation, structural characteristics, historical drill pads, infrastructure and permits, and environmental impacts.

Dr. Bruna reviewed the results of exploration conducted during the 2022-2023 exploration season and concluded that although it served to enhance the understanding of the potential of the Project, the new information did not have a material impact on the Project. Therefore, the site visit made by Dr. Bruna in December 2021 is considered to be current.

Dr. Bruna is an independent consultant, Certified Professional Geologist (CPG), Micon Associate and a Fellow of the Australasian Institute of Mining and Metallurgy, in Geology

FAusIMM(CP) who is based in Córdoba, Argentina. During the site visit, Dr. Bruna was accompanied by Mr. Ríos Gómez, Senior Geologist from Barton, and focussed the inspection on verifying the general geological setting, and site conditions, and where the different drilling programmes were undertaken.

The site was visited in the first season of 2021 to 2022 before the end of the exploratory works in April 2023. The QP considers the inspection of the site current since there have been no substantial changes in the scientific and technical information on the property since the time of his inspection, as detailed in Section 12.0.

The relevant work conducted was surface sampling. During his site visit, the QP reviewed these sampling methods and procedures.

The Table 2.1 identifies which items of the Technical Report have been the responsibilities of each QP.

Table 2.1: Qualified Persons

Company	Qualified Person	Site Visit	Responsibility
Independent	Dr. Julio Bruna Novillo	20 th - 21 st December 2021	All Sections, except Section 1.0
Micon	Stanley C. Bartlett	No Visit	Overall responsibility on behalf of Micon. Peer-review of the draft technical report. Executive Summary (Section 1).

This is the first Technical Report for the Project, prepared on behalf of Sendero and 131, and is based on data, professional opinions, and unpublished material submitted by the professional staff of Sendero and 131, Barton, and its consultants. Sendero, 131, and Barton prepared and provided much of the data.

Micon and the QPs are pleased to acknowledge the helpful cooperation of the Sendero, 131 management and Barton's personnel, all of whom made all data requested available and responded openly and helpfully to all questions, queries, and requests for material.

2.4 UNITS AND ABBREVIATIONS

Currency amounts are stated in either US dollars (US\$) or Canadian dollars (CAD\$). Quantities are generally stated imperial units as the United States still uses this system of measurement. However, some areas may state the measurements in metric units, which is the standard Canadian and international practice, including metric tons (tonnes, t) and kilograms (kg) for weight, kilometres (km) or metres (m) for distance, hectares (ha) for area, grams (g) and grams per metric tonne (g/t) for gold and silver grades (g/t Au, g/t Ag). Wherever applicable, Imperial units have been converted to Système International d'Unités (SI) units for reporting consistency. Precious metal grades may be expressed in parts per million (ppm) or parts per billion (ppb), and their quantities may also be reported in troy ounces (ounces, oz), a common practice in the mining industry. A list of abbreviations is provided in Table 2.2 and a glossary of mining and other related terms in Appendix 1.

Table 2.2: List of Abbreviations

Name	Abbreviation
1319732 B.C Ltd	131
Argentine Geological Mining Service	SEGEMAR
Argentine Geodesic Positions	POSGAR'94
Argentine Mining Code	AMC
Average	Avg
Australasian Institute of Mining and Metallurgy	AusIMM
Barton SAS	Barton
Gold	Au
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
Canadian National Instrument 43-101	NI 43-101
Canadian Standards Association	CSA
Centimetre(s)	cm
Certified reference material	CRM
Copper	Cu
Day	d
Declaration of Environmental Impact	DIA
Degrees Celsius	°C
Degrees Fahrenheit	°F
Digital elevation model	DEM
Diamond Drilling Hole	DDH
Dollar(s) US	\$ and US\$
Dollar(s) Canadian	CAD\$
Minera Eldorado SA	Eldorado
Mineral Anglo American Argentina SA	Anglo American
Environmental Impact Assessment	EIA
Environmental Protection Act	EPA
Gram(s)	g
Grams per metric tonne	g/t
Greater than	>
Hectare(s)	ha
High-sulfidation	HS
Inch(es)	in
Induced polarisation	IP
Intermediate-sulphidation	IS
Kilogram(s)	kg
Kilometre(s)	km
Less than	<
Mean Relative Error	MER
Metre(s)	m
Metres above sea level	masl
Micon International Co Limited	Micon
Million tonnes	Mt
Million ounces	Moz
Million years	Ma
Million metric tonnes per year	Mt/y
Milligram(s)	mg
Millimetre(s)	mm
Not available/applicable	n.a.
Ounces	oz
Parts per billion	ppb
Parts per million	ppm

Name	Abbreviation
Proyecto de Apoyo al Sector Minero Argentino	PASMA
Patagonia Geosciences	PGSc
Peñas Negras Project	Peñas Negras or the Project
Peñas Negras property	The property
Percent(age)	%
Pound(s)	lb(s)
Quality Assurance/Quality Control	QA/QC
Reverse Circulation	RC
Second	s
Securities and Exchange Commission	SEC
Sendero Resources Corporation	Sendero
Silver	Ag
Support Project for the Argentine Mining Sector	PASMA
Standard Deviation	SD
System for Electronic Document Analysis and Retrieval	SEDAR
Système International d'Unités	SI
Thematic Mapper	TM
Three-dimension	3D
Trade Development Project	TDP
Imperial Tonnes	t
Universal Transverse Mercator	UTM
World Geodetic System	WGS
Year	y

2.5 INFORMATION SOURCES

The material in this Report was derived from published material, data, professional opinions, and unpublished material submitted by the professional staff of Sendero and 131 or its consultants. Some opinions were developed during the site visit conducted by Dr. Bruna during 20th - 21st December 2021. Much of these data came from material prepared and provided by Sendero and 131. The sources for the information contained in this report are listed in Section 27.0.

The descriptions of geology, mineralisation, and exploration used in this Report are taken from reports prepared by various organisations and companies or their contracted consultants and from various government and academic publications. The conclusions of this Report are based in part on data available in published and unpublished reports supplied by the companies which have conducted exploration on the property and information supplied by Sendero and 131, and the site visit conducted by Dr. Bruna during 20th - 21st December 2021. Reputable companies supplied the information provided to Sendero and 131. Micon and the QPs have no reason to doubt its validity and have used the information where it has been verified through their review and discussions.

Some figures and tables contained within this Report were reproduced or derived from historical reports written on the property by various individuals and supplied to Micon by Sendero and 131 for this Report. In the cases where others supplied photographs, figures, or tables, they are referenced below the inserted item.

3.0 RELIANCE ON OTHER EXPERTS

In this Report, discussions regarding royalties, permitting, taxation, and environmental matters are based on material provided by Sendero and 131, and Barton. Micon and the QPs are not qualified to comment on such matters and have relied on the representations and documentation provided by Sendero and 131 for such discussions.

Sendero and 131 or its consultants initially provided all data used in this Report. Micon and the QPs have reviewed and analysed these data and have drawn their conclusions from there, plus knowledge gained during the December 2021 site visit. All of the documentation supplied by Sendero and 131 and references used by Micon are noted in Section 27 of this Report.

Dr. Bruna reviewed the results of exploration conducted during the 2022-2023 exploration season and concluded that although it served to enhance the understanding of the potential of the Project, the new information did not have a material impact on the Project. Therefore, the site visit made by Dr. Bruna in December 2021 is considered to be current.

Micon and the QPs offer no legal opinion about the validity of the title to the mineral concessions claimed by Barton, as Micon and the QPs are not qualified to comment on such matters. However, Barton has provided Micon and the QPs with letters of assurance that all mining concessions (minas and cateos) are valid and the respective environmental reports, as well as the request for sectoral permits required to explore and operate the Peñas Negras Project have been requested in accordance with the current regulations. These letters, dated 15th September 2021 and 13th April 2023, are from the legal firm of MGN (Estudio Novoa, Lawyers), located in San Juan, Argentina (Soria, 2021 and 2023). Barton also provided due diligence on the legal opinion; the conclusion final and reliance letter has been included as Appendix 2. In summary, MGN in 2023 concluded that:

Based on the considerations above and according to Argentine legislation, our opinion is as follows:

- 1. Barton is the owner of “Proyecto (Project) Peñas Negras”. It has the exclusive right to explore and operate that Project pursuant to the Argentine Mining Code and the Code of Mining Procedures of the Province of La Rioja.*
- 2. The six (6) exploitation concessions that are part of this Project, identified as File N° 232-B-1995 Angela II; File N° 234-B-1995 Angela III; File N° 50-B-1995 Cristian I; File N° 48-B-1995 Cristian II; File N° 47-B-1995 Cristian III and File N° 60-B-1996 Ritsuko, are legally registered in the name of Barton; they have been duly measured and have an activation-reactivation plan submitted and pending compliance, with their corresponding Environmental Impact Report (IIA) pending approval. Once the required IIA approval is granted through the corresponding Environmental Impact Assessment (DIA) resolution, the proposed activities can be carried out. There is no mining ‘canon’ pending payment to date, and there are no liens, mortgages or inhibitions registered with the Mining Registry of the Province of La Rioja on any such properties.*

The mine exploitation concessions are granted with no time limit provided that the provisions of the Argentine Mining Code (especially Articles 216, 217 and 218, as amended) are complied with by the concession holder.

3. *The three (3) exploration permits that are part of the Project, identified as File N° 21-B-2020 Don Álvaro; File N° 10-B-2020 El Chiqui and File N° 04-B-2021 Isidoro, are current and legally registered in Barton's name, with the Environmental Impact Report pending approval. Canon payment is not required, and there are no liens, mortgages or inhibitions on the property registered with the Mining Registry of the Province of La Rioja.*

The exploration permits are temporary and subject to concession resolutions and to compliance by the concession holder with the provisions of the Argentine Mining Code and the Code of Mining Procedures of the Province of La Rioja.

4. *Although the Project is located within the areas included in the Laguna Brava Provincial Multiple-Use Reserve (a conservation area established for the preservation of natural ecosystems and archaeological sites), it is not within the reserve's intangible or buffer zones; therefore, it is possible to carry out all the mining activities necessary for the development of the Project pursuant to Resolution N° 286 from the Environmental Secretariat of the Province of La Rioja.*

In our opinion, all the mining rights and the corresponding approvals of environmental reports that are required for Barton to be able to explore and operate the Peñas Negras Project have been requested in accordance with current regulations and we have no reason to believe that they might be withheld by the Mining Authority (Soria, 2023).

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 GENERAL INFORMATION

The Peñas Negras Project is located in north-western Argentina in the General Lamadrid department, the province of La Rioja, just north of the San Juan province near the Chilean border. The area presents elevations ranging from 3,900 masl to 4,955 masl. The central geographic coordinates are 28°, 19' south latitude and 69°, 25' west longitude, or 2,458,457 m East, and 6,868,474 m North (Gauss Krüger - Zone 2, POSGAR 94).

The district shows an elongate belt of rocks containing sizeable hydrothermal alteration zones, with geological evidence of porphyry gold and copper-gold mineralisation and potential for epithermal gold-silver deposits. It is located in a developing porphyries district at the intersection between the south end of the Maricunga Copper-Gold Belt and the northern extent of the El Indio Gold-Silver Belt, with both districts hosting world-class porphyries and epithermal deposits.

The Project is located 450 km northwest from the city of La Rioja and 130 km and 165 km, in the same direction, from the towns of Vinchina and Guandacol, respectively. The property can be accessed through Guandacol following the route Arroyo Troya-Río Macho Muerto-Río Peñas Negras; however, this route is not recommended in summer due to possible cuts caused by seasonal rains, especially in the Arroyo Troya area (Figure 4.1).

4.2 PROPERTY DESCRIPTION AND OWNERSHIP

The ten mining concessions covering 11,682.54 ha (116.83 km²) are held by Barton SAS, a 100% subsidiary of Sendero. Sendero entered into a share transfer agreement on 26th October 2021 with the owner of Barton pursuant to which the Sendero acquired 100% of the issued and outstanding share capital of Barton in exchange for the issuance of 12,500,000 Sendero common shares to Hernan Vera, a director of the Sendero. According to the Gauss Kruger coordinates, all the properties are plotted on the Provincial Mining Cadastre of the province of La Rioja and updated to June 2021 (Table 4.1, Figure 4.2).

The QPs note the certificates issued on 25th August 2021, by the Department of Mining Notary of the province of La Rioja, certifying that the mining concessions belong to Barton SAS and that they do not register encumbrances, debt, or asset forfeiture. The Cateo Caserones presents a certificate issued on 29th March 2023.

The Peñas Negras property falls within the jurisdiction of the province of La Rioja. The property includes six exploitation concessions (Minas) totalling 5,515.26 ha and four exploration concessions (Cateos) totalling 6,167.28 ha, for a total of 11,682.54 ha (Table 4.1). A total rental payment of US\$2,562 will be assessed on the exploitation concessions in 2021.

A total rental payment of US\$2,562 was made for the 2021 to 2022 seasons and US\$2,474 for 2022 to 2023 on the exploitation concessions.

Figure 4.1: Location and Regional Infrastructure of the Project



Source: Sendero Resources Corp., 2021.

Table 4.1: Legal Mining Concessions of the Project

Concession Name	File Number	Concession Type	Point	Gauss Krüger Easting	Gauss Krüger Northing	Status	Surface (ha)	Granted Date	Canon, Annual Payment (US\$)*
CRISTIAN I	50-V-1995	Mina	NW	2,453,277	6,867,652	Granted	500.00	02.08.21	450.00
			NE	2,456,611	6,867,652				
			SE	2,456,611	6,866,152				
			SW	2,453,277	6,866,152				
CRISTIAN II	48-V-1995	Mina	NW	2,453,009	6,868,752	Granted	396.20	02.08.21	360.00
			NE	2,456,611	6,868,752				
			SE	2,456,611	6,867,652				
			SW	2,453,009	6,867,652				
CRISTIAN III	47-V-1995	Mina	NW	2,453,002	6,870,752	Granted	481.65	02.08.21	450.00
			NE	2,455,411	6,870,752				
			SE	2,455,411	6,868,752				
			SW	2,453,002	6,868,752				
ANGELA II	232-M-1995	Mina	NW	2,454,211	6,874,792	Granted	499.65	02.08.21	404.00
			NE	2,455,459	6,874,792				
			SE	2,455,461	6,870,792				
			SW	2,454,211	6,870,792				
ANGELA III	234-M-1995	Mina	NW	2,453,161	6,874,809	Granted	400.00	02.08.21	405.00
			NE	2,454,161	6,874,809				
			SE	2,454,161	6,870,809				
			SW	2,453,161	6,870,809				
RITSUKO	60-V-1996	Mina	01	2,456,611	6,866,192	Granted	3,237.76	02.08.21	2,967.00
			02	2,462,611	6,866,192				
			03	2,462,611	6,860,792				
			04	2,457,334	6,860,792				
			05	2,457,334	6,860,823				
			06	2,456,611	6,860,823				
ELCHIQUI	10-V-2020	Cateo	01	2,455,411	6,870,652	Granted	869.21	24.06.21	N/A
			02	2,458,241	6,870,652				
			03	2,458,241	6,869,792				
			04	2,456,741	6,869,792				
			05	2,456,616	6,868,792				
			06	2,458,511	6,868,792				
			07	2,458,511	6,866,192				
			08	2,456,611	6,866,192				
			09	2,456,611	6,868,752				
			10	2,455,411	6,868,752				
DON ALVARO	21-V-2020	Cateo	01	2,451,709	6,874,809	Granted	1,492.64	26.08.21	N/A
			02	2,452,350	6,875,269				
			03	2,452,722	6,875,409				
			04	2,457,911	6,875,409				
			05	2,457,911	6,874,792				
			06	2,458,241	6,874,218				
			07	2,458,241	6,870,652				
			08	2,455,411	6,870,652				
			09	2,455,411	6,870,752				
			10	2,455,341	6,870,752				
			11	2,455,342	6,870,792				
			12	2,455,461	6,870,792				
			13	2,455,459	6,874,792				
			14	2,455,459	6,874,792				
			15	2,455,459	6,874,809				

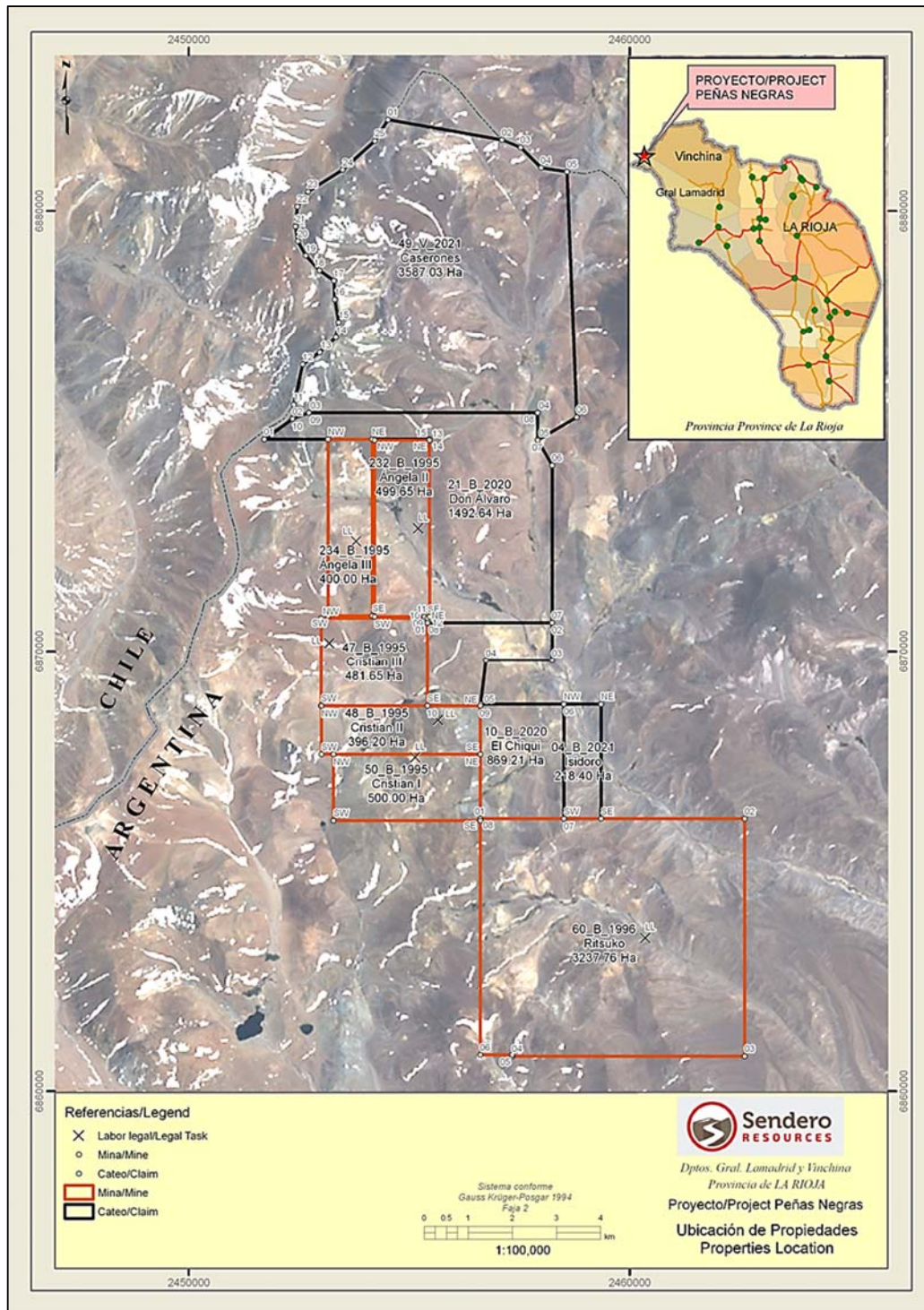
Table 4.1: Legal Mining Concessions of the Project (cont.)

Concession Name	File Number	Concession Type	Point	Gauss Krüger Easting	Gauss Krüger Northing	Status	Surface (ha)	Granted Date	Canon, Annual Payment (US\$)
ISIDORO	04-V-2021	Cateo	NW	2,458,511	6,868,792	Granted	218.40	24.06.21	N/A
			NE	2,459,351	6,868,792				
			SE	2,459,351	6,866,192				
			SW	2,458,511	6,866,192				
CASERONES	49-V-2021	Cateo	01	2,454,519	6,882,070	Granted	3,587.03	29.03.23	N/A
			02	2,457,102	6,881,611				
			03	2,457,524	6,881,444				
			04	2,457,987	6,880,979				
			05	2,458,580	6,880,890				
			06	2,458,801	6,875,313				
			07	2,457,911	6,874,792				
			08	2,457,911	6,875,409				
			09	2,452,722	6,875,409				
			10	2,452,350	6,875,269				
			11	2,452,375	6,875,596				
			12	2,452,580	6,876,508				
			13	2,452,965	6,876,785				
			14	2,453,336	6,877,127				
			15	2,453,402	6,877,477				
			16	2,453,313	6,877,998				
			17	2,453,289	6,878,417				
			18	2,452,962	6,878,655				
			19	2,452,653	6,878,989				
			20	2,452,470	6,879,317				
			21	2,452,416	6,879,653				
			22	2,452,461	6,880,106				
			23	2,452,699	6,880,439				
			24	2,453,489	6,880,932				
			25	2,454,219	6,881,589				
							11,682.54	-	5,034.00

*The conversion from the Argentinean Peso to the US\$ used an official exchange rate of 105.00 pesos per US\$ dollar for seasons 2021 to 2023.

*The conversion from the Argentinean Peso to the US\$ used an official exchange rate of 215.00 pesos per US\$ dollar for seasons 2022 to 2023.

Figure 4.2: Location Map of the Mining Concessions for the Project



Source: Sendero Resources Corp., 2021.

4.3 MINERAL TENURE AND STATUS

The QPs have not reviewed the mineral tenure nor independently verified the legal status, ownership of the Project area or underlying property agreements. The QPs have entirely relied upon and disclaims responsibility for information derived from legal experts for this information through the following documents: Ref: Due Diligence dated 15th September 2021, and Ref: Mining Title Opinion in relation to the Peñas Negras Project, 13th April 2023; from the legal firm of MGN (Estudio Novoa, Lawyers), located in San Juan, Argentina (Soria, 2021 and 2023) see Appendix 2.

4.3.1 Categories of Mineral Rights in Argentina

Argentina is a federal republic composed of 23 provinces and one autonomous city (Buenos Aires). The federal, provincial, and municipal governments all have input into mining regulations, but the National Mining Code regulates the mining activities in Argentina. According to Argentine law, mineral resources belong to the province where the same is located. Each province has the authority to grant exploration permits and exploitation concession rights to private applicant entities. However, the Federal Congress is entitled to enact the National Mining code and any substantive mining legislation applicable in all of the country. Provinces have the authority to regulate the National Mining Code's procedural aspects and organise each enforcement authority within its territory.

Argentinian law provides two types of mining rights: exploration permits (Cateo), which are limited in duration and allow for the exploration of a mineral property, and mining permits (Mina), which allow for the exploitation of the minerals of the subject property.

In Argentina, mineral rights are acquired by application to the government through a system based entirely on paper staking. A mineral property may go through several classification stages during its lifetime and begins with a Cateo (exploration permit).

Once an application for a Cateo has been made, any mineral discoveries made by third parties belong to the Cateo applicant. A Cateo consists of one to twenty units - each unit being 500 ha in size. A fee, calculated per hectare, is required within five days of the Cateos approval. The term of a Cateo, which varies based on size, begins 30 days after approval. A Cateo of one unit has a duration of 150 days, and for each additional unit, its duration is increased by another 50 days. Another requirement is that larger Cateos must reduce in size at certain times. At 300 days after approval, half of the area above four units must be relinquished. At 700 days after approval, half of the remaining space must be released. To move to the next stage, the Cateo holder must apply within the term of the Cateo by reporting a mineral discovery.

Upon approval, this will result in mining rights (Manifestacion de Descubrimiento) for an area up to 3.000 ha. Once approved, the holder may conduct a measuring stage until a mineral resource has been defined or a legal survey to apply for a Mina or mining lease. The property will generally stay in the Manifestacion de Descubrimiento stage until a mineral resource has been determined.

4.3.2 Tenure History

4.3.2.1 Minas

The following information has been summarised for each Mina.

Cristian I

- In 1995, Mr. Juan Lirio was the first applicant for this mining concession and controlled the area until 2009;
- The Legal Work was executed in 2003. In the same year, the mining right's expiration was declared for not complying with the publication of edicts;
- In 2005 it was resolved to register the mining property in the Mines Registry;
- In 2009, the mining rights expired due to a lack of deposit payment, which is budgeted by the commission of services related to measurement works;
- In 2009 the mining rights were transferred to Mr. Jorge Zamorano;
- In 2011, the ownership of the concession was transferred to the company Minera Anglo American Argentina SA. In addition, in that same period, the Environmental Impact Report was approved;
- In 2014 the measurement works were approved, and in 2016 the Investment Plan and Amount were approved;
- In 2017, the expiration of mining rights was declared due to non-payment of the mining canon, which was rescued in 2018; and,
- During this last year (2018), the update of the Environmental Impact Report was approved. In 2019 the expiration of the mining right was resolved due to non-payment of the mining canon. Mr. Hernán Vera was awarded the mining concession in February 2020, and he transferred ownership to the company Barton SAS on 2nd August 2021 (DISP.N° 235/21).

Cristian II

- In 1995, Mr. Juan Lirio requested the concession of the mining right for an area of 500 ha, which he maintained until 2009. During that period, the owner of the right was notified on four occasions for not complying with the legal procedures: due to lack of interest regarding the area, non-presentation of the Legal Work (which was approved in 2005), non-compliance with the measurement request (published in 2005) and due to non-payment of the canon, which causes the expiration of the mining right;
- In 2009, the area was granted to Mr. Jorge Zamorano, and the Environmental Impact Report was approved. In 2011 Mr. Jorge Zamorano transferred the mining rights to the company Minera Anglo American Argentina SA. For the benefit of the company, the measurement procedures were approved in 2014. In 2017, the Investment Plan and Amount were approved, and the update of the Environmental Impact Report was approved in 2018;
- In 2019, due to lack of payment of the mining canon, the mining rights were declared expired to the detriment of Minera Anglo American SA; and,
- In 2020 Hernán Vera was awarded the Cristian II mining property, and on 5th August 2021, he transferred the mining rights to Barton SAS (DISP. 235/21).

Ángela II

- On October 9, 1995, Mr. Sandro Glasiuk requested the concession of the mining property and maintained ownership until 2008;
- In 2008, the right was declared expired due to the lack of payment requested by the commission of services required about the measurement and for not complying with the payment of mining royalties;
- Mr. Juan Márquez, Sebastián Márquez, Enrique Claudio Márquez, and Mrs. Elena Carrasano were awarded the concession in 2008, and that same year the Engineer Erwin Rodríguez was appointed to carry out the measurement works;
- In the year 2009 was declared abandoned for not making the corresponding deposit to verify measurement works, and the mining property is declared vacant;
- Minera Anglo American Argentina SA was awarded the concession on 11th March 2010, and the procedural steps regarding the measurement were suspended pending better conditions for its completion. In 2012 the Environmental Impact Report was approved, and in 2015 the measurement works were approved. On 4th May 2017, the process was declared abandoned due to the expiration of the update of the Environmental Impact Report; and,
- On 21st February 2020, Mr. Hernán Vera was awarded the mining right, following which he transferred the concession titles to the Barton SAS Company on 2nd August 2021 (DISP.N°233/21).

Ángela III

- The first request on Mina Ángela III on 9th October 1995, by Mr. Sandro Glasiuk and was registered on 30th July 2001. The Legal Work was carried out in April 2003, and the rights were declared expired due to non-compliance with the measurement request and non-payment of the corresponding fees in 2008. This situation led to the vacancy of the concession;
- On 8th October 2008, the legal rights of the Mine were granted to Mr. Juan Márquez, Sebastián Márquez, Enrique Claudio Márquez and Mrs. Elena Carrasano. During that same year, Eng. Erwin Rodríguez was appointed as the person in charge of executing the measurement on the mining property. In 2009, the competent provincial body resolved to annul the registration due to abandonment of the corresponding procedures and ordered the release of the area, leaving it vacant again;
- In 2010, Minera Anglo American SA was awarded the mining property rights. In 2014, the measurement, plan, and investment amount operations were approved. In 2017, the request for an extension was rejected, and the legal procedures were considered abandoned, leaving it registered as a vacancy; and,
- Finally, in 2020, the mining rights of the property were granted to Mr. Hernán Vera, who transferred the rights to the Barton SAS Company on 2nd August 2021 (DISP. N° 236/21).

Cristian III

- The first concessionaire of the Cristian III was Mr. Juan Lirio, and he had the ownership of the right from 3rd April 1995 to 2008. The edicts (2001) were published in that period, and the Legal Work was executed in 2003. Due to lack of compliance with the measurement request, the mining rights expired in 2005, which was revoked that same year, and the measurement edicts' publication was ordered. In November 2008, the legal expiration right to the property was declared due to non-payment of the mining canon;
- In 2009, Mr. Jorge Zamorano was awarded the mining concession, and utilising a resolution of the Secretariat Environment of the Province, the Environmental Impact Report was approved. In 2011, Mr. Alberto Rocha was appointed to carry out the measurement works, and Mr. Zamorano transferred the ownership of the mining right to Minera Anglo American Argentina SA;
- Minera Anglo American Argentina SA, in 2015 the measurement was approved, in 2017 the Investment Plan and Amount were approved, and in 2018 the update of the Environmental Impact Report was approved. In 2019 the expiration of the mining right was declared due to non-payment of the mining canon; and,
- Mr. Hernán Vera was awarded the mining concession in 2020 and he transferred these rights to the Barton SAS Company on 2nd August 2021 (DISP.Nº 238/21).

Ritsuko

- The first request for the Ritsuko was made by Compañía Minera El Solitario Argentino SA (El Solitario) in 1996. A year later, the mining rights of this property were transferred to Minera El Dorado SA, a company that operated on the concession until the year 2000;
- In 2004, El Solitario retook control of mining law. This same year, the Department of Mining Geology of the Province of La Rioja declared the expiration of the right due to non-compliance with the observations made concerning the Legal Work. This resolution was revoked in 2005, and consequently, the Provincial Mining Cadastre re-graphs the mining concession;
- During the 2005, El Solitario transferred the mining rights of the Ritsuko to Compañía Minera San Juan SA (Company constituted by Minera Barrick Gold Argentina and El Solitario Argentino), which operated in the area until the year 2008. During 2005, the company executes the Legal Work. In 2011, the legal abandonment procedures were declared, and the registration was ordered as a vacancy;
- In 2012, Inversiones Mineras Australes (Grosso Group) took control of the mining concession and managed to approve the Environmental Impact Report within the activities carried out;
- In 2013 the mining rights were transferred to the company Valle del Cura SA, and a year later, in 2014, these mining rights were again transferred to the mining company Desarrollo de Recursos SA (all these companies belong to Grosso Group - Canada);
- In 2017, the rights of this mining company over the property expired for not complying with the update of the Environmental Impact Report; and,
- Finally, Mr. Hernán Vera was awarded the mining concession in 2020, and he transferred the rights to Barton SAS on 2nd August 2021 (DISP. 235/21).

4.3.2.2 Cateos

The following information has been summarised for each Cateo.

El Chiqui - Don Álvaro – Isidoro

- The area now covered by the Cateos El Chiqui, Don Álvaro and Isidoro, was once covered by properties requested in 1993 by the company Lir-Fer Construcciones (today represented by Mr. J. D. Lirio). These properties were negotiated at the time (1993) by the company Minera Eldorado SA (Eldorado), which explored between 1994 and 1997 the entire area covered by the concessioned mining properties at that time;
- In 1998, Eldorado vacated the properties, which were taken over by YAMIRI SEM (a state-private company) that kept them in its power until 2009. The state-private company had a series of legal problems and disappeared between 2008/2009;
- The properties were later written off, and over time, some sectors were covered by different requests for searches. The most significant amount of the land (90%) of the Eldorado block was requested and awarded to Mr. Hernán A. Vera, who transferred them to Barton SAS; and,
- The mining properties that make up the El Chiqui - Don Álvaro - Isidoro prospect cover a total area of 2,820 hectares ($\pm 28 \text{ km}^2$).

Caserones

- The requested search area is 3,285 hectares ($\pm 33 \text{ km}^2$), consisting of 8 units of measurement of exploration (8 units/500 ha) located over 4,500 masl; and,
- Different companies toured the area, but specifically, the Brazilian company Vale surveyed a sector of the current Cateo surface. Vale carried out an exploration programme, including general geological and orientation sampling surveys of the surface. The property was requested and awarded to Mr. Hernán A. Vera, who transferred it to Barton SAS. Still pending and in the process of granting.

4.3.3 Environmental Regulations

The Environmental Protection Act (EPA) of Argentina, enacted in 1996, establishes the guidelines for preparing environmental impact assessment studies for mining projects. The federal nature of the Argentine government leaves the application of the EPA to each province. Initially, the Provinces adhered to the mining law and established the provincial mining secretary as the applicable authority. However, starting in 2002, several provinces have re-evaluated their approach to mining and have shifted the environmental criteria and authority to the environmental secretary.

A party wishing to commence or modify any mining-related activity as defined by the EPA, including prospecting, exploration, exploitation, development, preparation, extraction, and storage of mineral substances, as well as property abandonment or mine closure activity, must prepare and submit to the Provincial Mining and Environmental Authorities an Informe de Impacto Ambiental or Environmental Impact Assessment (IIA) prior to commencing the work. Each EIA must describe the nature of the proposed work, its potential risk to the environment, and the measures that will be taken to mitigate that risk. The provincial authorities have a sixty-

day period to review and either approve or reject the EIA; however, the EIA is not automatically approved if the provincial authorities have not responded within that period. Usually, provincial authorities have questions, comments, or require additional information or studies, granting thirty days to the applicant to answer the questions or file additional information or documents.

If accepted by the provincial authorities, the EIA is used as the basis to issue a Declaración de Impacto Ambiental (DIA) or Declaration of Environmental Impact (DEI) to which the applicant must agree to uphold during the mining-related activity in question. The DEI must be updated at least once every two years. Sanctions and penalties for non-compliance to the DEI are outlined in the EPA. They may include warnings, fines, suspension of Environmental permits, restoration of the environment, temporary or permanent closure of activities, and removal of authorisation to conduct mining-related activities.

4.3.4 Works Permitting

Holders of any mineral concessions in the province of La Rioja are required to submit an EIA before commencing exploration or mining activities and to submit a new report every two years.

These reports' contents vary according to the type and stage of activity on the property. The information requested is submitted administratively as an exploration permit and must be renewed every two years or when a change in activity on the property is expected to occur.

The permitting process is simple, and this is usually a 30 day to 60-day process.

4.3.5 Peñas Negras Permits

Surface exploration work in the Peñas Negras area is permitted under three DIAs. The original DIA applications were submitted on 30th November 2021 for the Isidoro, Don Álvaro and El Chiqui exploration permits (Cateo) and were granted on 30th November 2023 under Resolution 355-SE-2021, 356-SE-2021 and 357-SE-2021, respectively.

New EIAs before the expiration of the current resolutions must be submitted and meet the requirements established in resolution SA 037/15 of the Secretary of the Environment of La Rioja. In the case of requiring new roads or drilling, it is necessary to present a new EIA that contemplates these stages with the corresponding permits and qualifications.

4.3.6 Peñas Negras Environmental Liabilities

Existing environmental liabilities are limited to those associated with exploration-stage properties. They would involve the removal of the exploration camps and rehabilitation of drill sites and drill site access roads.

4.3.7 Closure Considerations

Closure must be covered by submission of a new EIA, or an update/amendment to an existing approved EIA. The document must include details of the proposed environmental rehabilitation, reclamation, or adjustment activities, and discuss how post-closure

environmental impacts will be avoided. The EIA must include data on post-closure monitoring, but current regulatory requirements do not entail the submission of formal closure plans.

4.4 SURFACE RIGHTS

The Argentine Mining Code (AMC) sets out rules under which surface rights and easements can be granted for a mining operation and covers aspects including land occupation, rights-of-way, access routes, transport routes, rail lines, water usage and any other infrastructure needed for operations.

The properties of Barton SAS are located in the General Lamadrid Department of the Province of La Rioja, in the area called "Usos Múltiples" ("Multiple Uses"), which is the marginal area of the Laguna Brava Provincial Reserve, where mining activities are fully authorised (Resol. N° 286 – Environmental secretary).

Barton has negotiated access and the right to use surface lands sufficient for many years of operation. A sufficient area exists at the Peñas Negras Project for all anticipated future surface infrastructure.

4.5 MICON QPS COMMENTS

Micon and the QPs are not aware of any significant factors or risks other than those discussed in this section of this Report that may affect access, title, or right or ability to perform work on the property by Sendero and 131. Micon and the QPs understand that further permitting and environmental studies could be required if sufficient mineralisation is discovered, and further economic studies demonstrated that the mineralisation is sufficient to host a mining operation.

Micon and the QPs are not aware of any significant environmental liabilities related to the Project and understand that there is no reason to assume that environmental permits required to conduct exploration would not be issued as required.

Micon and the QPs have not independently reviewed ownership of the Project area and the underlying property agreements. They have also not independently reviewed the Project mineral tenure and the overlying surface rights. The QPs have entirely relied upon and disclaim responsibility for information derived from Peñas Negras staff and legal experts retained by Sendero and 131 for this information relating to legal ownership and is used in Section 4.3 of this Technical Report. Assurances of legal title and conformity to environmental regulations are provided in the letters by MGN Estudios Novoa presented in Appendix 2.

The QPs notes that Barton will decide whether reduction of the area is required subsequent to the completion of the proposed exploration programme. The reduction of the size of the Cateos is not currently mandatory but is subject to the results of the proposed exploration programme. If the proposed exploration programme demonstrates that the entire area of the present Cateos has high mineral potential, then it will not be necessary to reduce the area covered by the Cateos.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 ACCESS TO PROPERTY

The Project covers an area of approximately 117 km² and is located within the region known as Cordillera Frontal in the province of La Rioja, Argentina. It is located approximately 1,300 km from Buenos Aires and 625 km NE of Santiago, Chile.

The El Dorado base camp was installed on-site by Minera Eldorado SA (Eldorado) company and later expanded by YAMIRI SA. It is located about 500 km from San Juan, the city from which the technical and logistical support for the exploration campaign will be operated.

Two alternative access routes (Figure 5.1) are detailed below:

a) From San Juan to the town of Jachal (San Juan), onward to the town of Guandacol in the province of La Rioja. Guandacol is one of the population centres closest to the camp and access is by paved road, which is generally in good condition.

From the town of Guandacol to Puerta del Leoncito, the route continues along a rough road, which in part, coincides with the flooded valley of the Guandacol River. From here the road ascends to La Brea or Cajón de La Brea, where since the end of the 1970s, there is a mining camp belonging to the Minera Macho Muerto company. Today the camp is occupied by a company that provides mining services to the mining projects Josemaría and Filo del Sol.

From La Brea, the route follows well defined tracks to the mouth of the Quebrada de Peña Negra, in which the Peña Negra River flows. This portion of the road is maintained as it is the access road to the Josemaría Project. The road continues along the northern edge of Quebrada de Peña Negra westward for 20 km until it reaches the El Dorado camp located on the Tamberías Stream, about 400 m from its junction with the Peña Negra River.

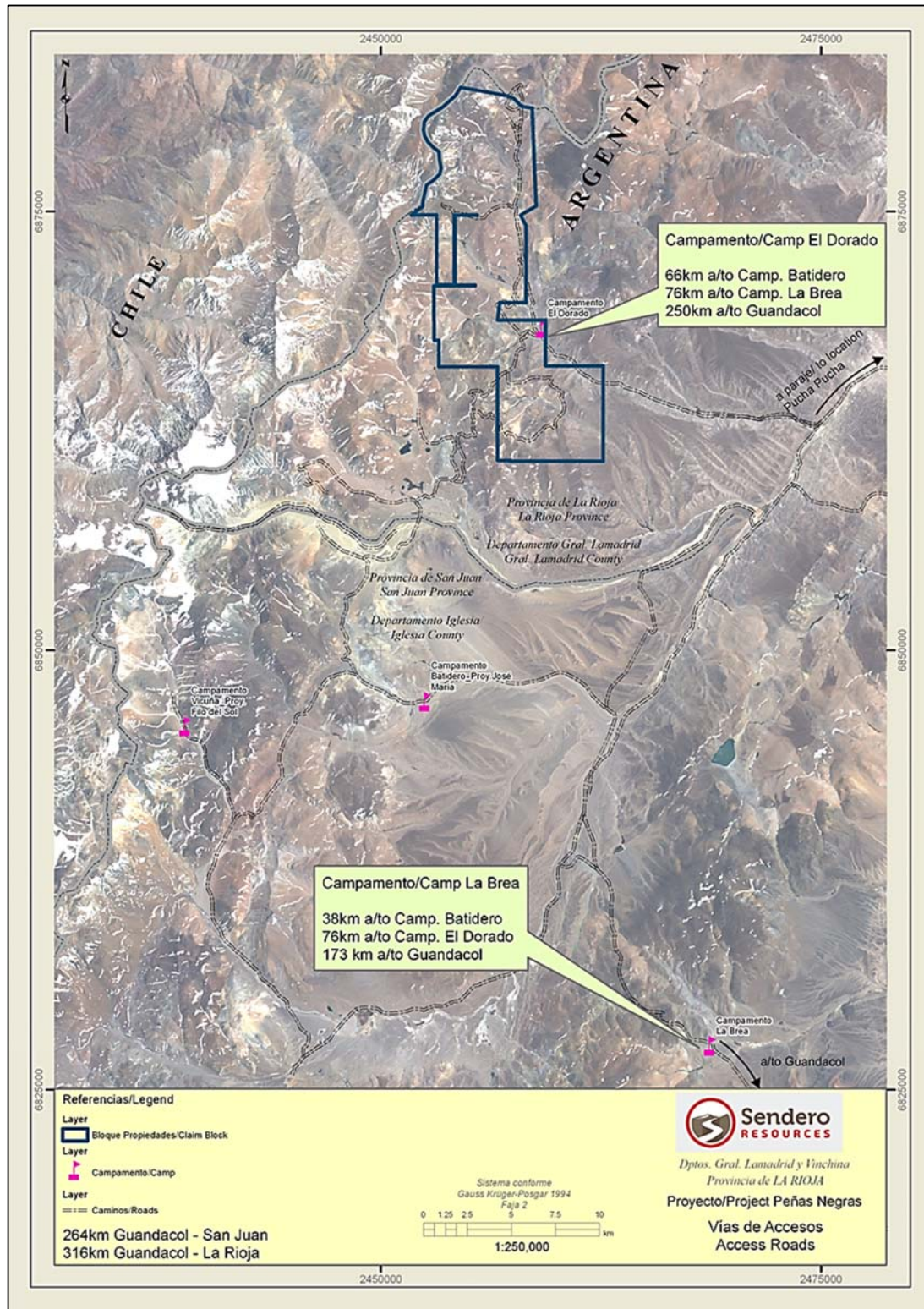
The total length of the trip from Guandacol is 242 km, and it takes about 4.5 hours to travel using 4 x 4 vehicles.

b) From the town of Guandacol, the route heads east to the city of Villa Unión and further to the town of Vinchina. From Vinchina the route passing through the town of Villa Castelli, along the paved national route to the town of Jagüe, the population centre closest to the Project. From this locality and up to Laguna Brava, the route continues along the international road to Chile, Paso de Pircas Negras (currently asphalted), passing through Portezuelo del Peñón. The road follows the border of Laguna Brava to the ESE and continues along a well-defined mining track. This track continues to the west towards Refugio Pastillos to continue northwest towards the junction of the Blanco and Salado Rivers, a place known as Refugio Pucha-Pucha. From there the route follows in a WSW direction along with the Quebrada del Río Peñas Negras to the base camp El Dorado located on the Tamberías Stream.

