NI-43-101 Technical Report on the NOSENO Property, Guyana

Prepared for:

XAU Resources Inc.

Prepared by:

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1 SUMMARY

1.1 Introduction

Kevin P. Thomson, P.Geo., Consulting Geologist, has been retained by Canadian Capital Pool Company XAU Resources Inc. ("XAU") to prepare a technical report on the Noseno Property located in Guyana, South America. The Noseno Property is an early stage greenfields project which, despite its geological potential, is largely unexplored. The report has been written in compliance with National Instrument (NI) 43-101 and was prepared to substantiate the geological potential of the Noseno Property justifying initial exploration work, and to support a qualifying transaction for public listing on the TSX-V stock exchange. A site visit to the Noseno project was also conducted by Dr. Dennis J. LaPoint, also contracted by XAU. Mr. Mr. Kevin Thomson, the principal author, is responsible for the entire report, with the exception of the site inspection which was conducted and written by Dr. Dennis LaPoint.

The Noseno Property comprises 37 licenses covering 37,623 acres (15,225.5 ha, or 152.26 km^2) held by North West Exploration Inc. ("NWE"), a company incorporated in Guyana. XAU has entered into a Letter of Intent with NWE with respect to an option to acquire a 100% undivided interest in the Noseno Property.

The Noseno Property is located in north-western Guyana in one of Guyana's prospective greenstone belts, 210 kilometers west-northwest of Georgetown, the capital of Guyana. There are no known records of modern, formal exploration conducted on the Noseno Property. Limited exploration was conducted on two small groups of small-scale mining claims, the Higgins claims and the Williams claims, which lie at the northern edge of the Noseno Property. The Higgins claims are current and are held by Mr. Winslow Higgins of Georgetown, while the Williams claims, 3 kilometres to the east of Higgins' claims, are now expired. While XAU's Noseno claims partially overly the pre-existing Higgins small-scale mining claims, XAU's property does not include the Higgins claims area and XAU does not presently have the right to explore and develop the small area of the Higgins property. The Williams claims have expired, and the Noseno Property now incorporates that small area. The Higgins and Williams prospects were lightly explored by two former TSX-V listed junior explorers, Mammoth Minerals Inc. and Riva Gold Corp. during 2005 through 2010, providing limited geological insight into a small area on the edge of the Noseno Property. Otherwise, the geology of the geological potential of the Noseno Property is largely unknown. The exploration work programs proposed herein are exclusive of the Higgins ground.

The lack of historical exploration and detailed geological understanding of the Noseno Property makes it difficult to accurately access the Property's mineral potential. The limited publicly available information presented herein, including the Guyana Geology and Mines Commission data and reports on geology, geochemistry and geophysics plus the technical reports covering the adjacent properties does illustrate a favourable geological setting at Noseno for the potential presence of gold mineralization. The Property, as interpreted from the Government geology maps and reports, is underlain principally by

Paleoproterozoic greenstone rocks and intruded by a number of Trans-Amazonian granitoids. It is situated in the same greenstone terrain as the two largest gold deposits in Guyana, the Aurora Mine and the Toroparu Project, and the similarities in geology and structural setting highlight Property geology amenable to the formation of similar styled structurally controlled, orogenic style gold mineralization, but does not guarantee it. However, the interpreted geology is compelling enough to warrant initial exploration programs to assess its geological potential. A staged exploration program has been designed with the first phase, comprising principally geochemical exploration and costing an estimated $507,000, considered to be the minimum to adequately assess the Property. Contingent upon favourable results from the initial exploration, a second phase of limited target testing is also proposed at an estimated cost of $350,000.

This Technical Report has been prepared for XAU Resources Inc. by Kevin P. Thomson, a Qualified Person (QP) within the meaning of NI 43-101 Standards of Disclosure for Mineral Projects in support of XAU Resources Inc.'s disclosure of scientific and technical information for the Noseno Property. The Property has not been personally inspected by the principal author due to travel restrictions imposed by the Covid-19 pandemic. However, a site inspection was conducted by Dr. Dennis J. LaPoint, a QP within the meaning of NI 43-101 Standards of Disclosure for Mineral Projects on May 16, 2021, with his findings contained herein.

1.2 Property Description and Ownership

1.2.1 Property Description and Land Tenure

The Noseno claims consist of 17 medium-scale Mining Permits (MP) 16,887 acres (68.34 km²) in area registered in in the name of North West Exploration Inc. ("NWE"), plus 20 medium-scale Prospecting Permits (PPMS) 20,736 acres (83.92 km²) in area registered in the name of Mrs. Anuradha Doodnauth of Georgetown Guyana, for a total area of 37,623 acres (152.26 km²). The Mining Permits, valid for a 5-year period, were due for their first renewal by March 14, 2021. The renewal was applied for and paid and XAU are waiting on the GGMC to complete the process. XAU has indicated to the Author that once a renewal payment has been made and a receipt of payment issued by the GGMC, the renewal is effectively accomplished but the issuance of the confirmatory correspondence may delay up to two to three months. The claims that are in the name of Mrs. Doodnauth, which currently do not have an expiry date, have been applied for transfer to NWE with conversion to Mining Permits, and as with NWE's Mining Permits, the payment has been made to the GGMC and the new permits paperwork are still pending. A Title Opinion was obtained from Hughes, Fields and Stoby, Attorneys at Law in Georgetown, Guyana, concluding that the 37 Noseno claims "have been validly issued in accordance with the Mining Act, 1989, and the Regulations promulgated thereto. They are validly existing and in good standing under the laws of Guyana and in particular, the Mining Act, as of the date hereof", being May 10, 2021.

A list of the Noseno claims is presented in Section 4.3, Mineral Title.

1.2.2 Underlying Agreements

XAU has entered into a Letter of Intent with NWE with respect to an option to acquire a 100% undivided interest in the Noseno Property from NWE. The option agreement is staged over a 4-year period with a total of $2,000,000 in cash paid to NWE, 1,500,000 shares of XAU issued to NWE, plus a $5,000,000 commitment of work expenditures on the Property. Once XAU has fully exercised the option, NWE would be granted a 3% net smelter royalty on production from the Property.

1.3 Property Location, Accessibility, Climate and Physiography

The Noseno Property is located in northwestern Guyana on the continent of South America, situated 210 kilometers west-northwest of Georgetown, the capital of Guyana. The centre of the Noseno group of claims lies at approximately 60°09' West and 7°03' North, or 815,000 East and 780,000 North in the WGS84 Zone 20N UTM projection.

The Property is remote and can be accessed from a laterite gravel road extending 55 km from Matthews Ridge, 42 km to the north, and Port Kaituma, a further 40 kilometers to the northeast by road. Trans Guyana Airways has flights to Matthews Ridge and Port Kaituma twice a week, and barges transport goods to Port Kaituma from Georgetown at least weekly. Most of the Noseno Property is covered by dense tropical rainforest and much of the property is currently only accessible on foot. There is no established camp or other infrastructure currently on the Noseno Property and there are no known settlements on the Property. The closest community is Matthews Ridge, 42 kilometers due north of the Noseno Property, a small town of less than 1,000 inhabitants, many of whom are employed at the nearby recently reactivated Matthews Ridge manganese mine.

Guyana is subequatorial with a tropical climate that undergoes two distinct rainy seasons. In the Noseno area the rains peak in August, with a lesser rainy period peaking in November with up to 2,000 mm or more of rainfall per year. Temperatures range from around 20°C at night up to the mid 30°'s during the days, with the hottest periods of the year during March-April and September-October. Humidity is consistent year-round and is high ranging between 70 and 85%.

The relief in the Noseno Property is relatively hilly and ranges from an elevation of 105 masl at the northeastern edge of the Property up to 425 masl in the north-central part of the Property. Well-developed, moderately incised dendritic drainage networks on the northern side of the Property drain north to the Barama River, while the southern side drains south to the Cuyuni River.

1.4 History

There is limited known history of gold exploration or mining on the Noseno Property. Geological Survey Reports dating to the 1930's (Bishopp, 1937) describes a prospect in the north-central part of the Property, the Noseno Creek prospect, which reportedly consisted of an 80-foot shaft plus 555 feet of drifting from an adit, with "rather high" gold values obtained from quartz veining. Little other description is offered, and the precise location of the shaft is unknown, however it might be approximated from the old maps and searched for if any evidence remains. Small-scale underground mining also commenced at the Williams prospect on the northeastern edge of the Noseno Property in the late 1930's but was relatively short-lived ending in an underground collapse that killed two men. Macdonald (1965) refers to several "gold fields" or "gold workings" in the central parts of the Noseno Property but does not describe them. These were possibly prospecting pits and/or areas of small-scale alluvial workings.
Exploration work was more recently conducted on the Noseno and Williams prospects on the northern edge of the Noseno Property during 2005 through 2010 by former junior Canadian explorers Mammoth Minerals and Riva Gold. This work is described in Section 23, Adjacent Properties.

Although undocumented, there are indications of more recent artisanal workings over several areas of the Noseno Property (XAU Resources, pers. comm., Jan. 2021).

1.5 Geology and Mineralisation

The Noseno Property is in the northwestern part of the Paleoproterozoic Guiana shield at the northern end of South America. The Property is underlain chiefly by greenstones of the Barama Formation consisting of metagabbro and metabasalt dikes, sills and flows plus intermediate volcanics, metamorphosed to greenschist and locally to amphibolite grade. The Property is surrounded by Trans-Amazonian granitoid batholiths, and the central parts are intruded by several small to very small plutons of Trans-Amazonian granitoid, diorite and felsic porphyries. All lithologies have been affected by intense tropical weathering to depths up to 50 meters, capped by extensive laterite.

Known gold occurrences on the Property are few with mentions in historic literature of surface gold workings and several small-scale underground developments, with the most advanced being the Noseno and Williams prospects on the northern edge of the Property. These consist principally of narrow vein hosted gold in shears and brittle structures within amphibolite rocks, with minor associated replacement style gold and sulfides in sheared amphibolite. Production from these small occurrences is not documented.

1.6 Deposit Type

With no documented formal exploration work on the Noseno Property, there are essentially no known gold occurrences on the Property. The interpreted geology of the property suggests a geological environment appropriate for the formation of structurally hosted, orogenic style gold mineralization, which should be the principal target type in exploration conducted over the property. Most, if not all, of the significant gold occurrences in Guyana are of this deposit type.

1.7 Exploration

There has been no exploration work conducted on the Noseno Property by XAU Resources nor the vendor North West Exploration.

1.8 Drilling

There has been no drilling conducted on the Noseno Property by XAU Resources nor the vendor North West Exploration.

1.9 Sample Preparation, Analysis and Security

Neither North West Exploration nor XAU Resources have conducted work on the Noseno Property. There is nothing to disclose with respect to sample preparation, analysis or security.

1.10 Data Verifications

With no work having been conducted on the Property by XAU Resources or the vendor North West Exploration, there is no data to verify. The principal author has not visited the Noseno Property due to travel restrictions resulting from the Covid-19 pandemic. However, a site inspection was conducted by Qualified Person Dr. Dennis J. LaPoint on May 16, 2021, with his findings contained in Section 12.1. Dr. LaPoint is solely responsible for Section 12.1.

1.11 Mineral Processing and Metallurgical Studies

There have been no mineral processing or metallurgical studies conducted for the Noseno project.

1.12 Mineral Resource, Reserve Estimates

The Noseno Property is an early stage greenfields exploration project and does not currently host a mineral resource or reserve.

1.13 Mining and Recovery Methods, Infrastructure and Market Studies

Not applicable as the Noseno Property is at an early exploration stage.

1.14 Environmental, Social and Community

There have been no environmental or community impact studies conducted for the Noseno Property as the Property is at an early exploration stage.

1.15 Capital and Operating Costs, Economic Analysis

Not applicable as the Noseno Property is at an early exploration stage.

1.16 Adjacent Properties

The principal known prospect close to the Noseno Property is historically named the Noseno prospect and lies on small-scale mining claims at the northern edge of the Noseno Property still held by Mr. Winslow Higgins of Georgetown. Three generations of the Higgins family, starting in the 1950's or 1960's, conducted small-scale mining of material extracted from numerous alluvial workings, shafts, adits and open cuts excavated in the saprolite, with up to 40 occurrences worked to varying degrees (Veldhuyzen, 2010). There are no known written records of the Higgins work or production. Between 2005 and 2008 Mammoth Minerals optioned the Higgins and Williams claims and conducted mapping and sampling, excavated two trenches and sunk two short exploration shafts in the area of the old workings. In 2010, Riva Gold Corp merged with Mammoth Minerals, acquiring all their assets in Guyana, and conducted a small diamond drilling program to test the Noseno and Williams prospects in late 2010, with 6 drill holes totalling 1,797 meters. Results were weak, with the exception of one narrow intercept of 1.63 meters of 98.89 g/t Au from quartz veining at the Noseno prospect. Since the end of 2010 there has been no known work reported from the Noseno or Williams prospects.

The other relatively recently active property in the immediate area of the Noseno Property is Reunion Gold's Arawini properties adjacent to and to the east of Noseno. These were part of an alliance between

Reunion Gold and Barrick Gold; however, Barrick Gold has since dropped these properties from their alliance with Reunion. The results from Reunion and Barrick's work at Arawini, if any, are unknown.

The Author has been unable to verify the information pertaining to adjacent properties and the information regarding these other projects is not necessarily indicative of the mineralization on the Noseno Property.

1.17 Other Relevant Data

Other relevant data available to aid the understanding of geology and mineral potential of the Noseno Property is limited to data, maps and reports publicly available from the Guyana Geology and Mines Commission. This includes the geology presented in the Guyana Geology and Mines Commission Geological Map of Guyana (2010) which provides a valuable initial framework for the geological setting of the Property. Although interpreted from limited historic geological mapping in the Noseno area, and at a small scale of 1:1,000,000, the geological map presents a good starting point for a geological understanding and the targeting of areas of higher geological prospectivity to focus work on.

In addition to the Guyana Government's current and historic regional and local geological maps, there is a publicly available aeromagnetic geophysical survey map covering much of the northern three-quarters of Guyana, and surficial geochemical surveys have been conducted over much of the more prospective greenstone terrane in the northern half of the country, with detailed reports, maps and multi-element geochemical data available for many areas. Both the aeromagnetic and geochemical survey coverage are highly useful datasets to aid initial efforts on geologically prospective ground that may not have experienced significant historic exploration.

1.18 Conclusion and Recommendations

The Noseno Property is an early stage greenfields exploration project than can be considered a potential project of geological merit. The Property has not been explored by XAU Resources nor the vendor, North West Exploration, and has experienced no historic formal exploration except for limited work on small-scale mining claims at the northern edge of the Property, which effectively did little to validate or downgrade the discovery potential of the much larger Noseno Property.