The total length of the route is 162 km from Jagüe, and it takes about 4 hours to travel with 4 x 4 vehicles.

There is a variant to the road described, which continues along the section of the international road from Laguna Brava to the Barrancas Blancas Refugio, and from here turns to the south, bordering the Quebrada del Río Salado to Pucha-Pucha, where the path described above is continued. This trail is currently closed by National Customs.

Figure 5.1: Location of the El Dorado Camp in the Project and its Access Roads

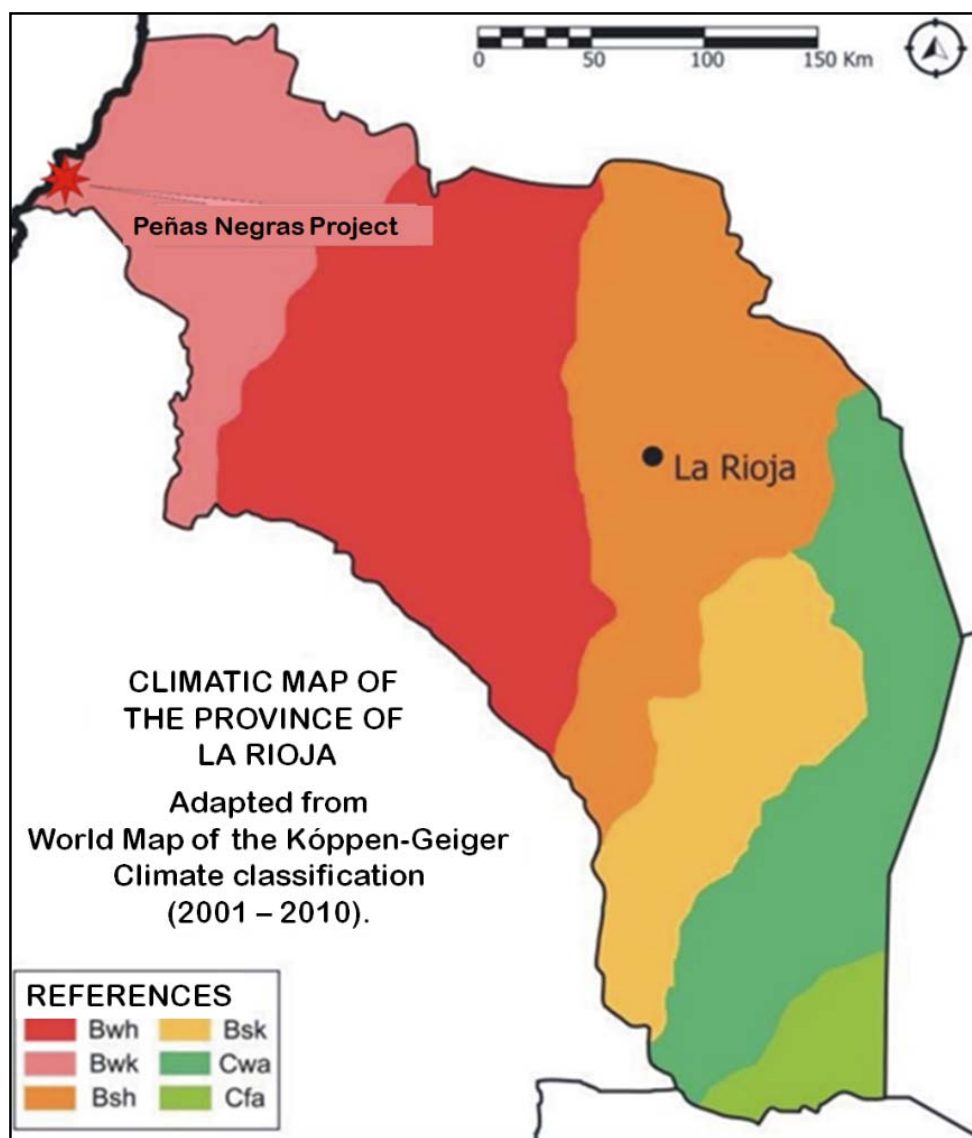


Source: Sendero Resources Corp., 2021.

5.2 CLIMATE

According to the Köppen-Geiger climatic scale (Kottek et al., 2006), the climate of the province includes Bwh (warm arid), Bwk (cold arid), Bsh (warm semi-arid), Bsk (cold semi-arid), Cwa (temperate with cold winters and warm summers), Cfa (very humid temperate with hot summers). The general condition of the Project area is Bwh, a dry climate with low precipitation (desert) where evaporation exceeds annual precipitation. Vegetation is limited to xerophytic plants (Figure 5.2).

Figure 5.2: Climate Map of the Province of La Rioja and the Project



Source: Adapted from Kottek et al. (2006) and modified from Soto, 2018.

The Project is located in the phytogeographic province called Altoandina, which includes levels between 4,650 masl and 3,600 masl (Soto, 2018). The area is associated with a cold climate Type B (tundra), covering all of the mining properties with average summer temperatures between 5°C and 25°C, while the average winter temperature can reach values between -7°C and -25°C.

The mean annual temperature does not exceed 10°C and scarce precipitation in the form of snow occurs between May and August. Average annual precipitation values range from 168 mm to 178 mm due to the Andes Mountains acting as an orographic barrier to the humid air masses coming from the Pacific Ocean (from west to east).

There is little or no vegetation cover, resulting in significant surface flow when rains occur and extensive alluvial plains with drainage of some importance. There is a substantial water supply in many drainages in an unvegetated landscape and no difficulty locating sufficient water to support drilling despite the barrenness.

Due to severe weather conditions, exploration work can only be carried out in the summer season (November to April).

5.3 LOCAL RESOURCES AND INFRASTRUCTURE

The property is located close to two logistical, industrial, and mining centres: San Juan 520 km to the south of Argentina, and Copiapo, to the north in Chile. It is 50 km to the border crossing station (migratory and custom facilities) in eastern Chile.

The Peñas Negras Project is remote; other than road access, no infrastructure is available. The most important logistics centre in the region is San Juan, which has a population of approximately 818,234 people. San Juan has a domestic airport with daily scheduled flights to Buenos Aires. The city of Mendoza, approximately 170 km (2.0 hours driving time) south of San Juan city, has an international airport with flights to Santiago and elsewhere internationally and within Argentina. The nearest city in Chile is Copiapó, which has approximately 175,000 people and is a regional mining hub with access to mining materials and skilled labour as well as a modern airport with several daily flights to Santiago.

The closest localities to the Project are located at an average distance of 180 km to 200 km from the base camp: Villa Unión and Vinchina as main ones, by the alternative Villa Unión-Villa Castelli-Vinchina-Jagüe-Laguna Brava-Pastillos-Pucha Pucha/Río Salado-Río Blanco-Qda. Peñas Negras. A similar distance from the locality of Guandacol if this other alternative is used.

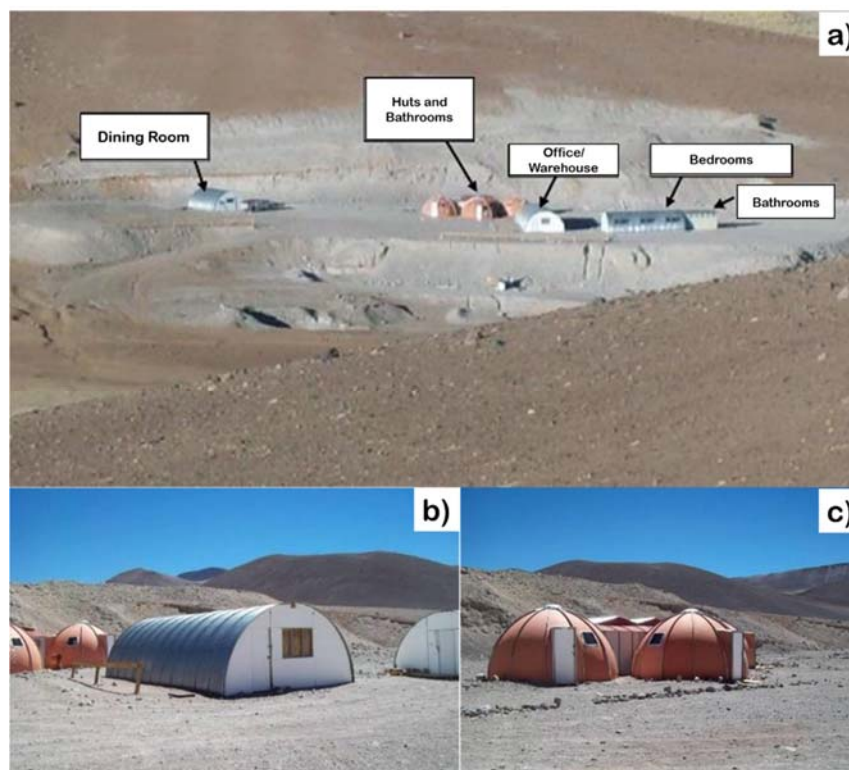
Guandacol is a mining town with 2,525 people that have served the Gualcamayo mine since early 2000. There are a significant number of skills capable of working on any mining project. It has basic supplies necessary for working in Cordillera (fuel, hardware, rubber, lodging, among others).

Villa Castelli and Vinchina have been mining towns for many decades. There have been numerous active mines in the area. However, this activity has decreased in recent years. Vinchina, mainly, has a supply of essential inputs.

The city of Villa Unión, with 4,931 people and 270 km from the Project, is the largest urban conglomerate in the region. All the basic supplies necessary for the logistics of the Project support (fuel, hardware, electrical materials, computers, food, and lodging) are readily available in this town.

The El Dorado camp is located at the geographical coordinates of 28° 19' S and 69° 25' O, is maintained in good condition and has subsequently been upgraded by some companies. The power sources for the camp are provided through an electric generator (Figure 5.3).

**Figure 5.3: a) General View of the El Dorado Camp Built by Eldorado
b) Detail of the Office/Warehouse; c) Detail of the Huts and Bathrooms**



Source: Photographs taken from the report of Exponential Metals, 2020.

5.4 PHYSIOGRAPHY

The most outstanding feature of the region is the mountain range that forms the international border between Argentina and Chile. Elevations in the range are consistently higher than 4,000 masl. Peaks such as Cerro El Potro at 5,879 masl, Cerro Colorado at 5,172 masl, Cerro Caserones at 5,147 masl and Cerro Come Caballos at 5,199 masl are all located on the international border and are markedly the most impressive mountains in the work zone.

In the Project area, there are several "portezuelos or abras" used in the past for cattle herding and the passage of merchandise from one country to another, among them from south to north are: La Ollita (4,756 masl), Peñas Negras (4,356 masl), Come Caballos (4,548 masl) and Pircas Negras (4,165 masl).

The morphostructural unit of Cordillera Frontal extends for more than 700 km from the provinces of Catamarca to Mendoza, passing along all of La Rioja and San Juan. It borders to the east with the geological province of Precordillera. At its northern end, both geological units constitute a single morphostructural block that detaches from the southern edge of the Puna.

The leading hydrographic network has as its headwaters on the steep slopes of the mountain range located on the international boundary. These water currents fed by snowmelt are generally subsequent; they follow the main tectonic lineaments dominant in the region.

Within the Project area, El Blanco, El Potro, Peña Negra, Peña Negra, La Ollita, and Pucha-Pucha Rivers should be mentioned for their importance. The first mentioned river is the one

with the most extensive coverage since from its source at the southeast slope of Cerro Blanco (5,268 masl) to its disappearance in the wetland known as San Guillermo Reserve (in the province of San Juan), it has a length of more than 80 km. Numerous watercourses of stationary and discontinuous regime feed the main rivers, most of them short distances, coming from the previously mentioned hills.

In the Project, there is a predominance of poorly developed soils, which in many cases makes geological prospecting in the area difficult. This is due to the effects of climate (weathering and erosion processes) and relief (structure and steep slopes). Rocky outcrops are observed on mountain slopes and summits, where exposed lithological units with thin and poorly developed soil horizons are generally covered by debris and debris cones.

In the valleys, on the other hand, deposits of fluvial (unconsolidated sediments of varying grain size) and glacial or fluvioglacial (moraines and blocks) materials predominate (Figure 5.4).

Figure 5.4: Photograph of the Ritsuko Sector showing the Different Physiographic Features of the Project (View of the Rhyodacitic Dome on the Rim of the Caldera)



Source: Barton, 2020

5.5 MICON QPS COMMENTS

Micon and the QPs believe that, to the extent relevant to the Peñas Negras Project, there is no reason to believe that Sendero and 131 will be unable to obtain the surface access, environmental sign-off, power, water, and personnel to conduct exploration programmes on the property. Micon and the QPs also believe that the exploration programmes could be conducted in the summer (November to April).

The Peñas Negras Project has large enough property on which to locate and accommodate the infrastructure necessary to host any future mining operations, should sufficient economic mineralisation be identified on the property.

6.0 HISTORY

6.1 EXPLORATION AND DEVELOPMENT BY PREVIOUS OWNERS

Peñas Negras has been a district explored by companies in the last couple of decades. Similar geological features and a short distance to the prolific mining zone of Maricunga and El Indio belts encouraged exploration. The Maricunga belt to the north is notable for its porphyry gold-copper systems, and the El Indio belt to the south hosts world-class high sulphidation epithermal deposits.

All the companies worked in different portions of the district (Peñas Negras is a significant area of about 400 km²) some attractive discoveries were made in different zones like La Ollita, Vicuña, Tamberías, Cerro Verde or Ritzuko where encouraging results were obtained.

The Secretariat of Mining of Argentina, through the support of the IDB (Inter-American Development Bank), carried out the Trade Development Project (TDP). Through this project the company Norwest Mine Service studied and analysed TM (Thematic Mapper) satellite images in an area of the Andes Mountains that included the provinces of Catamarca, La Rioja, and San Juan. More than forty areas or sectors with colour anomalies were identified, which were considered targets to be evaluated in the field.

In mid-1993, a joint venture was carried out between HRC Development Corporation-Eldorado Gold Corporation to acquired information reprocessed by Earth Resources Surveys Inc. covering the various anomalies. Intense exploratory activity was generated by companies between 1993 and 1997.

Among these areas or sectors, Anomaly 14 and Anomaly 16 stand out, which later constituted the Peñas Negras Project. A summary of the property and exploration in the Project area is in Table 6.1 and Figure 6.1.

There have not been any historical resource estimates conducted on the Project and there has not been any historical mining conducted in the area of the concessions.

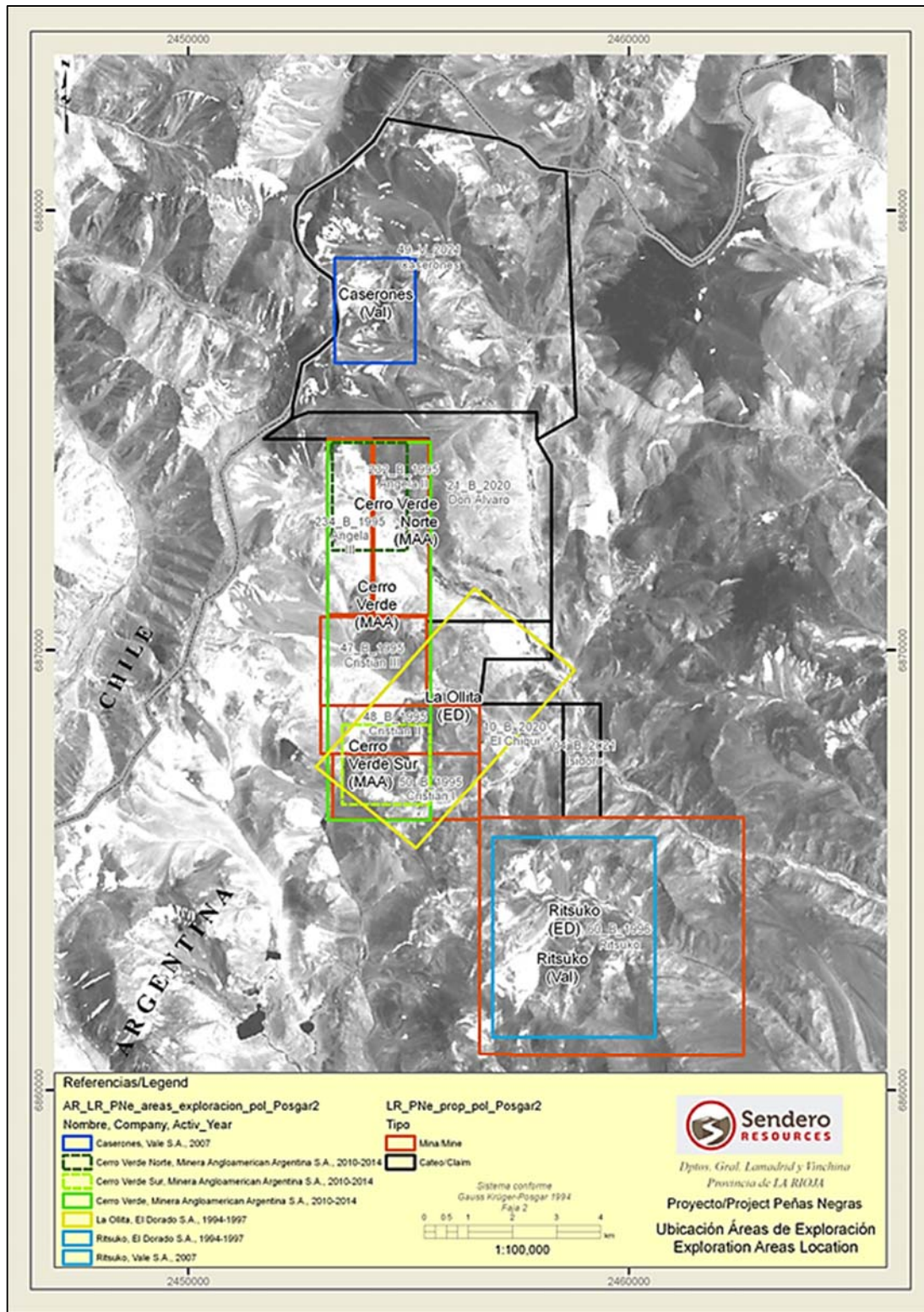
6.2 PROSPECTS-ANOMALIES EXPLORED AND EQUIVALENCES

The Project presents intense discontinuous exploration activity through the years to the present. Over time, the different companies that developed exploration have changed the name of the original chromatic anomalies. The following Table 6.2 presents a historical summary of the names of the prospects and anomalies and their equivalences to the present.

Table 6.1: Exploration History of the Properties that the Project Includes

Year	Company	Description
1970s	National Mining Service	Exploration work in the area began in the 1970s by the National Mining Service (North Cordilleran Plan) performing geochemical sediment prospecting tasks on different rivers and basins of the Cordillera Frontal.
1987-1988	BRGM	Geologists from Bureau de Recherches Géologiques et Minières, France (BRGM) performed geological recognition and geochemical sampling of the area.
1992	Norwest Mine Service	The company Norwest Mine Service with the support of Campbell and associates studied and carried out some works with Thematic Mapper (TM) satellite images in an area of the Andes Mountains that included the provinces of Catamarca, La Rioja, and San Juan, locating and pointing out more than 40 areas or sectors with colour anomalies, which were considered targets to be evaluated in the field.
1994-1995	Minera El Solitario SA	This company worked in the area Crown Property (the area for them was Solitario 23-I cateo), with a reasonably short prospecting programme, it was limited to a sampling of rocks and soils, the construction of a pair of trenches and their respective sampling. Finally, a short drilling programme was developed.
1994-1997	Minera Eldorado SA	There were geological studies and various sampling types, with 10,150 m of RC and diamond drillings distributed mainly between the colour anomalies 16 and 14. About 13,033 m of trenches and accesses were constructed, where a total of 4,619 samples were collected. Within these activities, 108.3 km of ground magnetometry and 192.20 km of induced polarisation/resistivity were performed between the anomalies 14, 16, 18A (Cerro El Potro - Sillimanita), 19 (Miranda), and Ritsuko.
1995-1998	National Secretary of Mining	Conducted expedition work in La Ollita, La Vicuña and Río Tamberías, in compliance with the PASMA project and the agreement with JICA/MMA/JMEC.
2007	Minera Vale Río Doce - DEPROMIN SA	They carried out exploration work in the area they called "Regional Project," which was divided into two zones, Regional North (Peñas Negras area) in the province of La Rioja and Regional South (Cordón de La Brea area) in the province of San Juan. The studies in the Peñas Negras area were concentrated in the areas or sectors of Caserones, Solitario 23-I, Ritsuko, Miranda (former Anomaly 19 of the TDP) and Solitario 17.
2012	Golden Arrow	They carried out exploration tasks developed for the Caballos area, north of the Project property block, and an exploration agreement was also signed for the Ritsuko sector. The tasks performed were background compilation of previous work and basic prospecting activities, mainly surface geochemistry, on alteration zones present in the western margin of the caldera.
2009-2014	Anglo American Argentina SA	It was the last company to conduct exploratory work in the Cristian I, II, III and the Ángela II-III mining concessions. A total of 833 different types of samples were collected. A geophysical survey of 140 km of magnetometry and 23 km of induced polarisation/resistivity was carried out. During the period from 2011 to 2012, six diamond drill holes were drilled.

Figure 6.1: Location Map of Areas with Exploration History in the Properties that the Project Includes



Source: Sendero Resources Corp., 2021.

Table 6.2: Historical Summary of the Prospects and Anomalies Names and their Equivalences to the Present Project

Concession Name	Prospects and Anomalies Names				
Barton SAS (2021)	Barton SAS (2021)	Anglo American Argentina SA (2009 - 2014)	Minera Vale Río Doce - DEPROMIN SA (2007)	Minera Eldorado SA (1994 - 1997)	National Secretary of Mining - TDP (1992)
Cristian I	C° Verde	C° Verde South	-	Cristian I, II, II	Anomaly 16G
Cristian II					
Cristian III					
Ángela II		C° Verde North	-	-	-
Ángela III			-	-	-
Ritsuko	Ritsuko	-	Ritsuko	Ritsuko	Ritsuko
El Chiqui	El Chiqui	-	-	La Ollita / La Ollita central zone / Tamberías / Crown Property / Telluride zone / La Peña / El Solitario 23-I	Anomalies 16 - 16A - 16B - 16C - 14E - 23
Don Alvaro					
Isidoro					
Caserones	Caserones	-	Caserones	Caserones	Anomaly 15

6.3 HISTORICAL EXPLORATION PROGRAMMES

Favourable geology has been explored since the 1990s with well-developed targets and some historical exploration programmes on the property.

The Project database for different historical exploration programmes is summarised below:

- Assay results from 9,430 m of Reverse Circulation (RC);
- Assay results from 3,282.6 m of Diamond Drilling (DD);
- Assay results for over 6,141 surface samples;
- 248.30 line-km of ground magnetic surveying;
- 236 line-km of IP geophysical surveying; and,
- Processed Satellite Alteration Imagery.

6.3.1 Exploration of Minera El Solitario SA

Minera El Solitario SA (El Solitario), a company subsidiary of Sovereign Gold (USA), worked between 1994 and 1995 in the area known as Crown Property (the area for them was Solitario 23-I cateo), with a reasonably short prospecting programme, it was limited to a sampling of rocks and soils, the construction of a pair of trenches and their respective sampling. Finally, a short drilling programme was developed. The results were not as satisfactory as expected, and the company abandoned the cateo.

6.3.2 Exploration of Minera Eldorado SA

Minera Eldorado SA (Eldorado) was a subsidiary company in Argentina of Eldorado Gold Corporation, Vancouver, Canada. They carried out a series of prospecting and exploration works developed between 1994 and 1997, which began with geological surveys and sampling a slope, soils, rock chips, and stream sediments in rivers.

In this period, 10,140.90 m in drilling programmes were carried out of the reverse circulation (RC) and diamond drill (DD) types, distributed mainly between the La Ollita (El Chiqui) and Cristian III (Cerro Verde). After the drill hole was completed, a PVC pipe was placed in the hole, and the collar was cemented. The drill hole number, total depth, azimuth, and inclination were stamped into a metal plate cemented into the collar pad. About 13,033 m of trenches and accesses were constructed, in which a total of 4,619 samples were collected.

A complete geophysical study was conducted by the Geodata company, which executed 108.30 km of ground magnetometry and 192.20 km of induced polarisation/resistivity were performed between the areas of anomalies 14, 16, 18A (Cerro El Potro - Sillimanita), 19 (Miranda) and Ritsuko.

On the magnetism study, a set of 17 profiles oriented N82°E were measured, taking magnetic field readings every 10 m. Also, three kinds of schemes of the measured magnetic field were built: a) map of profiles for each line, b) a contour map of the total magnetic field, c) and a map of the whole magnetic field reduced to the pole (Figure 6.2).

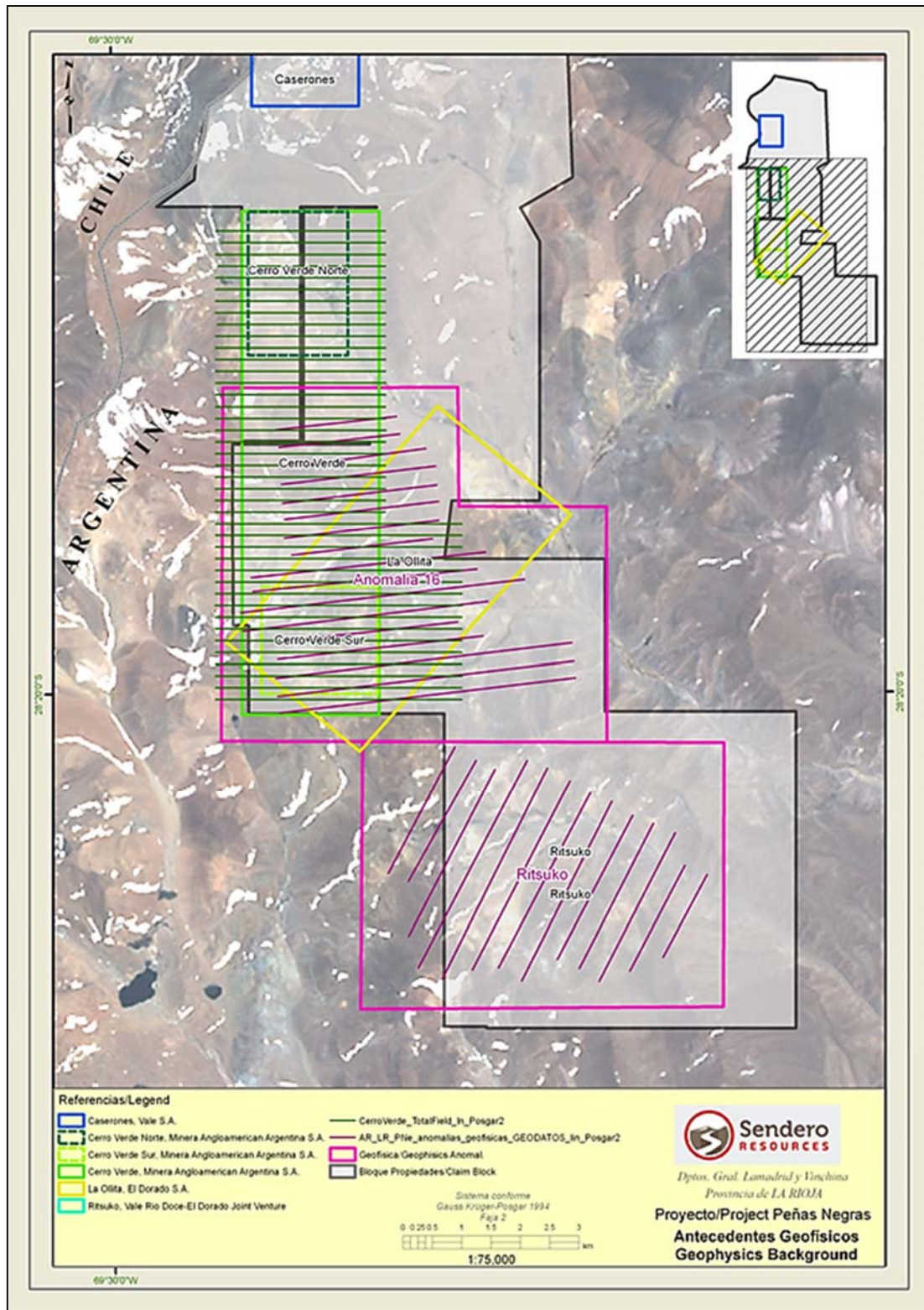
In the 1996-1997 campaign in Anomaly 16, 757 rock chips and soil samples were collected. In addition, in the Cristian I, II, III sectors, about 1,106 meters of trenches and accesses were sampled, with the collection of 254 rock chips and continuous channel samples and six grab samples (unique, selected samples). In the Crown Property area (sectors A and B), 1,503 trenches and accesses were sampled, obtaining 404 rock chips and channel samples, in addition to 30 grab samples.

Another sector that Eldorado evaluated was the area known as the Cristian, especially the Cristian I property. In the Crown Property area, it was concluded that there is evidence of an epithermal system represented by the association of gold, silver, and arsenic, controlled by structures and, the first of them shows a direct link to a porphyry copper system at depth.

These studies confirmed the existence of a mineralised area of $Au \pm Ag \pm Cu$ in the central zone of La Ollita (El Chiqui), irregularly delimiting a mineralised body, open to the northwest and southwest, in-depth. Eldorado's recommendations for the area of Anomaly 16 (El Chiqui) were focused on drilling deeper (> 600 m) to define the continuity of the porphyry copper-gold system, seek to expand geological resources, and continue with a drilling programme in the Cristian I and Crown Property sectors.

In the sector called Ritsuko, located immediately south of Anomaly 16, geologists from Eldorado defined it as a "volcanic caldera," strongly leached, which explains the low anomalous values in gold, silver, and other elements found, only in the rims, especially in the NW sector, some silicified structures and with the presence of quartz showed anomalous values in gold. The geophysical studies (strong magnetic lineaments) indicate that the possible mineralisation is structurally controlled.

Figure 6.2: Location Map of the Historical Geophysical Exploration Programmes Present in the Project



Source: Sendero Resources Corp., 2021.

6.3.1 Exploration of Minera Vale Río Doce - DEPRON SA

In 2007, the company Minera Vale Río Doce together with DEPRON SA (Desarrollo y Proyectos Mineros SA), carried out exploration works in what they called "Regional Project", which was divided into two zones, Regional Norte (Peñas Negras area) in the province of La Rioja and Regional Sur (Cordón de La Brea area) in the province of San Juan. Studies in the Peñas Negras area focused on the Caserones, Solitario 23-I (El Chiqui), Ritsuko, Miranda (former Anomaly 19 of the TDP programme) and Solitario 17 sectors.

The exploration programme consisted of detailed geological studies and surface geochemistry (rocks, soils, and slope), which included sampling over the existing trenches in the area. All these exploration tasks allowed concluding that the Caserones area has characteristics related to the porphyry copper system, developed in the rhyolitic basement of the Choiyoi Group (Permo-Triassic).

Regarding the Solitario 23-I area (El Chiqui), volcanic rocks intruded by dacitic dykes associated with quartz veinlets with Au and Cu were described, defining the area as a lateral zone of an auriferous porphyry body. In the Ritsuko sector, a caldera-type structure with dacitic domes and porphyritic bodies was described. The Miranda area concluded that the colour anomaly corresponds to domitic structures of volcanoclastic rocks intruded by subvolcanic bodies, defining it as an edge zone of a porphyry-type system.

The area Solitario 17 showed the Permo-Triassic granitic basement is intruded by a porphyry-type system with Cu mineralisation (copper oxides and sulphides).

6.3.2 Exploration of Golden Arrow

In 2012, the Golden Arrow company, a subsidiary of Grosso Group (Canada), carried out exploration tasks developed for the Caballos area, north of the Project property block, and an exploration agreement was also signed Ritsuko sector. The tasks carried out in the area focused on collecting background information on previous work and basic prospecting activities. It consisted mainly of surface geochemistry on zones of argillic alteration with silicification, generally associated with quartz stockwork and iron oxides, present on the western margin of the caldera. A soil grid and complete sampling of different rocky outcrops were carried out. Later, the company did not carry out any more work, leaving the area.

6.3.3 Exploration of Minera Anglo American Argentina SA

It was the last company to work in the area between 2009 and 2014, and it carried out exploratory work in the Cristian I-II-III and the Ángela II-III concessions. This sector was defined by Minera Anglo American Argentina SA (Anglo American) as the Cerro Verde Project (North and South). A total of 833 rock chips, soil, water, lag type and stream sediment samples were collected. These samples were collected selectively in the rock outcrops of these areas and systematically in three grids, carried out in the sectors of Ángela II-III.

The geophysical survey carried out by Anglo American included 140 km of magnetometry with east-west oriented lines and 23 km of induced polarisation/resistivity with seven east-west and one north-south oriented lines. Line spacing was 200 m for both methods. Preliminary analysis of these surveys showed indications of magnetite-bearing and magnetite-free bodies and IP signals in the area's northern and southern blocks (Figure 6.2).

Between 2009 and 2011, six DD holes were drilled with a total of 2,597.70 m to test the geochemical and geophysical anomalies defined in the previous campaigns, distributed mainly

between the Cristian I-II and Ángela II-III areas, proving the existence of mineralisation below the presence of a lithocap. In this last sector, a trench was made for detailed mapping and geochemical sampling. After the drill hole was completed, a PVC pipe was placed in the hole, and the collar was cemented. The drill hole number, total depth, azimuth, and inclination were stamped into a metal plate cemented into the collar pad.

Two different hydrothermal systems were identified from the exploration work carried out. The Cristian I-II-III areas correspond to a porphyry system, developed in Miocene volcanic rocks, intruded by dioritic-type bodies, emplaced according to the northwest direction. In the Ángela II-III area, a hydrothermal system was defined in Permo-Triassic basement rocks (Choiyoi Group), formed by granites and volcanic rocks with a lithocap on the surface hydrothermal breccias, presence of grey banded quartz-epidote-tourmaline-pyrite veinlets. In this sector, some zones of supergene enrichment (chalcocite) were identified.

The work from the various programs allowed us to conclude that the sector of greater interest was the north sector, mainly by the intersection of the zone of supergene enrichment, identified in drill holes, since the gold values observed (generally less than 1 g/t Au) were only obtained from trench samples related to epithermal structures.

6.4 EXPLORATION HISTORIC RESULTS

The exploration works carried out since the 1990s by different companies (surface sampling, mapping, geophysics, and drilling) at the Peñas Negras Project allowed us to recognise the evidence of two different deposit styles formed at different crustal levels with characteristic metal grades and metallurgy. The first is an epithermal system with HS characteristics represented by the association of Au-Ag-Cu-As-Sb-Te, controlled by structures, and directly links to a porphyry-type system at depth. The second corresponds to a porphyry Cu-Au±Mo system, developed in Miocene volcanic rocks, intruded by dacitic-dioritic-type bodies.

6.5 HISTORICAL DRILLING PROGRAMMES

A summary of the prior drilling programmes conducted on the Peñas Negras Project from 1995 to 2012 is contained in Table 6.3.

Table 6.3: Summary of the Peñas Negras Project Drilling Programmes from 1995 to 2011

Prospect	Period	Company	Drilling Method/Type		Number of Drill Holes	Total (m)
			RC	DD		
El Solitario 23-I (El Chiqui)	1994 - 1995	El Solitario	4	-	4	430.00
Total			4	0	4	430.00
La Ollita (El Chiqui)	1995 - 1997	Eldorado	58	3	61	9,306.90
Cristian III (Cerro Verde)			4	-	4	808.00
Total			62	3	65	10,114.90
Ángela II-III (Cerro Verde)	2011 - 2012	Anglo American	-	4	4	1,911.30
Cristian I-II (Cerro Verde)			-	2	2	686.40
Total			0	6	6	2,597.70
TOTAL			66	9	75	13,142.60

Source: Table derived from the database by Sendero Resources Corp., 2021.

Note: The drilling method or type was either Reverse Circulation (RC) or Diamond Drilling (DD).

6.5.1 1994 to 1995 El Solitario Drilling Programme

Between 1994 and 1995, a short drilling programme was developed; there were four holes in RC totalling about 430 m of the Crown Property or Solitario 23-I cateo (El Chiqui). However, no documentation regarding the drilling procedures or a summary, interpretation and results of the programmes was available.

6.5.2 1995 to 1997 Eldorado Drilling Programmes

The exploration drilling campaign in the El Chiqui prospect was designed to test the mineral deposit model identified from surface geological, geochemical and geophysics work. In this period, 10,140.90 m in drilling programmes were carried out of reverse circulation (RC) and diamond drill (DD) types, distributed mainly between the La Ollita (El Chiqui) with a total of 9,430 m (58 RC and 3 DD) and Cristian III (Cerro Verde) with a total of 808.00 m (4 RC). DD holes involved both HQ and NQ size core drilling, and the RC rig used was a Drill-Tech D 22 K and 40 T, with tricone.

6.5.2.1 Locations

The 1995 and 1997 Eldorado holes and their collar positions are summarised in Table 6.4.

Table 6.4: Summary of the Drill Hole Information for the 1995 to 1997 Eldorado Drill Programmes

Drill Hole ID	Prospect	Easting (GK)	Northing (GK)	Azimuth (°)	Dip (°)	Depth (m)
PND001	La Ollita	2,456,564	6,870,551	174	60	195.55
PND002		2,456,731	6,870,415	0	90	250.00
PND003		2,457,098	6,870,087	360	55	239.35
PNR001	La Ollita	2,456,951	6,870,172	0	90	50.00
PNR002		2,456,856	6,870,349	0	90	50.00
PNR003		2,456,742	6,870,406	0	90	100.00
PNR004		2,456,607	6,870,328	0	90	50.00
PNR005		2,456,704	6,870,158	0	90	50.00
PNR006		2,456,723	6,870,283	0	90	50.00
PNR007		2,456,835	6,870,227	0	90	50.00
PNR008		2,456,814	6,870,107	0	90	50.00
PNR009		2,456,933	6,870,052	0	90	50.00
PNR010		2,456,797	6,869,972	0	90	50.00
PNR011		2,456,908	6,869,919	0	90	50.00
PNR012		2,456,888	6,869,798	0	90	50.00
PNR013		2,456,999	6,869,742	0	90	50.00
PNR014		2,457,021	6,869,867	0	90	50.00
PNR015		2,457,037	6,869,989	0	90	50.00
PNR016		2,457,058	6,870,121	0	90	54.00
PNR017		2,457,170	6,870,062	0	90	54.00
PNR018		2,457,131	6,869,821	0	90	52.00
PNR019		2,457,110	6,869,692	0	90	52.00
PNR020		2,457,229	6,869,642	0	90	52.00
PNR021		2,456,893	6,870,329	0	90	162.00

Table 6.4: Summary of the Drill Hole Information for the 1995 to 1997 Eldorado Drill Programmes

Drill Hole ID	Prospect	Easting (GK)	Northing (GK)	Azimuth (°)	Dip (°)	Depth (m)
PNR022	La Ollita	2,456,782	6,870,416	0	90	156.00
PNR023		2,456,806	6,870,218	0	90	240.00
PNR024		2,456,830	6,870,019	0	90	220.00
PNR025		2,456,869	6,870,527	0	90	222.00
PNR026		2,456,758	6,870,615	0	90	198.00
PNR027		2,456,547	6,870,690	0	90	144.00
PNR028		2,456,571	6,870,491	0	90	204.00
PNR029		2,456,595	6,870,293	0	90	250.00
PNR030		2,456,619	6,870,094	0	90	220.00
PNR031		2,456,643	6,869,896	0	90	210.00
PNR032		2,456,433	6,869,971	0	90	50.00
PNR033		2,456,409	6,870,170	0	90	270.00
PNR034		2,456,980	6,870,440	0	90	252.00
PNR035		2,456,384	6,870,368	0	90	50.00
PNR036		2,457,016	6,870,142	0	90	156.00
PNR037		2,457,040	6,869,944	0	90	180.00
PNR038		2,456,854	6,869,820	0	90	168.00
PNR039		2,457,569	6,870,174	175	60	102.00
PNR040		2,457,328	6,870,232	180	60	150.00
PNR041		2,456,433	6,869,971	0	90	252.00
PNR042		2,456,384	6,870,368	0	90	174.00
PNR043		2,458,105	6,870,677	0	90	218.00
PNR044		2,458,023	6,870,566	0	90	198.00
PNR045		2,456,150	6,870,642	0	90	126.00
PNR046		2,456,222	6,870,046	0	90	114.00
PNR047		2,456,404	6,870,622	0	90	298.00
PNR048		2,455,726	6,869,986	0	90	90.00
PNR049	Cristian III	2,455,180	6,869,920	0	90	286.00
PNR050	La Ollita	2,455,935	6,869,508	0	90	258.00
PNR051	Cristian III	2,454,755	6,869,264	0	90	72.00
PNR052	Cristian III	2,455,240	6,869,424	0	90	150.00
PNR053	La Ollita	2,457,313	6,870,103	360	55	118.00
PNR054		2,457,215	6,870,166	0	90	270.00
PNR055		2,456,372	6,870,467	0	90	150.00
PNR056		2,456,174	6,870,443	0	90	348.00
PNR057		2,455,813	6,870,097	0	90	234.00
PNR058		2,455,987	6,870,320	0	90	246.00
PNR059	Cristian III	2,455,515	6,870,061	0	90	300.00
PNR060	La Ollita	2,455,738	6,869,887	0	90	166.00
PNR061		2,456,198	6,870,245	0	90	354.00
PNR062		2,456,011	6,870,121	0	90	340.00
Total						10,114.90

Source: Table derived from the database by Sendero Resources Corp., 2021

6.5.2.2 1995 and 1997 Drilling Results

An 80% of the drill holes were crossing volcanic rocks, dacites and andesites porphyroides. In contrast, 20% of the crossed rocks are intrusive as dacitic porphyry and diorite porphyry. A dacitic porphyry has been identified in drill holes PNR 29, 30, 33, 49, 62 and PND 3, and dioritic porphyries have been observed in PNR 21, 22, 39, 40, 51, 52, 53, 54, 56, 61 and 62 drill holes. Based on the logging done onto the cores, three main types of hydrothermal alterations have been identified: a) Propylitic alteration with chlorite+epidote+magnetite+pyrite+carbonate; b) Silica alteration with pervasive silica in patches and veinlets, and c) Phyllic alteration with sericite+ quartz+pyrite+clays. Silicification occurs with at least two pervasive silicification pulses and, in general, is passing through fractures and is associated with intrusive units. D-type veinlets of quartz+pyrite in quartz+sericite halos are common in-depth, as seen in PND 2 and 3 drill holes.

The mineralisation observed by the microscope has allowed differentiating two sectors, which indeed represent two levels of mineralised blocks. Sector 1 is where PNR 21 up to PNR 44 drill holes are located and the PNR 53, 54, PND 1, 2 and 3 drill holes zone. Sector 2 is the zone where PNR 50, 51, 52, 56, 57, 58, 59, 60, 61 and 62 are located.

Sector 1 covers about 52 m morainic material and then below about 25 m of oxidation layer. This one, featured by having goethite+jarosite spread in veinlets and filling open spaces. The goethite+ jarosite ratio is about 6:2. Traces of Cu and Mn oxides are observed. Gold values of 0.2 g/t Au to 0.3 g/t Au are found in the oxide zone of PNR 21, 22, 29, 31. On the oxidation zone of PNR 36 up to PNR40, drill holes, vuggy quartz+goethite+jarosite, silica patches, and some magnetite veinlets. Gold values in these zones are between 0.10 g/t Au to 0.30 g/t Au (PNR 36, 37, 39).