The Noseno Property covers predominantly Paleoproterozoic greenstone belt geology with subordinate Trans-Amazonian granitoid batholiths fringing the Property and as smaller intrusions in the core of the Property. Similar geology is observed at the large orogenic-type, structurally controlled Aurora and Toroparu gold deposits within 60 kilometers of the Noseno Property and within the same greenstone terrane. It is unclear if the structural setting at Noseno is suitable for the formation and emplacement of significant mineralizing systems due to a lack of geological and structural understanding of the Property

given the absence of historic exploration work, a lack of geological surveys and the coarse geophysical data over the Property area. However, the preponderance of greenstone geology, abundant intrusive contacts along which orogenic deformation might have focussed and several indications of gold mineralization on and near the Property underscore the potential for orogenic-style, structurally controlled gold mineralization, possibly significant in size, to have developed on the Property. Accordingly, the Noseno Property warrants exploration to assess the mineral potential of the Property, with continuing and escalating efforts contingent upon results.

A recommended staged exploration program has been designed to evaluate the mineral potential of the Noseno Property, with Phase I to include property-wide stream sediment geochemistry, geological mapping and prospecting with gold and multielement analysis; acquisition, reprocessing and imaging of aeromagnetics data held by the Guyana Geology and Mines Commission (if available); and soil geochemical surveys to identify areas of favourable geology and geochemical anomalism. If warranted by the initial work, a Phase II program of target testing by trenching and diamond drilling is proposed. Should the Phase I programs fail to generate significant results and targets, work on the Property might be curtailed or even ceased prior to investing in the more expensive target testing programs. If, however, the initial target tests generate compelling enough results, then continuing work on the Property would be justified. Refer to the estimated budget for this proposed work in Table 1.1.

	Objective	Activity / Items	Unit	All-inclusive Unit Cost (US$)[1]	Est. Cost (US$)	Total Cost by Phase (US$)
PHASE I	Access & Accommodations	Improve access to & into the property plus construction of a basic field camp to start	Rough estimate for 14km of trail from Noseno prospect to southern end of property, plus a very basic field camp for initial work programs		60,000	
		Vehicles	Purchase of two Quad bikes	12.5K ea.	25,000	
	Initial property evaluation and target generation	Geochemistry I: Stream sediment sampling; BLEG Au, pan concentrates, ICP-MS multi-element analyses	346 samples, analyses + labour/sample	75/samp	26,000	
		Prospecting and rock sampling	300 rock samples (incl labour costs)	65/samp	20,000	
		Acquiring historic mag data from GGMC, reprocessing & re-imaging [2]	Estimated total cost		30,000	
	Target generation	Geochemistry II: First pass soil sampling	4,200 soil samples	75, 40/samp[3]	242,000	
		Geochemistry II: In-fill soil sampling	2,600 soil samples	40/samp	104,000	**507,000**
PHASE II	Initial target tests	Trenching to test most compelling gold in soil anomalies	2,500m (10 x 250m trenches), all inclusive cost + assays for Au	50/m	125,000	
		First-pass DD drill test of exceptional trenching results	1,000m (8 x 125m DDH), all inclusive cost + assays for Au	225/m	225,000	**350,000**
	TOTAL					**857,000**

1. Unit costs assume labour & meal costs etc. to be approx. $25/sample (soils or stream sediments)

2. Assuming the GGMC mag data is of reasonable quality and available.

3. Only every 2nd soil sample line analyzed for ICP-MS multi-elements.

Table 1.1: Estimated Budget for Exploration on the Noseno Property

2 INTRODUCTION

2.1 Scope of Work

This report was prepared to provide a National Instrument 43-101 (NI 43-101) compliant Technical Report of the Noseno Property, Guyana, ("Noseno", "the Noseno Property", or "Property") on behalf of XAU Resources Inc. ("XAU" or "the Company"), with its registered office located at Suite 4100, 66 Wellington Street West, Toronto, Ontario, Canada, M5K 1B7. XAU has entered into a Letter of Intent with North West Exploration Inc. ("NWE"), the vendor of the Property, with its registered office located at 143A Robins' Place West, Bel Air Park, Georgetown, Guyana, for an option agreement to earn 100% undivided interest in the Noseno Property.

This report is produced for Public Reporting under Canadian National Instrument ("NI") 43-101 in Canada (NI 43-101, 2016).

2.2 Noseno Property

The Noseno Property is located in northwestern Guyana, 210 km west-northwest of the capital Georgetown, and 6.2 kilometers east of the Venezuelan border, and straddles the boundary between the Barima-Waini and Cuyuni-Mazaruni regions of Guyana.

The Noseno Property is an early stage greenfields exploration property comprising 37 licenses covering 37,623 acres (15,225.5 ha, 152.25 square kilometres). With the exception of two small gold prospects at the northern edge of the Property, the Noseno Property area is unexplored with no known reports of formal exploration on the Property. The two small prospects lie on small-scale mining claims currently and formerly held by other parties unrelated to XAU Resources, referred to as the Higgins and Williams small-scale claim blocks. The Higgins claims are still valid with the claims and mineral rights held by the Higgins family of Georgetown, while the Williams claims have lapsed with the underlying surface and mineral rights now held by NWE. While XAU's Noseno claims partially overly the pre-existing Higgins small-scale mining claims, XAU's property does not include the Higgins claims and XAU does not presently have the right to explore and develop the small area of the Higgins property. Should the Higgins claims expire or be cancelled, XAU's Noseno claims, where overlapping the Higgins ground, would assume the surface and mineral rights of that ground. Historic prospecting and mining and limited formal exploration on the Higgins and Williams claim blocks between 2005 and 2010 are the only known exploration work on and in the immediate vicinity of the Noseno Property.

Infrastructure and local resources are non-existent in the Property area, which is covered nearly entirely by virgin rain forest. The nearest communities are Matthews Ridge and Port Kaituma at a distance of 42 and 77 kilometres respectively from Noseno.

Given the lack of formal exploration work over much of the Noseno Property the detailed geology and the mineral potential of the Property is currently unknown. However, the limited work on the Higgins and Williams small-scale claims reveal orogenic structurally controlled high-grade mainly vein-hosted gold mineralization to be present on the northern edge of the Property. The interpreted geology of the Property area consisting principally of Paleoproterozoic greenstones and lesser Trans-Amazonian granitoids, as shown on the Guyana Geology and Mines Commission Geological Map of Guyana (2010), indicates a geological setting with similarities to that of the not too distant Aurora Mine (Zijin Mining Group) and the advanced Toroparu Project (Gold X Mining Corp), both large orogenic-type structurally controlled gold mineralized systems in the same greenstone terrane as that underlying the Noseno Property.

2.3 Terms of Reference

This Technical Report was commissioned by XAU Resources Inc. ("XAU"), and was completed by Kevin P. Thomson, P.Geo., a practicing geologist registered with Professional Geoscientists Ontario (PGO), with membership ID # 0191. The site visit to the Noseno Property was conducted and written by Dr. Dennis J. LaPoint, a licensed geologist in North Carolina (# 625) and South Carolina (# 322), and a Registered Geologist with the Society of Mining, Metallurgy and Exploration (SME).

This Technical Report has been prepared to be compliant with the provisions of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). The report is considered current as of February 28, 2021.

The Qualified Person (QP) responsible for the preparation of this report is Kevin P. Thomson, P. Geo., the principal Author, hitherto referred to as "the Author". The site visit was conducted and written by Dr. Dennis J. LaPoint, and Dr. LaPoint is solely responsible for the site visit section. The Author carried out a study of all relevant parts of the available literature and documented results concerning the Property and held discussions with personnel of XAU Resources.

The quality of information and conclusions is consistent with the level of effort involved in the consultant's services, based on:

i) information available at the time of preparation,
ii) data available from outside sources, and
iii) the assumptions, conditions, and qualifications set forth in this report.

The Author has not carried out due diligence on the Guyanese Mining Code and Regulations and has not verified the commercial, environmental, and legal aspects of XAU's mineral tenure and surface rights. XAU has provided the details of the licences, agreements, obligations and permitting summarised in Section 4.3.