Below the oxidation zone, a mixed zone of about 10 metres is observed. It contains pyrite and also some chalcocite traces. On the PNR 21, 22, 24 and 39 drill holes, copper values reach up to 0.2%.

In the sulphide zone from 75 m too deep, pyrite is disseminated in a fine-grain, sphalerite galena and Cu sulphides trace (chalcopyrite and bornite). Anomalous Au values range from 0.10 to 1.00 g/t Au and 0.02 to 0.10% Cu. The PNR 21, 22, 23, 24, 25, 30, 33, 38, 39, 40 and PND 2 drill holes show microcrystalline quartz in veinlets±patches containing sphalerite, galena, some chalcopyrite and bornite, tiny pyrite veinlets, and dark pyrite that fills planes of fracture. High gold values (3.00 to 4.00 g/t Au) as found in some drill holes as PNR 28 are consistent with an increased veinlet concentration, as well as microcrystalline quartz and copper sulphides presence.

Sector 2 has a morainic cover of up to 160 m; initially, it only contains some traces of oxidation. The primary mineralisation is given by two generations of pyrite, one of fine grain and another of coarse grain. There is also chalcopyrite, sphalerite, and galena traces; the accessory mineral is carbonate in disseminated and veinlets. The PNR 51, 56, 61 and 62 drill holes have values from 0.10 g/t Au to 1.00 g/t Au and up to 0.06% Cu. Higher grades would be related to intense veinlets concentration and the presence of smoked quartz stockwork with chalcopyrite and disseminated magnetite. In addition, chalcopyrite and pyrite on fine-grain disseminated and in aggregates are present. This veinlets concentration is intense, up to 3% on the diorite porphyry. A lower percentage of up to 1% is present in the adjacent contact areas (PNR 56, 61, 62) (Table 6.5).

The locations of 1995 and 1997 Eldorado drill holes are shown in Figure 6.3.

Table 6.5: Summary of the Drill Hole Information for the Eldorado Drill Programmes 2011 to 2012

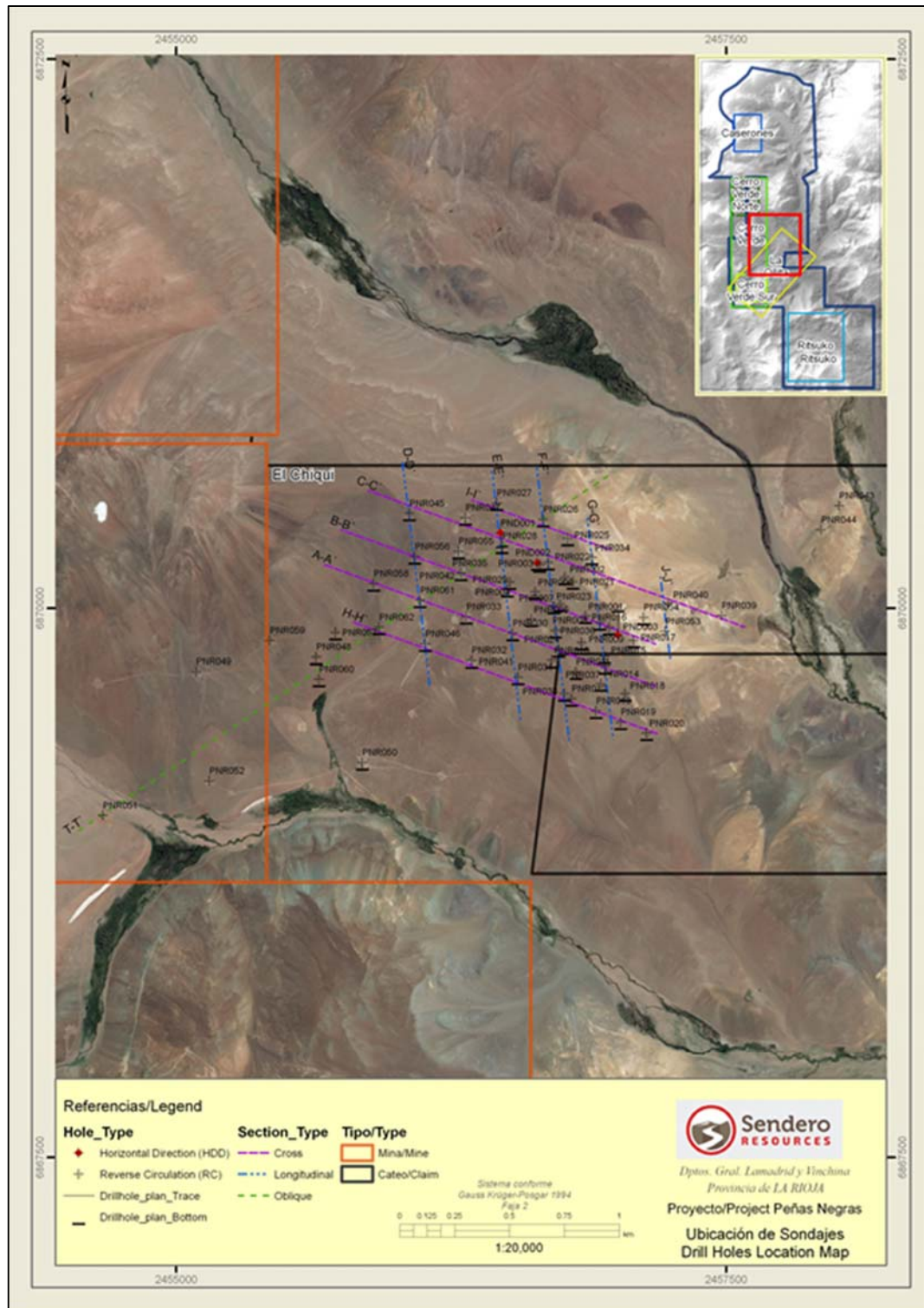
Drill Hole	From (m)	To (m)	Length (m)	Average Grade (g/t Au)	Grade Range (g/t Au)	Average Grade (Cu ppm)
PNR 3	34	58	24	0.56	0.20 - 1.07	-
	58	80	22	1.45	0.80 - 2.18	-
	80	100	20	0.67	0.34 - 1.22	-
PNR 21	30	56	26	0.32	0.12 - 0.97	700
	116	136	20	0.34	0.12 - 0.72	600
PNR 22	54	96	42	0.47	0.21 - 0.94	1,150
	96	156	60	0.23	0.21 - 0.65	800
PNR 23	68	80	12	0.41	0.31 - 0.86	1,700
	188	194	6	1.71	0.67 - 1.93	780
PNR 24	118	126	8	1.22	0.22 - 3.94	1,500
PNR 28	78	86	8	1.22	0.27 - 3.34	130
	194	204	10	0.42	0.14 - 0.82	150
PNR 30	59	80	21	0.40	0.27 - 0.59	1,200
	110	126	16	0.73	0.44 - 1.39	1,250
	126	220	94	0.38	0.17 - 0.53	900
PNR 33	82	152	70	0.27	0.14 - 0.47	1,500
	260	270	10	0.79	0.28 - 1.64	1,400
PNR 39	8	22	14	0.68	0.17 - 2.19	-
	60	68	8	0.76	0.44 - 1.13	700
	94	102	8	0.50	0.34 - 0.59	210
PNR 56	328	348	20	0.67	0.32 - 1.98	-
PNR 61	224	250	26	0.34	0.19 - 0.54	-
	308	318	10	0.39	0.32 - 0.53	-
PNR 62	276	298	22	0.24	0.15 - 0.44	-
	316	318	2	3.16	-	-
PND 1	156.25	167.35	11.1	0.31*	0.16* - 0.60*	150
	174.65	195.55	20.9	0.69*	0.55* - 1.05*	510
PND 2	38.60	55.75	17.15	0.58*	0.22* - 1.11*	600
	55.75	76.20	18.8	1.93*	1.04* - 3.71*	1,800
	77.80	91.05	13.25	1.28*	0.96* - 1.81*	1,400
	91.05	140.25	45.20	0.72*	0.39* - 1.42*	800
	140.25	187.70	47.45	0.46*	0.23* - 1.20*	630

Source: Table taken from the Exponential Metals Report, 2020.

Notes: *Weighted average.

Until now insufficient work has been conducted to determine the true thickness of the mineralisation.

Figure 6.3: Location Map of Eldorado Drill Holes from 1995 to 1997



Source: Sendero Resources Corp., 2021.

6.5.3 2010 and 2011 Minera Anglo American Argentina SA - DD Programme

The exploration drilling campaign in the Cerro Verde Project was designed to test the mineral deposit model identified from surface geological, geochemical and geophysics work.

Six holes were drilled, 2 in Cerro Verde South (Cristian I-II-III) and 4 in Cerro Verde North (Ángela II-III), totalling 2,597.70 m. The drilling was carried out with a UDR-200 machine, starting the perforations with a tricone until the overburden was crossed. The size core drilling was PQ up to 100m and then QH until the end of the drilling. The survey measurements of the holes were carried out with Reflex EZ-Shot equipment from a depth of 100 m every 25 m. Diamonds core were logged, sampled, and analysed at the ALS Laboratory in Lima, Peru ¹.

6.5.3.1 Locations

The 2011 and 2012 Anglo American holes, sector and their collar positions are summarised in Table 6.6. The drill holes are shown in Figure 6.4.

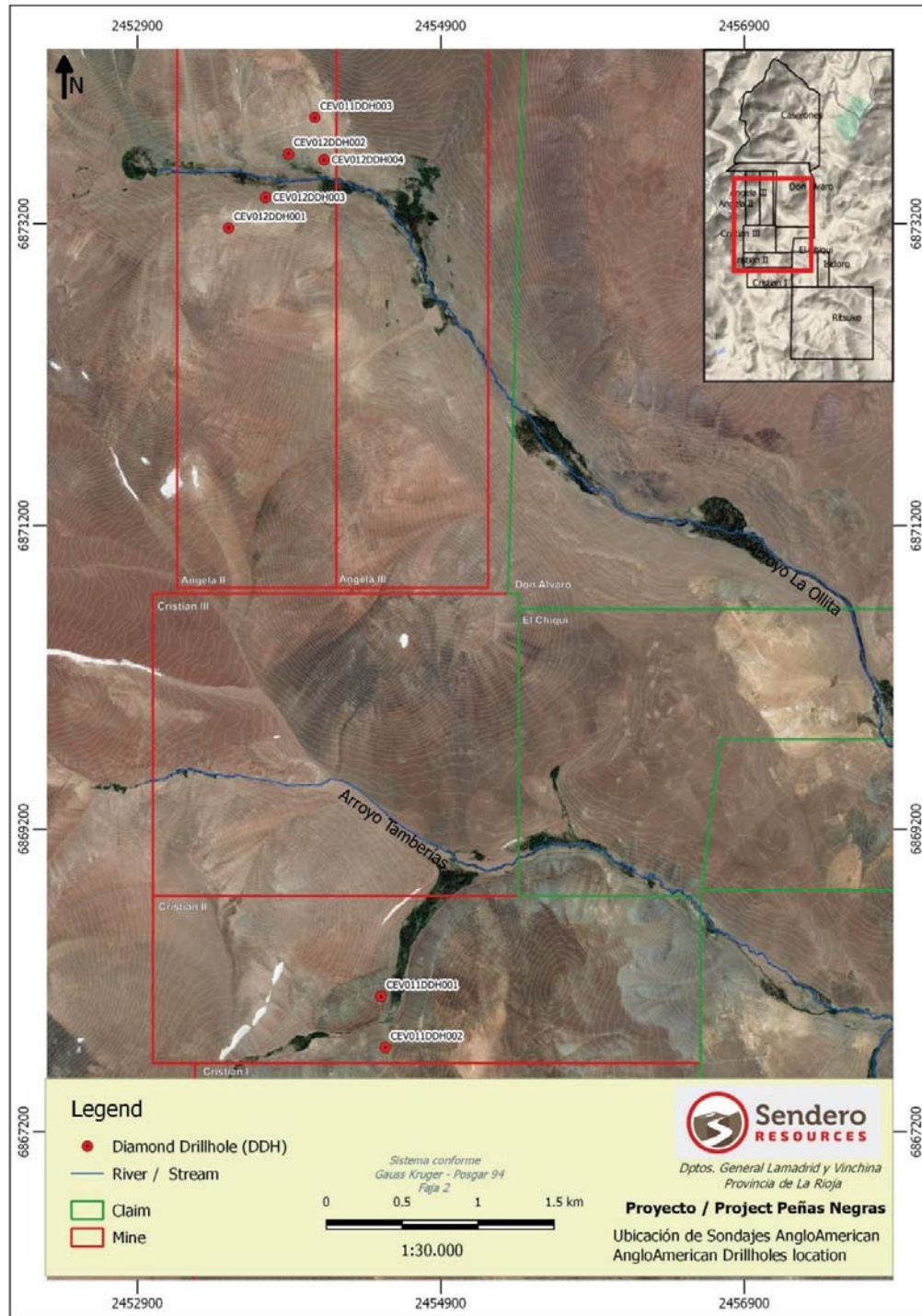
Table 6.6: Summary of the Drill Hole Information for Anglo American Drill Programmes 2011 to 2012

Year	Drill Hole ID	Sector	Easting (GK)	Northing (GK)	Azimuth (°)	Dip (°)	Depth (m)
2011	CEV011DDH001	Cristian I y II	2,454,505	6,868,091	225°	70°	430.40
2011	CEV011DDH002	Cristian I y II	2,454,534	6,867,755	225°	70°	256.00
2011	CEV011DDH003	Angela II y III	2,454,069	6,873,900	315°	70°	529.80
2012	CEV012DDH001	Angela II y III	2,453,501	6,873,171	270°	80°	553.10
2012	CEV012DDH002	Angela II y III	2,453,895	6,873,660	0°	90°	407.40
2012	CEV012DDH003	Angela II y III	2,454,744	6,873,373	0°	90°	421.00
2012	CEV012DDH004	Angela II y III	2,454,129	6,873,621	0°	90°	40.00

Source: Table taken from the Anglo American Reports, 2012 to 2013.

¹ ALS Laboratory, Lima, Peru, is accredited ISO 17025: 2005, ISO 9001:2008, which covers the analysis period.

Figure 6.4: Location of Map of Anglo American Drill Holes 2011 to 2012



Source: Sendero Resources Corp., 2021.

6.5.3.2 2011 and 2012 Drilling Results

- CEV11-DDH-001 drill hole cut geology with a domain of dacitic volcanoclastic units with a breccia texture. All these units are strongly associated with chlorite-sericite-quartz-pyrite minerals. Veinlet presence is about 5% on the quartz-magnetite portion of the hole at the first 20 m. That presence of veinlets is also observed in the about 300 m length of fine texture andesitic bodies. In a subordinate way, some quartz-molybdenum veins with a density of about 2% from 60 m deep are observed. This percentage is decreasing in-depth, both in thickness and in quantity. In general, the content of pyrite reaches 10%. Main interception was: 10 m at 0.20 g/t Au; 457 ppm Cu; from 8.00 m to 18.00 m;
- CEV11-DDH-002 drill hole has similar characteristics to the drill hole before. The more significant intercepts were: 2 m at 25.60 g/t Ag; from 76.00 m to 78.00 m coincident with the thick dioritic porphyry body associated with quartz-magnetite veinlets and 8 m at 4.95 g/t Ag; from 136.00 m to 144.00 m, coincident with a fault zone;
- CEV11-DDH-003 drill hole cut mainly a Permo-Triassic granite, which was varying in textures from thick to fine. At 492 m, subvertical parallel structures affected by quartz-sericite alteration accompanied by grey quartz veinlets about 5 mm thick are observed. These veins are placed in a similar orientation to local structures. The drill hole is cutting at 514 m deep, a fine-grained andesitic intrusive body affected by sericitic and propylitic alteration. At this depth, some high sulfidation structures associated with enargite-tetrahedrite were recognised. Significant grades include: 78 m at 0.10% Cu; from 76.00 m to 154.00 m. In addition, 64 m at 0.03% Cu, from 164.00 m to 228.00 m;
- CEV12-DDH-001 drill hole has similar characteristics to the drill hole before. There is a predominance of granitic units throughout the hole. A sericite-kaolinite-silica alteration is observed below the lithocap/leaching zone, associated with banded grey quartz veinlets of up to 1 cm thick. From the 100 m deep up to the end of the hole, granite alteration varies to a sericite-chlorite-illite-smectite one, accompanied by banded grey quartz epidote-tourmaline veinlets and quartz-illite-pyrite veinlets. There is also a little dissemination of tourmaline-pyrite. The enrichment zone was 58 m to 95 m, represented by secondary chalcocite precipitation over the pyrite mineral and a fracture filler. The more significant grade for this hole was 40 m at 0.05% Cu;
- CEV12-DDH-002 drill hole has pyrite disseminated up to 120 m in approximately 3% and the few fine veinlets in approximately 1% to 2%. It is identified from the first meters, chalcocite enrichment on pyrite crystals at 0.5% up to a depth of 110 m. The pyrite-quartz veins are weak from the surface to the bottom of the hole, not >2%; and,
- CEV12-DDH-003 drill hole has mineralisation related to small epithermal structures formed by chalcopyrite-drusiform quartz-enargite-pyrite filled with empty spaces. At least four structures, about 5 m thick, were identified throughout the hole. Mineralised drill hole intersections: 10 m at 0.14% Cu, from 30.00 m to 40.00 m; 2 m at 0.29% Cu, from 232.00 m to 234.00 m and 4 m at 0.17% Cu, from 342.00 m to 346.00 m.

Table 6.7 summarises the Anglo American 2011 and 2012 drilling results for the Peñas Negras Project; the various mineralised intercepts are shown for each drill hole.

Table 6.7: Summary of the Anglo American Mineralised Drill Hole Intersections 2011 and 2012

Drill Hole ID	Drilling Intersections		Assay Results				
	From (m)	To (m)	Interval (m)	Au Eq* (g/t) - Avg.	Gold Range (g/t Au)	Cu Eq* (%) - Avg.	Copper Range (Cu %)
CEV11DDH001	8	94	86	0.11	0.01 - 0.35	-	-
	8	18	10	0.26	0.17 - 0.35	-	-
CEV11DDH002	12	22	10	0.11	0.05 - 0.09	-	-
	84	106	22	0.14	0.07 - 0.12	-	-
	116	130	14	0.18	0.10 - 0.27	-	-
CEV11DDH003	82	120	38	-	-	0.13	0.05 - 0.27
	126	150	24	-	-	0.18	0.04 - 0.43
	474	482	8	-	-	0.13	0.04 - 0.06
	496	508	12	-	-	0.36	0.04 - >10,000
	516	524	8	-	-	0.18	0.01 - 0.15
CEV12DDH001	32	38	6	-	-	0.24	0.00 - 0.00
	60	64	4	-	-	0.12	0.11 - 0.13
	84	90	6	-	-	0.10	0.01 - 0.14
	400	402	2	-	-	0.46	0.35

Source: Table taken from the Exponential Metals Report, 2020.

Notes: **Including Au, Ag, Cu and Mo.

Until now insufficient work has been conducted to determine the true thickness of the mineralisation.

7.0 GEOLOGICAL SETTING AND MINERALISATION

7.1 REGIONAL GEOLOGY

The Peñas Negras district is located within the morphostructural unit corresponding to the Cordillera Frontal Geological Province in the high mountain range of La Rioja.

According to the Pastillos 6929-I Geological Sheet (Fauqué, 1999; SEGEMAR, 2005) (Figures 7.1 and 7.2), the basement comprises sandstones, quartzites, limonites, and conglomerates belonging to the Ranchillos Formation, assigned to the Carboniferous. Above, there is a volcanoclastic unit belonging to the Choiyoi Group (Permo-Triassic), a volcano-sedimentary complex composed of a group of volcanic and pyroclastic rocks characterised by a rhyolitic and rhyodacitic composition for the more acidic units and andesitic for the intermediate to basic units. In general, these rocks are folded and partially metamorphosed by Permo-Triassic granitic intrusions of the Carnerito Formation (Marcos et al., 1971).

Also, reduced outcrops of conglomerates and multicoloured sandstones can be observed in the sector of the Chapitas Formation (Marcos et al., 1971), whose age is assigned to the Jurassic-Cretaceous, although it is probable that they are younger (Palaeocene?).

The Oligo-Miocene magmatism is limited to the Cordillera Frontal. They include andesites and dacites of the Doña Ana Formation (Otamendi et al., 1994) 27 Ma to 19 Ma, and rhyolites, dacites and andesites of the Las Tórtolas Formation, 17 Ma to 11 Ma, which are intruded and altered by rhyolitic, dacitic, dioritic and quartz-dioritic domes and dykes.

Pliocene-Pleistocene volcanic events are represented by a large volume of andesite-basalt that cover the entire mountain range; the stratovolcanoes Bonete Grande, Bonete Chico and Pisis were formed as a result of the same event. Within the province, it has been divided (Marcos et al., 1971) into the Barrancas Viejas Formation and the Veladero Formation. The former is intercalated with sandstones, conglomerates, tuffs, tuffites and gypsum. The stratigraphy is strongly folded and covered by the latter, discordant lava-pyroclastic. In the valley of the Blanco River, domes, plugs, dykes and andesitic, trachyandesitic and basaltic layered seams cut and alter the Carboniferous sediments.

The continuity of the Maricunga and the Indio belts into a single belt entering Argentina is linked to the displacement of the magmatic arc and Miocene to post-Miocene magmatism. Mpodozis and Kay (2003) mention a connection between both, interpreting a single Neogene magmatism belt, not two discontinuous bands. It is worth mentioning that different authors have referred to this region as the El Potro Belt (Panteleyev and Cravero, 2001; Jones et al., 2007) or the Salado Belt (Rode and Carrizo, 2007), coinciding that it represents the continuity of the Miocene mineralisation of Maricunga in Argentine territory.

Finally, and in congruency with the tectonic uplift evident in the area, the erosion of the tertiary rocks has taken place, exposing the basement and the mineralised porphyries (Ortiz et al., 2015).

Referencias/Legend

Bloque Propiedad/Claim Block

Carta Geológica 2969-I, Pastillos
2969-I Geology Sheet (Pastillos)

Sistema conforme
Gauss Kröger-Posgar 1994
Faja 2

0 1.25 2.5 5 7.5 10
km

1:250,000

Sendero RESOURCES

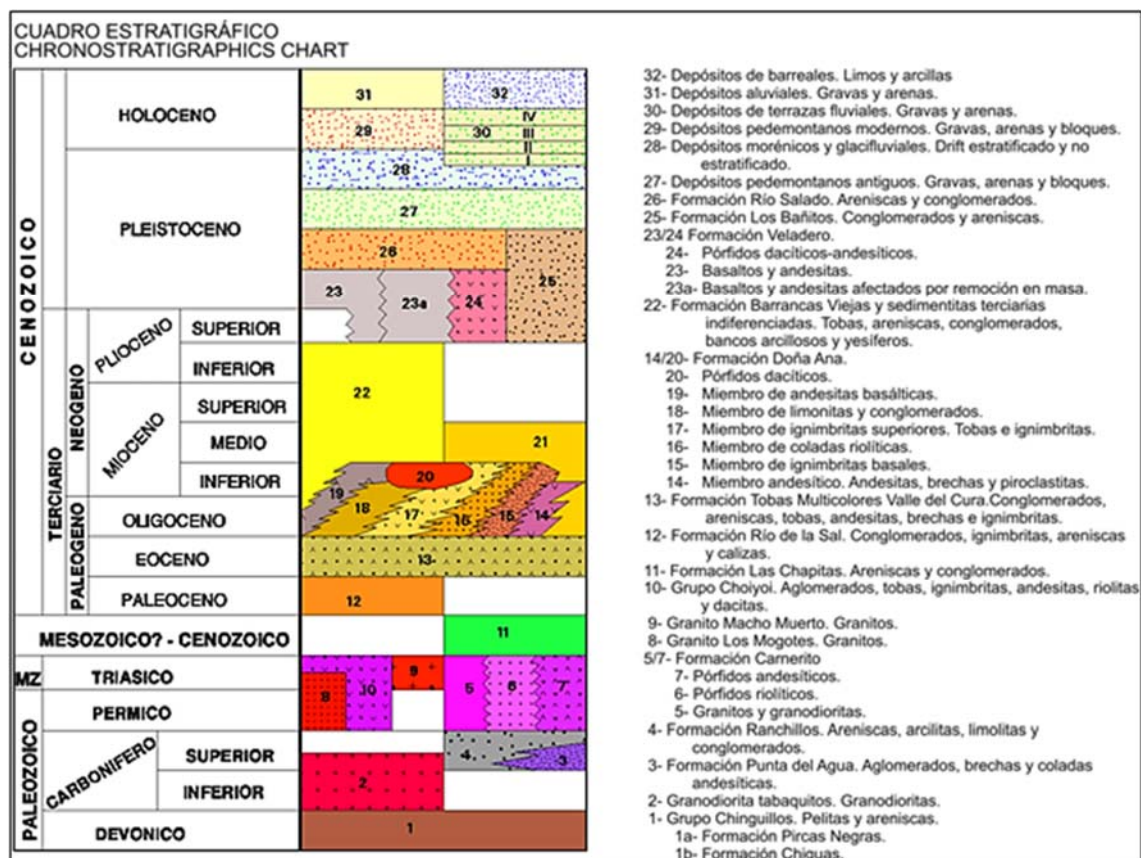
Dptos. Gral. Lamadrid y Vinchina
Provincia de LA RIOJA

Proyecto/Project Peñas Negras

Geología Regional SEGEMAR
Regional Geology Map

Peñas Negras Project

Figure 7.2: Legend Chronostratigraphic Chart of the Regional Geology Map of the Peñas Negras District.



Source: Sendero Resources Corp., 2021. Modified from Pastillos Geological Map 2969-I (SEGEMAR, 2005).

The structure of the sector has a significant lineament, reflected by the courses of the Salado, Macho Muerto and de la Sal Rivers. This mega fault made possible the rise of the Cordón de la Brea in the Mesozoic and Cenozoic. The remarkable alignment of the northeast corridor of the alteration zones and prospects (Caserones, La Ollita (El Chiqui), Río Tamberías (El Chiqui) and Ritsuko) is worth mentioning.

The deformation of the Palaeozoic sediments in the Cordillera Frontal is attributable to movements that occurred at the end of the Palaeozoic. The Andean orogeny would have produced tilting and lateral movement of blocks, leaving the oldest Tertiary volcanites in some sectors folded and others in a homoclinal position. At the same time, the Veladero Formation lies in a sub-horizontal position indicating the minor effect of neotectonics.

7.2 LOCAL GEOLOGY

In the Peña Negra Project, a chain of volcanic units was formed during the lower Oligocene. It constitutes a belt approximately 50 km wide, deposited on a basement that includes intrusive and volcanic units of the Palaeozoic and perhaps Mesozoic. The Project has several areas or sectors of interest:

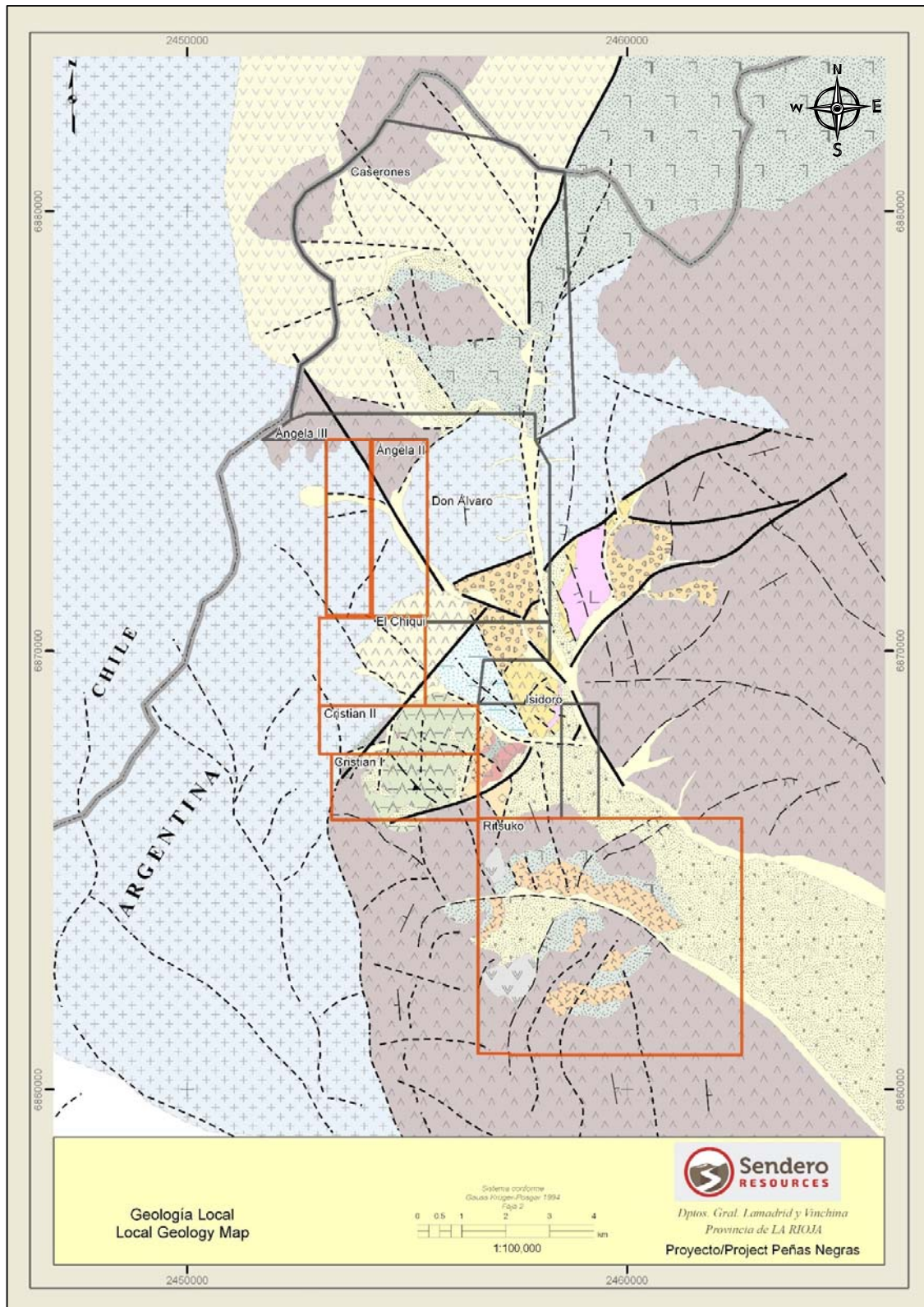
- Cerro Verde: is a sector comprising two well-differentiated areas Cerro Verde North (Ángela II-III) and Cerro Verde South (Cristian I-II-III);
- El Chiqui: is an area comprising several targets of interest, some already tested and explored, such as La Ollita, Tamberías, Crown Property and partially the area called Vicuña, located 5.5 km NNE of La Ollita;
- Don Álvaro and Isidoro: located north and east of El Chiqui, covering sectors evaluated in previous exploratory works within the La Ollita area, and even Isidoro covers part of the La Peña sector;
- Ritsuko: volcanic caldera with strong colour anomalies and domoic bodies in its interior; and,
- Caserones: the area has characteristics related to the porphyry copper system, developed in the rhyolitic basement of the Choiyoi Group (Permo-Triassic).

Regarding the geology in the sector, the lithological units are older to the west and younger to the east. The Permo-Triassic granitic/volcanic basement, followed by the Upper Eocene-Oligocene volcanic/sedimentary/intrusive sequences, the Middle to Lower Miocene volcano-sedimentary units, and finally, the moraine deposits (of fluvioglacial origin). The Pleistocene-Holocene sediments occupy the slope areas, river courses and valleys in the region. There is more significant erosion of the lithological units to the west and less to the east. The Eocene-Oligocene units outcrop within a north-eastern corridor (generating a pull-apart system) defined by structures that contact the Permo-Triassic basement units and the Lower to Middle Miocene sediments and volcanites (Table 7.1 and Figures 7.3, 7.4).

Table 7.1: Simplified Chronostratigraphic Summary of the Cordillera Frontal in the Sector of the Project

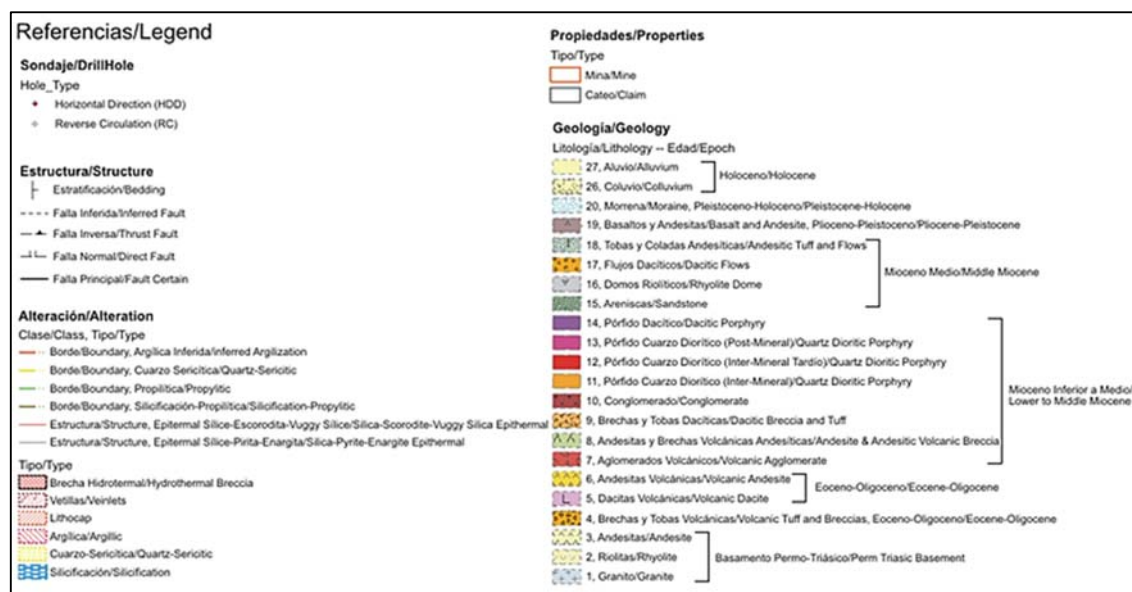
Era	Epoch	Units
Cenozoic	Holocene	Colluvial and alluvial material.
	Pleistocene-Holocene	Morainic deposits.
	Pliocene-Pleistocene	Basalts and andesites.
	Lower To Middle Miocene	With basal sediments and volcanoclastics, dacitic flows, breccias, rhyodacitic domes and dioritic-rhyodacitic intrusives.
	Eocene-Oligocene	Volcanic breccias and tuffs, andesitic and dacitic flows, and dacitic-rhyodacitic intrusives.
Mesozoic	Cretaceous – Palaeocene?	Varicoloured fine sandstones and purple/reddish conglomerates.
Palaeozoic	Permo-Triassic	Granites, mafic dykes, rhyolites, dacites and volcanic andesites.

Figure 7.3: Geological Map of all the Properties Involved in the Project



Source: Sendero Resources Corp., 2021.

Figure 7.4: Legend of Geological Map of all the Properties Involved in the Project



Source: Sendero Resources Corp., 2021.

The first work executed in the area was carried out due to the interest in developing prospecting and exploration programmes in the area known in the 1990s as the Maricunga Belt in Chilean territory. This area consisted of a series of gold and copper deposits associated with copper/gold porphyry-type systems such as the well-known Maricunga Mine (ex-Refugio), Aldebarán, Caspiche and more recently the Caserones Project (ex-Regalito).

However, the discovery of Josemaría initially and Filo del Sol later, have led to the expectation that the area represents a transition between the Maricunga belt and the El Indio belt. However, El Indio mineralisation is of a distinct age from these last projects located in San Juan territory, nor does its mineralisation correspond to the presence of porphyry intrusions.

7.2.1 Structure

According to the work carried out by Eldorado and Anglo American in the Cerro Verde sector and the existing anomalies in El Chiqui and Don Alvaro, structures through which the hydrothermal fluids circulated and the emplacement of the intrusives are preferentially controlled with NW-NW, NE-NNE N-S direction, and in a subordinate E-W way.

However, direct analysis of satellite images shows prominent NE-SW lineaments cut and segmented by NW-SE structures. The most easterly lineament coincides with the Macho Muerto Ridge (in San Juan); the northwest faults generally end in this large northeast lineament and could be rotated towards that same direction, indicating a sinistral movement of the eastern block.

Another major NE lineament crosses the central sector of the district, which connects the Upper Oligocene-Lower Miocene units with the Upper Eocene-Oligocene sequences.

A third lineament, somewhat more segmented to the west, and probably coincident with the subsidiaries of the Mondaquita Fault to the north and Los Helados Fault to the south, generate a western block that should move north-eastward.

Northwest structures also show eastward displacements in sectors, which could eventually influence the emplacements of hydrothermal systems and subvolcanic intrusive bodies. The large deposits/mining projects in the area are located at these essential northwest or northeast lineaments. Such is the case of Caserones, Anomalies 16 and 14 (El Chiqui and part of Don Álvaro), Josemaría, Los Helados, Filo del Sol and Mogotes.

For the Peñas Negras district, it can be observed that the existing lithological units in the area are in contact by faults, forming a northeast structural corridor, in which the main characteristic is that it only affects the Eocene-Oligocene volcanic units. These structures contact the Permo-Triassic basement to the west and the Lower to Middle Miocene units to the east. Two structural styles can be observed in the area, described as the Northern Segment and Southern Segment. The first one is located between the Quebradas del Arroyo Pucha Pucha-Punta Negra, and the second one is located between the Quebradas Punta Negra and Río Blanco.

7.2.2 Lithology

The bedrock of the mineralising porphyritic bodies is the Permo-Triassic basement (called Choiyoi Group). There are several examples of hydrothermal systems developed in this type of basement, such as the Josemaría Project, Anomaly 18 (Sillimanite/El Potro), Los Helados and Caserones, these last two are on the Chilean side. Josemaría it is partially covered by volcanic/sedimentary sequences, which start with a hematitic basal conglomerate (red bed) followed by sandstone sequences. This conglomerate is characterised by mainly altered rhyolitic volcanic rocks clasts, and in some cases, with quartz veinlets Type A (Sillitoe, 2019). In the sector of Anomaly 14, Cateo El Chiqui and Minas Cristian I-II, layers of conglomerates and sandstones have been observed similar to those described above. These, according to their position and degree of alteration, could serve as a prospective guide to vector surface evidence and determine the proximity of hydrothermal systems. With doubt, they can be considered comparable to those described in the Josemaría Project.

Surface mapping, drilling and petrographic descriptions made on samples obtained at Mina Cristian I describe rocks of andesitic composition, andesites and dacitic volcanic breccias intruded by dioritic dyke-like bodies (Zamorano, 2010; Cornejo, 2010). According to the description of drill samples prepared by Minera Eldorado as well as surface samples, volcanic rocks of dacitic composition, lithic tuffs, lapilli tuffs, crystalline tuffs, volcanic breccias, dacites and porphyritic andesites are described for the El Chiqui sector, the latter located in the peripheries of the area drilled. All of the above have been intruded by bodies of dacitic and dioritic composition. The description of the altered lithological units in La Ollita covered by the Cateo El Chiqui coincides with acid volcanic units of the Eocene-Oligocene. At the same time, the rocks in the Cristian I-II could belong to the volcanism of the Lower to Middle Miocene, given their compositional characteristics and partial development of the alteration.

7.2.3 Radiometric Ages

Radiometric studies in the Maricunga Belt define six discrete magmatic events, between 26 Ma and 5 Ma. The periods between 25 Ma to 20 Ma and 17 Ma to 11 Ma are related to hydrothermal alteration and precious metals mineralisation, which are associated with multiple complexes of dacitic domes or auriferous or cupro-auriferous porphyries located in very high subvolcanic levels (Mpodozis and Kay, 1995).

The radiometric ages from the Peñas Negras district are restricted to those obtained by Anglo American and the studies carried out by the Argentine Geological Mining Service (SEGEMAR). These yield ages of 20.0 ± 0.7 Ma (K/Ar in muscovite-quartz) in samples of the altered Permo-Triassic basement (in the sector of Ángela II and III). A sample of volcanic rocks taken in the Río Tamberías sector (El Chiqui) indicated an age between 36.3 Ma to 34.1 Ma for and a sample of volcanic rock from a sector near the El Dorado camp, in the sector of Cateo El Chiqui also yielded 35.6 Ma (Panteleyev, 2001). The younger ages determined in the samples taken in the Río Tamberías sector (20.2 Ma and 27.3 Ma) are due to the alteration of hornblende to chlorite (Panteleyev, 2001).

Therefore, given the ages obtained, it is interpreted that these studies assign to the volcanic units outcropping in the Cateo El Chiqui (La Ollita hydrothermal system host rock) an Eocene-Oligocene age and to which the subsequent hydrothermal activity is linked. In contrast, the hydrothermal system would have acted in the Ángela II-III sectors in the Lower Miocene.

7.2.4 Alteration and Mineralisation

In the Project in general, argillic, advanced argillic and propylitic alterations are mainly identified. At depth, evidenced by drilling, the rocks are affected in some cases, by silicification and phyllic alteration (sericite-chlorite±quartz-tourmaline), accompanied by veinlets of banded/smoky quartz "Maricunga type," quartz-pyrite, quartz-magnetite, magnetite, and milky quartz, in addition to limonite-jarosite and clays in oxidation zones. According to Eldorado's report, the potassic alteration was identified in Anomaly 14 -Sector La Peña- (today part of the Cateo Don Álvaro) and Ritsuko, represented by the presence of secondary biotite and potassium feldspar. In Anomaly 16, the potassic alteration is described with doubts towards the end of the drill holes in the form of patches by an overprinting phyllic alteration.

Following Gustavson and Hunt's classification (1975), Type D veinlets associated with the quartz-sericite alteration were identified in the sector of the Ángela II-III, El Chiqui and C° Verde (Cristian I-II properties), while in the Cristian I area, Type B veinlets were identified, which do not exceed 5% and 2% in volume, respectively.

According to the ages defined in the radiometric studies on volcanic rocks and alteration, in the sector of El Chiqui and Ángela II-III, they conclude that possibly these hydrothermal systems worked with different lithostatic and hydrostatic pressures than those that acted in the Josemaría deposit, thus explaining the presence of dark grey banded quartz veinlets sometimes denominated as "Maricunga type". Studies of deposits belonging to the Maricunga Belt explain that the banded quartz veinlets are formed after the A-type veinlets. In addition, the dark grey colour is due to the high density of fluid inclusions rich in steam and magnetite grains. Studies of fluid inclusions in banded veinlets indicate formation temperatures of 350°C and pressures of 20 bar and 150 bar, interpreting depths of 0.20 km to 1.50 km. In this same work, it is proposed that the formation of these veins occurs by flashes due to abrupt decompression from lithostatic to hydrostatic pressure at depths (Muntean and Einaudi, 2000).

The mineralisation occurrence is described as disseminated and veinlets, probably caused by multiphase porphyry intrusion (pre, syn and post-mineral) of dacitic and dioritic composition bodies, according to the contribution and linkage to mineralisation. In the Cateos El Chiqui and Don Álvaro case, there is no necessary information to know the percentage by volume of veinlets, while these do not exceed the Cristian I and Ángela II-III sectors of 5%.

7.2.5 Property Geology – Cerro Verde

The Cerro Verde prospect is conformed for the anomalies: (Cristian I-II-III and Ángela II-III) and presents characteristics similar to porphyry copper-gold systems, with alteration zoning and overprinting relationships. Field observations include early alteration of plagioclase with variable intensity overprinting of the argillic, advanced argillic and sericite alterations, whose geometry and mineral association evidence epizonal-type sites with a low level of erosion.

In the northern sector, alteration events are observed that are overprinting in the early alteration. The lithological units are affected by an overprinting of a weak argillic alteration in the southern sector.

7.2.5.1 Structure

Structures characterise the sector with northeast and northwest directions and subordinately with E-W orientations. This configuration is due to the reactivation of old northeast structures (Triassic rift) and the generation of tectonic pillars in the Miocene. The works carried out by Anglo American determined that the northwest directions were responsible for the emplacement of the subvolcanic bodies related to the mineralisation. On the other hand, the abrupt exposure of the outcrops of the Permo-Triassic located in the northern sector of the Project also responds to northwest lineaments.

7.2.5.2 Lithology

In the area, pre-mineral units correspond to volcanic sequences of rhyolitic and dacitic composition belonging to the Choiyoi Group (Permo-Triassic). This volcanic complex is intruded by the granite of the Carnerito Formation (Permo-Triassic), widely distributed in Ángela II-III concessions. Covering the above are andesitic and dacitic volcanic rocks, volcanic agglomerates, and lithic tuffs of the same composition and volcarenites(?), of the Doña Ana Formation (Oligocene-Lower Miocene).

The rocks of the Choiyoi Group present porphyritic, fluid, and aphanitic textures; the phenocrysts are mainly composed of plagioclase, potassium feldspar and quartz eyes. The groundmass has a felsitic, microfelsitic and hyalopylitic aspect. These rocks outcrop mainly in the northern sector of the Project (Ángela III). The granitic unit of the Carnerito Formation is characterised by fine and thick facies of reddish and pinkish tones, with phaneritic and porphyritic textures. This granitic unit covers about 80% of the outcrops in the sector of Ángela II and III.

The outcrops of the Doña Ana Formation correspond to volcanic rocks of dark grey, purple, and greenish colours, with porphyritic, aphanitic, brecciated and fluid textures, with porphyritic, aphanitic, brecciated phenocrysts of plagioclase, pyroxenes, biotites, amphiboles and in a subordinate form, quartz eyes in the most acidic specimens. Outcrops of these lithological units dominate in the Cristian I-II-III concessions and are observed in a very discrete form in Ángela III with total absence in Ángela II.

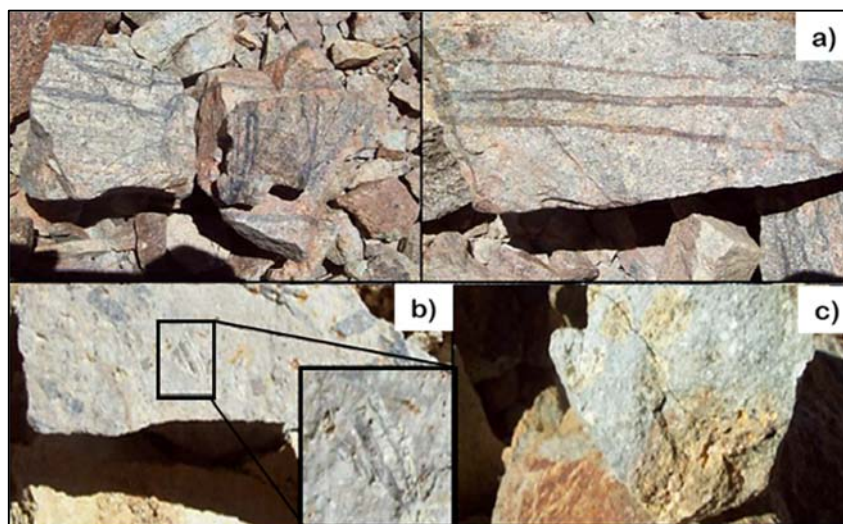
The inter-mineral units are related to a series of tabular subvolcanic bodies of dacite, andesite, diorite, quartz diorite and fine quartz microdiorite units, composed of plagioclase phenocrysts, pyroxenes, amphiboles, biotites and quartz eyes. The groundmass has a felsic, hypidiomorphic texture and intergranular and inequigranular aggregates, with flow features and phenocryst orientation. These dyke-like bodies are emplaced in structures of variable N20°-50°W orientation with 70°SW of metric to decimetric thicknesses. This complex was accompanied

by late-magmatic episodes, developing veinlets with copper and gold contents, giving rise to porphyry-type systems.

A second group is related to brecciated units originated by the emplacement of subvolcanic bodies, elongated along with the contacts of the dykes. The composition of the fragments is related to the time of emplacement. In some cases, breccias have been observed with 100% volcanic rock fragments belonging to the till with minor mineralisation of disseminated chalcopyrite. In other cases, fragments corresponding to subvolcanic units or volcanic rocks, sometimes with quartz-magnetite and magnetite veinlets. This type of breccia is observed in the central sector of the Cristian I, with thicknesses that are not greater than 4 m (Figure 7.5).

Figure 7.5: Photographs of Rocks from the Cerro Verde Property

- a) Volcanic rock with quartz-magnetite sheeted veinlets;
- b) Hydrothermal breccia with quartz veinlets in fragments;
- c) Hydrothermal breccia with argillised fragments



Source: Photographs taken from the Anglo American Report, 2010.

The post-mineral units have similar characteristics to the inter-mineral dykes concerning composition and strengths, and they do not show veinlets nor mineralisation. They have a northwest preferential orientation and outcrop within the Cristian II concession.

Another unit considered post-mineral corresponds to rock dust breccias, polymict matrix-supported type with granite and rhyolite fragments. It should be noted that this type of structure sub-branch along northeast structures with thicknesses less than 3 m. They are observed in the sector of Ángela.

The unconsolidated deposits correspond to alluvial, colluvial deposits that cover 85% of the Project. From a granulometric point of view, they correspond to different-sized rocks (less than 25 cm), and their composition is directly related to the existing units in the sector, located on slopes and valley bottoms.

7.2.5.3 Alteration

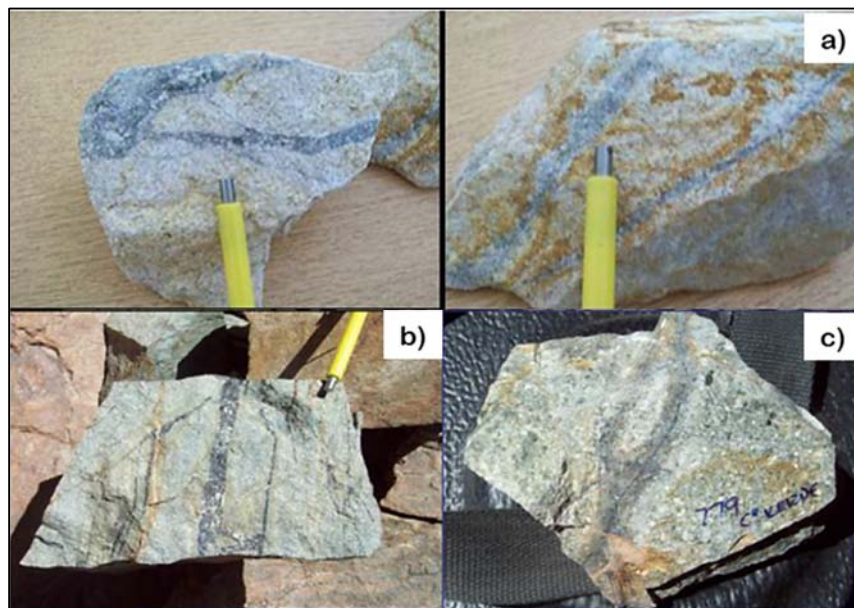
In the Cerro Verde Norte sector, the argillic alteration affects almost the entire granitic unit existing in the northern sector of the Project. This mineralogical association is defined by smectite-montmorillonite-kaolinite/goethite of moderate to weak intensity.

Advanced argillic alteration is evidenced by quartz-alunite-pyrophyllite/jarosite-goethite affecting the upper part of the hydrothermal system. There are also quartz-chalcedony black-banded Maricunga type and quartz-pyrite (chalcopyrite) veinlets observed in subparallel and multidirectional arrangements. The quartz-alunite-jarosite association is also recognised in the area, constituting a lithocap type structure. The sericitic alteration is represented by sericite-illite-tourmaline associated with a rock dust breccia and discretely affects the granite and volcanic rocks existing in the sector. Some Type D veinlets were observed in outcrops within the alteration zone.

In the Cristian I-II sectors, the sub-volcanic and volcanic units are affected by silica-biotite and chlorite-epidote alteration, associated with quartz-magnetite±K-feldspar and granular magnetite-epidote veinlets in stockworks and sub-parallel arrangements, the latter in contact zones, characteristic of tabular bodies of epizonal emplacement. The contact relationship of the veinlets shows that the magnetite veinlets cut the quartz veinlets (Figure 7.6).

Figure 7.6: Photographs of Rocks from the Cerro Verde Property

- a) Cerro Verde Norte sector volcanic rock with D-type quartz-sericite veinlets;
- b) Sheeted magnetite veinlets;
- c) Sinuous magnetite veinlets with fine magnetite halo.



Source: Photographs taken from the Anglo American Report, 2010.

The argillic alteration corresponds to smectite-montmorillonite-kaolinite/goethite mineral association of moderate to weak intensity and affects andesitic volcanic units.

In this sector, there are milky quartz veinlet-like structures east of the zone of the inter-mineral sub-volcanic units with an irregular distribution. They are NNW oriented veins with thicknesses up to 25 cm, and an unconsolidated material cover does not determine its length. The rock that contains them is affected by a discrete halo of clays.

7.2.5.4 Mineralisation

In the Ángela II-III sectors analysis of surface samples yielded anomalous values for copper, gold, silver, and molybdenum in the central sector of the hydrothermal alteration zone. The anomalous values coincide with zones of quartz-magnetite-pyrite-chalcopyrite and black banded Maricunga-type quartz-chalcedony veinlets.

In the eastern sector of the alteration zone creek anomalous values of copper, lead, zinc, silver, and gold were reported. In general, high concentrations are distributed in the lower elevations valley, aligned to the line of the existing riverbed in the area. In the case of gold, they are distributed in the middle part of the northern slope of the creek.

In the southern sector of the Ángela properties, outside the creek and alteration zone, anomalous values of silver, gold, copper, lead, and zinc were obtained. The distribution of the high values does not follow a defined pattern.

During the first field campaigns in the Cristian properties sector, 259 samples of mainly rock type, stream sediments, slope and water were collected. Anomalous values were obtained for gold, copper, and silver. Anomalous values are generally associated with quartz-chalcopyrite and magnetite-chalcopyrite veinlets in the sector where the intermineral subvolcanic bodies outcrop, affected by the chlorite-magnetite alteration with the alteration of chlorite silica-potassium feldspar concentrations.

The highest anomalous value in gold corresponds to 3.90 ppm and is related to a sample collected on the milky quartz veinlet, located east of the zone where the inter-mineral bodies outcrop. Minor gold anomalies (0.13, 0.20 and 0.31 ppm) were identified to the east and southeast of the sector where the dioritic/quartz dioritic dykes outcrop, these samples could be linked to argillic alteration zones, outcrops of quartz veinlets, or mineralised dykes not identified in these works.

In the Cristian I-II-III sectors, from the geochemistry work developed by Eldorado, Trench 1 (Tr1) sampling along a 90 m section showed an average value of 0.15 ppm of gold and another 30 m section yielded an average grade of 0.15 Au ppm. In these sections copper averages 600 ppm. Anomalies for molybdenum vary between 10 Mo ppm to 50 Mo ppm and for zinc between 300 Zn ppm and 700 Zn ppm.

In Trench 2 (Tr2), a 65 m section stands out with an average value of 0.16 Au ppm. Copper associated with this section averaged 900 ppm and Mo averaged 32 ppm.

A sampling at Access1 yielded an average Au value of 0.26 ppm. Cu averaged 0.10% over the same interval, Mo 30 ppm and anomalous Te values.

7.2.6 Property Geology – El Chiqui

The El Chiqui prospect is conformed for the anomalies: La Ollita; La Ollita Central Zone; Tamberías; Crown Property; Telluride Zone; La Peña and El Solitario.

The Eldorado's exploration work for this sector identified an epithermal system of Au-Ag±As±Sb±Te, at surface levels as defined in the central sector.

In-depth and in the central-west sector, the characteristics were associated with a porphyry copper system represented by the association of Cu-Au±Mo.

7.2.6.1 Structure

It is concluded that the structure for this zone follows the general guidelines for the whole area of the Peñas Negras district, where significant faults with northwest direction have generated distensive basins type pull apart oriented towards the northeast. For the anomaly's central sector, the blocks' vertical displacements have generated a graben-type valley covered by thick detrital and glacial material (moraines).

To the southwest of the Tamberías river, circular structures were described that are postulated as possible structures related to calderas, volcanic domes. Intrusive bodies that outcrop in the sector are arranged following these circular lineaments. These characteristics would show isolated dome bodies located in distensive structures, reaching superficial levels in the crust, related to caldera rims (similar characteristics, defined for the Maricunga Belt). The importance of the east-west and north-south structures in the implication emplacement intrusive bodies are also mentioned.

For the SE areas of Cateo El Chiqui, the structures follow NNW, NNE, WNW and N-S, sub-vertical directions.

7.2.6.2 Lithology

In the El Chiqui sector, there are lithological units of the so-called Doña Ana Formation, consisting mainly of volcanic and volcanoclastic rocks of andesitic and dacitic composition. These Eocene-Oligocene volcanites have at the base a polymictic conglomerate of rounded to sub-rounded clasts of silica, volcanic rocks and Triassic granitoids. On top, there are brecciated sequences and acid tuffs, the central unit, which is characterised by alteration and mineralisation. All these volcanic units are intruded by porphyritic bodies, dyke-like, of dacitic and even dioritic composition.

Another area explored within cateo El Chiqui corresponds to the ex-Solitario 23 located to the SE of the primary system of La Ollita. There is intercalation of sedimentary and volcanic sequences in the area, outcropping in the base conglomerate levels and volcanic agglomerates. Over them, there are andesite sequences with a marked porphyritic texture correlated with the unit described in the northern zone of Ritsuko. Then, continuing with the succession, towards the roof, tuffs of dacitic composition outcrop NW and gently dipping (20°SE), further up another level of volcanic agglomerate, but with a different structural position to the dacitic tuffs, which would indicate a fault contact.

7.2.6.3 Alteration

The volcanoclastic units, breccias, tuffs and lapilli tuffs, corresponding to the Doña Ana Formation are the rocks with the best aptitude to host alteration and mineralisation since their higher permeability and porosity favour the circulation of hydrothermal fluids.

In general terms, clear zoning of the alterations present in the area is described, with an argillised and silicified centre surrounded by propylitic alteration. In the El Chiqui sector, the illite-sericite-kaolinite-pyrite association is the most extensive alteration in the area.

Silicification is associated with zones of more significant fracturing in a pervasive form in this central sector.

The propylitic alteration affects the sequences of the volcanoclastic units of the basic composition, with variable intensities from weakly moderate to moderate/intense in porphyritic bodies present in the area. It is characterised by chlorite-epidote-magnetite-calcite-gypsum association.

Mapping and sampling in the ex-Solitario 23 area trenches describe argillic alteration and pervasive silicification, associated with smoky quartz veinlets, ocherous quartz (vuggy type), quartz-jarosite veinlets and milky white quartz veinlets, in addition, presence of iron oxides (hematite-goethite). The propylitic alteration weakly affects the host rock and is developed on dacitic porphyry and andesitic tuff (Figure 7.7).

In Crown Property B, strong silicification and moderate argillic alteration are described as associated with veinlets of smoky quartz and grey quartz plus jarosite-goethite-hematite, developed in dacitic porphyry and intrusion breccia of dacitic composition.

Figure 7.7: Photograph taken from the Regional Camp South of the Solitario 23-I Sector (El Chiqui)



Source: Barton, 2021.

Note: At the centre-left is an altered zone with solid structural control, grey quartz veinlet and the presence of possible sulphides with the brecciated-argillised dacitic host rock.

7.2.6.4 Mineralisation

According to the results of the soil geochemistry work carried out by Eldorado in the 1996-1997 season, for the El Chiqui sector, two anomalous gold areas were defined. The first one, developed in an area of 1,000 m by 400 m, with values over 0.10 Au ppm and point values of 0.43 Au ppm, 0.43 Au ppm and 0.57 Au ppm.

The second anomalous sector corresponds to 900 m by 150 m, with values above 0.20 ppb. These anomalies occur in the context of volcanic rocks of andesitic and dacitic composition, volcanic breccias, tuffaceous and lapillitic levels, intruded by porphyritic bodies of dacitic composition, in general, associated to a moderate to intense silicic/argillic alteration with the

development of silica-jarosite-magnetite veinlets. They postulate these sectors like the ones that show on the surface the circulation of mineralising hydrothermal fluids.

For Cu, the values exceed 400 ppm and are correlated with the Au values. In addition, they are coincident with the sectors mentioned above. Zinc is another distinctive element, with values between 200 ppm and 500 ppm, distributed in a halo around the two zones considered.

Trench geochemistry showed Au values between 0.50 ppm to 1 ppm, associated with Te (between 20 ppm to 100 ppm), Ag (between 10 to 200 ppm), Pb (between 0.80% to 1.00%), high As values (between 200 ppm to 1,000 ppm) and with an average value above 100 ppm. These values are associated with quartz-jarosite-hematite veinlets.

From the geochemical analysis, it was defined that the mineralisation occurred in different events or mineralisation pulses. According to the different paragenetic associations, three well-differentiated events are inferred:

- Au-Te±Ag±Pb±As;
- Au-As±Sb±Pb; and,
- As-Pb±Sb±Ag.

For the E sector of the second anomaly covered by the cateo El Chiqui and partially by the cateo Isidoro, the Trench 1 (Tr1) yielded average gold values of 0.32 Au ppm, with 6.60 Ag ppm, Pb 0.10%, and with anomalous As values.

High gold values are associate with the interface of silicic and phyllic alterations±silicified areas with the development of grey-dark to black quartz bands±microcrystalline veinlets.

It should be noted that the drillings carried out in the central area of El Chiqui ended in phyllic alteration±pervasive silicification, with relicts of potassic alteration (biotite), suggesting that the potassic nucleus was being reached in-depth.

Geological observations support the interpretation of a mineralised system in its entirety represented by a telescopic porphyry-epithermal system, with multiple intrusions and veinlets centres and small breccias, thus combining aspects of both types of deposits.

Another highly prospective sector of El Chiqui is in the west and southwest. Sector showing anomalous values of Au-Cu±Mo. Some porphyry-type processes are emerging to the surface in some specific sectors.

7.2.7 Property Geology – Ritsuko

7.2.7.1 Structure

In the area covered by the Ritsuko, circular volcanic caldera-type structures are observed in the area, characterised by a central depression, and elevated rims, as well as the presence of a domic body located along a mega-trace of NNW-SSE orientation (Figure 7.8).

Figure 7.8: Photograph of the Rhyodacite Domic Body on the SSW Rim of the so-called Ritsuko Caldera (The accesses built for continuous rock sampling are observed)



Source: Barton, 2021.

7.2.7.2 Lithology

It consists of andesitic to basandesite flows belonging to the Veladero-Lavas de Pircas Negras Formation in the circular structure's central and outer rim sectors. For the internal borders, the geological units present are composed of tuffs and collapse breccias of rhyodacitic to dacitic composition, assigned with doubts to the Cerro Tórtolas Formation.

7.2.7.3 Alteration

The potassic alteration affects the outcropping domic body at the SSW edge of the circular structure and subvolcanic bodies observed at the NE end of the caldera. This alteration is characterised by secondary biotite and K-feldspar. The propylitic alteration is defined by chlorite-epidote-opaline quartz and pyrite association, affecting intermediate to basic composition lava levels. The argillic alteration is represented by kaolinite-sericite, quartz and alunite in subordinate form and affects the sector's volcanoclastic rocks. Silicification is restricted to the subvolcanic bodies, affecting them pervasively and in fractures.

Iron oxides were observed with hematite and limonite associated with veinlets in sectors affected by argillic alteration, while the goethite was associated with the brecciated bodies and jarosite to the central dome accompanying the grey quartz veinlets. Native sulphur is observed in the tuffaceous units and lava bodies and realgar mainly associated with lava levels located to the SSE of the dacitic dome. The presence of these minerals suggests superficial levels of the epithermal system.

7.2.7.4 Mineralisation

According to the surface geochemistry work results, trench and access work are described over dacitic breccias, dacitic porphyries, fault breccias and tuffaceous levels, associated with moderate to intense levels of silicification and moderate argillisation related to structures, in addition to quartz veinlets, quartz-jarosite-iron oxides±carbonates and gypsum. In general, no anomalous gold values were obtained, except for a 3 m section of 6.80 ppm in the trench IIA (Tr IIA), highlighted with values between 100 ppm to 300 ppm and zinc with values fluctuating between 400 ppm to 720 ppm, with maximums of 1,000 ppm. In the sampled accesses, the works carried out showed maximum values of 1.70 ppm and 1.30 ppm of gold with averages >0.12 ppm, correlated with arsenic. The veinlets in this sector are oriented to the northwest.

7.2.8 Property Geology – Caserones

7.2.8.1 Structure

In the Caserones prospect, a series of volcanic rocks belonging to the Permo-Triassic volcanic event is developed, intruded by small porphyry outcrops of probable Tertiary age (Miocene?). The whole is controlled by transpressive tectonics originating horst and graben systems, delimited by high-angle reverse faults, making a good stratigraphic correlation very difficult. In general, in the easternmost blocks, the volcanic sequence is better preserved.

NW-SE structures have slid the bodies concerning each other; this is evidenced by analysing the dismemberment of the Palaeozoic blocks. A mega-structure of NW-ESE orientation crosses the anomaly, delimits the central sector to the south, causes a series of small, brecciated bodies and extends towards the E-SE forms Quebrada de Pucha-Pucha. With NE-SW direction, extensional fracturing lifted the western blocks and aligned the central dacitic bodies (lava flows and porphyries), which have the greatest argillic and partly silicic alteration in the area.

7.2.8.2 Lithology

The oldest rocks are rhyolitic lavas of reddish-brown composition with flow textures, medium-grain, quartz phenocrysts, potassium feldspar and plagioclase in a moderately silicified felsic paste. In a concordant way, it overlies in net contact, a volcanoclastic sequence 60 m to 80 m thick, with greenish tones, mesosilicic composition, integrated by andesitic volcanic flows and breccias that towards the top passes to lenticular bodies (lava flows) 2 m to 5 m thick strongly magnetic of basandesitic composition.

The series again passes to acid volcanism, represented by ignimbritic breccias and powerful banks of much silicified rhyolitic ignimbrites, stratiform. The different levels are between 10 cm to 50 cm thick, and it represents the most significant areal extension of outcrops in the area with a predominant trend is between N 10° to N 20° and a dip of 30° to 40° to the E and SE. In the western blocks, levels of volcanic agglomerates with a varied thickness (10 m to >50 m) were identified discontinuously, covering the older units and andesitic flows and breccias. The agglomerate is polymict, subrounded clasts and blocks of volcanic rocks in a sand-sized volcanic matrix of rhyolitic composition. No correlation with ignimbritic banks is observed.

There are also dacitic porphyry bodies (rhyodacitic), as "fingers" and thin dykes are arranged intruding, especially in previous sequences. These small bodies, which outcrop in the central sector of the area, are oriented in a sub-meridional direction. They show a substantial variation in texture; in some sectors, they are coarse-grained, formed by plagioclase and quartz in a silicified matrix with fine dissemination of hematite. In others, the texture is obliterated by a solid siliceous alteration.

Along the property's western edge, discontinuous outcrops of greenish-grey, fine-grained, moderately magnetic, rhyolitic to rhyodacitic, quartz, plagioclase and mafic (biotite) lavas in a siliceous paste appear at the top of the sequence. The stratigraphic sequence is intruded by a series of parallel post-mineral, N-S and NNE-SSW-trending dykes of andesitic composition. Thicknesses vary from a few meters to 10 m, covered in parts by colluvial deposits that mask the rocks. Finally, the presence of porphyry of dacitic composition with the development of large amphibole crystals is worth mentioning, which is interpreted as post-mineral. It outcrops in the form of seams with thicknesses up to 100 m regionally oriented N 10°/20°W.

7.2.8.3 Alteration

Silicification is the dominant alteration, subordinating the argillic and locally a weak phyllic alteration. The propylitic alteration dominates in rocks of intermediate composition and generally occurs at the edges of the area. It manifests itself both pervasively and as a selective replacement, mainly affecting the dacitic porphyry, which in some sectors is converted into a mass of silica and is associated with fine dissemination of hematite (0.20-10%). The alteration is intense in the northern sector of the body, where it almost wholly obliterates the textures.

The alteration is intense in the volcanic agglomerate levels involving clasts and matrices between the north-central and south-central gullies. In general, it affects the rocks at the edges of the porphyry, especially the matrix of those. A low-temperature silica filling fracture or diclases, chalcedonic type, was identified, forming small geodes±druses.

The argillic alteration is, in general, subordinated to silicification. In the outcrops north of Sur creek and the rhyolitic lavas levels, the feldspar phenocrysts, plagioclase, and the matrix are affected in a semi-pervasive form represented by the kaolinite±silica association. It also affects the volcanic agglomerate deposits, with variable intensity, being more evident in the areas of more significant fracturing, wherein some specific sectors appear as a product of gas leaks. The phyllic alteration has a weak to moderate intensity, represented by the quartz±sericite association, only observed in the low topographic levels of the volcanic agglomerate, always outcropping in the contacts with the dacitic porphyry (Figure 7.9).

Figure 7.9: Photograph Close to the Outcrop of the Dacitic Porphyry with Intense Silicification and Reddish Hematite Stain



Source: Barton, 2020.

The propylitic alteration is preferentially found on rocks of andesitic composition and is characterised by the association chlorite±clay±epidote±quartz of greenish-grey colour, arranged in veinlets or the form of massive replacement of the rocky matrix.

7.2.8.4 Mineralisation

In the rocks peripheral to the dacitic porphyry in the southern sector, veinlets (170°/80°) 1 to 2 cm thick filled with white silica±epidote±boxworks with jarosite are observed, also in the eastern sector, in the rhyolitic flows, but in this case with different directions. Hematite and limonite with the weak presence of jarosite stains accompany the most altered sectors of the area. They are sometimes found filling cavities left by possible oxidation of ferromagnesian minerals or perhaps sulphides.

The mineralisation observed in the dacitic porphyry is restricted to the presence of iron oxides (jarosite) and fine dissemination of hematite that in the head of Centro creek reaches approximately 10% of the volume of the outcropping rock. Dark-grey quartz veinlets partly with oxidised edges and locally somewhat magnetic are present in this sector, both in the porphyry and in the rhyolitic till, constituting a kind of open stockwork, with fine veinlets up to 0.5 cm thick.

According to the geochemistry works in samples of rock chips taken in the dacitic porphyry, they showed low values in Au (50 ppm); this sample is located in a sector with the presence of hematite and jarosite associated with grey quartz veinlets. Weakly anomalous Mo values above ten ppm were detected associated with the porphyry.

The grab samples collected on the fine veinlets found in the porphyry outcrops do not exceed 0.01 Au ppm in any case. The rock generally shows fine veinlets±stains of jarosite possibly

coming from the leaching of primary sulphides, corroborated by observing a weak to moderate dissemination of box works with indigenous limonite.

The rhyolite bank outcropping on the right margin of Sur creek shows a moderate quartz-hematite stockwork. Two rock chip samples were taken at the site and yielded low gold (> 0.012 Au ppm) and copper (> 15 Cu ppm) values, respectively, as well as a value >10 ppm Mo. Over 26 rock chip samples, the highest Cu value with 66 ppm corresponded to a sample with intense limonitisation (about 60 m average) represented by sectors with dissemination and veinlets with hematite. Four slope lines (of the "contour line" type) were made and sampled, located in slopes corresponding to Sur and Centro Sur creeks and two lines in the Centro Norte, separated by sampling every 50 and 100 m. A total of 46 soil samples (slope) were obtained. Most of the results for Au in soil samples are < 0.02 ppm. The Cu values oscillate approximately between 35 ppm with some maximum to 50 ppm, and that according to the considered ranges would be found marking moderate anomalous sectors.

7.2.9 Summary Geology Properties

The main geological characteristics of the properties in the Peñas Negras Project are summarised in Table 7.2.

Table 7.2: Summary of the Main Geological Characteristics of the Properties in the Project

Concession Name	Prospect Name	Level of Erosion	Intrusion Composition	Host Rocks	Type Alteration	Mineralisation Style	Vein-Veinlet of Mineralisation	Deposit Types	Structural Control
Cristian I	Cerro Verde (North and South)	Low-Intermediate	Dacite, diorite, quartz diorite.	Rhyolitic-dacitic (Permo-Triassic), intruded by granite Carerito Fm. Andesitic-dacitic volcanic rocks, volcanic agglomerates, and lithic tuffs (Oligocene-Lower Miocene).	Intermediate argillic, advanced argillic, quartz-sericite	stockworks-veinlets±breccia	Veinlets quartz-magnetite-pyrite-chalcopyrite and black banded quartz-chalcedony. Veinlets Type B and D.	Porphyry (Cu-Au±Mo)	NE and NW directions, and subordinate with E-W orientations
Cristian II								High Sulphidation (Cu-Au±Ag±Mo)	
Cristian III									
Angela II									
Angela III									
Elchiqui Isidoro	El Chiqui	Low	Dacite, diorite,	Rocks andesitic and dacitic (Eocene-Oligocene) in base Triassic granitoids. On top, brecciated sequences and acid tuffs. All these volcanic units are intruded by porphyritic bodies dacitic-dioritic.	Argillic-Silicification	stockworks-veinlets±breccias	Smoky quartz veinlets, ocherous quartz (vuggy type), quartz-jarosite veinlets and milky white quartz veinlets.	High Sulphidation (Cu-Au±Ag±Mo)	Faults with NW direction have generated distensive basins-type pull apart oriented towards the NE.
					Phyllic±Potassic (biotite)		Veinlets centres and small breccias	Porphyry (Cu-Au±Mo)	
Don Alvaro		Low	Dacitic-andesitic	A sequence of tertiary volcanic rocks (lithic tuffs, lapilli tuffs and andesitic-dacitic composition).	Silicification-Potassic (biotite)±Argillic	stockworks-veinlets	stockworks of quartz ± magnetite; silica veinlets ± hematite ± jarosite;	Porphyry (Cu±Au)	North-south, predominant orientation.
Ritsuko	Ritsuko	Low	Rhyodacitic-dacitic	Andesitic-basandesite flows, tuffs, breccias rhyodacitic-dacitic.	Potassic (biotite-K-feldspar)±Argillic±Silicification	veinlets	Gray quartz veinlets; quartz-jarosite-iron oxides±carbonates, and gypsum veinlets	High Sulphidation (Au±Zn±As)	Domic body located along a mega-trace of NNW-SSE orientation.
Caserones	Caserones	Low	Dacitic	Rhyolitic lavas, andesitic volcanic flows and breccias, ignimbritic breccias, agglomerates (Permo-Triassic)	Silicification-Argillic ±Phyllic	stockworks-veinlets-dissemination	silica±epidote±boxworks with jarosite and dark-grey quartz veinlets	Porphyry Au±Cu±Mo	Mega-structure NW-ESE orientation crosses the anomaly. NE-SW direction, extensional fracturing.

8.0 DEPOSIT TYPES

8.1 METALLOGENESIS

The Maricunga belt to the north is notable for its porphyry Au-Cu systems, and the El Indio belt to the south hosts world-class high sulphidation (HS) epithermal deposits. Historically, the area has been overshadowed by these two high-profile metallogenic belts, partly due to the lack of preservation of extensive Miocene volcanic rocks, which was incorrectly interpreted to reflect a paucity of Miocene mineral deposits. Latterly, the area has proved to be very prospective for porphyry copper-gold and epithermal systems, and subsequent works have shown this to be the case, with the discovery of Josemaría, Filo del Sol and Los Helados deposits with Late Oligocene to Late Miocene ages.

A distinctive feature of the Maricunga belt is the presence of several gold-rich porphyry systems emplaced beneath andesitic stratovolcanoes and related with dioritic to quartz-dioritic porphyritic intrusives and vast hydrothermal alteration zones (Vila and Sillitoe, 1991; Muntean and Einaudi, 2001; Gamonal and Bissig, 2019; Naranjo et al., 2019).

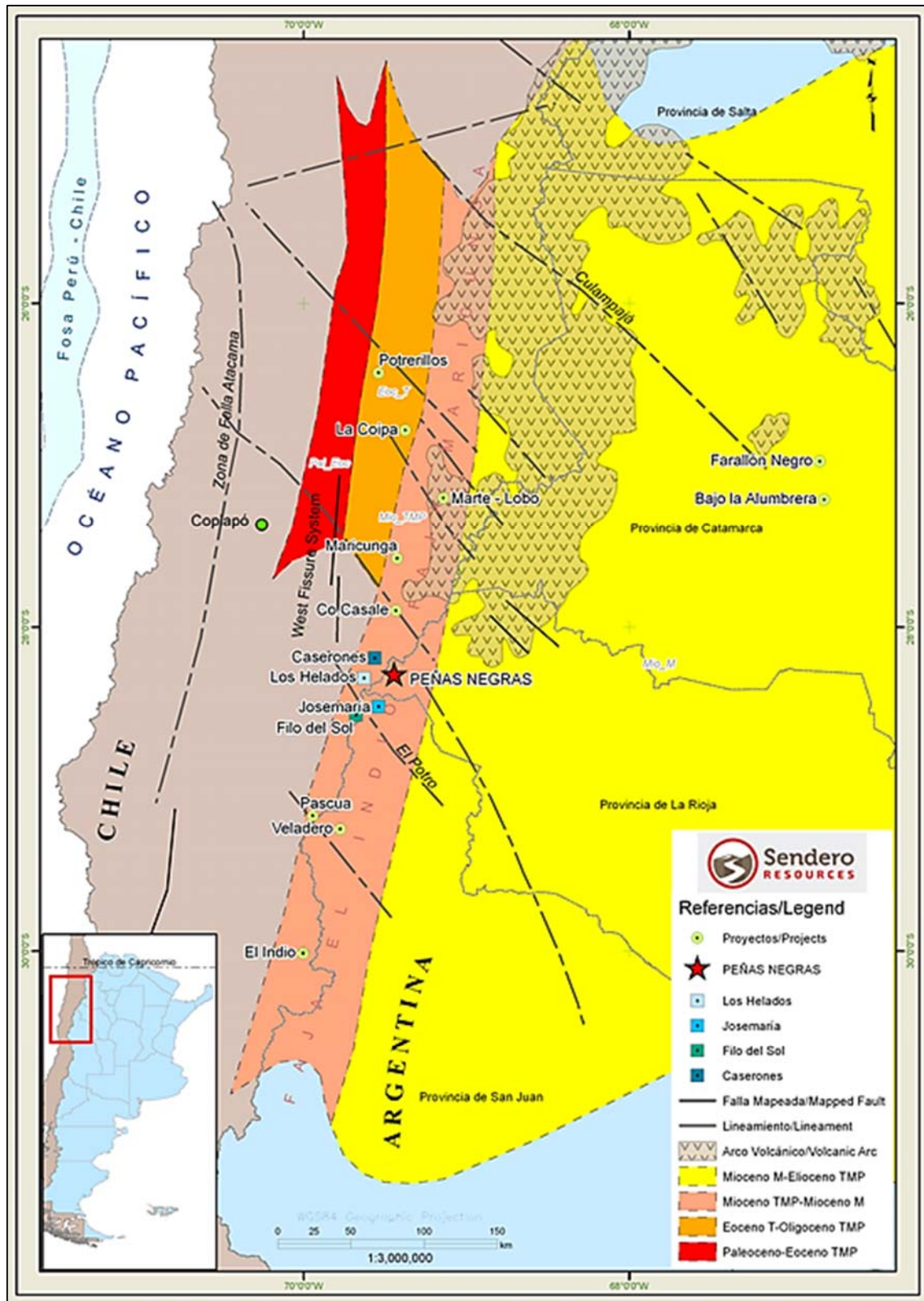
They mainly include gold-(copper) mineralisation in well-developed quartz stockwork. Iron oxides, both early magnetite and late hematite, constitute > 10% of mineralised rocks (Cabello, 2021). The Marte and Lobo deposits are classified as porphyry gold deposits, but Refugio (Maricunga) and Cerro Casale are closer to gold-rich porphyry coppers (Vila and Sillitoe, 1991). A number of those porphyry systems present an overprint of advanced argillic alteration, including quartz-alunite, pyrite, bornite, native sulphur and enargite (Vila, 1991b). An upper advanced argillic alteration is also present. (Sillitoe et al., 2013).

The El Indio belt is a 200-km long near-continuous belt of hydrothermal alteration centres (Maksaev et al., 1984; Siddeley and Araneda, 1990; Bissig et al., 2002) preserved within a north-south graben system, controlled by high angle faults (Nasi et al., 1990). The extended hydrothermally altered zones appear related to porphyritic stocks. Gold mineralisation occurs in various styles: vein systems (El Indio and Sancarrón), fault and hydrothermal breccias (Tambo) and stratabound deposits (Pascua).

In recent times, exploration work carried out has discovered several projects on the Argentine side (Josemaría and Filo del Sol in San Juan, Cerro Delta and Caballos in La Rioja, Valle Ancho north of Catamarca). These discoveries demonstrate the continuity of these metallogenic belts. In general, they are associated with groups of subvolcanic and even domic bodies that generate significant mineralisation in Cu, Cu-Au-Mo, Au-Ag and other minor elements such as As±Sb±Te, among others (Figure 8.1).

These porphyry systems are found in intrusive belts associated with magmatism generated by subduction and whose formation is due to the interaction of the Nazca Plate that subducts under the South American Plate, generating significant volumes of ascending magmas below the retroarc volcanic systems. It produces sectors of alteration in the surrounding rocks and the location of epizonal-type porphyry bodies (close to the surface) and associated domic bodies, whose hot and partially acidic fluids generate large zones of alteration (visible as strong colour anomalies in satellite images).

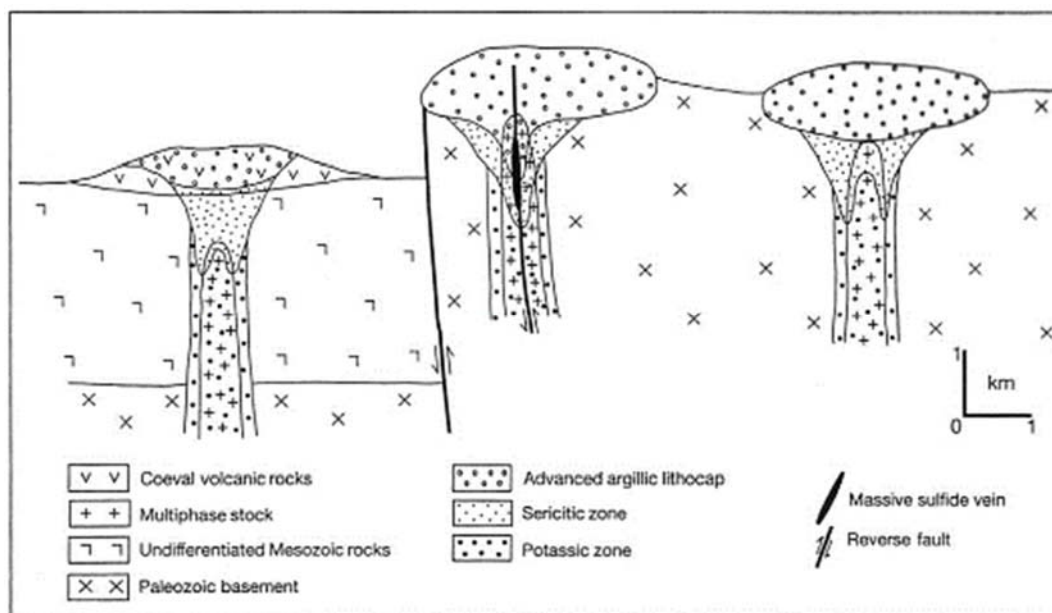
**Figure 8.1: Regional Location of the Peñas Negras Project
in the context of Metallogenic Belts of the Central Andes**



Source: Sendero Resources Corp., 2021. Modified from Sillitoe and Perelló, 2005.

The overall alteration-mineralisation architecture is heavily dependent on the structural setting and degree of telescoping of Andean porphyry Cu systems. These factors vary between structural blocks due to stress partitioning and do not appear to be constant throughout entire segments of a metallogenic belt. The vertical alteration-mineralisation sequence tends to be highly telescoped with appreciable overprinting and mineralogic reconstitution of earlier and deeper zones during younger and shallower hydrothermal events. The overprint geometry, especially the form and position of the sericitic and deep parts of advanced argillic zones, is highly influenced by faults active during deposit genesis (Sillitoe and Perelló, 2005) (Figure 8.2).

Figure 8.2: Schematic Section Showing Typical Alteration Zoning and Degrees of Telescoping in Andean Porphyry Copper Deposits



Source: Modified from Sillitoe and Perelló, 2005.

Note: The telescoped deposits in the uplifted fault block, contrasting with the lack of telescoping in the deposit beyond it, where coeval volcanism is well developed. The telescoping in the uplifted block varies from strongly to non-fault controlled. The proximity of the deposits is not necessarily implied.

8.2 GEOLOGICAL AND GENETIC MODELS

During the Upper Oligocene-Lower Miocene bodies mainly of dacitic composition and, to a lesser extent, dioritic-quartz dioritic were located on the middle and the basal portion of the Doña Ana Formation developing Au-Cu porphyry systems characterised by an immediate hydrothermal alteration in its dome and a strong presence of native gold associated with Cu and As minerals.

Subsequent compressive tectonics produces the folding of the units, their fracturing and brecciation. In the consequent distention period, the volcanic activity is restarted, and through the created ducts, an epithermal system related to small dacitic stocks is developed.

The faulty conjugated systems in the region result from horizontal movements (strike-slip) produced in Argentina's Cordillera Frontal region. It is a tectonically favourable sequence, which covers a wide area of approximately 100 km in length and with variable width between

20 km and 30 km. There are many intrusive likely syntectonic, shallow deposits associated with a chain of currently dormant volcanic elements. The area has a strong N 25 E orientation and would correspond to a traversing field between large W-NW structures, reactivated repeatedly by the different phases of Andean tectonics.

In the Peñas Negras district, the tectonic framework is a series of normal north-south orientation faults that cut volcanic sequences in various sectors, as well as high-angle reverse faults that are bordering and partially limiting the basement rocks. These are previous to the Andean tectonics episode, and they have been reactivated with greater or lesser intensity during this period. The area was under a sequence of plutonic-Cenozoic volcanic events that were closely similar to the metallogenetic conditions of the Maricunga and El Indio gold belts.

At this stage, a robust quartz-sericite alteration is over-imposed to the original potassium alteration, and there is a development of advanced argillic alteration at sub-surface levels. Epithermal fluids circulated through fractures and breccias deposited electrum alongside Cu, Pb, Zn, As, Sb, Te, and Bi minerals. Stormwater probably intervenes, by cooling, the epithermal deposition. They are undoubtedly related to the presence of supergene gold, fine grain. All of these projects are considered Au-Cu porphyry systems with over-imposed epithermal mineralisation, belonging to the southern end of the so-called Maricunga Belt.

During the Upper Oligocene-Lower Miocene, dacitic, dioritic and quartz-dioritic bodies were located on the middle and the basal portion of the Doña Ana Formation developing Au-Cu porphyry systems characterised by an immediate hydrothermal alteration in its dome and a strong presence of native gold associated with Cu and As minerals. Subsequent compressive tectonics produces the folding of the units, their fracturing and brecciation.