2.4 Sources of Information

The Author of this technical report has relied on publicly available information, information provided by XAU, and previous experience in the region. A full list of reference documents is presented in Section 20. Unless otherwise identified, all figures, images and tables have been provided by XAU or have been created by the Author using available data and information.

The Author has made all reasonable enquiries to establish the completeness and authenticity of the information provided, and a final draft of this report was provided to XAU, along with a written request to identify any material errors or omissions prior to finalisation.

2.5 Personal Inspection of the Noseno Property

The Author has not visited the Noseno Property principally due to recent and current travel restrictions in place due to the Covid-19 global pandemic. However, a property site visit was conducted by Dr. Dennis J. LaPoint on May 16, 2021, and his observations are contained in Section 12.1. Dr. LaPoint is solely responsible for the site visit and write up.

2.6 Qualifications of the Consultants

2.6.1 General

This Technical Report has been prepared by Mr Kevin P. Thomson, P.Geo., a consulting geologist based in Brampton, Ontario, and by virtue of his education, experience, and professional association, is considered a Qualified Person (QP) for this report as defined in the NI 43-101 standard, and is a member is good standing of Professional Geoscientists Ontario with membership # 0191. Mr. Thomson is responsible for all content of this Technical Report with the exception of the site inspection and subsequent write up which was conducted by Dr. Dennis J. LaPoint. Dr. LaPoint, a consulting geologist based in Suriname and North Carolina, and by virtue of his education, experience, and professional association, is considered a Qualified Person (QP) for this report as defined in the NI 43-101 standard, and is a geologist licensed in North and South Carolina with license numbers 625 and 322 respectively and is a Registered Geologist with the Society of Mining, Metallurgy and Exploration (SME).

2.6.2 Statement of Independence

Authors Kevin P. Thomson, P.Geo. and Dr. Dennis J. LaPoint were both contracted by XAU Resources Inc. ("XAU") to complete this Technical Report. Mr. Thomson and Dr. LaPoint do not hold nor have held

previously, any material interest in XAU or the vendor North West Exploration, nor of the mineral properties in which XAU are acquiring an interest from North West Exploration. The Authors' relationship with XAU is solely one of professional association between client and independent consultant. This report was prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is not contingent on the results of this report. The Authors are not nor is intended to be directors, officers or other direct employee of XAU.

In the preparation of this Independent Technical Report, the Author has used information provided by XAU and other experts. The Author has verified this information making due enquiry of all material issues that are required in order to comply with NI 43-101 requirements.

2.7 Technical Report Use

This technical report is prepared in compliance with the requirements of National Instrument 43-101 and in accordance with Form 43-101F1. The report is intended to be used by XAU Resources Inc. subject to the terms and conditions of its agreement with Mr. Kevin P. Thomson, P.Geo., (the Author). That agreement permits XAU to file this report as an NI 43-101 Technical Report with the Canadian Securities Administrators (CSA) and the TSX Venture Exchange. Except for the purposes legislated under provincial securities laws, any other use of this report, by any third party, is at that party's sole risk.

The requirements of electronic document filing on SEDAR (System for Electronic Document Analysis and Retrieval, www.sedar.com) necessitate the submission of this report as an unlocked, editable pdf (portable document format) file. The Author accepts no responsibility for any changes made to the file after it leaves its control.

The conclusions and recommendations in this report reflect the Authors' best judgment in light of the information available to him at the time of writing. The Author reserves the right, but will not be obliged, to revise this report and conclusions if additional information becomes known to him subsequent to the date of this report. Use of this report acknowledges acceptance of the foregoing conditions.

2.8 Units, Currency and Abbreviations

All units of measurement used in this report are reported in the Système Internationale d'Unités (SI), as utilised by the Canadian and international mining industries, including: metric tons (tonnes, t), million metric tonnes (Mt), kilograms (kg) and grams (g) for weight; kilometres (km), metres (m), centimetres (cm) or millimetres (mm) for distance; cubic metres (m^3), litres (l), millilitres (ml) or cubic centimetres (cm^3) for volume, acres, square kilometres (km^2) or hectares (ha) for area, and tonnes per cubic metre (t/m^3) for density. Elevations are given in metres above sea level (masl).

Geochemical results or precious metal grades may be expressed in parts per million (ppm), parts per billion (ppb), or g/t. Precious metal quantities may also be reported in troy ounces (ounces, oz), a common practice in the mining industry. Base metal grades are usually expressed in weight percent (%). The following conversions are used in the preparation of this report:

1 gram = 0.03215 troy ounce
1 kilogram = 32.1507 troy ounces
1 tonne = 32,150.7 troy ounces

Unless otherwise stated, all references to currency or "$" are to United States Dollars (US$).

Location coordinates are expressed in Latitude and Longitude degrees (WGS84) or Universal Transverse Mercator (UTM) grid coordinates, WGS 84, Zone 20N. While most of Guyana falls within Zone 21 N, the very western portion of Guyana, including the Noseno Property, sits on the eastern edge of Zone 20N.

Table 2.1 contains a list of acronyms and abbreviations used in this report.

Abbreviation	Term	Abbreviation	Term
AA(S)	Atomic Adsorption (Spectrometry)	Ha	Hectare(s)
AES	Atomic Emission Spectrometry	ICP-MS	Inductively coupled plasma mass spectrometry
ALS	ALS Minerals (formerly ALS Chemex Labs Ltd).	ID	Identification, i.e. drill hole ID
asl	Above Sea Level	IP	Induced Polarisation
Azim	Azimuth	kg	Kilogram(s)
Au	Chemical abbreviation for Gold	km	Kilometre(s)
BLEG	Bulk Leach Extractable Gold	m	Metre(s)
B.Sc.	Bachelor of Science	m^2 or m^3	Metre square
cm	Centimetre(s)	m^3	Cubic metre(s)
DDH	Diamond Drill Hole	mm	millimetres
DHID	Drill Hole Identification	Mlbs	Million pounds
EOH	End of Hole	Moz	Million ounces
FA	Fire Assay	NI 43-101	(Canadian) National Instrument 43-101
FGS	Fellow of the Geological Society	NSR	Net Smelter Royalty
ft	Feet	P.Geo.	Professional Geologist

Abbreviation	Term	Abbreviation	Term
g	grams	ppm / ppb	Parts per million /parts per billion
Ga	Billion years	QA/QC	Quality Assurance Quality Control
g/t	grams/tonne	QP	Qualified Person
GGMC	Guyana Geology and Mines Commission	t	Metric tonne (1,000 kg or 2,204.63 lbs)
GGS	Guyana Geological Survey	USA/US	United States of America/United States
GPS	Global Positioning System		

Table 2.1: Acronyms and Abbreviations

3 RELIANCE ON OTHER EXPERTS

This technical report has been prepared by Mr. Kevin P. Thomson, P.Geo. (the Author), and the site visit and subsequent write up (Section 12.1) has been prepared by Dr. Denis J. LaPoint, on behalf of XAU Resources Inc. ("XAU")

The Author has relied on ownership information provided by XAU, and a Title Opinion written by Hughes, Fields and Stoby, Attorneys at Law in Georgetown, Guyana. Although the author has not personally researched property title or mineral rights, the author believes the claims status to be current and correct and the Property to be secure and unencumbered. The agreements or licences under which XAU holds title to the mineral lands for the Noseno Property have not been investigated or confirmed by the author and therefore no opinion as to the validity of the mineral title is presented. A description of the Property, and ownership as set out in this Technical Report, is provided for general information purposes only as required by National Instrument 43-101 (NI 43-101).

The (principal) Author has also relied on the contribution of Dr. Dennis J. LaPoint, who conducted the site visit and write up, as being factual and representative of what is to be seen in the field.

The author acknowledges the cooperation of XAU management and staff, both in Canada and Guyana, all of whom made any and all data requested available and responded openly and helpfully to all questions, queries, and requests for material.

4 PROPERTY DESCRIPTION AND LOCATION

4.1 Property Description

The Noseno Property is an early stage greenfields exploration project comprising 37 claims covering 37,623 acres (15,225.5 ha, 152.25 square kilometres). Seventeen of the claims totalling 16,887 acres are 100% owned by and in the name of North West Exploration Inc. ("NWE") of 143A Robins' Place West, Bel Air Park, Georgetown, and consist of medium-scale Mining Permits (MP). The five-year period of validity of these claims expired on March 14, 2021, and an application for renewal was submitted to the Guyana Geology and Mines Commission. The renewal has been paid for with a receipt of payment provided by the GGMC. XAU has indicated to the Author that once a renewal payment has been made and a receipt issued by the GGMC, the renewal is effectively accomplished but the issuance of the confirmatory correspondence may delay up to two to three months.

Twenty of the claims totalling 20,736 acres are recorded in the name of Mrs. Anuradha Doodnauth of Georgetown, Guyana. NWE has purchased all of Mrs. Doodnauth's claims and owns them 100%. These claims are all Prospecting Permit Medium Scale (PPMS) and are presently under application to the GGMC to be converted to Mining Permits, at which time the license holder's name will be updated to North West Exploration Inc. As with NWE's Mining Permits still in the renewal process, payment has been made to the GGMC for the former Doodnauth claims conversions to Mining Permits and the new permits paperwork is still pending.

XAU has entered into a Letter of Intent with NWE with respect to a staged 4-year option agreement to acquire earn a 100% undivided interest in the Noseno Property from NWE through the payment of cash, the issuance of XAU shares and a commitment of work expenditures. A Title Opinion was obtained from Hughes, Fields and Stoby, Attorneys at Law in Georgetown, Guyana, concluding that the 37 Noseno claims "have been validly issued in accordance with the Mining Act, 1989, and the Regulations promulgated thereto. They are validly existing and in good standing under the laws of Guyana and in particular, the Mining Act, as of the date hereof", being May 10, 2021.

Upon completion of the renewal and granting of NWE's 37 medium scale Mining Permits, NWE holds both the mining and surface rights to those claims which grants NWE access and the rights to commence exploration on the property. No other special permits are required to conduct exploration, or even medium scale mining up to 1,000 m^3 per day.

The Noseno Property claims partially overlap a block of small-scale mining permits, referred to as the Higgins claims, consisting of 106 small-scale mining claims totalling 2,590 acres, currently held by Winslow Higgins of Georgetown Guyana. Higgins owns the mining and surface rights to his claims, including where overlapped by NWE's claims, however the overlap area only represents 1,128 acres (4.57 km^2), or 3.0% of the total Noseno Property area. While XAU's Noseno claims partially overly the pre-existing Higgins small-scale mining claims, XAU's property does not include the Higgins claims and XAU does not presently have

the right to explore and develop the small area of the Higgins property. The exploration work programs proposed herein are exclusive of the Higgins ground. The Higgins claims host the Noseno prospect which is described in this report.

This Technical Report also frequently refers to the Williams small-scale mining claims which the Noseno Property overlays entirely. The Williams claims (108.6 acres) *were* held by Mr. Herbert Williams of Matthews Ridge, Guyana, but have expired and the underlying mineral and surface rights are now owned by NWE. The Williams (historic or former) claims are used only as a place name in this report, particularly in reference to the limited formal exploration work conducted on the Property by other companies.

Neither North West Exploration nor XAU Resources have conducted work on the Noseno Property. The vast majority of the Property is unexplored by formal exploration and/or mining companies, with no known reports of work on the ground. The exception is the small areas of the Higgins and Williams small-scale claims, which were historically prospected and mined on a small scale by Higgins and Williams, and were optioned to Mammoth Minerals Inc. Canada, who was in turn acquired by Riva Gold Corp. (both formerly TSX-V listed) in 2010. Mammoth and then Riva Gold conducted limited exploration on the Higgins and Williams claims between 2005 and 2010, culminating in a small drilling program in late 2010, after which Riva Gold left Guyana. The limited geological information for the Noseno Property comes from data published by the Guyana Geology and Mines Commission, plus the work conducted by Mammoth Minerals and Riva Gold on the small areas of the Higgins and Williams claims.

There is no infrastructure in place on the Noseno Property. A field camp would have to be established in order to support work on the Noseno Property, which might be upgraded to a permanent camp if initial exploration proves successful. Access to the Property would be by way of recently improved 4x4 driveable roads extending from the fly-in communities of Matthews Ridge and Port Kaituma. Roads or trails, at least driveable by quad bikes, will have to be emplaced into the interior of the property in order to aid access for the purpose of exploration and for delivering samples to the road for transport to Matthews Ridge or Port Kaituma and onwards to Georgetown for analytical services. At this stage, a minimum of one trail emplaced by a tractor or bulldozer to the southern end of the Property is proposed and is included in the recommended budget.

4.2 Property Location

The Noseno Property is located in northwestern Guyana on the continent of South America, situated 210 kilometers west-northwest of Georgetown, the capital of Guyana. (See Figure 4.1), and only 6.2 kilometers from the Venezuelan border to the west.

The centre of the Noseno group of claims lies at approximately 60°09' West and 7°03' North, or 815,000 East and 780,000 North in the WGS84 Zone 20N UTM datum. The Noseno Property falls within the Northwest Mining District # 5 and straddles the boundary between the Barima-Waini (on the north) and

the Cuyuni-Mazaruni (on the south) Administrative Regions of Guyana, with slightly more of its total area in the Cuyuni-Mazaruni Region. The Property area sits between the Barama and Cuyuni Rivers, which drain from Venezuela on the west, to the Atlantic Ocean to the northwards and eastwards respectively.

The largest population centres closest to the Noseno Property are Matthews Ridge 42 kilometers to the north, a town of less than 1,000 persons, and Port Kaituma, a town of a little more than 1,000 persons situated 77 kilometers to the north-northeast of Noseno. Matthews Ridge, and Port Kaituma, which is linked to the Atlantic Ocean by a dredged canal, service the Matthews Ridge Manganese Mine operated by Union Carbide between 1962 and 1968 and is being redeveloped by Guyana Manganese Inc., wholly owned by the Chinese company Bosai Group, with production planned to commence by mid-2021. The redevelopment and reactivation of the manganese mine brings new skilled labour into the region and will increase the availability of groceries and supplies, to the benefit of future work on the Noseno Property.

The most significant gold mining projects near Noseno include the operating Aurora Mine (formerly Guyana Goldfields) located 45 kilometers to the southeast, recently acquired by Zijin Mining Group, and the Toroparu feasibility stage project located 60 kilometers to the south, held by Gold X Mining Corp. (formerly Sandspring Resources).

Figure 4.1: Location of the Noseno Property, Guyana

(Shaded Relief Base Map from The University of Texas at Austin, 1991)

4.3 Mineral Title

4.3.1 Guyana Mining Legislation

The system of mineral property rights in Guyana is managed by the Guyana Geology and Mines Commission ("GGMC"). There are several types of mineral concessions in Guyana defined in the 1989 Mining Act, as follows:

1. Small-Scale mining claims have dimensions of 1,500 ft x 800 ft (Approximately 11.2 ha) while a river claim consists of one mile of a navigable river. Alternatively, small-scale claims are defined by mining volume, being between 20 and 200 m3 within a 24-hour day.
2. Medium Scale Prospecting or Mining Permits. These cover between 150 and 1,200 acres each. Medium-scale Mining Permits are also defined by mining volume, being between 200 and 1,000 m3 within a 24-hour day.
3. Large Scale. Prospecting Licences for areas between 500 acres and 12,800 acres, or where more than 1,000 m3 of material is excavated within a 24-hour day.