The faulty conjugated systems in the region result from horizontal movements (strike-slip) produced in Argentina's Cordillera Frontal region. It is a tectonically favourable sequence, which covers a wide area of approximately 100 km in length and with variable width from 20 km to 30 km. There are many intrusive likely syntectonic, shallow deposits associated with a chain of currently dormant volcanic elements.

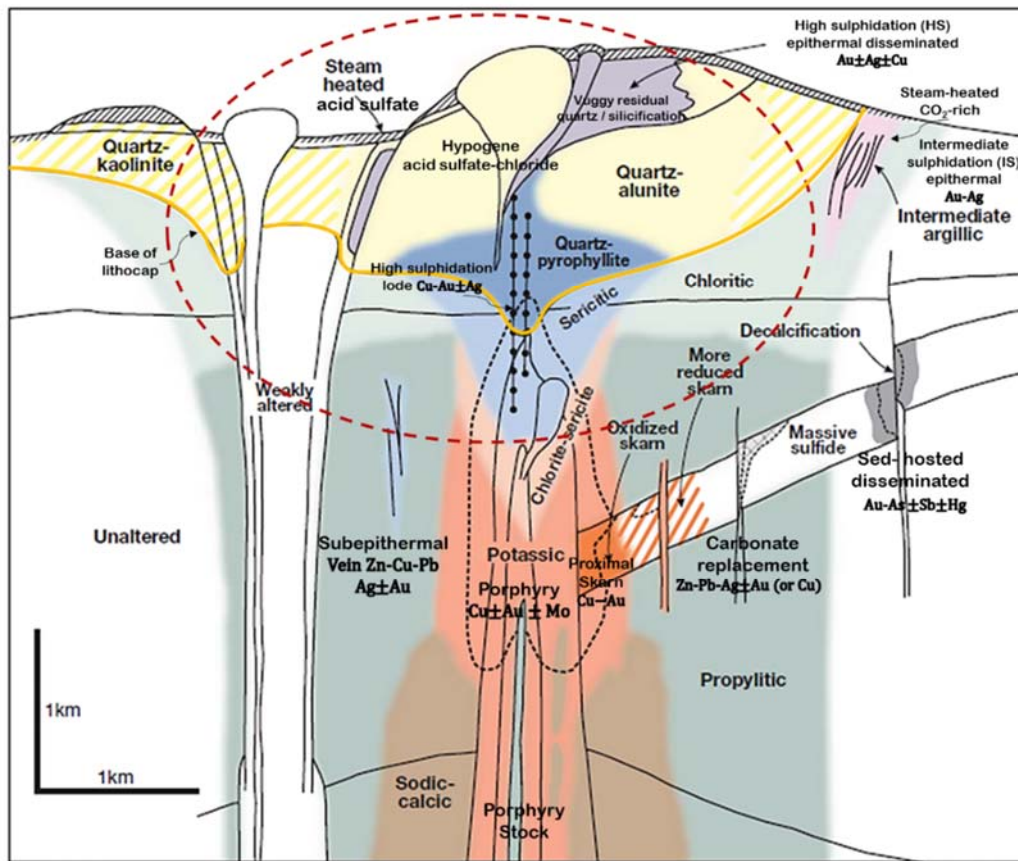
In the Peñas Negras area, the tectonic frame is a series of normal north-south orientation faults that cut volcanic sequences in various sectors and high-angle reverse faults bordering and partially limiting the basement rocks.

In the later period of distension, volcanic activity restarts and, through the ducts created, an epithermal system develops related to small stocks of dacites and andesites. At this stage, an intense quartz-sericite alteration is overprinting on the original potassic and propylitic alteration, developing an advanced argillic alteration at subsurface levels. Circulation of epithermal fluids through fractures and breccias deposit electrum together with tellurium and minerals Cu, Pb, Zn, As, Sb and Bi (Sillitoe and Hedenquist, 2003).

Meteoric waters probably intervene, cooling the epithermal deposition. They are undoubtedly related to the presence of supergenic, fine-grained gold.

Alteration zoning and overprinting relationships in a porphyry system at different temperatures and types, coexisting the typical ones generated (potassic, propylitic, phyllic, intermediate argillic) with alterations due to more acidified fluids corresponding to the high sulfidation stage (advanced argillic, sericitisation and silicification mainly) (Sillitoe, 2010) (Figure 8.3).

Figure 8.3: Schematic Section Shows the Anatomy of a Telescoped Cu-Au Porphyry System
Different Types of Deposits, Typical Alteration Zoning and Degrees of Telescoping are Present in the Project Area



Source: Modified from Sillitoe, 2010.

Sillitoe et al. (2019) documented a telescoped Cu-Au porphyry system development at Josemaria over a relatively short geological time frame: “Formation, Exhumation, and Burial in Two Million Years”.

The mineralisation contains both disseminated sulphides and various vein, veinlet and stockwork systems that also contain sulphides. An essential characteristic of porphyry districts is that they do not form deposits in isolation but appear in clusters. The latter is typical of the Maricunga porphyries, and an example of this is the case in other systems of the Maricunga belt or Maricunga mine (ex-Refugio), where the mineralised porphyry bodies are spaced on the order of 1 km (Sillitoe and Hedenquist, 2003). Porphyry subvolcanic bodies are present in the Project area, mainly of dacitic composition and, to a lesser extent, dioritic-quartz dioritic.

Therefore, all these properties are considered Au-Cu porphyry systems with overprinted epithermal mineralisation, belonging to a transition between the southern end of the so-called Maricunga Belt and porphyries' area as the Josemaría Project, in the territory of San Juan. Proximity to these deposits does not indicate that similar mineralisation will occur at the Project, and if mineralisation does occur, it will occur in sufficient quantity or grade that would result in an economic extraction scenario. However, Sendero and 131 uses these deposits as models to guide the exploration process.

9.0 EXPLORATION

9.1 SENDERO EXPLORATION PROGRAMMES

During the 2021 to 2022 and 2022 to 2023 exploration seasons (November to April), Sendero completed valuable work with the objective of mapping and sampling in detail the lithologies present, alterations and mineralised sectors in the different prospects of interest that comprise the Peñas Negras Project.

The exploration programme involved surface work, including geological mapping and surface geochemistry (talus and rock sampling). An aeromagnetic and radiometric study carried out by the company New Sense (Canada), a detailed tectonic/structural analysis was carried out by Winocur (2022) over a central area that he covered within the Peñas Negras Project.

In addition to these field studies have been added investigations and detailed desk studies, beginning with a complete interpretation of the geophysical data carried out by Fathom Geophysics (Toronto, Canada), a spectral study through ASTER images of the area covered by the Peñas Negras Project carried out by Ducart (Campinas, São Paulo, Brazil, 2022). This work included the measurement, processing, and interpretation of spectral data from field samples. Spectral measurements were made at the Institute of Geosciences of the University of Campinas with an ASD/FieldSpec-4 spectroradiometer.

9.1.1 Geochemical Surveys

Numerous surface samples were collected across the Project area. A total of 587 samples were taken comprising both talus fines and rock chip samples (Figure 9.1).

425 talus fines samples were taken along 100 m long lines at 20 m intervals (Table 9.1).

Table 9.1: Summary of the Talus Fines Samples Collected in the Different Project Sectors

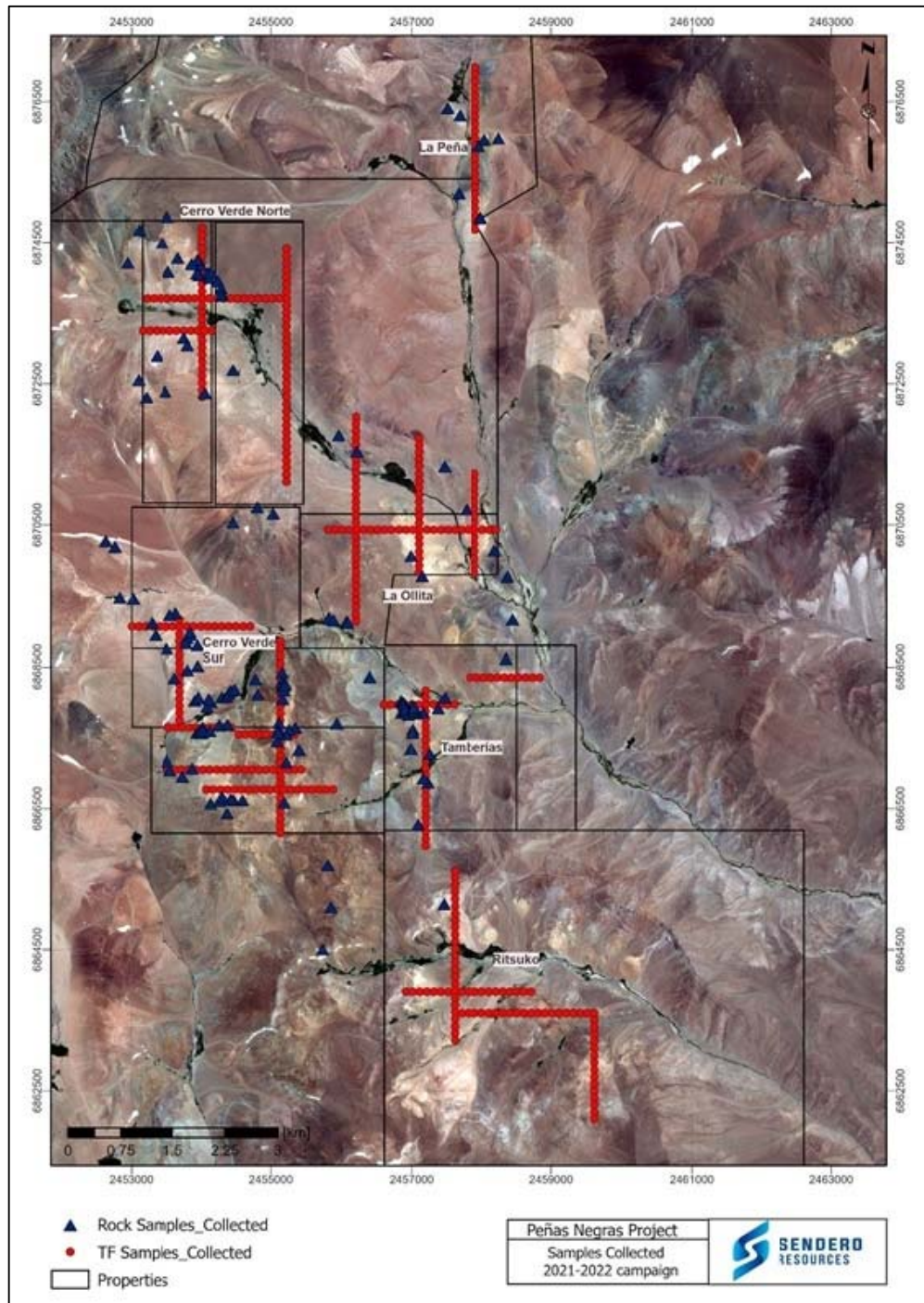
Prospect Name	Quantity
Cerro Verde North	87
Cerro Verde South	112
La Ollita	129
La Peña	19
Ritsuko	78
Total	425

During the geological mapping, 162 rock chip samples were collected (Table 9.2), which were analysed and different complementary studies were carried out (PIMA, petrography, chalcography, and fluid inclusions).

Table 9.2: Summary of the Rock Chip Samples Collected in the Different Project Sectors

Prospect Name	Quantity
Cerro Verde North	35
Cerro Verde South	76
La Ollita	38
La Peña	13
Ritsuko	-
Total	162

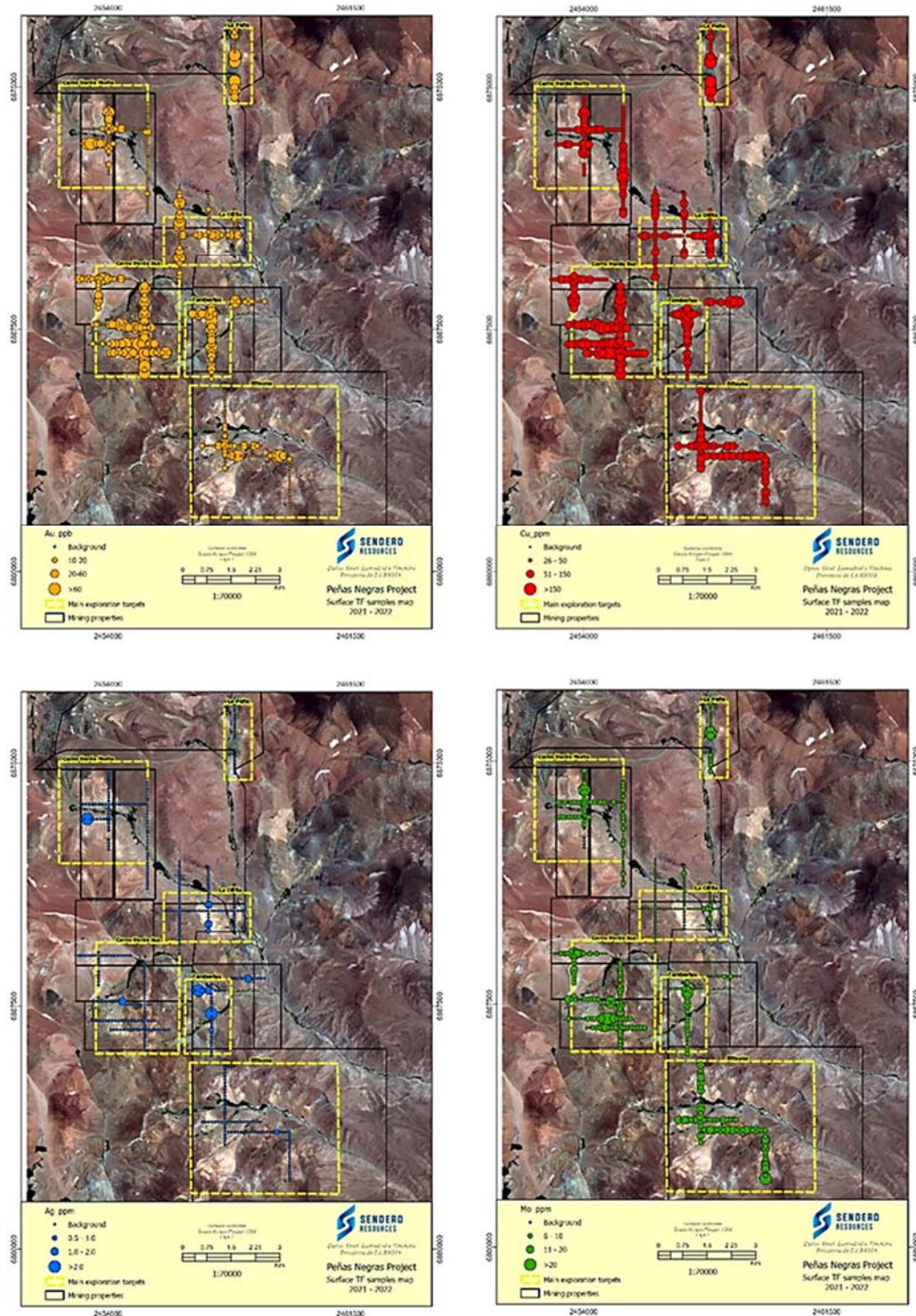
Figure 9.1: Distribution of the Total Samples Collected from Talus Fines and Rock Chip Samples for the Project



Source: Sendero, 2022.

The gold, copper, silver, and molybdenum grade distributions for the updated talus fines samples grid are shown in Figure 9.2.

Figure 9.2: Gold, Copper, Silver, and Molybdenum Grade Distributions for the Updated Talus Fines Samples Grid for the Project



Source: Sendero, 2022.

9.1.2 Geophysical Survey

Sendero also commissioned New-Sense Geophysics Ltd. (Canada) geophysics to fly a property-wide helicopter-borne magnetic and gamma-ray spectrometric survey between 19th and 28th of March 2022.

The goal of this work was to:

- Process the Project area's magnetic data to:
 - o Produce images that help differentiate lithologies in the area;
 - o Highlight possible structures that could be related to mineralisation; and,
 - o Generate a 3D inversion to constrain the 3D distribution of magnetic rocks in the Area.
- Process the Project area's radiometric data to highlight possible:
 - o Potassic alteration; and,
 - o Different volcanic and intrusive lithologies.
- Produce a manual interpretation of the magnetic and radiometric data; and,
- Use the products to evaluate the potential for porphyry and high sulphidation epithermal mineralisation.

In total, 715.1 line-kilometres were flown covering an area of 125.1 square kilometres. The survey data has a 200 m line-spacing. All gridded products use a cell size of 50 m. A total of 715.1 line-km of airborne magnetic and radiometric data was flown, collected, processed, and finalised.

The geophysical equipment comprised of one high-sensitivity Cesium-3 magnetometer and a 1024-channel spectrometer with four downward-looking crystals (total 16 litres) and one upward-looking crystal (total 4 litres). The airborne ancillary equipment included digital recorders, a fluxgate magnetometer, radar altimeter and a global positioning system (GPS) receiver, which provided accurate real-time navigation and subsequent flight path recovery. Ground equipment included a magnetic base station with GPS time synchronization and a PC-based field workstation, which was used to check the data quality and completeness daily. The nominal survey height was 80 m and the actual radar altimeter height averaged 75.6 m.

The magnetic and radiometric data are of high quality and were supplied with WGS84 UTM Zone 19S coordinates. All original outputs of work used this coordinate system. Also, a second set of all products were provided with coordinates in POSGAR94 Argentina Zone 2 coordinates. All files have P94Z2 appended to the filename.

In May 2022, magnetic and radiometric data processing, manual geological interpretation, and 3-D magnetic inversion at the Peñas Negras Project was completed by Fathom Geophysics LLC (United States), which was useful in defining the geological features of the Project (Belfield and Core, 2022).

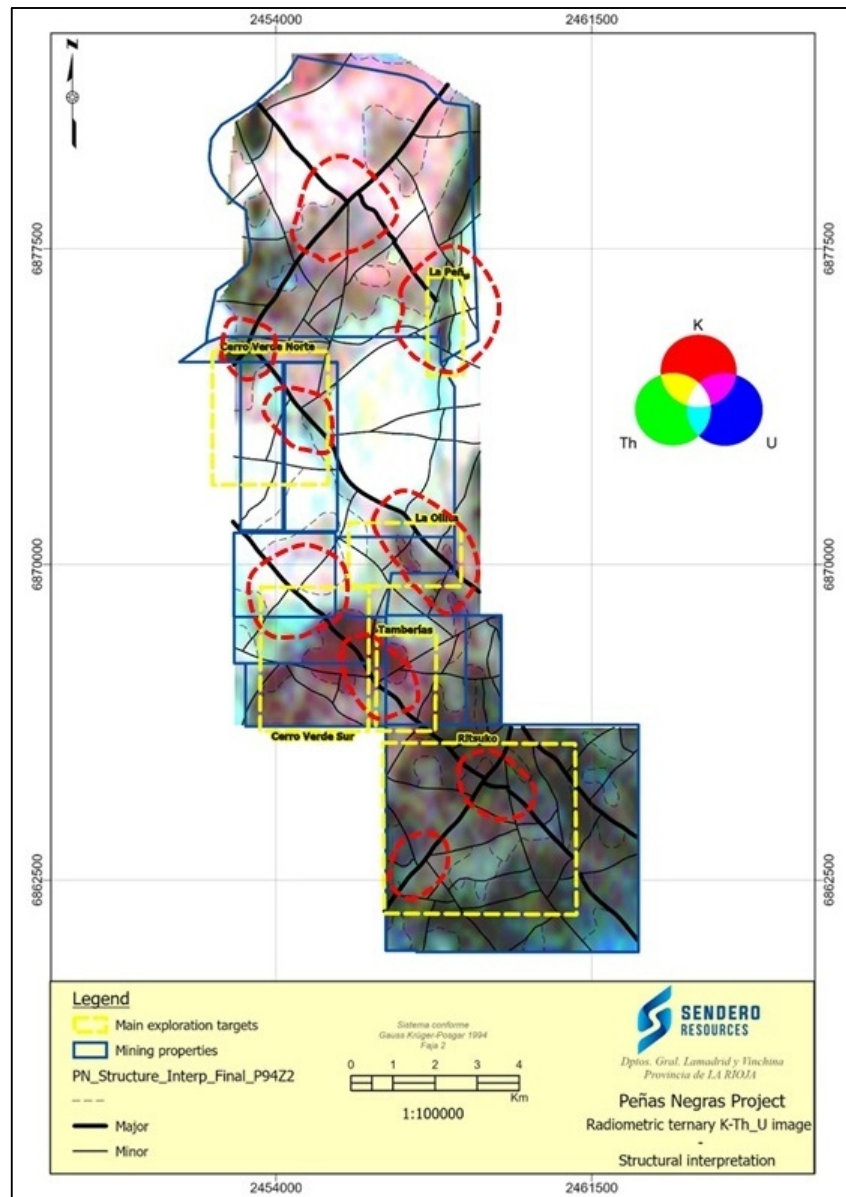
The processing and interpretation completed for this work can be used to highlight areas with the potential to host porphyry copper and high sulphidation epithermal mineralisation.

Felsic intrusive activity and structural setting are both key factors to consider for these styles of mineralisation.

Discussion of the results can be seen integrated into Figure 9.3, which shows areas that have apparent felsic intrusions that are Eocene to Miocene in age and with possible local extension in areas with significant structural intersections. The areas within and adjacent to these anomalies have good potential for porphyry copper mineralisation. The high-K signature associated with most of the anomalies could be indicative of potassic alteration.

Porphyry copper and high-sulphidation gold systems often form in locally extensional environments during broader compressive tectonic regimes.

Figure 9.3: Favourable Structural Settings and Possible High-Level Intrusions



Source: Sendero, 2022. Modified from Fathom Geophysics LLC (Belfield and Core, 2022).

Note: The northwest-trending and two major northeast-trending faults appear to show normal displacement. The extensional setting would be favourable for porphyry copper or epithermal mineralisation. Particularly at significant structural intersections as indicated by the red polygons. The areas are red in the K-Th-U RGB ternary and are high in the Kd radiometric images suggesting that they are enriched in potassium.

9.2 MICON QPS COMMENTS

Micon and the QPs have reviewed the exploration work conducted by Sendero and believe that, based on the previous exploration, the Project warrants further exploration to validate and expand on the existing mineralisation, determine the drilling targets to be tested in Phase II, as well as identify other mineralised zones on the property.

10.0 DRILLING

10.1 SENDERO AND 131 DRILLING PROGRAMMES

Sendero and 131 have not undertaken any drilling programmes on the Peñas Negras Project to date.

10.2 MICON QPS COMMENTS

Micon and the QPs have reviewed the information available for the previous drilling programmes conducted on the Peñas Negras Project before Sendero and 131's involvement in the property. Micon and the QPs believe that, based on the previous drilling programmes, the Project warrants further drilling to validate mineralised interceptions, identify the extent of the existing mineralisation and identify different mineralised zones on the property. However, given the spotty nature of the available information for the historical drill programmes, Sendero and 131 should prioritise conducting verification diamond drilling.

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

11.1 HISTORICAL SAMPLING AND APPROACH

Prior to 2000 commercial assay laboratories were not generally certified according to ISO standards. However, commercial assay laboratories participated in round robin exercises with other laboratories and also had developed their own QA/QC procedures. Subsequent to 2000 the majority of the commercial assay laboratories throughout the world are ISO certified.

11.1.1 1994 to 1995 El Solitario Sampling Programmes

11.1.1.1 Drilling Sampling

A short drilling programme was developed, with four holes in RC totalling about 430 m.

No documentation regarding the sample preparation, analyses and security was available. There is also no documentation related to the assay laboratories used for this programme and the preservation of samples.

11.1.2 1995 to 1997 Eldorado Sampling Programmes

11.1.2.1 Surface Sampling

Different sampling techniques and two different laboratories were used for sample submission and analysis, Bondar Clegg, Vancouver, Canada and American Assay, Nevada, USA

The programme consisted of regional and local soil sampling:

- The geophysical grid used had a spacing of 300 m by 50 m;
- The material was collected from holes no more than 0.40 m to 0.45 m deep and screened to pass 30 mesh;
- In the laboratory material was dried and crushed to passing 80 mesh;
- Samples were splitting to yield a 0.4 kg subsample;
- Subsamples were crushed and pulverised to 150 mesh;
- Samples were analysed by Inductively Coupled Plasma Mass Spectrometry (ICP-MS) for 34 elements; and,
- Samples were analysed for gold by fire assay (FA) and atomic absorption spectrophotometry (AAS).

In addition to the traditional method, the Enzyme Leach method was used in some specific sectors. This method was applied to samples from the oxidation layer of poorly developed soils usually present immediately above the bedrock. Samples of average weight of 200 g were sent to Activation Laboratories Ltd. Ontario (Canada), where they were pulverised, digested, and later attacked using leaching solutions based on organic enzymes that produce a partial extraction of elements.

Rock chip samples were collected on continuous lines along rock outcrops, generally at intervals of 2 m to 4 m. Sample weights varied between 2.50 kg and 4.00 kg. Samples were

analysed at the Bondar Clegg laboratory in Vancouver. Dried samples were crushed and pulverised to minus 150 mesh and analysed using the techniques mentioned above for soils.

The surface work was completed with the excavation of trenches on targets with marked hydrothermal alteration. The surface detrital cover was first removed and to access the underlying oxidised and leached material. Sampling in these places was conducted using a continuous channel 10 cm wide by 6 cm deep and a sampling interval of 3 m. The samples were prepared and analysed following the same method used for the rock chip samples.

Rock samples were also collected selectively (grab samples), which were selected for their specific geological characteristics.

11.1.2.2 Drilling Sampling

Fifty-nine holes were drilled in the areas known as La Ollita (Anomaly 16C) and Cateo El Chiqui. A further three holes were drilled in the area known as Cristian III (Anomaly 16-G). The first 20 drill holes were carried out at the end of 1995 and 1996 using a Drill-Tech 25 K drilling machine, employing the air-lift reverse circulation method. The average depth of the drill holes was 50 m, except for the PNR-3 hole, which reached 100 m.

The sampling interval was 2 m, and the samples were processed according to a designed "flowsheet", which consisted of a hand quartering. The sample was divided into four equal portions and two opposite quarters were taken as samples. One sample was sent for analysis and the second as backup and to be logged, before being sent to analyse for Au (FA) and 34 elements, using ICP-MS techniques.

In the following 1996-1997 season, the drilling programme comprised two stages. The first completed 20 drill holes with an average depth of 180 m (PNR21-PNR40), with two not exceeding 50 m (PNR32-35). This stage was carried out with a Drill-Tech D 22 K drilling machine, without placing casing or using additives such as bentonite. A series of technical problems contributed to heavy contamination of several metres of the core, especially when crossing the moraine that covers a portion of the area.

In the second stage, 22 drill holes were completed to different depths (PNR41-PNR62). A more potent Drill-Tech D 40 T machine from Ingeoma SA was used. In addition, casing and different binders and sealants were used to minimise contamination and prevent problems in the hole when cutting the moraine that covers the area drilled.

The programme was completed with three diamond drill holes (PND1-PND3), carried out by a Longyear 38 drill rig.

The sampling interval was 2 m in the RC drill holes. The samples were prepared and analysed following the same method that was used for rock chip samples.

The treatment and preparation of the samples in the DD holes was carried out in the following steps:

- Measurement of the percentage of core recovery, measurement of geomechanical parameters, including RQD, FF, description of the type and number of fractures;

- Logging of observations, including lithology, alteration, mineralogy, and structural features;
- The sampling was performed at 2 m intervals if there was mineralogical and/or structural continuity. In the event of a change in these characteristics smaller sample intervals were collected to a minimum of 0.50 m;
- In the end, the drill core was split using a hydraulic guillotine, sampled, bagged to be sent to the laboratory, where the usual procedure previously described was followed; and,
- No background documentation regarding the sampling method and approach was available, nor the QA/QC process and results. The drilling procedures, the method and directional survey, and the originals analytical results of the drilling programmes were not available for review.

No logs for drill cuttings and cores samples are available.

11.1.3 2007 Minera Vale Río Doce - DEPROMIN SA Sampling Programmes

11.1.3.1 Surface Sampling

Samples were sent to the ALS Chemex Laboratory in Vancouver, Canada, for analysis as agreed with CVRD. A variety of sample types were collected and each was subject to a specific method of sample preparation. The work consisted of local soil sampling on a general spacing of 100 m. As required, the sample interval was reduced to 50 m. Samples were not collected on a systematic grid, but rather on ground lines arranged to traverse the slopes below the altered areas.

Soil samples were collected from holes between 0.40 m to 0.45 m deep on a grid that covered all areas evaluated. Material was sieved to -10 mesh and later ground at the laboratory to minus 80 mesh. Rock chip samples were collected on lithologies and in places chosen by geologists, with lengths between 2 m to 4 m when the rock and/or fractures/veinlets allowed it. Samples varied in weight between 2.00 kg to 4.00 kg. These samples were crushed and pulverised to 150 mesh.

The grab-type sampling technique was also used.

Hand samples representative of the most rocks were collected to facilitate petrologic and petrographic studies. Some samples were subject to portable infra-red mineral analyser (PIMA) spectrometer analysis. The technique allowed rapid field-based identification of hydrothermal alteration minerals and delineation of alteration zones with variations in mineral composition, crystallinity, and relative abundance.

The samples were sent to ALS Chemex and analysed by the ICP-MS for 34 elements and gold for FA and AAS.

11.1.4 2010 and 2011 Minera Anglo American Argentina SA Sampling Programmes

11.1.4.1 Surface Sampling

Surface geochemistry work was conducted over all of the mining concessions involved (Angela II-III and Cristian I-II-III). A total of 833 rock chips, soil, water, lag type and stream sediment samples were collected.

Soil samples (drainage, slope, and colluvium) were collected on a grid of 100 m by 100 m. Samples of unconsolidated material were collected from a depth of approximately 0.50 m, and each 2.00 kg sample was screened to 10 mesh, then bagged, labelled, and recorded in the sampling book.

For lag-type samples approximately 1 kg of rock fragments (no larger than 5 cm) was collected in sub-outcropping sectors. A radius of 1 m from the centre point of the sample was considered. The samples were bagged and duly labelled. It should be noted that this type of sample was collected when it was not possible to extract soil or colluvium from the slopes or sediment from dry drainages.

For quality assurance and quality control (QA/QC), sample standards were included approximately every 20 samples. The standards were of type 52-P, 53-P and LBS-5 for rock, lag, drainage, colluvium, and slope samples, while in the case of water samples, the standard was type TM-27.2. All samples were sent to the Acme Analytical Laboratories S.A. Argentina. Acme Analytical Laboratories are accredited ISO 9001:2008, which covers the analysis period. The sample preparation and analytical procedures were:

- Crush, split and pulverise 500 g rock to 200 mesh;
- Dry Pulps at 105°C prior analysis; and,
- 1:1:1 Agua Regia digestion ultra-trace ICP-MS analysis (G1F30 method code).

11.1.4.2 Drilling Sampling

In 2013, Anglo American reported that between 2011 and 2012, six drill holes were completed. The only comment was that the sampling interval was 2 m and that the core was cut in half and sent for mechanical preparation to the ALS Laboratory in Mendoza, Argentina. The ALS Laboratory, Mendoza, Argentina, is accredited ISO 17025: 2005 and ISO 9001:2008, which covers the analysis period. Sample pulps were sent for analysis to the ALS Laboratory in Lima, Peru, using the ICP method where gold was determined by fire test (Au-ICP21) and copper was analysed by digestion via aqua regia (ME-ICP41). ALS Laboratory, Lima, Peru, is accredited ISO 17025: 2005 and ISO 9001:2008, which covers the analysis period. Control samples were inserted for QA/QC.

No background documentation regarding the sampling method and approach or about the QA/QC process and results was available.

11.2 2021-2023 SENDERO SAMPLING PROGRAMMES

11.2.1 Surface Sampling Methods

Sampling of the talus fines has been completed using a compositing method that results in samples representative of 100 m along the sampling line. The distance between lines is 200 m, while the separation between contiguous samples is 100 m. However, each sample is composed of 5 samples spaced 20 m apart. The line is oriented east-west or north-south (perpendicular to the main structures of the sector).

The sampling methodology consisted of digging a hole between 30 cm and 40 cm, extracting the soil with a hand shovel, and sieving it through a 10-mesh screen until the required weight (approximately 2 kg) was achieved. In the camp, the five composite samples were mixed and

manually quartered, resulting in a final sample of approximately 5 kg and an equal amount of reject.

Rock chip outcrops were sampled by collecting approximately 1 kg to 3 kg of sample. The sample location, length and geological descriptions were recorded.

11.2.2 Analytical and Test Laboratories

Surface samples were analysed by Alex Stewart International Argentina (“ASI”) in Mendoza. ASI complies with certification ISO 9001:2015 and accreditation ISO 17025:2017 as part of its internal quality system.

11.2.3 Sample Preparation, Analysis and Security

Information on sample preparation and analysis of the surface talus fines and rock chip samples is summarised below:

- The procedure used to prepare talus fines samples was: sample preparation, procedures for pulp homogenisation and barcode assignment (P1). Then, dried, and crushed to 10 mesh (> or = 80%) (P2);
- The procedure used to prepare rock chip samples was: sample preparation, procedures for pulp homogenisation and barcode assignment (P1). Then, dried, crushed to 10 mesh (> or = 80%), cracked (600 g), and pulverised to 106 µm (> or = 95%) (P5);
- Gold was determined by fire assay with an atomic absorption spectroscopy (AAS) finish based on a 50 g for talus fines samples (Au3-50) and a 30 g sample (Au4-30) for rock chip samples.
- The detection limit and the upper range for these methods were: 0.01 Au ppm and 100.00 Au ppm for Au4-30 and 0.002 Au ppm and 20.00 Au ppm for Au3-50, respectively.
- All samples were analysed for 39 elements using method ICP-AR 39. Dissolution of 0.2 g in aqua regia (partial digestion for some elements, especially Al, Ba, Cr, K, Na, Sn, Sr, Ta, Ti, V and W). Determination in ICP-OES Radial.

Assay results were provided in digital format (both spreadsheet and PDF) by the laboratory and were automatically loaded into the database after validation.

Detection limits and ranges are displayed in Table 11.1.

Table 11.1: Summary of the Detection Limits (ICP-MA 39), according to ASI Laboratory

Element	Detection Limit	Element	Detection Limit	Element	Detection Limit	Element	Detection Limit	Element	Detection Limit
Ag	0.5-200 ppm	Cr	1-10,000 ppm	Mg	0.01-10%	S	0.01-10%	Ti	0.01-5%
Al	0.01-10%	Cu	1-10,000 ppm	Mn	1-20,000 ppm	Sb	5-2,000 ppm	Tl	5-1,000 ppm
As	5-10,000 ppm	Fe	0.01-10%	Mo	1-10,000 ppm	Sc	5-2,000 ppm	V	1-10,000 ppm
Ba	2-2,000 ppm	Ga	2-2,000 ppm	Na	0.01-5%	Se	10-2,000 ppm	W	20-2,000 ppm
Bi	5-2,000 ppm	Hg	2-500 ppm	Nb	1-10,000 ppm	Sn	20-2,000 ppm	Y	1-2,000 ppm
Ca	0.01-10%	K	0.01-10%	Ni	1-10,000 ppm	Sr	1-2,000 ppm	Zn	1-10,000 ppm
Cd	1-2,000 ppm	La	1-2,000 ppm	P	10-10,000 ppm	Ta	10-1,000 ppm	Zr	1-5,000 ppm
Co	1-10,000 ppm	Li	2-10,000 ppm	Pb	2-10,000 ppm	Te	10-2,000 ppm	-	-

Samples were prepared for shipping to Mendoza in the Project camp. The details of each shipment, including the name of the driver, are recorded before being transported by Barton personnel to the ASI laboratory.

The authors are not aware of any reasons for concern regarding the security of the samples.

11.2.4 Quality Assurance and Quality Control

Standard, duplicate, and blank control samples were used for the QA/QC programme.

A total of 674 samples were generated, with 587 original or primary samples corresponding to talus fines and rock chip samples. A total of 87 control samples were incorporated in the process, which represents 14.7% of the total samples (Table 11.2).

Table 11.2: Summary of the Surface Samples and their QA/QC Control Samples

No. of Surface Samples	No. QA/QC Samples	Total Samples (%)	Standards		Duplicates		Blanks	
587	87	15	25	4%	30	5%	32	5%

Standards, blanks, and duplicates are inserted using the following systematic sequence every nine samples: blank/duplicate-standard/blank.

The results obtained from the control programme are discussed in Section 11.2.4.1.

11.2.4.1 Standards

Commercial standards were used as independent reference materials for quality control of copper, silver, and gold analyses, bought from OREAS (Ore Research & Exploration, Australia).

Table 11.3 is a list of the standards used to date, with their certified values, plus and minus one-two-three standard deviation limits as well as the number of each that has been used.

Table 11.3: List of the Standards Used in the QAQC of the Surface Samples

Standard	Element	Certified Value	SD	-1 SD	+1 SD	-2 SD	+2 SD	-3 SD	+3 SD
OREAS 501 d	Au (ppm)	0.232	0.010	0.222	0.242	0.212	0.252	0.202	0.262
	Ag (ppm)	0.664	0.053	0.611	0.717	0.558	0.77	0.505	0.823
	Cu (%)	0.272	0.009	0.263	0.281	0.254	0.29	0.245	0.299
OREAS 606	Au (ppm)	0.340	0.010	0.330	0.350	0.320	0.360	0.310	0.370
	Ag (ppm)	1.020	0.060	0.960	1.080	0.900	1.140	0.840	1.200
	Cu (ppm)	268	11	257	279	246	290	235	301

The statistical summary of the standard results including the calculated bias are presented in Table 11.4.

Table 11.4: Statistical Summary of the Standards Samples Results

Statistics	OREAS 501 d			OREAS 606		
	Au (ppm)	Ag (ppm)	Cu (%)	Au (ppm)	Ag (ppm)	Cu (ppm)
No. of Analyses	16	-	16	9	-	9
No. Outside Warning Limits	0	-	0	0	-	0
No. Outside Error Limits	0	-	0	0	-	0
% Outside Error Limits	0	-	0	0	-	0
Mean	0,217	-	0,265	0,333	-	269
Median	0,217	-	0,265	0,333	-	265
Minimum	0,208	-	0,263	0,322	-	261
Maximum	0,230	-	0,270	0,344	-	283
Standard Deviation	0,007	-	0,002	0,006	-	8,026
Standard Error	0,002	-	0,0005	0,002	-	2,837
% Relative. Standard Deviation	0,890	-	0,182	0,643	-	1,055
% Mean Bias	-7	-	-3	-2	-	0,21

The accuracy of the ASI laboratory for OREAS standards 501d and 600 for gold and copper are acceptable, with the overall negative bias of analytical results of < -7%; 100% of the results are within the limit of $\pm 2SD$.

The analytical results obtained for silver are below the detection limits and are not considered for statistics.

11.2.4.2 Duplicates

A total of 30 field duplicate results for surface samples were available for analysis. The statistical summary of the field duplicate samples is presented in Table 11.5.

Table 11.5: Statistical Summary of the Field Duplicate Samples Results

Statistics	Gold		Silver		Copper	
	Original (Au ppm)	Duplicate (Au ppm)	Original (Ag ppm)	Duplicate (Ag ppm)	Original (Cu ppm)	Duplicate (Cu ppm)
No. of Analyses	30	30	30	30	30	30
No. of Analyses Discarded	1	1	1	1	1	1
Mean	37	34	0.127	0.127	221	210
Median	12	10	0.025	0.025	61	64
Minimum	0.005	0.005	0.025	0.025	14	12
Maximum	301	298	1.800	1.900	2602	2537
Standard Deviation	61	59	0.386	0.393	569	538
Coefficient of Variation	2	2	3.042	3.102	2.576	2.560
Range	300.995	297.995	1.775	1.875	2588	2525
Standard Error	11.525	11.223	0.073	0.074	107.582	101.684
Coefficient of Correlation	0.935		0.998		0.999	
Coefficient of Determination	0.875		0.996		0.997	
ERM %	30		1		7	
MPRD %	26		1		8	

The mean grade of original samples is slightly greater than the mean grade of the duplicated samples. No failures were recognised in the preparation and assay duplicates in 29 pairs of samples. Field duplicates have good correlation factors; Au R²: 0.876, Ag R²: 0.995 and Cu R²: 0.997.

Assay precision from field duplicates is at an acceptable level for gold, silver, and copper.

11.2.4.3 Blanks

In total, 32 blank samples were analysed. These samples are laboratory certified quartz coarse blanks.

The statistical summary of the blank sample analytical results is presented in Table 11.6.

Table 11.6: Statistical Summary of the Blank Samples Results

Statistics	Au (ppm)	Ag (ppm)	Cu (ppm)
No. of Analyses	32	32	32
Mean	0.405	0.250	8.839
Median	0.500	0.250	10.000
Standard Deviation	0.197	0.000	2.423
Minimum	0.010	0.250	4.000
Maximum	0.500	0.250	12.000
Error Limit	0.100	5.000	10.000
No. Outside Error Limits	0	0	7
% Outside Error Limits	0%	0%	22%

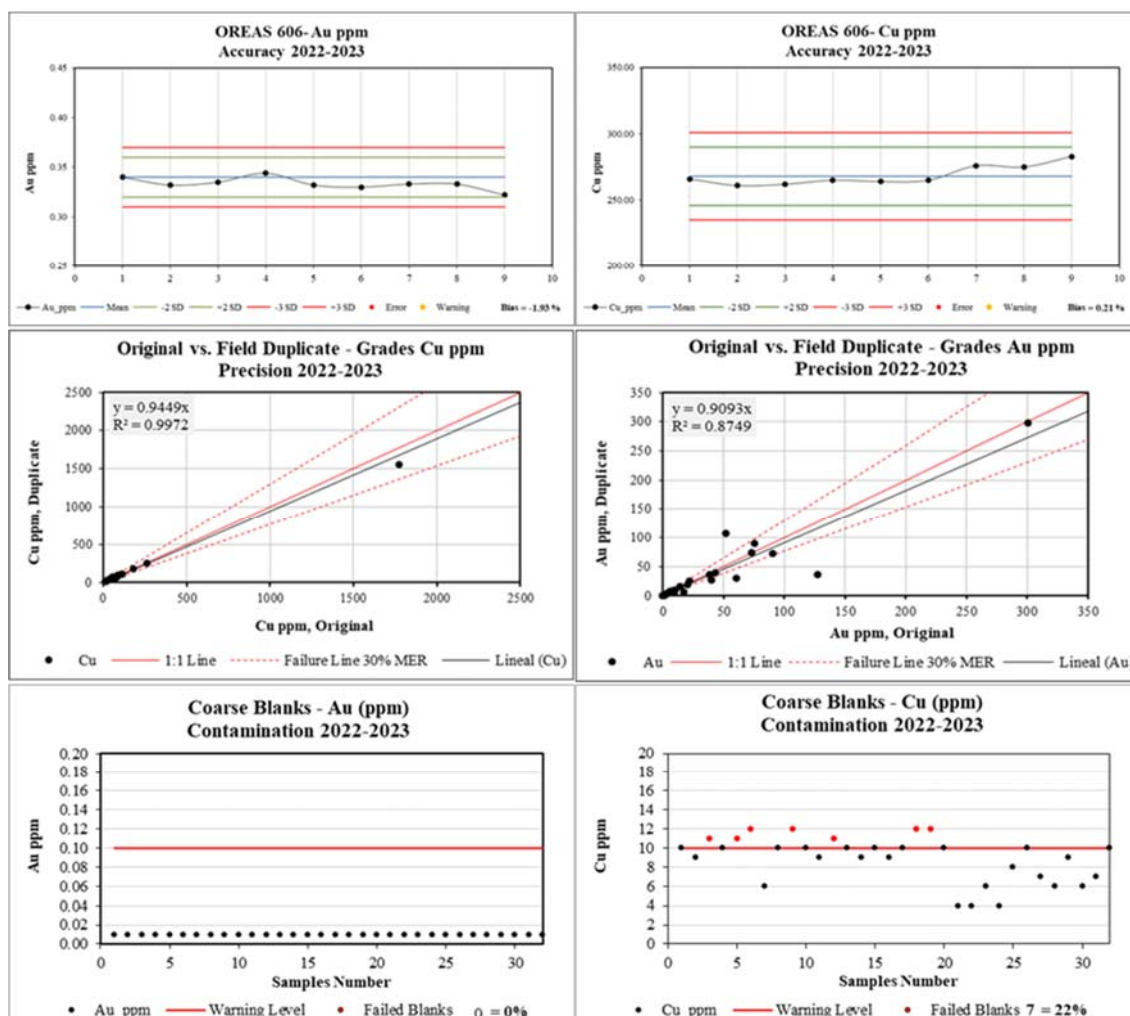
The contamination was assessed using a safe line of ten times the minimum detection limit as a maximum limit for contamination. It assumes a significant level of contamination if the value of the blanks exceeds the minimum detection limit in a proportion of 5 %.