- All mining activities in Guyana must be preceded by a period of exploration (Prospecting Licenses).
- Permission for large scale reconnaissance geological and geophysical surveys may be granted with the intention of identifying favourable open ground for the application of Prospecting Licenses.
- Small and Medium scale properties are restricted to Guyanese ownership; however, foreigners may enter into private contract joint-venture deals with the locals whereby the two parties jointly develop the property.
- Foreigners may apply for Large scale Prospecting licenses and seek permission for large scale reconnaissance surveys.
- Claims and permits are map staked. The property boundaries are defined by standard UTM co-ordinates using the PSAD 56 datum and the property boundaries are usually not defined in the field unless at the Large scale mining stage.

Licences and permits are usually abbreviated to PL (Prospecting Licences), PPMS (Prospecting Permit Medium Scale), and MP (Mining Permits). The Noseno claims are medium-scale Mining Permits (MP) and medium-scale Prospecting Permits (PPMS) in application for conversion to Mining Permits.

4.3.2 Noseno Licences

The Noseno claims consist of 17 medium-scale Mining Permits (MP) 16,887 acres (68.34 km^2) in area registered in North West Exploration Inc.'s name plus 20 medium-scale Prospecting Permits (PPMS)

20,736 acres (83.92 km²) in area registered in the name of Mrs. Anuradha Doodnauth of Georgetown Guyana, for a total area of 37,623 acres (152.26 km²). The Mining Permits, valid for a 5-year period, were due to be renewed by March 14, 2021. The renewal was applied and paid for with a receipt of payment issued by the GGMC. XAU has indicated to the Author that once a renewal payment has been made and a receipt issued by the GGMC, the renewal is effectively accomplished but the issuance of the confirmatory correspondence may delay up to two to three months.

The claims in the name of Mrs. Doodnauth, which currently do not have an expiry date, were 100% purchased by NWE with the GGMC still in the process of transferring the claims to NWE's name and converting them to medium scale Mining Permits. As with NWE's Mining Permits, payment has been made to the GGMC for the former Doodnauth claims ownership transferal and conversions to Mining Permits and the new permits paperwork is still pending. A list of the Noseno claims is presented in Tables 4.1 and 4.2, and the claims are illustrated in Figure 4.2.

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	MPs Issue Date		MP No.	Acreage	MPs Expiry Date[1]	Ownership	Acquisition Date	Status
1	Mar 16 2016		N-66/MP/000	1,196	Mar 15 2021	NWE Inc.	March 16 2016	Owned 100% by Northwest Exploration Inc. MP's 5-year term expiring in March and are under application for renewal.
2	Mar 16 2016		N-66/MP/001	1,057	Mar 15 2021	NWE Inc.	March 16 2016	
3	Mar 16 2016		N-66/MP/002	1,033	Mar 15 2021	NWE Inc.	March 16 2016	
4	Mar 16 2016		N-66/MP/003	895	Mar 15 2021	NWE Inc.	March 16 2016	
5	Mar 16 2016		N-66/MP/004	1,039	Mar 15 2021	NWE Inc.	March 16 2016	
6	Mar 16 2016		N-66/MP/005	1,192	Mar 15 2021	NWE Inc.	March 16 2016	
7	Mar 16 2016		N-66/MP/006	1,200	Mar 15 2021	NWE Inc.	March 16 2016	
8	Mar 16 2016		N-66/MP/007	1,197	Mar 15 2021	NWE Inc.	March 16 2016	
9	Mar 16 2016		N-66/MP/008	1,198	Mar 15 2021	NWE Inc.	March 16 2016	
10	Mar 16 2016		N-66/MP/009	938	Mar 15 2021	NWE Inc.	March 16 2016	
11	Mar 16 2016		N-66/MP/010	1,022	Mar 15 2021	NWE Inc.	March 16 2016	
12	Mar 16 2016		N-66/MP/011	1,198	Mar 15 2021	NWE Inc.	March 16 2016	
13	Mar 16 2016		N-66/MP/012	838	Mar 15 2021	NWE Inc.	March 16 2016	
14	Mar 16 2016		N-66/MP/013	531	Mar 15 2021	NWE Inc.	March 16 2016	
15	Mar 16 2016		N-66/MP/014	731	Mar 15 2021	NWE Inc.	March 16 2016	
16	Mar 16 2016		N-66/MP/015	735	Mar 15 2021	NWE Inc.	March 16 2016	
17	Mar 16 2016		N-66/MP/016	887	Mar 15 2021	NWE Inc.	March 16 2016	
				16,887	***acres***			

Table 4.1: List of Medium-Scale Mining Permits Owned by NWE Inc.

1. Mining Permit renewals applied and paid for, and a receipt issued by the GGMC.

	MPs Issue Date	PPMS	Conversion # to MPs	Acreage	PPMS Expiry Date	Ownership	PPMS Acquisition Date	Status
18	Sep 03 2019	D-319/000/2009	D-1032/MP/000	1,161	Do Not Expire	A. Doodnauth	October 03 2012	
19	Sep 03 2019	D-319/001/2009	D-1032/MP/001	1,200	Do Not Expire	A. Doodnauth	October 03 2012	
20	Sep 03 2019	D-320/000/2009	D-1033/MP/000	1,196	Do Not Expire	A. Doodnauth	October 03 2012	
21	Sep 03 2019	D-320/001/2009	D-1033/MP/001	1,084	Do Not Expire	A. Doodnauth	October 03 2012	
22	Sep 03 2019	D-320/005/2009	D-1033/MP/002	1,045	Do Not Expire	A. Doodnauth	October 03 2012	
23	Sep 03 2019	D-320/008/2009	D-1033/MP/003	1,200	Do Not Expire	A. Doodnauth	October 03 2012	
24	Sep 03 2019	D-322/001/2009	D-1034/MP/000	1,199	Do Not Expire	A. Doodnauth	October 03 2012	Sold to Northwest Exploration Inc.
25	Sep 03 2019	D-322/006/2009	D-1035/MP/000	1,073	Do Not Expire	A. Doodnauth	October 03 2012	
26	Sep 03 2019	D-322/007/2009	D-1034/MP/001	686	Do Not Expire	A. Doodnauth	October 03 2012	Converted to MPs but awaiting GGMC approval. On approval will be transferred 100% to Northwest Exploration Inc.
27	Sep 03 2019	D-322/009/2009	D-1034/MP/002	1,191	Do Not Expire	A. Doodnauth	October 03 2012	
28	Sep 03 2019	D-322/010/2009	D-1034/MP/003	1,134	Do Not Expire	A. Doodnauth	October 03 2012	
29	Sep 03 2019	D-322/011/2009	D-1034/MP/004	808	Do Not Expire	A. Doodnauth	October 03 2012	
30	Sep 03 2019	D-322/012/2009	D-1034/MP/005	1,021	Do Not Expire	A. Doodnauth	October 03 2012	
31	Sep 03 2019	D-322/014/2009	D-1034/MP/006	1,199	Do Not Expire	A. Doodnauth	October 03 2012	
32	Sep 03 2019	D-322/018/2009	D-1034/MP/007	835	Do Not Expire	A. Doodnauth	October 03 2012	
33	Sep 03 2019	D-322/019/2009	D-1034/MP/008	980	Do Not Expire	A. Doodnauth	October 03 2012	
34	Sep 03 2019	D-322/024/2009	D-1034/MP/009	1,096	Do Not Expire	A. Doodnauth	October 03 2012	
35	Sep 03 2019	D-322/026/2009	D-1034/MP/010	980	Do Not Expire	A. Doodnauth	October 03 2012	
36	Sep 03 2019	D-322/027/2009	D-1034/MP/011	656	Do Not Expire	A. Doodnauth	October 03 2012	
37	Sep 03 2019	D-322/030/2009	D-1034/MP/012	992	Do Not Expire	A. Doodnauth	October 03 2012	
				20,736	***acres***			

Table 4.2: List of Medium-Scale Prospecting Permits Owned by NWE Inc.