No gold or silver failures occurred. There are 22% failures occurring for copper.

The blank samples from this period do not present significant levels of contamination. Therefore, the results are considered acceptable.

Some examples of check graphs are shown in Figure 11.1, which shows the certified reference material (CRM) check (Accuracy), Field Duplicate check (Precision) and the Coarse Blanks check (Contamination) from 2021-2022.

Figure 11.1: Examples of Check Graphs which the CRM Check (Accuracy), Field Duplicate Check (Precision) and the Coarse Blanks Check (Contamination) 2021 to 2022



11.2.4.4 Conclusions

The main conclusions of the QA/QC results of the surface sampling and the assay programme 2021 – 2023 are summarised below:

- The accuracy of the primary laboratory (ASI) is acceptable for Au and Cu;
- For all CRMs, the Cu and Au biases fall within acceptable limits (<10%). There was no failed data for either element;
- The precision of the primary laboratory (ASI) is acceptable for Au, Ag, and Cu;
 - For Au, Ag, and Cu, the Mean Relative Error (MER %) for all duplicate types falls within acceptable limits (<30%).
 - Assay precision from field duplicates for Ag and Cu is very good and for Au it is acceptable, considering that it has more variability, related to the inherent heterogeneity and characteristics of the material being sampled;
- The blank samples from this period do not present significant levels of contamination. Therefore, the results for gold, silver and copper are considered acceptable;
- In future sampling campaigns, 4% to 10% of total pulps obtained must be sent to a secondary laboratory, with their corresponding standard samples inserted, as a check for the main laboratory. For this cross-validation to be useful, both laboratories must use the same assaying method and protocols for both gold, silver, and copper; and,
- The QA/QC programme has to be dynamic and interact with the laboratory, evaluate the test results as they become available, and work together during the sampling programme to correct and minimise the number of times the different control samples may fail.

11.3 MICON QPS COMMENTS

Micon and the QPs have not been able to review the available information regarding sample preparation, security, analysis, and data verification because all data is historical from previous operators, and there is no access to any physical samples, either core, RC cuttings or geochemical sample pulps or rejects. There is access to a great deal of valuable historical data compiled into a Geographic Information System (GIS), but again, it is not possible to verify its accuracy or suitability at this time. Most of the information is between 10 and 25 years old, is difficult to source, and there is no access to assay certificates. The database will be used to lead back into the most important areas, guide drilling decisions in some places. Micon considers the data to be of excellent quality having been developed by large reputable operators like Anglo American and Eldorado.

Micon and the QPs believe that the security of the samples from acquisition to analysis presents procedures that include the use of secure sampling, storage, and sample preparation facilities and the prompt, secure, and direct shipping of samples to the laboratory, according to the deposit type, style of mineralisation, and the logistical requirements of the site. The sample preparation procedures used in talus fines samples are appropriate, and the sample digestion and analytical methods chosen are adequately documented and justified.

The exploration and production sample preparation, security and analytical procedures are correct and adequate for the purpose of this Technical Report. The sample methods and density are appropriate, and the samples are of sufficient quality to comprise a representative, unbiased database.

Based on the results obtained in the QA/QC programme framework, the confidence level in the assays is acceptable. The results obtained have been confirmed and/or reproduced within reasonable limits by an alternate laboratory.

12.0 DATA VERIFICATION

12.1 SITE VISIT

The Peñas Negras Properties was visited by Dr. Julio Bruna, CPG, on 20th and 21st December 2021, for the purposes of completing the NI 43-101 required site visits. The scope of the site inspection was to discuss and review during the visit general data acquisition procedures, sampling procedures, quality assurance/quality control (QA/QC), geology, mineralisation, structural characteristics, historical drill pads, infrastructure and permits, and environmental impacts.

Dr. Bruna is an independent consultant, Certified Professional Geologist (CPG), Micon Associate and a Fellow of the Australasian Institute of Mining and Metallurgy, in Geology FAusIMM(CP) who is based in Córdoba, Argentina. During the site visit, Dr. Bruna was accompanied by Mr. Ríos Gómez, Senior Geologist from Barton, and focussed the inspection on verifying the general geological setting, and site conditions, and where the different drilling programmes were undertaken.

The relevant works were surface sampling. During his site visit, the QP reviewed these sampling methods and procedures.

The site was visited during the exploration season of 2021 to 2022 and before the end of the exploration work in April 2023. The QP has reviewed the results of exploration conducted during the 2022-2023 exploration season and concluded that although it served to enhance the understanding of the potential of the Project, the new information, as detailed in Section 12.0, did not have a material impact on the Project. Therefore, the site visit made by Dr. Bruna in December 2021 is considered to be current.

12.1.1 Certificates Review

The QP received original assay certificates in cvs and pdf formats for the samples collected in 2021 to 2023 season in the current database. A random manual check of 10% of the database against the original certificates was conducted. The error rate within the database is less than 1% based on the number of samples spot checked.

12.1.2 Adequacy of Data

The QP considers the check assay programme adequate to provide confidence in the data. Samples associated with QA/QC failures are reviewed before inclusion in the exploration databases. The results of the QA/QC programme are discussed in Section 11.2.4.

Exploration sampling, security, and analysis procedures are being conducted in a manner that meets industry standard practice. The coarse reject samples and the master pulps are safe and available for further checks in a warehouse at Guandacol and San Juan.

12.1.3 Surface Sampling Methods Procedures Review

A sampling of talus fines and rock chips was carried out in the Peñas Negras properties. The QP was present in the first samplings during his visit in December 2021 (Figure 12.1), he

reviewed the procedure, and considered it suitable for surface sampling. These samplings are similar to those carried out in other projects on adjacent properties.

Figure 12.1: Photographs on the Procedure of Surface Sampling Method Type for Talus Fines



Source: Micon Site Visit Photographs 2021

12.1.4 Geology and Mineralisation Review

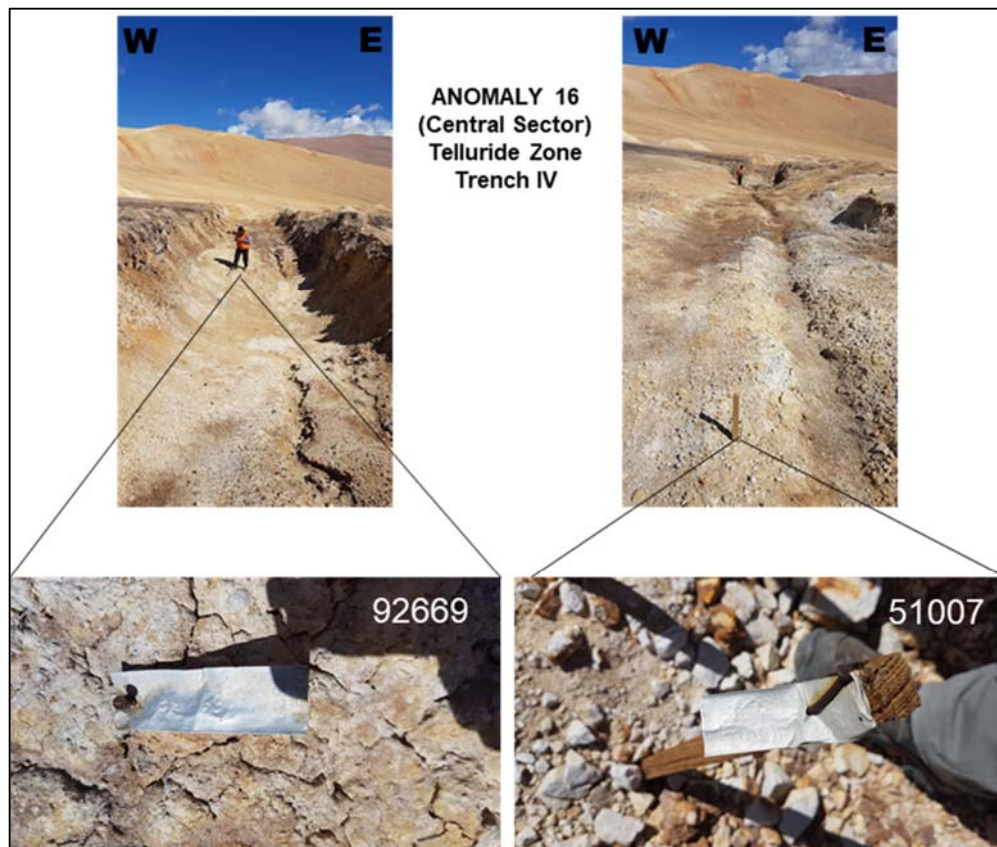
It was observed that the local geology corresponds to the general description reported in previous reports. The geology of the Telluride Zone of the central sector of the Anomaly 16 property was reviewed (Figure 12.2). Table 12.1 presents the analytical results obtained by Eldorado for samples 92669 and 51007 from the Telluride Zone of the central sector of Anomaly 16.

The volcanoclastic units, breccias, tuffs and lapilli tuffs, corresponding to the Doña Ana Formation, are the rocks best suited to host alteration and mineralisation, due to their higher permeability and porosity favour the circulation of hydrothermal fluids. Mapping and sampling in Trench IV discovered argillic alteration and pervasive silicification, associated with smoky quartz veinlets, ocherous quartz (vuggy type), quartz-jarosite veinlets and chalcedonic quartz veinlets; in addition, presence of iron oxides (hematite-goethite). Silicification is associated with zones of more significant fracturing.

It is still possible to identify some of the historical drill pads and some drill holes were identified in the field. The identification of the drill holes was enabled via the PVC pipes or casings. The hole ID was marked on an aluminium tag and/or written with a marker on the

PVC or the cement base. Coordinates of the drill holes were surveyed using a handheld GPS (Garmin. Etrex 22x) and compared with the coordinates in the dataset provided by Sendero.

Figure 12.2: Photographs of the Telluride Zone of the Central Sector of Anomaly 16
(Argillic alteration and pervasive silicification associated with zones of more significant fracturing)



Source: Micon Site Visit Photographs 2021

Table 12.1: Analytical Results for Samples 92669 and 51007

Sample No	Au (ppb)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	As (ppm)	Sb (ppm)	Te (ppm)
92669	137	6.2	10	121	32	33	6	7.9
51007	20	0.4	19	60	38	17	-5	-10

Source: Minera Eldorado SA

12.1.5 Drill Pads Historical Review

During the site visit, the historical drilling programme pads were inspected, and a number of the drill hole collars were located. In the central area of the El Chiqui (Eldorado), six of the 65 drill holes sites were visited. In addition, in the Cerro Verde Project drilling area (Anglo-American), four of the six drill holes sites were visited (Figures 12.3 and 12.4).

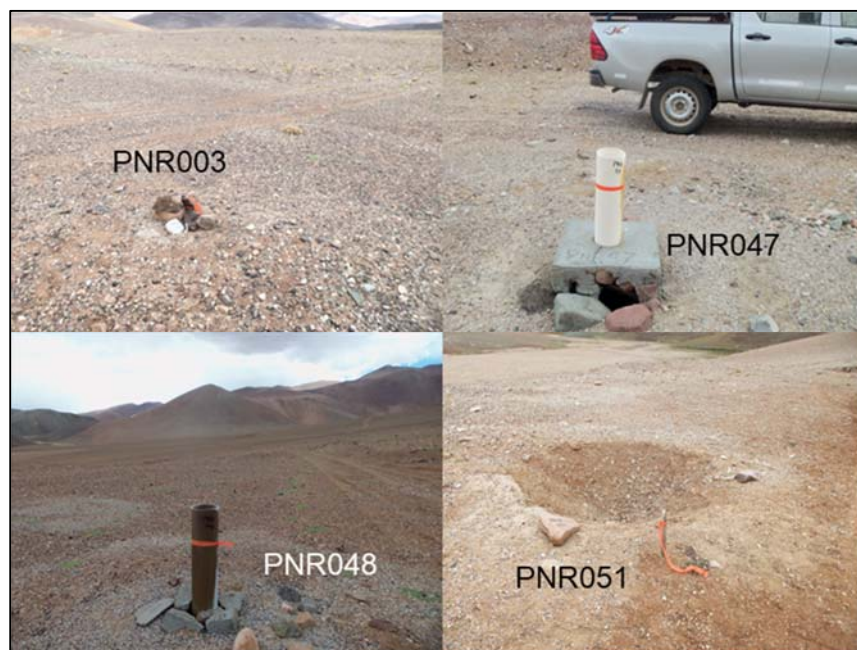
Locations of the ten drill holes inspected during the site visit were compared to the Sendero reported data and a summary is reported in Table 12.2. The results do exhibit small differences between the Sendero data and the Micon data, however in general, the agreement in eastings,

northings and elevations between the verification measurements and differential GPS data is excellent.

**Table 12.2: Summary Results of Comparison of Locations of 10 Drill Holes
(Coordinates are Gauss Krüger)**

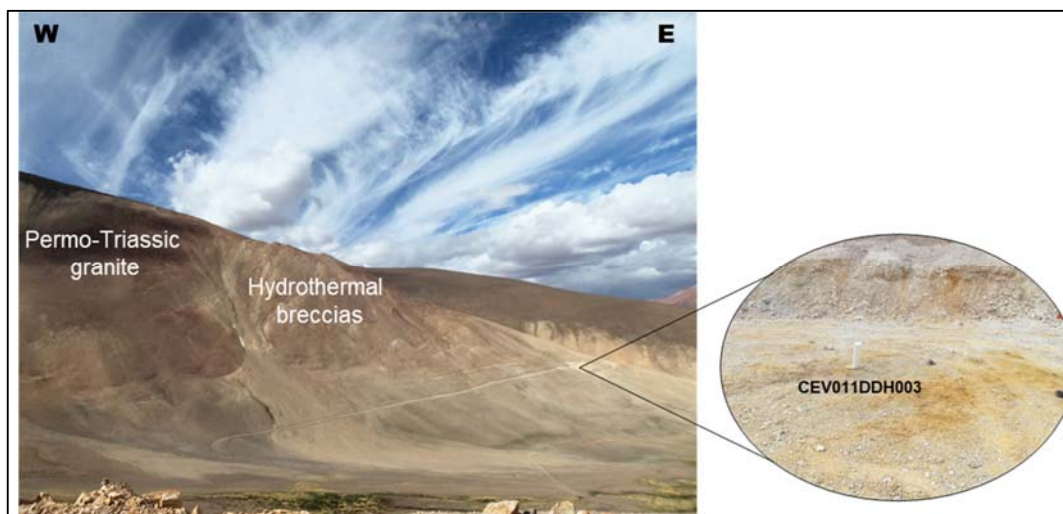
Drill Hole ID	Sendero			Micon			Differences		
	Easting (GK)	Northing (GK)	Elevation (m)	Easting (GK)	Northing (GK)	Elevation (m)	Easting (GK)	Northing (GK)	Elevation (m)
PNR003	2,456,742	6,870,406	4075.00	2,456,747	6,870,402	4082.00	-5	4	-7
PNR027	2,456,547	6,870,690	4087.00	2,456,546	6,870,689	4090.00	1	1	-3
PNR045	2,456,150	6,870,642	4077.00	2,456,149	6,870,639	4079.00	1	3	-2
PNR047	2,456,404	6,870,622	4095.00	2,456,409	6,870,620	4095.00	-5	2	0
PNR048	2,455,726	6,869,986	4058.00	2,455,729	6,869,978	4062.00	-4	8	-4
PNR051	2,454,755	6,869,264	4039.00	2,454,752	6,869,255	4044.00	3	9	-5
CEV011DDH001	2,454,505	6,868,091	4094.00	2,454,504	6,868,088	4093.00	1	3	1
CEV011DDH002	2,454,534	6,867,755	4107.00	2,454,536	6,867,754	4113.00	-2	1	-6
CEV011DDH003	2,454,069	6,873,900	4169.00	2,454,070	6,873,905	4169.00	-1	-5	0
CEV012DDH001	2,453,501	6,873,171	4224.00	2,453,500	6,873,163	4225.00	1	8	-1

Figure 12.3: Photographs of Drill Holes Identified in the Field from the El Chiqui Property



Source: Micon Site Visit Photographs 2021

Figure 12.4: Photographs of Rocks from the Cerro Verde Norte Property and Location of Drill Pad CEV011DDH003



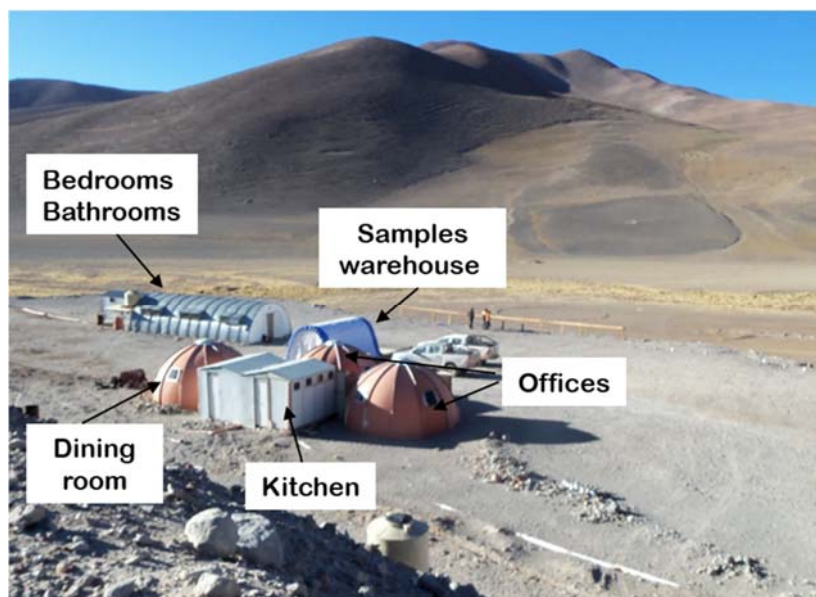
Source: Micon Site Visit Photographs 2021

During the site visit, no samples of the mineralised sectors were taken, and no evidence of recent exploration work was observed over the area of interest.

12.1.6 Camp Review

The camp was refitted and its facilities were upgraded and put into operation for the 2021 to 2023 exploration programme staff (Figure 12.5).

Figure 12.5: Photograph of Campamento Peñas Negras



Source: Micon Site Visit Photographs 2021

12.2 MICON QPS COMMENTS

Micon and the QPs consider that there is abundant historical data available for the Peñas Negras Project from the public domain and companies that previously operated in the region. Most historical information is from 10 to 25 years old and difficult to source. Data accuracy or suitability cannot be verified at this time, as there is no access to physical samples, such as core, RC cuttings, geochemistry pulps, or rejects. Assay certificates, and other original and raw geophysical data, are unavailable to Sendero and 131.

Sendero and 131 have compiled the current historical geology and mineralisation data, and the QPs recognise the significant mineral potential of the Project area. Sendero and 131 are implementing an exploration programme based upon modern best practices utilising compliant sample preparation, sample analysis, QA/QC, chain of custody, and data verification methods for its work going forward.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

No current metallurgical test work is available for the Peñas Negras Project.

14.0 MINERAL RESOURCE ESTIMATES

The Peñas Negras Project is at an early stage of development and as a result there are no mineral resources that comply with the requirements of CIM Standards to be reported at this time.

TECHNICAL REPORT SECTIONS NOT REQUIRED

The following sections, which form part of the NI 43-101 reporting requirements for advanced projects or properties, are not relevant to this Technical Report.

15.0 ORE RESERVE ESTIMATES

16.0 MINING METHODS

17.0 RECOVERY METHODS

18.0 PROJECT INFRASTRUCTURE

19.0 MARKET STUDIES AND CONTRACTS

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

21.0 CAPITAL AND OPERATING COSTS

22.0 ECONOMIC ANALYSIS

23.0 ADJACENT PROPERTIES

The Peñas Negras district, with its proximity to many significant clusters of world-class projects, is believed to contain excellent Maricunga-El Indio style gold/copper-gold mineralisation targets.

The Project is located in the southern segment of the Maricunga Belt in a known mining, advanced exploration, and exploration projects area. The information reported in this section is available in the public domain from the companies listed below.

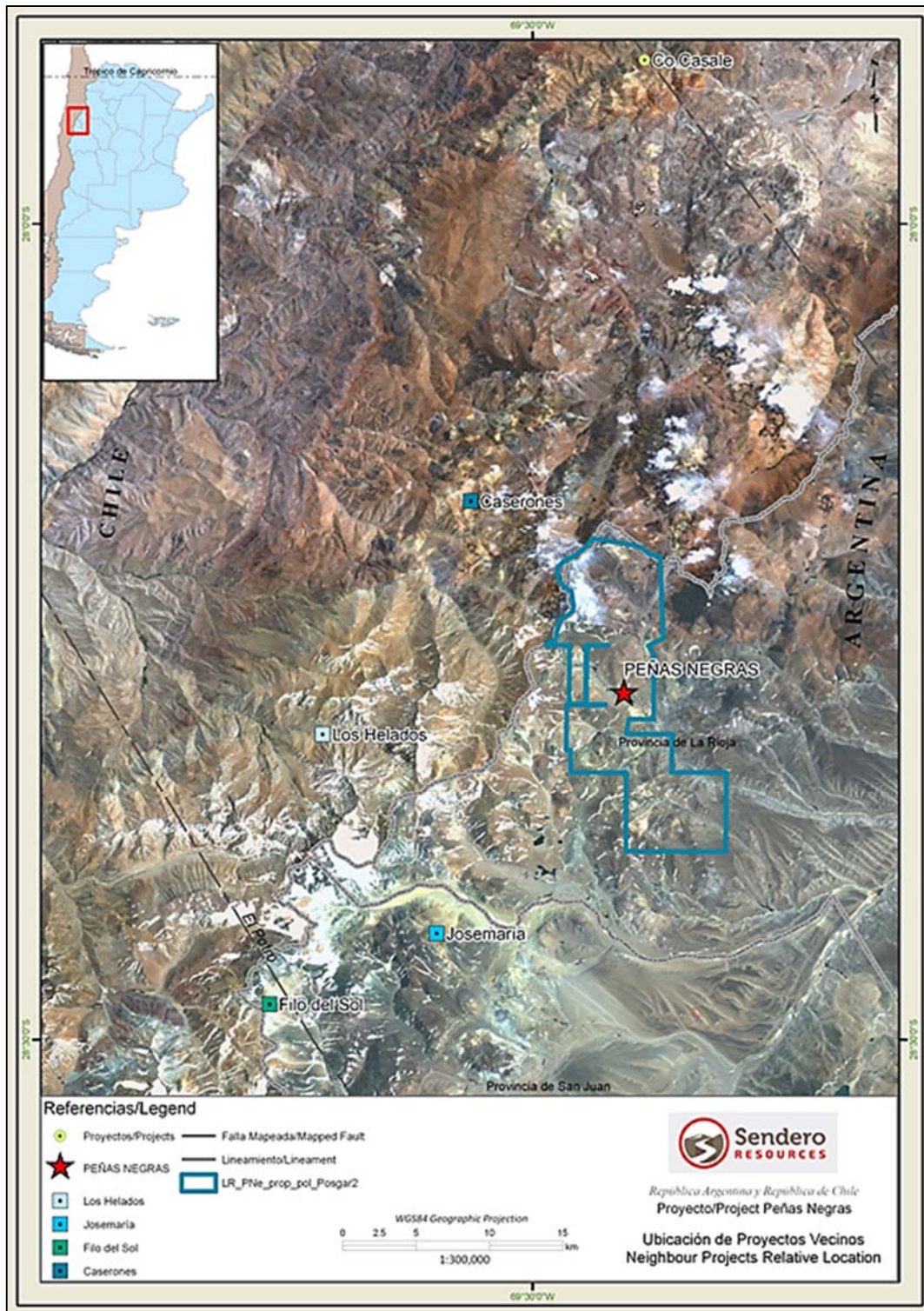
The Peñas Negras Project is located adjacent to:

- 11 km to the west is the Los Helados Project of NGex Resources Inc. The deposit is classified as a porphyry copper-gold system. The mineral resource estimate category is Indicated, 2,099 Mt at 0.38% Cu, 0.15 g/t Au and 1.37 g/t Ag (NI 43-101 Technical Report, 2019);
- 12 km to the southeast is the Josemaría Project of Josemaria Resources Inc. (Lundin Group). The deposit is classified as a porphyry copper-gold system. The sulphide mineral resource estimate has categories Measured + Indicated of 1,159 Mt at 0.29% Cu, 0.21 g/t Au and 0.90 g/t Ag (NI 43-101 Technical Report, 2020);
- 25 km to the southeast is the Filo del Sol Project of Filo Mining Corp. (Lundin Group). This is a high-sulphidation epithermal copper-gold-silver deposit associated with an extensive porphyry copper-gold system. The mineral reserve estimate category is Probable, 259.10 Mt at 0.39% Cu, 0.33 g/t Au and 15.10 g/t Ag (NI 43-101 Technical Report, 2019); and,
- 22 km to the northwest is the Caserones Mine (Cu-Mo) of Lumina Copper Chile (Nippon Caserones Resources Co). This is an Andean-type porphyry copper deposit located at the southern end of the Maricunga District. The mineral reserve estimate is 1,047 Mt @ 0.34% Cu, 126 ppm Mo and annual production of 150,000 t Cu. ((<https://www.fluor.com/projects/copper-mine-utilities-offsites-epcm>)).

Micon and the QPs have been unable to verify the information listed above and the information is not necessarily indicative of the mineralisation on the property that is the subject of this Technical Report.

Figure 23.1 presents the location of the adjacent mines and advanced projects to the Peñas Negras Project.

Figure 23.1: Location of Adjacent Mines and Advanced Projects to the Peñas Negras Project



Source: Sendero Resources Corp., 2021.

24.0 OTHER RELEVANT DATA AND INFORMATION

All relevant data and information regarding the Peñas Negras Project have been included in other sections of this Technical Report.

Micon and the QPs are not aware of any other data that would make a material difference to the quality of this Technical Report or make it more understandable, or without which the Report would be incomplete or misleading.

25.0 INTERPRETATION AND CONCLUSIONS

25.1 RISKS AND UNCERTAINTIES

Given the work conducted previously at the Project, there is access to a significant amount of valuable historical data compiled into a Geographic Information System (GIS). Still, its accuracy cannot be verified or its suitability at this time as there is no access to any physical samples, neither core, RC cuttings or geochemist pulps or rejects. Most of the information is between 10 and 25 years old, is difficult to source, and has no access to assay certificates.

Micon and the QPs believe that the database has to be used to lead back into the most important areas and guide drilling decisions in some places through a more detailed analysis of the results of the previous exploration programmes. A focused exploration programme should follow this in delineating the mineralised bodies geometry and their confirmation. This will assist Sendero and 131 to start estimating the resources and identifying other exploration targets elsewhere on the Property.

In case of future access to any historical physical samples, Sendero and 131 will need to conduct further work, as much as possible, including a relogging and sample check of the remaining historical core and conduct further verification mapping and sampling with QA/QC on the property to be able to incorporate the historical data into future resource estimates.

The QPs notes that Barton will decide whether reduction of the area covered by Cateos is required subsequent to the completion of the proposed exploration programme. The reduction of the size of the Cateos is not currently mandatory but is subject to the results of the proposed exploration programme. If the proposed exploration programme demonstrates that the entire area of the present Cateos has high mineral potential, then it will not be necessary to reduce the area covered by the Cateos.

The Project is located at a high elevation in the Andes Mountains. In such environments that receive significant volumes of snowfall there is a minor risk that snow accumulation may prevent access to preferred drilling sites during the summer exploration season.

25.2 CONCLUSIONS

Sendero and 131 commissioned the Qualified Persons responsible for this technical Report to review all the historical and available geological information such as geology, geochemical, geophysical, surface trenching and diamond drill core sampling pertaining to the Peñas Negras Project (located in the province of La Rioja, Argentina) to compile all available information in accordance with the guidelines of the Canadian Institute of Mining and Metallurgy (CIMM), and to define and validate the mineralised sectors and identifying new sectors by carrying out various stages of exploration

The property is located in a developing porphyry district at the intersection between the south end of the Maricunga Copper-Gold Belt and the northern extent of the El Indio Gold-Silver Belt, with both districts hosting world-class porphyry and epithermal deposits. The Project was confirmed by extensive exploration in the district during the 1990s by major mining companies and the subsequent discovery of three world-class mining projects adjacent to the property, Josemaria, Filo del Sol, and Los Helados. The anomalies of the property, such as La Ollita, Ángela and Ritzuko, are epithermal gold systems of the HS variety, that may be overprinting

the adjacent or deeper copper-gold porphyry system (Cerro Verde), depending on erosion level that causes a progressive descent of the palaeosurface and an alteration mineralisation telescoping.

The property presents altered volcanoclastic units of the Choiyoi Group (Permo-Triassic), with extensive alteration anomalies at the surface that follow a significant structural trend and hosts elevated anomalous values of copper, gold, and pathfinder elements; overlain by Late Oligocene-Miocene age volcanic rocks (andesites and dacites of the Doña Ana Formation and rhyolites, dacites and andesites of the Las Tórtolas Formation). In congruency with the tectonic uplift experienced in the area, the erosion of the tertiary rocks has taken place, exposing the basement and the mineralised porphyries. Major NNE structures define a belt of favourable host rocks with multiphase porphyry intrusions, mainly of dacitic composition and, to a lesser extent, dioritic-quartz dioritic compositions in the Project area.

The exploration works carried out since the 1990s by different companies (surface sampling, mapping, geophysics, and drilling) at the Peñas Negras Project allowed us to recognise the evidence of two different deposit styles formed at different crustal levels with characteristic metal grades and metallurgy. The first is an epithermal system with HS characteristics represented by the association of Au-Ag-Cu-As-Sb-Te, controlled by structures, and directly linked to a porphyry-type system at depth. The second corresponds to a porphyry Cu-Au±Mo system, developed in Miocene volcanic rocks, intruded by dacitic-dioritic-type bodies.

Phase I of the 2021 to 2023 exploration programme included detailed geological and structural mapping, sampling of surface materials and geophysical studies.

The size of the Property package, coupled with the style of mineralisation, indicates a clear need for a careful and systematic approach to target definitions.

This Technical Report's purpose is to provide the basic foundations for advancing the Peñas Negras Property in a logical and systematic manner from its present status through the various stages of Mineral Resource definition and the economic viability determination, following the Best Practice Guidelines for exploration programmes according to CIM Mineral Exploration (2018).

Sendero and 131 must focus its explorations programmes on confirmation of mineralisation, improve the quality of the data for a resource estimate, and expand the known mineralisation at the Peñas Negras Project.

Micon and the QPs of this report are confident that Sendero and 131 will undertake this work as part of its overall exploration programmes and be able to validate the historical information.

26.0 RECOMMENDATIONS

Once the merger transaction is complete Sendero and 131 plan to conduct an exploration programme at its Peñas Negras Project through its 100% subsidiary Barton SAS.

The proposed Sendero and 131 exploration programme includes a Phase I, during which geological mapping, talus fines sampling and infrastructure improvements will be conducted. This work will include road and drill site preparation. The Phase II exploration will include a 4,000 m drilling programme.

The total cost of the proposed exploration programme is CAD\$2,455,400. The work is planned to commence in November 2023 and is expected to be completed in March 2024 (Table 26.1). The Phase II programme is contingent on the results of the Phase I programme. This is largely dependent on access to sufficient drilling sites given the high elevation and potential for significant snow accumulation.

Table 26.1: Sendero and 131 Budget for the Exploration of the Peñas Negras Project 2023 - 2024

Item	Programme Costs		
	Phase I Aug 2023 - Dec 2023 (CAD\$)	Phase II Jan 2024 - Apr 2024 (CAD\$)	Total Cost (CAD\$)
Field Supervision, Geologists	51,200	51,200	102,400
Data Compilation, Modelling, Analysis	15,000	-	15,000
Roads, Access, and Drill Site Preparation	100,000	-	100,000
Surveying	30,000	-	30,000
Permits	20,000	-	20,000
Camp and Housing	85,000	136,000	221,000
Vehicles	25,000	40,000	65,000
Geochemical Talus Fines Sampling and Analyses	192,000	-	192,000
Drilling (2,500 m RC, 1,500 m DD)*	-	1,710,000	1,710,000
Total	518,200	1,937,200	2,455,400

Notes: Phase I: Re-establish base camp, access; roads and drill site prep; talus fines geochemistry programme.

Phase II: Camp improvements continued; drilling programme; 6-8 drill holes in preliminary target areas.

* Drill hole locations will be finalised after compilation of both historical and recent exploration data.

The 2023-2024 exploration programme consists of target definition work that includes geochemical and geological work, and a drilling programme of approximately 4,000 m (2,500 m RC and 1,500 m DD).

By Phase II, the RC drilling will be used on the newly identified targets and based on the results of the surface works and analytical values obtained in Phase I. Also, considering the historical information, the DD programme will seek to confirm the mineralised sectors.

Micon and the QPs have reviewed Sendero and 131's proposal for its exploration programme on the Peñas Negras property and recommend that Barton continues the exploration programme as proposed. The programme is subject to funding and any other matters, which may cause the proposed exploration programme to be altered in the ordinary course of its business activities or alterations that may affect the programme as a result of exploration activities themselves.

26.1 RECOMMENDATIONS

Through its acquisition of the Peñas Negras Project, Sendero and 131 is acquiring a property upon which historical exploration programmes have outlined a copper-gold mineralisation that has not been fully explored using modern techniques and following good practices.

Micon and the QPs agree with the general direction of Sendero and 131's initial and proposed exploration programmes for the Project and make the following additional general recommendations for the Property:

1. Barton personnel review the November 2018 CIM Mineral Exploration Best Practice Guidelines (the Exploration Guidelines) for exploration programmes and make any necessary adjustments to ensure that it is conducting its exploration programmes within the guidelines.
2. All Sendero and 131's exploration QA/QC procedures and practices be compiled into one document. This document can be used for training purposes for new personnel and is also a record of all QA/QC procedures and practices that can be appended to any report in the future.
3. A logging protocol be carried out before starting the drilling to unify criteria, taking historical information as a basis.
4. Implementing a modern system that complies with the best practices of sample preparation, analysis, security, a chain of custody and data verification for future exploration work.
5. The available historical information and data be organised and to implement an adequate data management system. A robust and auditable base ensures the reliability and integrity of the data. This will facilitate the re-interpretation, acceptable use and benefit of previous and future information generated for the Project.
6. A PIMA (portable infrared mineral analyser) be used to identify and map alteration mineral assemblages accurately and which are important to the understanding of and exploration for hydrothermal ore deposits. Data collection must be systematically organised and carried out by a trained operator.
7. For any future exploration programmes, all the samples generated are assayed for arsenic, mercury, and antimony, in addition to the economic minerals. This is due to the previously high levels of these elements identified in the mineralisation and their potential deleterious processing and environmental effects. These elements will need to be modelled in any future mineral resource block model to identify their potential extent and assist with identifying ways to mitigate their effects.

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28.0 DATE AND SIGNATURE PAGE

Signed on behalf of Patagonia GEOSCIENCES:

“Julio Bruna Novillo” {signed and sealed as of the report date}

Julio Bruna Novillo, PhD, CPG, FAusIMM (CP) (#992246)
Principal Geologist,
PATAGONIA GEOSCIENCES
Effective Date: 18th July 2023
Signed Date: 18th July 2023
Updated: 18th July 2023
Signed on behalf of Micon International Co Limited:

“Stanley C, Bartlett” {signed and sealed as of the report date}

Stanley C. Bartlett, M.Sc., PGeo. (#19698)
Senior Geologist and Vice President,
Micon International Co Limited
Effective Date: 18th July 2023
Signed Date: 18th July 2023
Updated: 18th July 2023

29.0 QUALIFIED PERSON CERTIFICATES AND CONSENT

CERTIFICATE OF CO-AUTHOR JULIO BRUNA NOVILLO

As the author of the “NI 43-101 Technical Report on the Peñas Negras Copper-Gold Project in La Rioja, Argentina”, with effective date 18th July 2023, I, Julio Bruna Novillo, hereby certify that:

- 1) I am employed as an Associate Principal Geologist by, and conducted this assignment for, Micon International Co Limited, Suite 10, Keswick Hall, Norwich, United Kingdom. tel. 0044(1603) 501 501, e-mail jbruna_geo@hotmail.com ;
- 2) I hold the following academic qualifications:

Geologist	National University of Córdoba, Argentina, 1993;
MBA	University Institute ESEADE, Argentina, 2009;
PhD (Geology)	National University of Catamarca, Argentina, 2019;
- 3) I am registered at the College of Geologists of the Province of Córdoba (membership #A-759). In addition, I am a member in good standing of several other technical associations and societies, including; Fellow FAusIMM CP (Geo) Membership #992246, CIM Membership #152176 and Society of Economic Geologists (Fellow Member SEG #104383;
- 4) I have worked as a geologist in the minerals industry for more than 30 years;
- 5) I do, by reason of education, experience and professional qualifications fulfil the requirements of a Qualified Person as defined by NI 43-101 and CIM Standards. My work experience includes ten years as an exploration geologist for gold and base metal deposits, ten years as a mine geologist in open-pit mines, and more than seven years as a consulting geologist working in base metals and precious metals lithium brines;
- 6) I visited the Peñas Negras Project from 20th to 21st December 2021, to assess the current site and infrastructure conditions;
- 7) I am responsible for Sections 2.0 – 31.0 of this Report;
- 8) I am independent of Sendero Resources Corporation, 1319732 B.C Ltd. and Barton SAS and the directors, senior management, and its other advisers of these companies, and I have had no prior involvement in the Peñas Negras Copper-Gold Project;
- 9) I have read Canadian National Instrument 43-101 and the Technical Report and confirm that this Report has been prepared in compliance with the instrument; and,
- 10) As of the date of this certificate, to the best of my knowledge, information, and belief, the “NI 43-101 Technical Report on the Peñas Negras Copper-Gold Project in La Rioja, Argentina”, with effective date 18th July 2023, contains all scientific and technical information that is required to be disclosed to make this Report not misleading.

“Julio Bruna Novillo” {signed and sealed as of the report date}

Julio Bruna Novillo, PhD, CPG, FAusIMM (CP) (#992246)
Principal Geologist, Associate Consultant,
Patagonia GEOSCIENCES
Effective Date: 18th July 2023
Signed Date: 18th July 2023
Updated: 18th July 2023

CERTIFICATE OF CO-AUTHOR STANLEY CURRIE BARTLETT

As the co-author of the “NI 43-101 Technical Report on the Peñas Negras Copper-Gold Project in La Rioja, Argentina”, with effective date 18th July 2023, I, Stanley Currie Bartlett, hereby certify that:

- 1) I am employed, as a Senior Geologist and Vice President, by, and conducted this assignment for, Micon International Co Limited, Suite 10, Keswick Hall, Norwich, United Kingdom. tel. 0044(1603) 501 501, e-mail sbartlett@micon-international.co.uk;
- 2) I hold the following academic qualifications:
B.Sc. Geological Sciences University of British Columbia, Vancouver, Canada, 1979;
M.Sc. (Mining Geology) Camborne School of Mines, Redruth, England, 1987;
- 3) I am a registered Professional Geoscientist with the Association of Professional Engineers and Geoscientists of the Province of British Columbia (membership # 19698); In addition, I am a member in good standing of the Society for Mining, Metallurgy and Exploration;
- 4) I have worked as a geologist in the minerals industry for 44 years;
- 5) I do, by reason of education, experience and professional qualifications fulfil the requirements of a Qualified Person as defined by NI 43-101 and CIM Standards. My work experience includes five years as an exploration geologist developing tungsten, gold, silver and base metal deposits, more than 14 years as a mining geologist in both open pit and underground mines and 25 years as a consulting geologist working in precious, ferrous, and base metals and industrial minerals. I have more than 30 years of experience of mineral resource estimation;
- 6) I have not visited the Peñas Negras Project;
- 7) I am responsible for Section 1.0 of this Report;
- 8) I am independent of Sendero Resources Corporation, 1319732 B.C Ltd and Barton SAS and the directors, senior management, and its other advisers of these companies, and I have had no prior involvement in the Peñas Negras Copper-Gold Project;
- 9) I have read Canadian National Instrument 43-101 and the Technical Report and confirm that this Report has been prepared in compliance with the instrument; and,
- 10) As of the date of this certificate, to the best of my knowledge, information, and belief, the “NI 43-101 Technical Report on the Peñas Negras Copper-Gold Project in La Rioja, Argentina”, with effective date 18th July 2023, contains all scientific and technical information that is required to be disclosed to make this Report not misleading.

“Stanley C. Bartlett” {signed and sealed as of the report date}

Stanley C. Bartlett, M.Sc., PGeo. (#19698)
Senior Geologist and Vice President,
Micon International Co Limited
Effective Date: 18th July 2023
Signed Date: 18th July 2023
Updated: 18th July 2023

30.0 APPENDIX 1

30.1 GLOSSARY OF MINING AND OTHER RELATED TERMS

Assay: A chemical test is performed on a sample of ores or minerals to determine the number of valuable metals.

Base metal: Any non-precious metal (e.g. copper, lead, zinc, nickel).

Cateo: Exploration concession.

Channel sample: A sample composed of pieces of vein or mineralisation that have been cut out of a small trench or channel, usually about 10 cm wide and 2 cm deep.

Chip sample: A method of sampling a rock exposure whereby a regular series of small chips of rock is broken off along a line across the face.

CIM Standards: The CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council from time to time. The most recent update adopted by the CIM Council is effective as of 27th November 2010.

Contact: A geological term used to describe the line or plane along which two different rock formations meet.

Core: The long cylindrical piece of rock, about an inch in diameter, was brought to the surface by diamond drilling.

Core sample: One or several pieces of whole or split parts of core selected as a sample for analysis or assay.

Cut-off grade: The lowest grade of mineralised rock that qualifies as ore grade in a given deposit is also used as the lowest grade below which the mineralised rock currently cannot be profitably exploited. Cut-off grades vary between deposits depending upon the ore's amenability to gold extraction and production costs.

Dacite: A finely crystalline extrusive igneous rock with an intermediate composition, equivalent of quartz diorite, usually light in colour and often porphyritic. It is found in lava flows, dykes, sills and pyroclastic rocks.

Deposit: An informal term for an accumulation of mineralisation or other valuable Earth material of any origin.

Dip: The angle at which a vein, structure or rock bed is inclined from the horizontal as measured at right angles to the strike.

Epithermal: Hydrothermal mineralisation formed within one kilometre of the Earth's surface, in the temperature range of 50° to 200°C.

Epithermal deposits: Epithermal gold deposits which develop above the porphyry environment at depths up to 1 km below the surface and at temperatures less than 300°C they are distinguished as low and high sulphidation.