Claims must be renewed annually by making a rental fee payment. The fee for a mining permit (Medium Scale) is US$1.00/acre for the life of the permit and for a prospecting permit (Medium Scale) the rate is US$0.25/acre for the first year with increments of US$0.10/acre for each additional year (e.g. US$0.35 for the second year and US$0.45 for the third year). All of NWE's 37 claims are presently in good standing with respect to annual rental fees. The annual rent payment due to the GGMC for all 37 claims is US$37,623.

There are no annual work commitments or expenditures required to keep a prospecting permit in good standing. Mining Permits require annual report submissions, filed with the GGMC, indicating:

- Records of mining operations;
- Financial records;
- Records of all sales; and
- Use of minerals and costs and revenue of the operations.

Upon the formal renewal and granting of NWE's 37 medium scale Mining Permits, NWE holds both the mining and surface rights to those claims which grants NWE access and the rights to commence exploration on the property. No other special permits are required to conduct exploration, or even medium scale mining up to 1,000 m^3 per day.

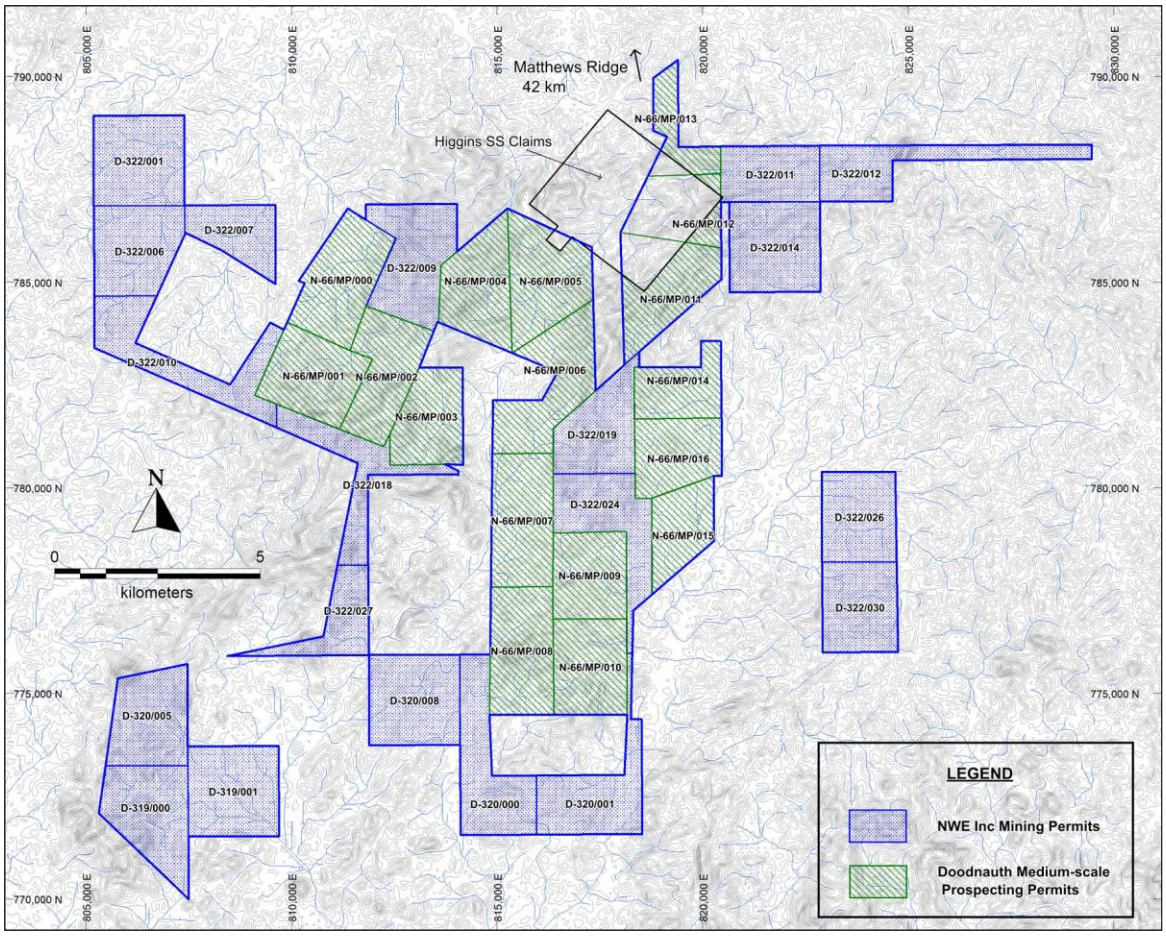

Figure 4.2: Noseno Property Claims

(Map created by K. Thomson, 2021, from GGMC Claims data)

4.3.3 Surface Rights

Upon the successful renewal and title transfer for North West Exploration Inc's 37 claims, NWE will hold the surface land rights for all of the Noseno Property with the exception of the 1,128 acres (4.57 km²) covered by the Higgins claims which are partially overlapped by North West's Noseno claims. Winslow Higgins also holds the mineral rights for all his claims, including where overlapped by the Noseno Property. Should the Higgins claims expire or be cancelled, the overlapping Noseno claims would assume both the surface and mineral rights for the area presently covered by the Higgins small-scale mining claims.

4.3.4 Agreements and Encumbrances

XAU has entered into a Letter of Intent with NWE with respect to an option to acquire a 100% undivided interest in the Noseno Property from NWE. The option agreement is staged over a 4-year period with

annual cash payments and XAU shares due to NWE, plus an annual minimum expenditure of work to be conducted on the Noseno Property. Once XAU has fully exercised the option, NWE would be granted a 3% net smelter royalty on production from the Property.

Annual Cash Payments:

1) USD$50,000 on or before the date that is one year from the Effective Date;
2) a further USD$100,000 on or before the date that is two years from the Effective Date;
3) a further USD$350,000 on or before the date that is three years from the Effective Date; and
4) a further USD$1,500,000 on or before the date that is four years from the Effective Date; and

Share Issuances:

1) Five hundred thousand (500,000) common shares on or before the date that is one year from the Effective Date;
2) five hundred thousand (500,000) common shares on or before the date that is two years from the Effective Date; and
3) Two hundred and fifty thousand (250,000) common shares on or before the date that is three years from the Effective Date;
4) Two hundred and fifty thousand (250,000) common shares on or before the date that is four years from the Effective Date; and

Work Expenditures:

1) USD$500,000 on or before the date that is one year from the Effective Date;
2) a further USD$1,000,000 on or before the date that is two years from the Effective Date;
3) a further USD$1,500,000 on or before the date that is three years from the Effective Date; and
4) a further USD$2,000,000 on or before the date that is four years from the Effective Date;

where the Effective Date is the date of signing of the agreement.

In accordance with GGMC Mineral Agreement terms there is also a mining royalty of 8% on gold sales at a price of gold over US$1,000/oz due to the Government of Guyana. Small and medium scale mining permit operators must sell their gold production to the Guyanese Gold Board who set their price twice daily based upon the London Exchange spot gold price.

4.3.5 Environmental Obligations

North West Exploration has obtained the necessary permits and authorisations to conduct exploration. There are no known environmental liabilities on the Noseno Property which accrue to North West Exploration.

The Environmental Protection Act of 1996 (Guyana) requires mining operations to be subject to Environmental and Social Impact Assessments (ESIA), including provisions for public participation, if they are deemed by the Guyana Environmental Protection Agency (GEPA) likely to have significant impacts on the environment and communities. The agencies consider the project's footprint, proposed processes and construction and potential adverse effects from the proposed operation in their decision making. Currently, only large-scale mining projects attract GEPA's attention and requirements for an EISA, while small and medium scale operations are effectively exempt from the requirement. Environmental and social impact from small and medium scale operations is the responsibility of the Guyana Geology and Mines Commission to monitor and manage, although they do not have the resources to monitor countless operations in remote jungle locations and it generally falls to the mining claims owners to operate responsibly. Should the GGMC receive complaints with respect to a specific operation, a site inspection would be conducted, and the operation would be ordered to correct malpractices, face fines or possibly be ordered closed with the mining permit cancelled.

The Noseno Property, being an early exploration project, is not required to conduct an EISA for EPA or work permitting. The operators are, however, expected to conduct their activities in an environmentally and socially responsible manner. If the project generates a large discovery that has the potential for developing into a large-scale mining operation, a comprehensive EISA would certainly be required to permit mine construction and would be an integral component of the project feasibility study.

It should be noted that according to each Mining Permit that, as well as providing a bond of up to G$200,000 (approximately US$950), *"the Permitee shall preserve and protect the natural environmental conditions of the said land and shall conduct his/her operation so as not to unlawfully pollute fresh water supply and in general comply with all applicable laws made by the competent government authorities".*

4.3.6 Other Significant Factors and Risks

The Author is not aware of any other significant factors and risks that may affect access, title, or the right or ability to perform work on the Property. However, the Author is not qualified to provide comment on the legal matters pertaining to the Noseno Property, and has relied exclusively on information, both written and verbally expressed by XAU Resources.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

Guyana's capital, Georgetown, has an international airport with daily flights from New York City and Miami, U.S.A. and from Canada, via Port of Spain, Trinidad. Travel from the U.K. and Europe is typically via Bridgetown, Barbados.

North-western Guyana is accessible on local airline Trans Guyana Airways which flies a Beechcraft 1900D between Georgetown and Matthews Ridge two days per week. Flight time is approximately 35 minutes. The Noseno Property can be reached from Matthews Ridge by way of driveable road that extends south from Matthews Ridge for 55 km to the northern edge of the Noseno Property. The road from Port Kaituma to Matthews Ridge and to the northern end of the Noseno Property was reportedly upgraded by the Government of Guyana over the past several years and is apparently currently in good shape, at least for a 4x4 truck (XAU Resources, pers. comm., Jan. 2021).

An expensive alternative would be to charter a helicopter directly from Georgetown 225 km to the east, to the northern end of the Noseno Property, an approximately 80-minute flight, although the Bell 206 Long Ranger can only transport 6 passengers plus limited cargo.

No known roads or trails penetrate the interior of the Noseno Property, and access would be on foot or by way of quad bikes on trails that would have to be emplaced by tractor or bulldozer. Initial work on Noseno might be on foot, but as work progresses, trails would have to be put in to access more distant work areas.

Heavy equipment could be brought into the Noseno Property through Port Kaituma, which was used as a trans-shipping point for the manganese ore shipped by rail from the Matthews Ridge mine to the southwest. A navigable 100 km canal was dredged along the Kaituma River to the Atlantic Ocean, with barges up to 50 tons regularly traveling between Georgetown and Port Kaituma. Roads extend from Port Kaituma to Matthews Ridge 40 km to the southwest, with Noseno being a further 55 km by road to the south of Matthews Ridge. There is also an airstrip at Port Kaituma.

Figure 5.1 illustrates access to the Noseno Property.

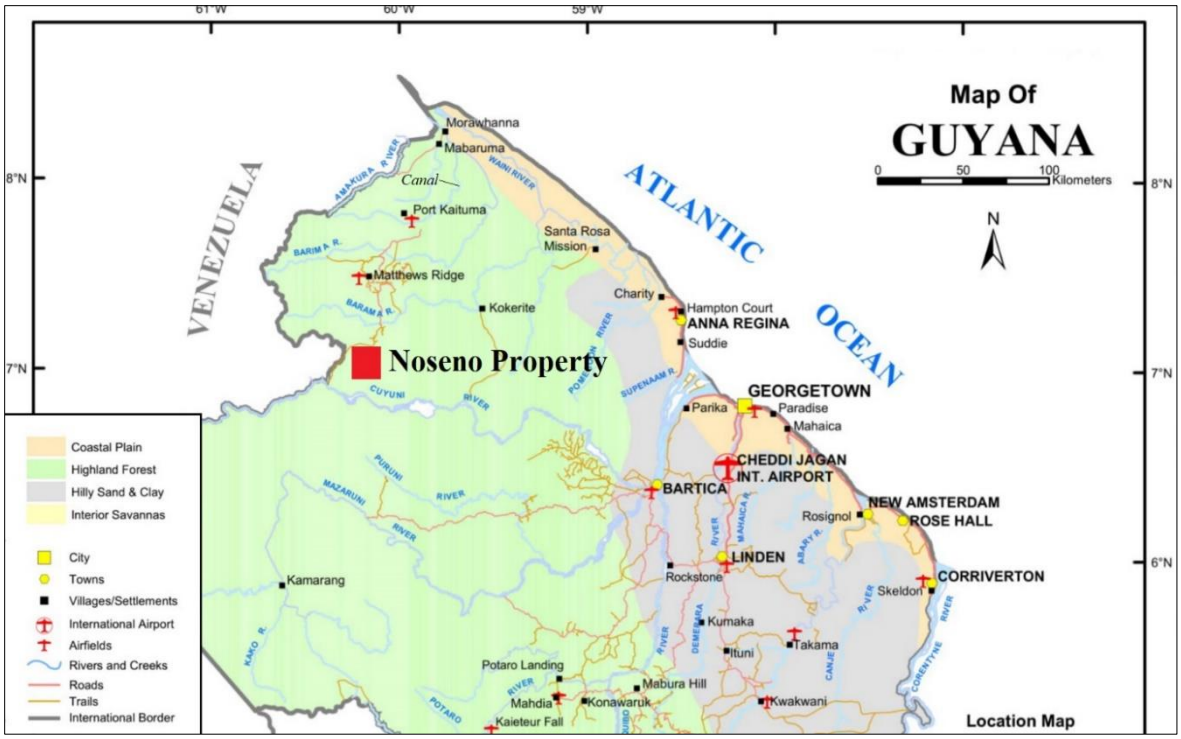

Figure 5.1: Access to the Noseno Property

(Base Map from Guyana Lands and Surveys Commission, 2006)

5.2 Climate

The local climate at Noseno is subequatorial, tropical rainforest with wet and dry seasons. Generally, the Noseno area gets approximately 2,000 mm of rain per year. Rain falls all year, however much of the rain falls in the principal rainy season from mid-April through September, with a lesser rainy season in November-December. The driest part of the year falls between January to mid-April. Refer to Figure 5.2.

Temperatures range from around 20°C at night up to the mid 30°'s, with March-April and September-October being the warmest months of the year with average daily high temperatures of 31°C to 32°C. The coolest months are December-January, with average daily highs of around 29°C. Refer to Figure 5.3.

Being tropical rainforest, the humidity is high, ranging between 70 and 85% year-round. Daily cloud cover ranges from 50 to 75% on average, however the days are usually sunny from morning to early afternoon becoming overcast in the afternoon through evening and night.

Exploration can generally be carried out year-round, although the dry season during January through April is the most practical time of year to conduct field work such as geochemical and geophysical surveying.