Exploration: Prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

Fault: A break in the Earth's crust caused by tectonic forces which have moved the rock on one side concerning the other.

Fracture: A break in the rock, the opening of which allows mineral-bearing solutions to enter. A "cross-fracture" is a minor break extending at more or less right angles to the direction of the principal fractures.

Grade: Term used to indicate the concentration of an economically desirable mineral or element in its host rock as a function of its relative mass. With gold, this term may be expressed as grams per tonne (g/t) or ounces per tonne (oz/t).

Gram: One gram is equal to 0.0321507 troy ounces.

Hanging wall: The rock on the upper side of a vein or mineralisation.

High grade: Rich mineralisation or ore. As a verb, it refers to selective mining of the best ore in a deposit.

Host rock: Wall (surrounding) rock that confines the mineral occurrence zone.

Hydrothermal: Pertaining to or related to heated or superheated water deposition of minerals often associated with hot solutions produced by cooling magma.

Igneous rock: A rock formed by the solidification of magma.

Indicated Mineral Resource: An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between observation points. An Indicated Mineral Resource has a lower confidence level than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

Inferred Mineral Resource: An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower confidence level than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Intrusion / Intrusive: A body of igneous rock that invades older rock. The invading rock may be a plastic solid or magma that pushes its way into the older rock.

Leaching: The separation, selective removal or dissolving-out of soluble constituents from a rock or ore body by the natural actions of percolating solutions.

Magmatic: Consisting of, relating to or of magma origin.

Magmatism: Emplacement of magma within and/or on the surface of crustal rocks by igneous activity. Volcanism is the surface expression of magmatism.

Measured Mineral Resource: A Measured Mineral Resource is part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from the detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between observation points. A Measured Mineral Resource has a higher level of confidence than applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or a Probable Mineral Reserve.

Mine: A mineral mining enterprise. The term is often used to refer to an underground mine.

Mineral: A naturally occurring homogeneous substance that has definite physical properties and chemical composition and, if formed under favourable conditions, a definite crystal form.

Mineral Concession: That portion of public mineral lands which a party has staked or marked out in accordance with federal or state mining laws to acquire the right to explore for and exploit the minerals under the surface.

Mineral Deposit: A body of mineralisation that represents a concentration of valuable metals. The limits can be defined by geological contacts or assay cut-off grade criteria.

Mineralisation: The processes by which minerals are introduced into a rock, resulting in a valuable or potentially valuable deposit.

Mineral Resource: A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided to increase geological confidence into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource. The term mineral resource used in this report is a Canadian mining term defined by NI 43-101. Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the CIM), Standards on Mineral Resource and Mineral Reserves Definitions and guidelines adopted by the CIM Council on December 11, 2005, updated as of 27th November 2010, and more recently updated as of 10th May 2014 (the CIM Standards).

NI 43-101: National Instrument 43-101 is a national instrument for Canada's Standards of Disclosure for Mineral Projects. The Instrument is a codified set of rules and guidelines for reporting and displaying information related to mineral properties owned by, or explored by, companies that report these results on stock exchanges within Canada. This includes foreign-owned mining entities who trade on stock exchanges overseen by the Canadian Securities Administrators (CSA), even if they only trade on Over Counter (OTC) derivatives or other instrumented securities. The NI 43-101 rules and guidelines were updated as of 30th June 2011.

Orebody: A natural accumulation of ore confined to a certain structural and geological element or a combination of such elements.

Outcrop: An exposure of rock or mineralisation can be seen on the surface that is not covered by soil or water.

Oxidation: A chemical reaction caused by exposure to oxygen that result in a change in the chemical composition of a mineral.

Ounce: A measure of weight in gold and other precious metals, correctly troy ounces, which weighs 31.2 grams as distinct from an imperial ounce which weigh 28.4 grams.

PASMA: Proyecto de Apoyo al Sector Minero Argentino = literally: Project of Help to the Argentinian Mining Sector.

Porphyry deposits: Porphyry deposits are large, low-to medium-grade deposits in which primary (hypogene) ore minerals are dominantly structurally controlled and which are spatially and genetically related to felsic to intermediate porphyritic intrusions. Their large size and structural control are distinguished from other granite-related deposits such as skarns and mantos, mainly stockworks, veinlets, vein sets, fractures, and breccias.

Porphyritic (with porphyritic structure): Rock that contains relatively large crystals (phenocrysts) cemented by a groundmass of smaller crystals, glassy or non-holocrystalline material.

Qualified Person: Conforms to that definition under NI 43-101 for an individual: (a) to be an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, related to mineral exploration or mining; (b) has at least five years' experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; (c) to have experience relevant to the subject matter of the mineral project and the technical report; (d) is in good standing with a professional association; and (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that (i) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgement; and (ii) requires (A.) a favourable confidential peer evaluation of the individual's character, professional judgement, experience, and ethical fitness; or (B.) a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining.

Sampling: The process of studying the qualitative and quantitative composition and properties of natural formations comprising a deposit.

Sedimentary rock: Rock formed by sedimentation of substances in water, less often from air and due to glacial actions on the land surface and within sea and ocean basins. Sedimentation can be mechanical (under the influence of gravity or environment dynamics changes), chemical (from water solutions upon their reaching saturation concentrations and as a result of exchange reactions), or biogenic (under the influence of biological activity).

Stockwork: A complex system of structurally controlled or randomly oriented veinlets.

Sulphides: A group of minerals containing sulphur and other metallic elements such as copper and zinc. Gold and silver are often associated with sulphide enrichment in mineralisation.

Trenching: In geological exploration, a narrow, shallow ditch cut across a mineral showing or deposits to obtain samples or to observe character.

Vein: Tabular geological body formed as a result of mineral substance filling a fracture or due to metasomatic replacement of rock with mineral(s) along a fracture. Unlike dykes formed primarily by magmatic rock, a vein is composed of vein and ore minerals (quartz, carbonated, sulphides etc.).

Veinlet: A small vein.

Wall rocks: Rock units on either side of a body of mineralisation forming the hanging wall and footwall rocks.

Zone: An area of distinct mineralisation.

31.0 APPENDIX 2

31.1 LEGAL OPINION AND CONCLUSION FINAL RELIANCE LETTER FOR THE PEÑAS NEGRAS PROJECT (2021)



"Peñas Negras" Project

Ref.: Due Diligence

San Juan, September 15, 2021

It is hereby notified that all mining concessions (minas and cateos) and their respective environmental reports, as well as the request for sectoral permits, in each case, that is necessary for Barton SAS to explore and operate the Peñas Negras Project, has been requested in accordance with current regulations and/or those that have not yet been managed may be requested, without our having reasonable grounds to believe that the corresponding competent authorities may not grant them.

Yours very truly,

Maria Carolina Soria

Av. Ignacio de la Roza Oeste 568. 5400 Capital - San Juan, Argentina. T. 54 264 - 4225835/42111888
csestudionovoa@yahoo.com

31.2 LEGAL OPINION RELIANCE LETTER FOR THE PEÑAS NEGRAS PROJECT (2023)



San Juan, Argentina, April 13th, 2023.

To: Echelon and M Partens

Re: Mining Title Opinion in relation to the Peñas Negras Project.

Dear Sirs,

I. Introduction

We have acted as special counsel in the Republic of Argentina ("Argentina") to BARTON S.A.S. ("Barton"), a corporation organized under the laws of Argentina, in connection with the review, legal assessment of, and delivery to you of this opinion pertaining to certain mining titles held by Barton in the province of La Rioja, in Argentina (the Peñas Negras Project).

In rendering the opinions set forth hereinafter, we have taken into account the laws, decrees, resolutions and other regulations in force in Argentina as of the date of this opinion applicable to the subject matter thereof.

In rendering the opinions set forth hereinafter, we have taken into account the laws, decrees, resolutions and other regulations in force in Argentina as of the date of this opinion applicable to the subject matter thereof.

II. Argentine Law

1. We are qualified to practice law in Argentina.
2. The opinions below are based, among other items, on our examination of the following documentation:
 - (a) Certificate of Legal Status dated August 25th, 2021, with respect to each of the La Rioja Mining Titles, issued by La Rioja Director of Mining Notary, General Mining Department, copies of which are attached hereto;
 - (b) Invoice acknowledging payment of mining 'canon' (fee). corresponding to the 1st half of 2023

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III. Legal Opinion.

In Argentina, information about the holders of mining concessions can be obtained from the Argentine Mining Information Center (C.I.M.A), but each Province has to update this information. In the case of our firm, we have never been able to access this website.

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The Province of La Rioja, like many other provinces in the country, has no online Register of Mining Properties. Therefore, the required information on mining rights is to be obtained from the Ministry of Mining, located at 812, Pelagio B. Luna St., F5300, La Rioja City. There is a graphic record in this Office, in AutoCAD format, that is updated monthly and is available as a paid service.

Based on the considerations above and according to Argentine legislation, our opinion is as follows:

1. Barton is the owner of "Proyecto (Project) Peñas Negras". It has the exclusive right to explore and operate that Project pursuant to the Argentine Mining Code and the Code of Mining Procedures of the Province of La Rioja.
2. The six (6) exploitation concessions that are part of this Project, identified as File N° 232-B-1995 *Angela II*; File N° 234-B-1995 *Angela III*; File N° 50-B-1995 *Cristian I*; File N° 48-B-1995 *Cristian II*; File N° 47-B-1995 *Cristian III* and File N° 60-B-1996 *Ritsuko*, are legally registered in the name of Barton; they have been duly measured and have an activation-reactivation plan submitted and pending compliance, with their corresponding Environmental Impact Report (IIA) pending approval. Once the required IIA approval is granted through the corresponding Environmental Impact Assessment (D.I.A) resolution, the proposed activities can be carried out. There is no mining 'canon' pending payment to date and there are no liens, mortgages or inhibitions registered with the Mining Registry of the Province of La Rioja on any such properties.

The mine exploitation concessions are granted with no time limit provided that the provisions of the Argentine Mining Code (especially Articles 216, 217 and 218, as amended) are complied with by the concession holder.
3. The three (3) exploration permits that are part of the Project, identified as File N° 21-B-2020 *Don Álvaro*; File N° 10-B-2020 *El Chiqui* and File N° 04-B-2021 *Isidoro*, are current and legally registered in Barton's name, with the

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Environmental Impact Report pending approval. Canon payment is not required, and there are no liens, mortgages or inhibitions on the property registered with the Mining Registry of the Province of La Rioja.

The exploration permits are temporary and subject to concession resolutions and to compliance by the concession holder with the provisions of the Argentine Mining Code and the Code of Mining Procedures of the Province of La Rioja.

4. Although the Project is located within the areas included in the Laguna Brava Provincial Multiple-Use Reserve (a conservation area established for the preservation of natural ecosystems and archaeological sites), it is not within the reserve's intangible or buffer zones; therefore, it is possible to carry out all the mining activities necessary for the development of the Project pursuant to Resolution N° 286 from the Environmental Secretariat of the Province of La Rioja. In our opinion, all the mining rights and the corresponding approvals of environmental reports that are required for Barton to be able to explore and operate the Peñas Negras Project have been requested in accordance with current regulations and we have no reason to believe that they might be withheld by the Mining Authority.

Best Regards,



Maria Carolina Soria
Partner Lawyer
M.P. 3409

Av. Ignacio de la Roza Oeste 568. 5400 - San Juan, Argentina.
T. 54 264 - 4225835/42111888 cestudionovoa@yahoo.com



III. Legal Opinion.

In Argentina, information about the holders of mining concessions can be obtained from the Argentine Mining Information Center (C.I.M.A), but each Province has to update this information. In the case of our firm, we have never been able to access this website.

The Province of La Rioja, like many other provinces in the country, has no online Register of Mining Properties. Therefore, the required information on mining rights is to be obtained from the Ministry of Mining, located at 812, Pelagio B. Luna St., F5300, La Rioja City. There is a graphic record in this Office, in AutoCAD format, that is updated monthly and is available as a paid service.

Based on the considerations above and according to Argentine legislation, our opinion is as follows:

1. Barton is the owner of "Proyecto (Project) Peñas Negras". It has the exclusive right to explore and operate that Project pursuant to the Argentine Mining Code and the Code of Mining Procedures of the Province of La Rioja.
2. The six (6) exploitation concessions that are part of this Project, identified as File N° 232-B-1995 *Angela II*; File N° 234-B-1995 *Angela III*; File N° 50-B-1995 *Cristian I*; File N° 48-B-1995 *Cristian II*; File N° 47-B-1995 *Cristian III* and File N° 60-B-1996 *Ritsuko*, are legally registered in the name of Barton; they have been duly measured and have an activation-reactivation plan submitted and pending compliance, with their corresponding Environmental Impact Report (IIA) pending approval. Once the required IIA approval is granted through the corresponding Environmental Impact Assessment (D.I.A) resolution, the proposed activities can be carried out. There is no mining 'canon' pending payment to date and there are no liens, mortgages or inhibitions registered with the Mining Registry of the Province of La Rioja on any such properties.

The mine exploitation concessions are granted with no time limit provided that the provisions of the Argentine Mining Code (especially Articles 216, 217 and

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218, as amended) are complied with by the concession holder.

3. The three (3) exploration permits that are part of the Project, identified as File N° 21-B-2020 *Don Álvaro*; File N° 10-B-2020 *El Chiquí* and File N° 04-B-2021 *Isidoro*, are current and legally registered in Barton's name, with the Environmental Impact Report pending approval. Canon payment is not required, and there are no liens, mortgages or inhibitions on the property registered with the Mining Registry of the Province of La Rioja.

The exploration permits are temporary and subject to concession resolutions and to compliance by the concession holder with the provisions of the Argentine Mining Code and the Code of Mining Procedures of the Province of La Rioja.

4. Although the Project is located within the areas included in the Laguna Brava Provincial Multiple-Use Reserve (a conservation area established for the preservation of natural ecosystems and archaeological sites), it is not within the reserve's intangible or buffer zones; therefore, it is possible to carry out all the mining activities necessary for the development of the Project pursuant to Resolution N° 286 from the Environmental Secretariat of the Province of La Rioja.

In our opinion, all the mining rights and the corresponding approvals of environmental reports that are required for Barton to be able to explore and operate the Peñas Negras Project have been requested in accordance with current regulations and we have no reason to believe that they might be withheld by the Mining Authority.

Best Regards,



Maria Carolina Sorja
Partner Lawyer
M.P. 3409

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**APPENDIX “H”
EQUITY INCENTIVE PLAN**

[See attached]

SENDERO RESOURCES CORP. 2023 EQUITY INCENTIVE PLAN

1. Purpose; Eligibility.

1.1 General Purpose. The name of this plan is the Sendero Resources Corp. 2023 Equity Incentive Plan (the "**Plan**"). The purposes of the Plan are to (a) enable 1319732 B.C. Ltd., a corporation formed under the laws of the Province of British Columbia (the "**Company**"), and any Affiliate to attract and retain the types of Employees, Consultants and Directors who will contribute to the Company's long range success; (b) provide incentives that align the interests of Employees, Consultants and Directors with those of the security holders of the Company; and (c) promote the success of the Company's business. This Plan is being adopted in connection with, and is effective conditional upon, the consummation of the proposed acquisition by the Company of Sendero Resources Corp. pursuant to a three-cornered amalgamation with the Company's wholly owned subsidiary, 1409689 B.C. Ltd. (the "**Transaction**"). In connection with the consummation of the proposed transaction, the Company will change its name to "Sendero Resources Corp."

1.2 Eligible Award Recipients. The persons eligible to receive Awards are the Employees, Consultants and Directors of the Company and its Affiliates.

1.3 Available Awards. Awards that may be granted under the Plan include: (a) Stock Options, (b) Share Appreciation Rights, (c) Restricted Awards, (d) Performance Compensation Awards, (e) Performance Share Awards, and (f) Other Equity-Based Awards.

2. Definitions.

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 - Prospectus Exemptions, as amended from time to time.

"**Applicable Laws**" means the applicable laws and regulations and the requirements or policies of any governmental or regulatory authority, securities commission or stock exchange having authority over the Company or the Plan.

"**Applicable Withholding Taxes**" means any and all taxes and other source deductions or other amounts that an Employer is required by law to withhold from any amounts to be paid or credited hereunder. Applicable Withholding Taxes shall be denominated in the currency in which the Award is denominated.

"**Award**" means any right granted under the Plan, including a Stock Option, a Share Appreciation Right, a Restricted Award, a Performance Share Award, a Performance Compensation Award, or an Other Equity-Based Award.

"**Award Agreement**" means a written agreement, contract, certificate or other instrument or document evidencing the terms and conditions of an individual Award granted under the Plan that may, in the discretion of the Company, be transmitted electronically to any Participant. Each Award Agreement shall be subject to the terms and conditions of the Plan.

"Bank of Canada Rate" means the exchange rate for the applicable currency published by the Bank of Canada on the relevant date.

"Beneficial Owner" means any Person who, directly or indirectly, through a contract or other arrangement, has (or shares in) the rights to securities that typically occur with the ownership of securities, such as voting, dividend, distribution or transfer rights. A person or entity may be the beneficial owner of a security even though title to the security may be in another name (commonly referred to as securities held in street form). More than one Person or Persons can be the beneficial owner of a single security. A Person is an indirect beneficial owner of securities if the securities are owned through a corporation, affiliated corporation, a trust of which the Person is a beneficial owner or some other legal entity. A Person will be deemed to beneficially own securities that are owned by a corporation controlled by the Person or an Affiliate of such corporation. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"Beneficiary" means, subject to applicable law, any Person designated by a Participant by written instrument filed with the Company in such form as may be approved from time to time by the Company, to receive any amount payable under the Plan in the event of a Participant's death or, failing any such effective designation, the Participant's estate.

"Blackout Period" means, with respect to any person, the period of time when, pursuant to any policies or determinations of the Company, securities of the Company may not be traded by such person, including any period when such person has material undisclosed information with respect to the Company, but excluding any period during which a regulator has halted trading in the Company's securities.

"Board" means the Board of Directors of the Company, as constituted at any time.

"Business Day" means any day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

"Cash Award" means an Award denominated in cash that is granted under Section 7.5 of the Plan.

"Cause" means:

- (a) With respect to any Participant, unless the applicable Award Agreement states otherwise:
 - (i) if the Participant is a party to an employment or service agreement with the Company or its Affiliates and such agreement provides for a definition of Cause, the definition contained therein; or
 - (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Company to terminate the Participant's employment without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law:
 - (i) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (ii) material fiduciary breach with respect to the Company or an Affiliate; (iii) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Company or any of its Affiliates; (iv) gross negligence

or willful misconduct with respect to the Company or an Affiliate; (v) material violation of Applicable Laws; or (vi) the willful failure of the Participant to properly carry out their duties on behalf of the Company or to act in accordance with the reasonable direction of the Company.

- (b) With respect to any Director, unless the applicable Award Agreement states otherwise, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:
 - (i) gross misconduct or neglect;
 - (ii) willful conversion of corporate funds;
 - (iii) false or fraudulent misrepresentation inducing the director's appointment; or
 - (iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance.

The Committee, in its absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause.

"Change in Control" means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Award Agreement, the occurrence of any of the following:

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Company or any wholly owned subsidiary of the Company) thereafter acquires the direct or indirect ownership of, or acquires the right to exercise control or direction over, securities of the Company representing 50% or more of the then issued and outstanding voting securities of the Company in any manner whatsoever, including, without limitation, as a result of a Take-over Bid, an issuance or exchange of securities, an amalgamation of the Company with any other Person, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a Person or any group of two or more Persons acting jointly or in concert (other than a wholly owned subsidiary of the Company);
- (c) the date which is 10 business days prior to the consummation of a complete dissolution or liquidation of the Company, except in connection with the distribution of assets of the Company to one or more Persons which were wholly- owned subsidiaries of the Company prior to such event;
- (d) the occurrence of a transaction requiring approval of the Company's security holders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any Person or any group of two or more Persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Company);

- (e) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred; or
- (f) a majority of the members of the Board are replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the Board before the date of appointment or election.

provided that an event described in this definition shall not constitute a Change in Control where such event occurs as a result of a Permitted Reorganization.

"Committee" means a committee of one or more members of the Board appointed by the Board to administer the Plan in accordance with Section 3.3 and Section 3.4; *provided*, however, if such a committee does not exist, all references in the Plan to "Committee" shall at such time be in reference to the Board.

"Common Share" means a common share in the capital of the Company, or such other security of the Company as may be designated by the Committee from time to time in substitution thereof.

"Company" means 1319732 B.C. Ltd., and any successor thereto, and includes Sendero Resources Corp. following the name change of 1319732 B.C. Ltd. to be consummated in connection with the closing of the Transaction.

"Company Group" means the Company and its subsidiaries and Affiliates.

"Constructive Dismissal", unless otherwise defined in the Participant's employment agreement or in the applicable Award Agreement, has the meaning ascribed thereto pursuant to the common law and shall include, without in any way limiting its meaning under the common law, any material change (other than a change which is clearly consistent with a promotion) imposed by the Employer without the Participant's consent to the Participant's title, responsibilities or reporting relationships, or a material reduction of the Participant's compensation except where such reduction is applicable to all officers, if the Participant is an officer, or all employees, if the Participant is an employee of the Employer, provided that the termination of any Participant shall be considered to arise as a result of Constructive Dismissal only if such termination occurs due to such Participant resigning from employment within 30 days of the occurrence of the event described as giving rise to such Constructive Dismissal.

"Consultant" means any, Investor Relations Service Provider, individual or entity engaged by the Company or any Affiliate to render consulting or advisory services, other than as an Employee or Director, and whether or not compensated for such services.

"Continuing Entity" has the meaning ascribed thereto in Section 11.2.

"Continuous Service" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Consultant or Director, is not interrupted or terminated. The Participant's Continuous Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director, or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's Continuous Service. For example, a change in status from an Employee of the Company to a Director of an Affiliate will not constitute an interruption of Continuous Service. The Committee or its delegate, in its sole discretion, may determine whether

Continuous Service shall be considered interrupted in the case of any leave of absence approved by that party, including sick leave, military leave or any other personal or family leave of absence other than a Leave of Absence that is not considered a termination pursuant to Section 9.4. The Committee or its delegate, in its sole discretion, may determine whether a Company transaction, such as a sale or spin-off of a division or subsidiary that employs a Participant, shall be deemed to result in a Termination of Continuous Service for purposes of affected Awards, and such decision shall be final, conclusive and binding.

"Control Period" means the period commencing on the date of the Change in Control and ending 180 days after the date of the Change in Control.

"Deferred Share Units" or **"DSUs"** has the meaning set forth in Section 7.2 hereof.

"Director" means a member of the Board.

"Disability" means, unless an employment agreement or the applicable Award Agreement says otherwise, that the Participant:

- (a) is to a substantial degree unable, due to illness, disease, affliction, mental or physical disability or similar cause, to fulfill their obligations as an officer or employee of the Employer either for any consecutive 12-month period or for any period of 18 months (whether or not consecutive) in any consecutive 24-month period; or
- (b) is declared by a court of competent jurisdiction to be mentally incompetent or incapable of managing their affairs.

The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. The Committee may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Participant participates.

"Discounted Market Price" has the meaning ascribed to such term in the policies of the Exchange, as amended from time to time.

"Dividend Equivalent" has the meaning ascribed to such term in Section 7.2(c).

"Effective Date" shall mean the later of the date that (a) the Company's security holders approve this Plan and (b) the Transaction is consummated.

"Eligible Person" means any Director, officer, Employee or Consultant of the Company or an Affiliate.

"Employee" means any person, including an officer or Director, employed by the Company or an Affiliate. Mere service as a Director or payment of a director's fee by the Company or an Affiliate shall not be sufficient to constitute "employment" by the Company or an Affiliate.

"Employer" means, with respect to an Employee, the entity in the Company Group that employs the Employee or that employed the Employee immediately prior to their Termination of Continuous Service.

"Exchange" means the TSX Venture Exchange Inc.

"Expiry Date" has the meaning ascribed thereto in Section 6.2.

"Fair Market Value" means, as of any particular date, the value of the Common Shares as determined by the Committee in accordance with the following: (a) if the Common Shares are listed on the Exchange, the Fair Market Value shall be the weighted average trading price of a Common Share on the Exchange during the last five trading days prior to that particular date on which at least a board lot of Common Shares has so traded or, if a board lot has not traded on a particular day, the average of the bid and asked prices; *provided*, however, that if the Common Shares are not then listed and posted for trading on the Exchange, then the Fair Market Value shall mean the weighted average trading price of a Common Share on such stock exchange in Canada or the United States on which the Common Shares are then listed and posted for trading during the last five trading days prior to that particular date (and, if in United States dollars, converted to Canadian dollars using the Bank of Canada Rate) or, if the Common Shares are not then listed and posted for trading on any stock exchange in Canada or the United States, then the Fair Market Value shall mean the fair market value per Common Share (in Canadian dollars) as determined in good faith by the Committee in its sole discretion, and such determination shall be conclusive and binding on all persons.

"Fiscal Year" means the Company's fiscal year.

"Free-Standing Rights" has the meaning set forth in Section 7.1(a).

"Grant Date" means the date on which the Committee adopts a resolution, or takes other appropriate action, expressly granting an Award to a Participant that specifies the key terms and conditions of the Award or, if a later date is set forth in such resolution, then such date as is set forth in such resolution.

"Insider" has the meaning attributed thereto in policies of the Exchange, as amended from time to time.

"Investor Relations Service Provider" has the meaning attributed thereto in the policies of the Exchange, as amended from time to time.

"ITA" means the *Income Tax Act* (Canada), including the regulations promulgated thereunder, as amended from time to time.

"Leave of Absence" means any period during which, pursuant to the prior written approval of the Participant's Employer or by reason of Disability, the Participant is considered to be on an approved leave of absence or on Disability and does not provide any services to their Employer or any other entity in the Company Group.

"Negative Discretion" means the discretion authorized by the Plan to be applied by the Committee to eliminate or reduce the size of a Performance Compensation Award in accordance with Section 7.6(d)(iv) of the Plan.

"Notice of Exercise" means a notice substantially in the form set out as Schedule "A" to this Plan, as amended by the Company from time to time.

"Option" means a Stock Option granted to a Participant pursuant to the Plan.

"Option Exercise Price" means the price at which a Common Share may be purchased upon the exercise of an Option.

"Option Limit" has the meaning set forth in Section 4.3.

"Optionholder" means a Participant to whom an Option is granted pursuant to the Plan or, if applicable, such other Person who holds an outstanding Option.

"Other Equity-Based Award" means an Award that is not an Option, Share Appreciation Right, Restricted Share Unit, Performance Share Unit, Deferred Share Unit or Performance Share Award that is granted under Section 7.5 and is payable by delivery of Common Shares and/or which is measured by reference to the value of the Common Shares.

"Participant" means an Eligible Person to whom an Award is granted pursuant to the Plan or, if applicable, such other Person who holds an outstanding Award.

"Participant Information" has the meaning set forth in Section 13.16(a).

"Performance Compensation Award" means any Award designated by the Committee as a Performance Compensation Award pursuant to Section 7.6 of the Plan.

"Performance Criteria" or **"Performance Criterion"** means the criteria or criterion that the Committee shall select for purposes of establishing the Performance Goals for a Performance Period with respect to any Performance Compensation Award under the Plan. The Performance Criteria that will be used to establish the Performance Goals shall be based on the attainment of specific levels of performance of the Company (or Affiliate, division, business unit or operational unit of the Company) and shall be limited to the following:

- (a) net earnings or net income (before or after taxes);
- (b) basic or diluted earnings per share (before or after taxes);
- (c) net revenue or net revenue growth;
- (d) gross revenue;
- (e) gross profit or gross profit growth;
- (f) net operating profit (before or after taxes);
- (g) return on assets, capital, invested capital, equity or sales;
- (h) cash flow (including, but not limited to, operating cash flow, free cash flow, and cash flow return on capital);
- (i) earnings before or after taxes, interest, depreciation and/or amortization;
- (j) gross or operating margins;
- (k) improvements in capital structure;
- (l) budget and expense management;

- (m) productivity ratios;
- (n) economic value-added or other value-added measurements;
- (o) share price (including, but not limited to, growth measures and total shareholder return);
- (p) expense targets;
- (q) margins;
- (r) operating efficiency;
- (s) working capital targets;
- (t) enterprise value;
- (u) safety record; and
- (v) completion of acquisitions or business expansion.

Any one or more of the Performance Criteria may be used on an absolute or relative basis to measure the performance of the Company and/or an Affiliate as a whole or any division, business unit or operational unit of the Company and/or an Affiliate or any combination thereof, as the Committee may deem appropriate, or as compared to the performance of a group of comparable companies, or published or special index that the Committee, in its sole discretion, deems appropriate. Subject to Section 7.7, the Committee also has the authority to provide for accelerated vesting of any Award based on the achievement of Performance Goals pursuant to the Performance Criteria specified in this paragraph. In the event that Applicable Laws permit the Committee discretion to alter the governing Performance Criteria without obtaining security holder approval of such changes, the Committee shall have sole discretion to make such changes without obtaining security holder approval.

"Performance Formula" means, for a Performance Period, the one or more objective formulas applied against the relevant Performance Goal to determine, with regard to the Performance Compensation Award of a particular Participant, whether all, some portion but less than all, or none of the Performance Compensation Award has been earned for the Performance Period.

"Performance Goals" means, for a Performance Period, the one or more goals established by the Committee for the Performance Period based upon the Performance Criteria. The Committee is authorized at any time, in its sole and absolute discretion, to adjust or modify the calculation of a Performance Goal for such Performance Period in order to prevent the dilution or enlargement of the rights of Participants based on the following events:

- (a) asset write-downs;
- (b) litigation or claim judgments or settlements;
- (c) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results;

- (d) any reorganization and restructuring programs;
- (e) extraordinary, unusual or infrequently occurring items as described in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to security holders for the applicable year;
- (f) acquisitions or divestitures;
- (g) any other specific unusual or nonrecurring events, or objectively determinable category thereof;
- (h) foreign exchange gains and losses; and
- (i) a change in the Company's fiscal year.

"Performance Period" means the one or more periods of time, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to and the payment of a Performance Award.

"Performance Share Unit" or "PSU" means a unit designated as a Performance Share Unit and credited by means of an entry in the books of the Company to a Participant pursuant to the Plan, representing a right granted pursuant to Section 7.3 to the Participant to receive a Common Share (either issued from treasury or purchased in the open market) or a cash payment equal to the Fair Market Value thereof that generally becomes vested, if at all, subject to the achievement of Performance Goals and the satisfaction of such other conditions to vesting, if any, as may be determined by the Committee.

"Permitted Reorganization" means a reorganization of the Company Group in circumstances where the shareholdings or ultimate ownership remains substantially the same upon the completion of the reorganization.

"Person" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, agency and, where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.

"Plan" means this Sendero Resources Corp. 2023 Equity Incentive Plan, as amended and/or amended and restated from time to time.

"Related Rights" has the meaning set forth in Section 7.1(a).

"Restricted Award" means any Award granted pursuant to Section 7.2 to receive a Common Share (either issued from treasury or purchased in the open market) or a cash payment equal to the Fair Market Value thereof that generally becomes vested, if at all, following a period of continuous employment.

"Restricted Period" means the period during which a Restricted Award is subject to vesting or other restrictions in accordance with its terms.

"Restricted Share Unit" or "RSU" means a unit designated as a Restricted Share Unit and credited by means of an entry in the books of the Company to a Participant pursuant to the Plan, representing a right granted to the Participant pursuant to Section 7.2(a) to receive a Common Share (either issued from treasury or purchased in the open market) or a cash payment equal to the Fair Market Value thereof that generally becomes vested, if at all, following a period of continuous employment.

"Retirement" or "Retire" means, unless otherwise defined in the Participant's employment agreement, executive agreement or in the applicable Award Agreement, the normal retirement age of the Participant pursuant to the applicable regulations of the jurisdiction of their employment or such earlier retirement age, with consent of the Employer, if applicable.

"Sale" means the sale of all or substantially all of the assets of the Company as an entirety or substantially as an entirety to any person or entity (other than a wholly owned subsidiary of the Company) under circumstances such that, following the completion of such sale, the Company will cease to carry on an active business, either directly or indirectly through one or more subsidiaries.

"Security Based Compensation Plan" has the meaning attributed thereto in the policies of the Exchange, as amended from time to time.

"Service Year" has the meaning ascribed to such term in Section 7.2(a).

"Settlement Date" has the meaning ascribed to such term in Section 7.2(f).

"Share Appreciation Right" means the right pursuant to an Award granted under Section 7.1 to receive, upon exercise, an amount payable in cash or shares equal to the number of shares subject to the Share Appreciation Right that is being exercised, multiplied by the excess of (a) the Fair Market Value of a share of Common Shares on the date the Award is exercised, over (b) the exercise price specified in the Share Appreciation Right Award Agreement.

"Share Unit" means either an RSU, PSU or Dividend Equivalent as the context requires.

"Share Unit Account" has the meaning ascribed to such term in Section 7.4.

"SP Plan" has the meaning ascribed to it in Section 1 of Policy 4.4 of the Exchange.

"Stock Option" means an Option that is designated by the Committee as a stock option that meets the requirements set out in the Plan.

"Subsidiary" means any entity that is a "subsidiary" for the purposes of National Instrument 45-106 - Prospectus Exemptions, as amended from time to time.

"Substitute Award" has the meaning set forth in Section 4.8.

"Substitution Event" means a Change in Control pursuant to which the Common Shares are converted into, or exchanged for, other property, whether in the form of securities of another Person, cash or otherwise.

"Take-Over Bid" means a take-over bid as defined in National Instrument 62-104 – Take-over Bids and Issuer Bids, as amended from time to time.

"Termination of Continuous Service" means the date on which a Participant ceases to be an Eligible Person as a result of a termination of employment or retention with the Company or an Affiliate for any reason, including death, retirement, or resignation with or without cause. For the purposes of the Plan, a Participant's employment or retention with the Company or an Affiliate shall be considered to have terminated effective on the last day of the Participant's actual and active employment or retention with the Company or Affiliate, whether such day is selected by agreement with the individual, or unilaterally by the Participant or the Company or Affiliate, and whether with or without advance notice to the Participant. For the avoidance of doubt, and except as required by applicable employment standards legislation, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment or retention that follows or is in respect of a period after the Participant's last day of actual and active employment or retention shall be considered as extending the Participant's period of employment or retention for the purposes of determining their entitlement under the Plan. A Participant's transfer of employment to another Employer within the Company Group will not be considered a Termination of Continuous Service.

"Total Share Reserve" has the meaning set forth in Section 4.1.

"Transaction" has the meaning set forth in Section 1.1

"Vesting Date" means the date or dates set out in the Award Agreement on which an Award will vest, or such earlier date as is provided for in the Plan or is determined by the Committee.

3. Administration.

3.1 Authority of Committee. The Plan shall be administered by the Committee or, in the Board's sole discretion, by the Board. Subject to the terms of the Plan, the Committee's charter and Applicable Laws, and in addition to other express powers and authorization conferred by the Plan, the Committee shall have the authority:

- (a) to construe and interpret the Plan and apply its provisions;
- (b) to promulgate, amend, and rescind rules and regulations relating to the administration of the Plan;
- (c) to authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;
- (d) to determine when Awards are to be granted under the Plan and the applicable Grant Date;
- (e) from time to time to select, subject to the limitations set forth in this Plan, to determine those Participants to whom Awards shall be granted;
- (f) to determine the number of Common Shares to be made subject to each Award;
- (g) to prescribe the terms and conditions of each Award, including, without limitation, the exercise price and medium of payment and vesting provisions, and to specify the provisions of the Award Agreement relating to such grant;

- (h) to determine the target number of Performance Shares to be granted pursuant to a Performance Share Award, the performance measures that will be used to establish the Performance Goals, the performance period(s) and the number of Performance Shares earned by a Participant;
- (i) to designate an Award (including a Cash Award) as a Performance Compensation Award and to select the Performance Criteria that will be used to establish the Performance Goals;
- (j) to amend any outstanding Awards, including for the purpose of modifying the time or manner of vesting, or the term of any outstanding Award; *provided*, however, that if any such amendment impairs a Participant's rights or increases a Participant's obligations under their Award or creates or increases a Participant's income tax liability with respect to an Award, such amendment shall also be subject to the Participant's consent;
- (k) to determine the duration and purpose of leaves of absences that may be granted to a Participant without constituting termination of their employment for purposes of the Plan, which periods shall be no shorter than the periods generally applicable to Employees under the Company's employment policies;
- (l) to make decisions with respect to outstanding Awards that may become necessary upon a change in control or an event that triggers anti-dilution adjustments;
- (m) to interpret, administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan;
- (n) subject to applicable law, to delegate to any Director or Employee such duties and powers relating to the Plan as it may see fit;
- (o) to seek recommendations from the Chairman or from the Chief Executive Officer of the Company;
- (p) to appoint or engage a trustee, custodian or administrator to administer or implement the Plan; and
- (q) to exercise discretion to make any and all other determinations that it determines to be necessary or advisable for the administration of the Plan.

The Committee also may modify the purchase price or the exercise price of any outstanding Award, provided that if the modification effects a repricing, security holder approval shall be required before the repricing is effective.

3.2 Committee Decisions Final. All decisions made by the Committee pursuant to the provisions of the Plan shall be conclusive and binding on the Company and the Participants.

3.3 Delegation. The Committee or, if no Committee has been appointed, the Board, may delegate administration of the Plan to a committee or committees of one or more members of the Board, and the term "**Committee**" shall apply to any person or persons to whom such authority has been delegated.

The Committee shall have the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board or the Committee shall thereafter be to the committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may abolish the Committee at any time and reconstitute in the Board the administration of the Plan. The members of the Committee shall be appointed by and serve at the pleasure of the Board. From time to time, the Board may increase or decrease the size of the Committee, add additional members to, remove members (with or without cause) from, appoint new members in substitution therefor, and fill vacancies, however caused, in the Committee. The Committee shall act pursuant to a vote of the majority of its members or, in the case of a Committee comprised of only two members, the unanimous consent of its members, whether present or not, or by the written consent of the majority of its members, and minutes shall be kept of all of its meetings and copies thereof shall be provided to the Board. Subject to the limitations prescribed by the Plan and the Board, the Committee may establish and follow such rules and regulations for the conduct of its business as it may determine to be advisable.

3.4 Committee Composition. Except as otherwise determined by the Board, the Committee shall consist solely of two or more non-Employee Directors. Within the scope of such authority, the Board or the Committee may delegate to a committee of one or more members of the Board who are not non-Employee Directors the authority to grant Awards to Eligible Persons. Nothing herein shall create an inference that an Award is not validly granted under the Plan in the event Awards are granted under the Plan by a compensation committee of the Board that does not at all times consist solely of two or more non-Employee Directors.

3.5 Indemnification. In addition to such other rights of indemnification as they may have as Directors or members of the Committee, and to the extent allowed by Applicable Laws, the Committee shall be indemnified by the Company against the reasonable expenses, including attorney's fees, actually incurred in connection with any action, suit or proceeding, or in connection with any appeal therein, to which the Committee may be party by reason of any action taken or failure to act under or in connection with the Plan or any Award granted under the Plan, and against all amounts paid by the Committee in settlement thereof (provided, however, that the settlement has been approved by the Company, which approval shall not be unreasonably withheld) or paid by the Committee in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Committee did not act in good faith and in a manner that such person reasonably believed to be in the best interests of the Company or, in the case of a criminal proceeding, had no reason to believe that the conduct complained of was unlawful; *provided*, however, that within 60 days after the institution of any such action, suit or proceeding, such Committee shall, in writing, offer the Company the opportunity at its own expense to handle and defend such action, suit or proceeding.

4. **Shares Subject to the Plan.**

4.1 Total Share Reserve; Option Limit. Subject to adjustment in accordance with Section 10, (a) the total number of Common Shares that are issuable pursuant to all Awards, other than Stock Options, under the Plan, in aggregate, will be equal to 10% of the Common Shares issued and outstanding as of the Effective Date, which is expected to be equal to 6,540,844 Common Shares (the "**Total Share Reserve**"), and (b) the total number of Common Shares that are issuable pursuant to all Stock Options under the Plan, in aggregate, is equal to 10% of the Common Shares issued and outstanding as of the

Grant Date of such Stock Options (the "**Option Limit**"). During the terms of the Awards, the Company shall keep available at all times the number of Common Shares required to satisfy such Awards.

4.2 Common Shares for Distribution. Common Shares available for distribution under the Plan may consist, in whole or in part, of authorized and unissued shares, treasury shares or shares reacquired by the Company in any manner.

4.3 Cancelled, Forfeited or Terminated Awards. Any Common Shares subject to an Award that expires or is canceled, forfeited, or terminated without issuance of the full number of Common Shares to which the Award related will again be available for issuance under the Plan.

4.4 Substitute Awards. Awards may, in the sole discretion of the Committee, be granted under the Plan in assumption of, or in substitution for, outstanding awards previously granted by an entity acquired by the Company or with which the Company combines ("**Substitute Awards**"). Substitute Awards shall not be counted against the Total Share Reserve; *provided that*, Substitute Awards issued in connection with the assumption of, or in substitution for, outstanding options intended to qualify as Stock Options shall be counted against the Option Limit. Subject to applicable stock exchange requirements, available shares under a security holder approved plan of an entity directly or indirectly acquired by the Company or with which the Company combines (as appropriately adjusted to reflect such acquisition or transaction) may be used for Awards under the Plan and shall not count toward the Total Share Reserve.

5. **Eligibility; Limitations on Grants.**

5.1 Eligibility for Specific Awards. Awards may be granted to Employees, Consultants and Directors; *provided that*, a Participant and the Company each shall confirm that such Participant is a bona fide Eligible Person on the Grant Date of an Award to such Participant.

5.2 Participation Limits. The grant of Awards under the Plan is subject to the following limitations:

- (a) Unless the Company has obtained the requisite disinterested shareholder approval pursuant to Section 5.3 of Policy 4.4 of the Exchange:
 - (i) the number of Common Shares that may be issued to Insiders cannot exceed 10% of the Common Shares issued and outstanding (A) within any one-year period, or (B) at any time, in each case, under this Plan, alone or when combined with all other Security Based Compensation Plans of the Company; and
 - (ii) the number of Common Shares subject to Awards granted during a single 12 month period to any one Participant shall not exceed 5% of the Common Shares issued and outstanding, calculated as at the Grant Date of any Award to be granted to such Participant;
- (b) the number of Common Shares subject to Awards granted during a single 12 month period to any one Consultant shall not exceed 2% of the Common Shares issued and outstanding, calculated as at the Grant Date of any Award to be granted to such Consultant;

- (c) the number of Common Shares subject to Awards granted during a single 12 month period to all Investor Relations Service Providers, in aggregate, shall not exceed 2% of the Common Shares issued and outstanding, calculated as at the Grant Date of any Award to be granted to any such Investor Relations Service Provider; and
- (d) Investor Relations Service Providers may not receive any Awards other than Stock Options.

5.3 Assignment. All Awards granted under the Plan are non-assignable and non-transferable.

6. Option Provisions.

6.1 Award Agreement. Each Option granted under the Plan shall be evidenced by an Award Agreement. Each Option so granted shall be subject to the conditions set forth in this Section 6, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award Agreement. The provisions of separate Options need not be identical, but each Option shall include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the provisions in this Section 6.

6.2 Term. No Stock Option shall be exercisable after the expiration of ten years from the Grant Date or such shorter period as set out in the Optionholder's Option Agreement ("**Expiry Date**"), at which time such Option will expire. Notwithstanding any other provision of this Plan, other than Section 12(b)(vii), each Option that would expire during or within ten Business Days immediately following a Blackout Period shall expire on the date that is ten Business Days immediately following the end of the Blackout Period.

6.3 Exercise Price of a Stock Option. The Option Exercise Price of each Stock Option shall be fixed by the Committee on the Grant Date and will not be less than the Discounted Market Price of the Common Shares as of the Grant Date, subject to all applicable regulatory requirements. The Exercise Price shall be stated and payable in Canadian dollars.

6.4 Manner of Exercise. A vested Option or any portion thereof may be exercised by the Optionholder delivering to the Company a Notice of Exercise signed by the Optionholder or their legal personal representative, accompanied by payment in full of the aggregate Exercise Price and any Applicable Withholding Taxes in respect of the Option or portion thereof being exercised, payable, to the extent permitted by Applicable Laws, either:

- (a) in cash or by certified cheque, bank draft or money order payable to the Company or by such other means as might be specified from time to time by the Committee; or
- (b) in the discretion of the Committee, upon such terms as the Committee shall approve, pursuant to a broker-assisted cashless exercise, whereby the Optionholder shall elect on the Notice of Exercise to receive:
 - (i) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Common Shares underlying the Option (or portion thereof being exercised) by a securities dealer designated by the Company, less the aggregate Exercise Price, any Applicable Withholding Taxes, and any transfer costs charged by the securities dealer to sell the Common Shares;

- (ii) an aggregate number of Common Shares that is equal to the number of Common Shares underlying the Option (or portion thereof being exercised) minus the number of Common Shares sold in the capital markets by a securities dealer designated by the Company as required to realize cash proceeds equal to the aggregate Exercise Price, any Applicable Withholding Taxes and any transfer costs charged by the securities dealer to sell the Common Shares;
- (iii) a combination of (i) and (ii); or
- (iv) in any other form of legal consideration that may be acceptable to the Committee.

Subject to Section 8, upon receipt of payment in full, the number of Common Shares in respect of which the Option is exercised will be duly issued to the Optionholder as fully paid and non-assessable, following which the Optionholder shall have no further rights, title or interest with respect to such Option or portion thereof.

6.5 Surrender of Option. As an alternative to the exercise of an Option pursuant to Section 6.4, an Optionholder may elect to surrender for cancellation, unexercised, any vested Option that is otherwise then exercisable and, in consideration for such surrender for cancellation, to receive a cash payment in an amount equal to the positive difference, if any, obtained by subtracting the aggregate Exercise Price of the surrendered Option from the then current Fair Market Value of the Common Shares subject to the surrendered Option, less Applicable Withholding Taxes. The Committee has the sole discretion to consent to or disapprove of the election of the Optionholder to surrender any vested Option pursuant to this Section 6.5. If the Committee disapproves of the election, the Optionholder may (a) exercise the Option under Section 6.4, or (b) retract the request to surrender such Option and retain the Option. If the Committee consents to the election, the Company shall make the cash payment to the Optionholder in respect of the surrendered Option within 30 days. Any cash payment in accordance with this Section 6.5 shall be payable in Canadian dollars.

6.6 Transferability of a Stock Option. A Stock Option shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Optionholder only by the Optionholder. Notwithstanding the foregoing, the Optionholder may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of the death of the Optionholder, shall thereafter be entitled to exercise the Option.

6.7 Vesting of Options. Each Option may, but need not, vest and, therefore, become exercisable in periodic installments that may, but need not, be equal; *provided that*, each Option granted to an Investor Relations Service Provider must vest in accordance with the vesting requirements set out in the Section 4.4(c) of Policy 4.4 of the Exchange. The Option may be subject to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the Committee may deem appropriate. The vesting provisions of individual Options may vary. No Option may be exercised for a fraction of a Common Share. The Committee may, but shall not be required to, provide for an acceleration of vesting and exercisability in the terms of any Award Agreement upon the occurrence of a specified event.

6.8 Termination of Continuous Service. Unless otherwise determined by the Committee, in its discretion, or as provided in this Section 6 or pursuant to the terms provided in an Award Agreement or in an employment agreement the terms of which have been approved by the Committee, all rights to

purchase Common Shares pursuant to an Option or to surrender such Option shall expire and terminate immediately upon the Optionholder's Termination of Continuous Service, whether or not such termination is with or without notice, adequate notice or legal notice, provided that if employment of the Optionholder is terminated for Cause, such rights shall expire and terminate immediately upon notification being given to the Optionholder of such termination for Cause.

6.9 Extension of Options. An Optionholder's Award Agreement may also provide that if the exercise of the Option following the Termination of Continuous Service for any reason would be prohibited at any time because the issuance of Common Shares would violate Applicable Laws, then the Option shall terminate on the earlier of (a) the expiration of the term of the Option in accordance with Section 6.2 or (b) the expiration of a period after the Termination of Continuous Service that is 30 days after the end of the period during which the exercise of the Option would be in violation of such Applicable Laws.

6.10 Disability or Leave of Absence. Unless otherwise provided in an Award Agreement, in the event that an Optionholder's Continuous Service terminates as a result of Disability or the Optionholder is on a Leave of Absence, any Option held by the Optionholder shall continue to vest in accordance with its terms and may be exercised or surrendered in accordance with Section 6.4 or Section 6.5 at any time until the Option's Expiry Date.

6.11 Death. In the event an Optionholder's Continuous Service terminates as a result of the Optionholder's death, any Option held by the Optionholder shall become fully vested and may be exercised or surrendered by the Beneficiary in accordance with Section 6.4 or Section 6.5 at any time during the period that terminates on the earlier of the Option's Expiry Date and the first anniversary of the Optionholder's Termination of Continuous Service. Any Option that remains unexercised or has not been surrendered shall be immediately forfeited upon the termination of such period.

6.12 Retirement. Unless otherwise provided in an Award Agreement, in the event an Optionholder's Continuous Service terminates as a result of the Optionholder's Retirement, any Option held by the Optionholder shall continue to vest in accordance with its terms and may be exercised or surrendered in accordance with Section 6.4 or Section 6.5 at any time during the period that terminates on the earlier of: (a) the Option's Expiry Date and (b) the third anniversary of the Optionholder's Termination of Continuous Service. Any Option that remains unexercised or has not been surrendered shall be immediately forfeited upon the termination of such period.

6.13 Resignation. Unless otherwise provided in an Award Agreement, in the event an Optionholder's Continuous Service terminates as a result of the Optionholder's voluntary resignation, then:

- (a) the unvested part of any Option held by the Optionholder shall expire and terminate immediately on the Optionholder's Termination of Continuous Service; and
- (b) the vested part of any Option held by the Optionholder may be exercised or surrendered in accordance with Section 6.4 or Section 6.5 at any time during the period that terminates on the earlier of: (i) the Option's Expiry Date and (ii) the 30th day after the Optionholder's Termination of Continuous Service. Any Option that remains unexercised or has not been surrendered shall be immediately forfeited upon the termination of such period.

6.14 Termination Without Cause. Unless otherwise provided in an Award Agreement, in the event an Optionholder's Continuous Service is terminated by the Employer for any reason other than for Cause,

any Option held by the Optionholder shall continue to vest in accordance with its terms and may be exercised or surrendered in accordance with Section 6.4 or Section 6.5 at any time during the period that terminates on the earlier of: (a) the Option's Expiry Date and (b) the 30th day after the Optionholder's Termination of Continuous Service. Any Option that remains unexercised or has not been surrendered shall be immediately forfeited upon the termination of such period.

6.15 Termination Following Change in Control. Unless otherwise provided in an Award Agreement, if a Change in Control occurs and the Optionholder's employment with the Company Group is terminated:

- (a) by the Employer or by the entity that has entered into a valid and binding agreement with the Company and/or other members of the Company Group to effect the Change in Control at any time after such agreement is entered into or during the Control Period and such termination was for any reason other than for Cause; or
- (b) by the Optionholder as a result of Constructive Dismissal, provided the event giving rise to the Constructive Dismissal occurs during the Control Period;

any Option held by the Optionholder shall become fully vested and may be exercised or surrendered in accordance with Section 6.4 or Section 6.5 at any time during the period that terminates on the earlier of: (i) the Option's Expiry Date and (ii) the 90th day after the Optionholder's Termination of Continuous Service. Any Option that remains unexercised or has not been surrendered shall be immediately forfeited upon the termination of such period.

7. Provisions of Awards Other than Options.

7.1 Share Appreciation Rights.

- (a) General. Each Share Appreciation Right granted under the Plan shall be evidenced by an Award Agreement. Each Share Appreciation Right so granted shall be subject to the conditions set forth in this Section 7.1, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award Agreement. Share Appreciation Rights may be granted alone ("**Free-Standing Rights**") or in tandem with an Option granted under the Plan ("**Related Rights**").
- (b) Grant Requirements. Any Related Right may be granted at the same time the Option is granted or at any time thereafter but before the exercise or expiration of the Option.
- (c) Term of Share Appreciation Rights. The term of a Share Appreciation Right granted under the Plan shall be determined by the Committee; provided, however, no Share Appreciation Right shall be exercisable later than the tenth anniversary of the Grant Date.
- (d) Vesting of Share Appreciation Rights. Subject to Section 7.7, each Share Appreciation Right may, but need not, vest and, therefore, become exercisable in periodic installments that may, but need not, be equal. The Share Appreciation Right may be subject to such other terms and conditions on the time or times when it may be exercised as the Committee may deem appropriate. The vesting provisions of individual Share Appreciation Rights may vary. No Share Appreciation Right may be exercised for a fraction of a Common Share. The Committee may, but shall not be required to, provide for an

acceleration of vesting and exercisability in the terms of any Share Appreciation Right upon the occurrence of a specified event.

- (e) Exercise and Payment. Upon exercise of a Share Appreciation Right, the holder shall be entitled to receive from the Company an amount equal to the number of Common Shares subject to the Share Appreciation Right that is being exercised, multiplied by the excess of (i) the Fair Market Value of a Common Share on the date the Award is exercised, over (ii) the exercise price specified in the Share Appreciation Right or related Option. Payment with respect to the exercise of a Share Appreciation Right shall be made on the date of exercise. Payment shall be made in the form of Common Shares (with or without restrictions as to substantial risk of forfeiture and transferability, as determined by the Committee in its sole discretion), cash or a combination thereof, as determined by the Committee.
- (f) Exercise Price. The exercise price of a Free-Standing Right shall be determined by the Committee. A Related Right granted simultaneously with or subsequent to the grant of an Option and in conjunction therewith or in the alternative thereto shall have the same exercise price as the related Option, shall be transferable only upon the same terms and conditions as the related Option, and shall be exercisable only to the same extent as the related Option; provided, however, that a Share Appreciation Right, by its terms, shall be exercisable only when the Fair Market Value per Common Share subject to the Share Appreciation Right and related Option exceeds the exercise price per share thereof, and no Share Appreciation Rights may be granted in tandem with an Option unless the Committee determines that the requirements of Section 7.1(b) are satisfied.
- (g) Reduction in the Underlying Option Shares. Upon any exercise of a Related Right, the number of Common Shares for which any related Option shall be exercisable shall be reduced by the number of shares for which the Share Appreciation Right has been exercised. The number of Common Shares for which a Related Right shall be exercisable shall be reduced upon any exercise of any related Option by the number of Common Shares for which such Option has been exercised.
- (h) Termination of Continuous Service. All rights of any Participant or Beneficiary to a Share Appreciation Right granted under the Plan shall expire and terminate no later than the first anniversary of the Participant's Termination of Continuous Service.

7.2 Restricted Awards.

- (a) Restricted Share Units. The Committee may, from time to time, grant RSUs to Participants. The grant of an RSU to a Participant at any time shall neither entitle such Participant to receive, nor preclude such Participant from receiving, a subsequent grant of an RSU. Each RSU granted by the Committee shall be evidenced by an RSU Agreement. Unless otherwise provided in the applicable Award Agreement, RSUs granted to a Participant shall be awarded solely in respect of performance of such Participant in the calendar year in which the Grant Date occurs (the "**Service Year**"). In all cases, the RSUs shall be in addition to, and not in substitution for or in lieu of, ordinary salary and wages payable to a Participant in respect of their services to the applicable Employer. No Common Shares shall be issued at the time an RSU is granted, and the Company will not be required to set

aside funds for the payment of any such Award. A Participant shall have no voting rights with respect to any RSU granted hereunder. Each RSU so granted shall be subject to the conditions set forth in this Section 7.2, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award Agreement.

- (b) Deferred Share Units. The Committee may also grant RSUs with a deferral feature, whereby settlement is deferred beyond the vesting date until the occurrence of a future payment date or event set forth in an Award Agreement ("**DSUs**").
- (c) Dividend Equivalents. At the discretion of the Committee, each RSU and DSU (representing one Common Share) may be credited with cash and stock dividends paid by the Company in respect of one Common Share ("**Dividend Equivalents**"). Dividend Equivalents shall be paid currently (and in no case later than the end of the calendar year in which the dividend is paid to the holders of the Common Shares or, if later, the 15th day of the third month following the date the dividend is paid to holders of the Common Shares).
- (d) Restrictions.
 - (i) RSUs and DSUs awarded to any Participant shall be subject to (A) forfeiture until the expiration of the Restricted Period, and satisfaction of any applicable Performance Goals during such period, to the extent provided in the applicable Award Agreement, and to the extent such RSUs or DSUs are forfeited, all rights of the Participant to such RSUs or DSUs shall terminate without further obligation on the part of the Company and (B) such other terms and conditions as may be set forth in the applicable Award Agreement.
 - (ii) The Committee shall have the authority to remove any or all of the restrictions on the RSUs and DSUs whenever it may determine that, by reason of changes in Applicable Laws or other changes in circumstances arising after the date the RSUs or DSUs are granted, such action is appropriate.
- (e) Restricted Period. Subject to the terms of any employment agreement or executive agreement between the Participant and the Employer, or the Committee expressly providing to the contrary, a Participant's RSUs shall vest on the Vesting Date(s). No such Vesting Date shall extend beyond 10 years from the Grant Date of such RSU and all vesting conditions shall be such that the RSUs comply with the exception to the definition of "salary deferral arrangement" contained in paragraph (k) of section 248(1) of the ITA or any successor provision thereto. With respect to Restricted Awards, the Restricted Period shall commence on the Grant Date and end at the time or times set forth on a schedule established by the Committee in the applicable Award Agreement. No Restricted Award may be granted or settled for a fraction of a Common Share. Subject to Section 7.7, the Committee may, but shall not be required to, provide for an acceleration of vesting in the terms of any Award Agreement upon the occurrence of a specified event.
- (f) Settlement of Restricted Share Units and Deferred Share Units. On or within 60 days following the Vesting Date of a Share Unit (and in any event no later than December 31 of the third year following the year in respect of which the Share Unit is granted) (the "**Settlement Date**"), and subject to Section 9.5, the Company shall (i) issue to Participant

or Beneficiary, as applicable, from treasury the number of Common Shares that is equal to the number of vested Share Units held by the Participant as at the Settlement Date (rounded down to the nearest whole number), as fully paid and non-assessable Common Shares, (ii) deliver, or cause to be delivered, to the Participant or Beneficiary, as applicable, Common Shares purchased in the open market equal to the number of vested Share Units held by the Participant as of the Settlement Date (rounded down to the nearest whole number), (iii) deliver to the Participant or Beneficiary, as applicable, an amount in cash (net of Applicable Withholding Taxes) equal to the number of vested Share Units held by the Participant as at the Settlement Date multiplied by the Fair Market Value as at the Settlement Date, or (iv) a combination of (i), (ii) and (iii). Notwithstanding the foregoing, if a Participant's Termination of Continuous Service occurs prior to any applicable Settlement Date, the Share Units shall be settled by the Company delivering to the Participant or Beneficiary, as applicable, an amount in cash (net of Applicable Withholding Taxes) equal to the number of vested Share Units held by the Participant as at the Termination of Continuous Service multiplied by the Fair Market Value as at the Termination of Continuous Service. Upon settlement of such Share Units, the corresponding number of Share Units credited to the Participant's Share Unit Account shall be cancelled and the Participant or Beneficiary, as applicable shall have no further rights, title or interest with respect thereto. Upon the expiration of the Restricted Period with respect to any outstanding RSUs, or at the expiration of the deferral period with respect to any outstanding DSUs, the Company shall deliver to the Participant, or their beneficiary, without charge, one Common Share for each such outstanding vested RSU or DSU ("**Vested Unit**") and cash equal to any Dividend Equivalents credited with respect to each such Vested Unit in accordance with Section 7.2(c) hereof and the interest thereon or, at the discretion of the Committee, in Common Shares having a Fair Market Value equal to such Dividend Equivalents and the interest thereon, if any; *provided*, however, that if explicitly provided in the applicable Award Agreement, the Committee may, in its sole discretion, elect to pay cash or part cash and part Common Shares in lieu of delivering only Common Shares for Vested Units. If a cash payment is made in lieu of delivering Common Shares, the amount of such payment shall be equal to the Fair Market Value of the Common Shares as of the date on which the Restricted Period lapsed in the case of RSUs, or the delivery date in the case of DSUs, with respect to each Vested Unit.

7.3 Performance Share Unit Awards. The Committee may, from time to time, grant PSUs to Participants. The grant of a PSU to a Participant at any time shall neither entitle such Participant to receive, nor preclude such Participant from receiving, a subsequent grant of a PSU. Each PSU granted by the Committee shall be evidenced by a PSU Agreement. Unless otherwise provided in the applicable Award Agreement, PSUs granted to a Participant shall be awarded solely in respect of performance of such Participant in the calendar year in which the Grant Date occurs (the "**Service Year**"). In all cases, the PSUs shall be in addition to, and not in substitution for or in lieu of, ordinary salary and wages payable to a Participant in respect of their services to the applicable Employer. No Common Shares shall be issued at the time a PSU is granted, and the Company will not be required to set aside funds for the payment of any such Award. A Participant shall have no voting rights with respect to any PSU granted hereunder. The Committee shall have the discretion to determine: (i) the number of Common Shares or stock-denominated units subject to a Performance Share Award granted to any Participant; (ii) the Performance Period applicable to any Award; (iii) the Performance Goals and other conditions that must be satisfied for a Participant to earn an Award; and (iv) the other terms, conditions and restrictions of the Award. Each PSU so granted shall be subject to the conditions set forth in this Section 7.3, and to

such other conditions not inconsistent with the Plan as may be reflected in the applicable Award Agreement. No Performance Period shall extend beyond 10 years from the Grant Date of such PSU and all vesting conditions shall be such that the PSUs comply with the exception to the definition of "salary deferral arrangement" contained in paragraph (k) of section 248(1) of the ITA or any successor provision thereto. All rights of any Participant or Beneficiary to a PSU granted under the Plan shall expire and terminate no later than the first anniversary of the Participant's Termination of Continuous Service.

7.4 Share Unit Accounts. An account, called a "**Share Unit Account**", shall be maintained by the Company for each Participant and will be credited with such grants of RSUs, DSUs, PSUs or Dividend Equivalents as are received by the Participant from time to time. Share Units that fail to vest or that are settled in accordance with Section 7.2(f) shall be cancelled and shall cease to be recorded in the Participant's Share Unit Account as of the date on which such Share Units are forfeited or cancelled under the Plan or are settled, as the case may be. Where a Participant has been granted one or more RSUs, DSUs or PSUs, such RSUs, DSUs or PSUs (and related Dividend Equivalents) shall be recorded separately in the Participant's Share Unit Account.

7.5 Other Equity-Based and Cash Awards. The Committee may grant Other Equity-Based Awards, either alone or in tandem with other Awards, in such amounts and subject to such conditions as the Committee shall determine in its sole discretion. Each Equity-Based Award shall be evidenced by an Award Agreement and shall be subject to such conditions, not inconsistent with the Plan, as may be reflected in the applicable Award Agreement. The Committee may grant Cash Awards to Participants. All Cash Awards shall be designated Performance Compensation Awards and shall be subject to Section 7.6 of the Plan. Cash Awards shall be evidenced in such form as the Committee may determine. All rights of any Participant or Beneficiary to Other Equity-Based Awards or Cash Awards granted under this Plan shall expire and terminate no later than the first anniversary of the Participant's Termination of Continuous Service.

7.6 Performance Compensation Awards.

- (a) General. The Committee shall have the authority, at the time of grant of any Award described in this Plan (other than Options and Share Appreciation Rights granted with an exercise price equal to or greater than the Fair Market Value per Common Share on the Grant Date), to designate such Award as a Performance Compensation Award. In addition, the Committee shall have the authority to grant a Cash Award to any Participant and designate such Award as a Performance Compensation Award.
- (b) Eligibility. The Committee will, in its sole discretion, designate within the first 90 days of a Performance Period which Participants will be eligible to receive Performance Compensation Awards in respect of such Performance Period. However, designation of a Participant eligible to receive an Award hereunder for a Performance Period shall not in any manner entitle the Participant to receive payment in respect of any Performance Compensation Award for such Performance Period. The determination as to whether or not such Participant becomes entitled to payment in respect of any Performance Compensation Award shall be decided solely in accordance with the provisions of this Section 7.6. Moreover, designation of a Participant eligible to receive an Award hereunder for a particular Performance Period shall not require designation of such Participant eligible to receive an Award hereunder in any subsequent Performance Period, and designation of one person as a Participant eligible to receive an Award hereunder shall

not require designation of any other person as a Participant eligible to receive an Award hereunder in such period or in any other period.

- (c) Discretion of Committee with Respect to Performance Compensation Awards. With regard to a particular Performance Period, the Committee shall have full discretion to select the length of such Performance Period (provided any such Performance Period shall be not less than one fiscal quarter in duration), the types of Performance Compensation Awards to be issued, the Performance Criteria that will be used to establish the Performance Goals, the kinds and/or levels of the Performance Goals that are to apply to the Company and the Performance Formula. Within the first 90 days of a Performance Period the Committee shall, with regard to the Performance Compensation Awards to be issued for such Performance Period, exercise its discretion with respect to each of the matters enumerated in the immediately preceding sentence of this Section 7.6(c) and record the same in writing.

- (d) Payment of Performance Compensation Awards.

- (i) Condition to Receipt of Payment.

Unless otherwise provided in the applicable Award Agreement, a Participant must be employed by the Company on the last day of a Performance Period to be eligible for payment in respect of a Performance Compensation Award for such Performance Period. A Participant's eligibility for payment in respect of a Performance Compensation Award ends on the Termination of Continuous Service, regardless of whether the Participant's termination of employment was lawful, and does not include any period of statutory, contractual, common law or other reasonable notice of termination of employment or any period of salary continuance except as specified in this section. If the Participant resigns or is terminated for Cause, the Participant shall not be entitled to payment in respect of a Performance Compensation Award where the date the Participant ceases to provide services to the Company occurs before the payment date set out in the applicable Award Agreement. If the Participant is terminated without Cause the Participant is not entitled to payment in respect of a Performance Compensation Award after the expiry of the minimum period of statutory notice under the *Employment Standards Act* (British Columbia). The Participant hereby waives any claim for a Performance Compensation Award or any portion of that Performance Compensation Award where the payment date set out in the applicable Award Agreement occurs after the expiration of that minimum statutory notice period. For clarity, the Participant is not entitled to and waives any right to claim common law damages for loss of payment of a Performance Compensation Award stemming from the Company's failure to provide the Participant with adequate notice of termination without Cause.

- (ii) Limitation

A Participant shall be eligible to receive payment in respect of a Performance Compensation Award only to the extent that: (A) the Performance Goals for such period are achieved; and (B) the Performance Formula as applied against such Performance Goals determines that all or some portion of such Participant's Performance Compensation Award has been earned for the Performance Period.

(iii) Certification

Following the completion of a Performance Period, the Committee shall review and certify in writing whether, and to what extent, the Performance Goals for the Performance Period have been achieved and, if so, calculate and certify in writing the amount of the Performance Compensation Awards earned for the period based upon the Performance Formula. The Committee shall then determine the actual size of each Participant's Performance Compensation Award for the Performance Period and, in so doing, may apply Negative Discretion in accordance with Section 7.6(d)(iv) hereof, if and when it deems appropriate.

(iv) Use of Discretion

In determining the actual size of an individual Performance Compensation Award for a Performance Period, the Committee may reduce or eliminate the amount of the Performance Compensation Award earned under the Performance Formula in the Performance Period through the use of Negative Discretion if, in its sole judgment, such reduction or elimination is appropriate. The Committee shall not have the discretion to (A) grant or provide payment in respect of Performance Compensation Awards for a Performance Period if the Performance Goals for such Performance Period have not been attained or (B) increase a Performance Compensation Award above the maximum amount payable under Section 7.6(d)(vi) of the Plan.

(v) Timing of Award Payments

Performance Compensation Awards granted for a Performance Period shall be paid to Participants as soon as administratively practicable following completion of the certifications required by this Section 7.6 but in no event later than two months following the end of the fiscal year during which the Performance Period is completed.

7.7 Vesting of Awards Other than Options. No Award, other than Options or securities of the Company issued pursuant to an SP Plan, granted under this Plan shall vest before the date that is the first anniversary following the Grand Date of such Award, unless the Award Participant (a) dies, or (b) ceases to be an Eligible Person in connection with a Change in Control of the Company, in which case, the vesting of such Award may accelerate.

8. Compliance with Applicable Laws.

The Company's obligation to issue and deliver Common Shares under any Award is subject to: (i) the completion of such qualification of such Common Shares or obtaining approval of such regulatory authority as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Common Shares to listing on any stock exchange on which such Common Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Common Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Common Shares in compliance with Applicable Laws and for the listing of such Common Shares on any stock exchange on

which such Common Shares are then listed. Awards may not be granted with a Grant Date or effective date earlier than the date on which all actions required to grant the Awards have been completed.

9. Miscellaneous.

9.1 Acceleration of Exercisability and Vesting. Subject to Section 7.7, the Committee shall have the power to accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest in accordance with the Plan, notwithstanding the provisions in the Award stating the time at which it may first be exercised or the time during which it will vest.

9.2 Shareholder Rights. Except as provided in the Plan or an Award Agreement, no Participant shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Common Shares subject to such Award unless and until such Participant has satisfied all requirements for exercise of the Award pursuant to its terms, and no adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions of other rights for which the record date is prior to the date such Common Share certificate is issued, except as provided in Section 10 hereof.

9.3 No Employment or Other Service Rights. Nothing in the Plan or any instrument executed or Award granted pursuant thereto shall confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or shall affect the right of the Company or an Affiliate to terminate (a) the employment of an Employee with or without notice and with or without Cause or (b) the service of a Director pursuant to the by-laws of the Company or an Affiliate, and any applicable provisions of the corporate law of the jurisdiction in which the Company or the Affiliate is incorporated, as the case may be.

9.4 Transfer; Leave of Absence. For purposes of the Plan, no termination of employment by an Employee shall be deemed to result from either (a) a transfer of employment to the Company from an Affiliate or from the Company to an Affiliate, or from one Affiliate to another, or (b) a Leave of Absence, if the Employee's right to reemployment is guaranteed either by a statute or by contract or under the policy pursuant to which the Leave of Absence was granted or if the Committee otherwise so provides in writing.

9.5 Withholding Obligations. It is the responsibility of the Participant to complete and file any tax returns that may be required under Canadian or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan. Notwithstanding any other provision of this Plan, a Participant shall be solely responsible for all Applicable Withholding Taxes resulting from their receipt of Common Shares or other property pursuant to this Plan. In connection with the issuance of Common Shares pursuant to this Plan, a Participant shall, at the Participant's discretion:

- (a) pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial, local or other law relating to the Applicable Withholding Taxes in connection with such issuance;
- (b) authorize a securities dealer designated by the Company, on behalf of the Participant, to sell in the capital markets a portion of the Common Shares issued hereunder to realize cash proceeds to be used to satisfy the Applicable Withholding Taxes; or

- (c) make other arrangements acceptable to the Company to fund the Applicable Withholding Taxes.

10. Adjustments Upon Changes in Capital.

In the event of any stock dividend, stock split, combination or exchange of shares, merger, amalgamation, arrangement, consolidation, reclassification, spin-off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other change in the capital of the Company affecting Common Shares, the Board will make such proportionate adjustments, if any, as the Board in its discretion deems appropriate to reflect such change (for the purpose of preserving the value of the Awards), with respect to: (i) the maximum number of Common Shares subject to all Awards stated in Section 4; (ii) the maximum number of Common Shares with respect to which any one person may be granted Awards during any period stated in Section 4 and Section 7.6(d)(vi); (iii) the number or kind of shares or other securities subject to any outstanding Awards; (iv) the Exercise Price of any outstanding Options and Share Appreciation Rights; (v) the number of Share Units in the Participants' Share Unit Accounts; and (vi) the vesting of RSUs, DSUs or PSUs (and related Dividend Equivalents) provided, however, that no adjustment will obligate the Company to issue or sell fractional securities. Notwithstanding anything in this Plan to the contrary, all adjustments made pursuant to this Section 10 shall be made in compliance with section 7(1.4)(c) of the ITA and subject to the rules of the Exchange, to the extent applicable. The Company shall give each Participant notice of an adjustment hereunder and, upon notice, such adjustment shall be conclusive and binding for all purposes.

11. Effect of Change in Control.

11.1 Unless otherwise provided in an Award Agreement, notwithstanding any provision of the Plan to the contrary:

- (a) In the event of a Change in Control that is not a Substitution Event or Permitted Reorganization, all outstanding Options and Share Appreciation Rights shall become immediately exercisable with respect to 100% of the shares subject to such Options or Share Appreciation Rights, and/or the Restricted Period shall expire immediately with respect to 100% of the outstanding RSUs.
- (b) With respect to Performance Compensation Awards, in the event of a Change in Control that is not a Substitution Event or Permitted Reorganization, all incomplete Performance Periods in respect of such Award in effect on the date the Change in Control that is not a Substitution Event or Permitted Reorganization occurs shall end on the date of such change and the Committee shall (i) determine the extent to which Performance Goals with respect to each such Performance Period have been met based upon such audited or unaudited financial information then available as it deems relevant and (ii) cause to be paid to the applicable Participant partial or full Awards with respect to Performance Goals for each such Performance Period based upon the Committee's determination of the degree of attainment of Performance Goals or, if not determinable, assuming that the applicable "target" levels of performance have been attained, or on such other basis determined by the Committee.

To the extent practicable, any actions taken by the Committee under the immediately preceding Section 11.1(a) and Section 11.1(b) shall occur in a manner and at a time which allows affected

Participants the ability to participate in the Change in Control that is not a Substitution Event or Permitted Reorganization with respect to the Common Shares subject to their Awards.

11.2 Substitution Event or a Permitted Reorganization. Upon the occurrence of a Substitution Event or a Permitted Reorganization, the surviving or acquiring entity (the "**Continuing Entity**") shall, to the extent commercially reasonable, take all necessary steps to continue the Plan and to continue the Awards granted hereunder or to substitute or replace similar options or share units, as applicable for the Options and Share Units outstanding under the Plan on substantially the same terms and conditions as the Plan. For greater certainty, no consideration other than Continuing Entity options shall be received, and the amount that the aggregate fair market value of the securities of the Continuing Entity subject to the Continuing Entity options immediately after the substitution or replacement exceeds the aggregate exercise price of such securities under the Continuing Entity options shall not be greater than the amount the aggregate Fair Market Value of the Common Shares subject to the outstanding Options immediately before such substitution or replacement exceeds the aggregate Exercise Price of such Common Shares. Any such adjustment, substitution or replacement in respect of options shall, at all times, be made in compliance with the provisions of section 7(1.4) of the ITA. Any such adjustment, substitution or replacement in respect of Share Units shall, at all times, be such that the Plan and any Share Units granted hereunder comply with the exception to the definition of "salary deferral arrangement" contained in paragraph (k) of section 248(1) of the ITA or any successor provision thereto.

In the event that:

- (a) the Continuing Entity does not (or, upon the occurrence of the Substitution Event or Permitted Reorganization, will not) comply with the provisions of this Section 11.2;
- (b) the Board determines, acting reasonably, that such substitution or replacement is not practicable;
- (c) the Board determines, acting reasonably, that such substitution or replacement would give rise to adverse tax results, under the ITA; or
- (d) the securities of the Continuing Entity are not (or, upon the occurrence of the Substitution Event or Permitted Reorganization, will not be) listed and posted for trading on a recognizable stock exchange;

the outstanding Options shall become fully vested and may be exercised or surrendered by the Participant at any time after the Participant receives written notice from the Board of such accelerated vesting and prior to the occurrence of the Substitution Event or Permitted Reorganization; *provided*, however, that such vesting, exercise or surrender shall be, unless otherwise determined in advance by the Board, effective immediately prior to, and shall be conditional on, the consummation of such Substitution Event or Permitted Reorganization. Any Options that have not been exercised or surrendered pursuant to this Section 11.2 shall be forfeited and cancelled without compensation to the holder thereof upon the consummation of such Substitution Event or Permitted Reorganization. Unless otherwise determined by the Board prior to the date of the Substitution Event or Permitted Reorganization, as applicable, upon such Substitution Event or Permitted Reorganization, a pro rata proportion of the PSUs (and related Dividend Equivalents) credited to a Participant's Share Unit Account, which did not vest on or prior to the date of the Substitution Event or Permitted Reorganization, and a pro rata proportion of the RSUs or DSUs (and related Dividend Equivalents) credited to a Participant's Share Unit Account, which did not vest on or prior to the date of the Substitution Event or Permitted

Reorganization, shall vest in accordance with the provisions of Section 6.155, on the basis that the references to "Change of Control" in Section 6.15 shall be read as "Substitution Event or Permitted Reorganization, as applicable". Any Share Units that have been credited to a Share Unit Account of a Participant to whom this Section 11.2 applies and that do not vest pursuant to this Section 11.2 shall be terminated and forfeited. Notwithstanding any other provision of the Plan, in the event that Share Units vest, as contemplated in this Section 11.2, the Board may by resolution determine that the "Fair Market Value" with respect to such Share Units shall be the price per Common Share offered or provided for in the Substitution Event or Permitted Reorganization, as applicable.

11.3 Plan Survival on Merger, Consolidation or Reorganization. The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to all or substantially all of the assets and business of the Company and its Affiliates, taken as a whole.

11.4 Cancelling Awards on Change in Control. In addition, in the event of a Change in Control, the Committee may in its discretion and upon at least ten days' advance notice to the affected persons, cancel any outstanding Awards and pay to the holders thereof, in cash or stock, or any combination thereof, the value of such Awards based upon the price per Common Share received or to be received by other shareholders of the Company in the event. In the case of any Option or Share Appreciation Right with an exercise price that equals or exceeds the price paid for a Common Share in connection with the Change in Control, the Committee may cancel the Option or Share Appreciation Right without the payment of consideration for it.

12. Amendment of the Plan and Awards.

12.1 Amendment of Plan and Awards. The Board at any time, and from time to time, may amend or suspend any provision of an Award or the Plan, or terminate the Plan, subject to those provisions of Applicable Laws (including, without limitation, the rules, regulations and policies of the Exchange), if any, that require the approval of security holders or any governmental or regulatory body regardless of whether any such amendment or suspension is material, fundamental or otherwise, and notwithstanding any rule of common law or equity to the contrary.

- (a) Without limiting the generality of the foregoing, the Board may make the following types of amendments to this Plan or any Awards without seeking security holder approval:
 - (i) amendments of a "housekeeping" or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in this Plan, or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
 - (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Exchange);
 - (iii) amendments necessary for Awards to qualify for favourable treatment under applicable tax laws;
 - (iv) amendments to the vesting provisions of this Plan or any Award;

- (v) amendments to include or modify a cashless exercise feature, payable in cash or Common Shares, which provides for a full deduction of the number of underlying Common Shares from the Plan maximum;
 - (vi) amendments to the termination or early termination provisions of this Plan or any Award, whether or not such Award is held by an Insider, provided such amendment does not entail an extension beyond the original expiry date of the Award; and
 - (vii) amendments necessary to suspend or terminate this Plan.
- (b) Security holder approval will be required for the following types of amendments:
- (i) any amendment to increase the maximum number of Common Shares issuable under this Plan, other than pursuant to Section 10;
 - (ii) any amendment to this Plan that increases the length of the period after a Blackout Period during which Options may be exercised;
 - (iii) any amendment that would result in the Exercise Price for any Option granted under this Plan being lower than the Fair Market Value at the Grant Date of the Option;
 - (iv) any amendment to remove or to exceed the Insider participation limit set out in Section 5.2(c);
 - (v) any amendment that reduces the Exercise Price of an Option or permits the cancellation and reissuance of an Option or other entitlement, in each case, other than pursuant to Section 10, Section 11.1, or Section 11.2;
 - (vi) any amendment to reduce the Exercise Price of an Option granted to an Optionholder who is an Insider at the time of the proposed amendment;
 - (vii) any amendment extending the term of an Option beyond the original Expiry Date, except as provided in Section 6.2;
 - (viii) any amendment to extend the term of an Option, granted to an Optionholder who is an Insider at the time of the proposed amendment, beyond the original Expiry Date;
 - (ix) any amendment to the amendment provisions;
 - (x) any amendment that would allow for the transfer or assignment of Awards under this Plan, other than for normal estate settlement purposes; and
 - (xi) amendments required to be approved by security holders under applicable law (including the rules, regulations and policies of the Exchange).

12.2 No Impairment of Rights. Except as expressly set forth herein or as required pursuant to Applicable Laws, no action of the Board or security holders may materially adversely alter or impair the rights of a Participant under any Award previously granted to the Participant unless (a) the Company requests the consent of the Participant and (b) the Participant consents in writing.

13. General Provisions.

13.1 Forfeiture Events. The Committee may specify in an Award Agreement that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain events, in addition to applicable vesting conditions of an Award. Such events may include, without limitation, breach of non-competition, non-solicitation, confidentiality, or other restrictive covenants that are contained in the Award Agreement or otherwise applicable to the Participant, a termination of the Participant's Continuous Service for Cause, or other conduct by the Participant that is detrimental to the business or reputation of the Company and/or its Affiliates.

13.2 Clawback. Notwithstanding any other provisions in this Plan, the Company may cancel any Award, require reimbursement of any Award by a Participant, and effect any other right of recovery or recoupment of equity or other compensation provided under the Plan under Applicable Laws, stock exchange listing requirements or in accordance with any Company policies that may be adopted and/or modified from time to time ("**Clawback Policy**"). In addition, a Participant may be required to repay to the Company previously paid compensation, whether provided pursuant to the Plan or an Award Agreement, in accordance with the Clawback Policy. By accepting an Award, the Participant is agreeing to be bound by the Clawback Policy, as in effect or as may be adopted and/or modified from time to time by the Company in its discretion (including, without limitation, to comply with Applicable Laws or stock exchange listing requirements).

13.3 Other Compensation Arrangements. Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to any required regulatory or security-holder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

13.4 Sub-Plans. The Committee may from time to time establish sub-plans under the Plan for purposes of satisfying Applicable Laws of various jurisdictions in which the Company intends to grant Awards. Any sub-plans shall contain such limitations and other terms and conditions as the Committee determines are necessary or desirable. All sub-plans shall be deemed a part of the Plan, but each sub-plan shall apply only to the Participants in the jurisdiction for which the sub-plan was designed.

13.5 Deferral of Awards. The Committee may establish one or more programs under the Plan to permit selected Participants the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of performance criteria, or other event that absent the election would entitle the Participant to payment or receipt of Common Shares or other consideration under an Award. The Committee may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Committee deems advisable for the administration of any such deferral program.

13.6 Unfunded Plan. The Plan shall be unfunded. Neither the Company, the Board nor the Committee shall be required to establish any special or separate fund or to segregate any assets to assure the performance of its obligations under the Plan.

13.7 Recapitalizations. Each Award Agreement shall contain or be deemed to contain provisions required to reflect the provisions of Section 10.

13.8 Delivery. Upon exercise of a right granted under this Plan, the Company shall issue Common Shares or pay any amounts due within a reasonable period of time thereafter. Subject to any statutory or regulatory obligations the Company may otherwise have, for purposes of this Plan, 30 days shall be considered a reasonable period of time.

13.9 No Fractional Shares. No fractional Common Shares shall be issued or delivered pursuant to the Plan. The Committee shall determine whether cash, additional Awards or other securities or property shall be issued or paid in lieu of fractional Common Shares or whether any fractional shares should be rounded, forfeited or otherwise eliminated.

13.10 Other Provisions. The Award Agreements authorized under the Plan may contain such other provisions not inconsistent with this Plan, including, without limitation, restrictions upon the exercise of the Awards, as the Committee may deem advisable.

13.11 Beneficiary Designation. Each Participant under the Plan may from time to time name any beneficiary or beneficiaries by whom any right under the Plan is to be exercised in case of such Participant's death. Each designation will revoke all prior designations by the same Participant, shall be in a form reasonably prescribed by the Committee and shall be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.

13.12 Expenses. The costs of administering the Plan shall be paid by the Company.

13.13 Severability. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

13.14 Plan Headings. The headings in the Plan are for purposes of convenience only and are not intended to define or limit the construction of the provisions hereof.

13.15 Non-Uniform Treatment. The Committee's determinations under the Plan need not be uniform and may be made by it selectively among persons who are eligible to receive, or actually receive, Awards. Without limiting the generality of the foregoing, the Committee shall be entitled to make non-uniform and selective determinations, amendments and adjustments, and to enter into non-uniform and selective Award Agreements.

13.16 Participant Information.

- (a) As a condition of participating in the Plan, each Participant agrees to comply with all such Applicable Laws and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with such Applicable Laws. Each Participant shall provide the Company with all information (including personal information) required in order to administer the Plan (the "**Participant Information**").

- (b) The Company may from time to time transfer or provide access to Participant Information to a third-party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing services to the Company in connection with the operation and administration of the Plan. The Company may also transfer and provide access to Participant Information to the Employers for purposes of preparing financial statements or other necessary reports and facilitating payment or reimbursement of Plan expenses. By participating in the Plan, each Participant acknowledges that Participant Information may be so provided and agrees and consents to its provision on the terms set forth herein. The Company shall not disclose Participant Information except (i) as contemplated above in this Section 13.16(b), (ii) in response to regulatory filings or other requirements for the information by a governmental authority or regulatory body, or (iii) for the purpose of complying with a subpoena, warrant or other order by a court, Person or body having jurisdiction over the Company to compel production of the information.

13.17 Priority of Agreements. In the event of any inconsistency or conflict between the provisions of the Plan and any Award Agreement, the provisions of the Plan shall prevail. In the event of any inconsistency or conflict between the provisions of the Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Employer, on the other hand, the provisions of the employment agreement shall prevail.

14. Effective Date of Plan.

The Plan shall become effective as of the Effective Date. This Plan applies to Awards granted hereunder on and after the Effective Date.

15. Termination or Suspension of the Plan.

Awards may be granted under the Plan while the Plan is suspended or after it is terminated but Awards theretofore granted may extend beyond that date.

16. Governing Law.

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

As adopted by the Board of Directors of 1319732 B.C. Ltd. on September 22, 2023.

As approved by the security holders of 1319732 B.C. Ltd. on September 22, 2023.

SCHEDULE "A"
NOTICE OF EXERCISE

[DATE]

TO: SENDERO RESOURCES CORP. (f/k/a 1319732 B.C. Ltd.)

Re: Exercise of Option to Purchase Common Shares

Pursuant to the award agreement, dated [DATE] (the "**Award Agreement**"), among [OPTIONHOLDER NAME] and Sendero Resources Corp. (the "**Company**"), [OPTIONHOLDER NAME] hereby exercises [in full] their option to purchase an additional [[NUMBER]/[\$AMOUNT] principal amount] of the Company's common shares on the terms and subject to the conditions set forth in the Award Agreement, such common shares to be delivered on [CLOSING DATE].

[IF INDIVIDUAL:]

[INDIVIDUAL OPTIONHOLDER NAME]

[OR, IF NON-INDIVIDUAL:]

[ENTITY OPTIONHOLDER NAME]

By: _____

Name:

Title: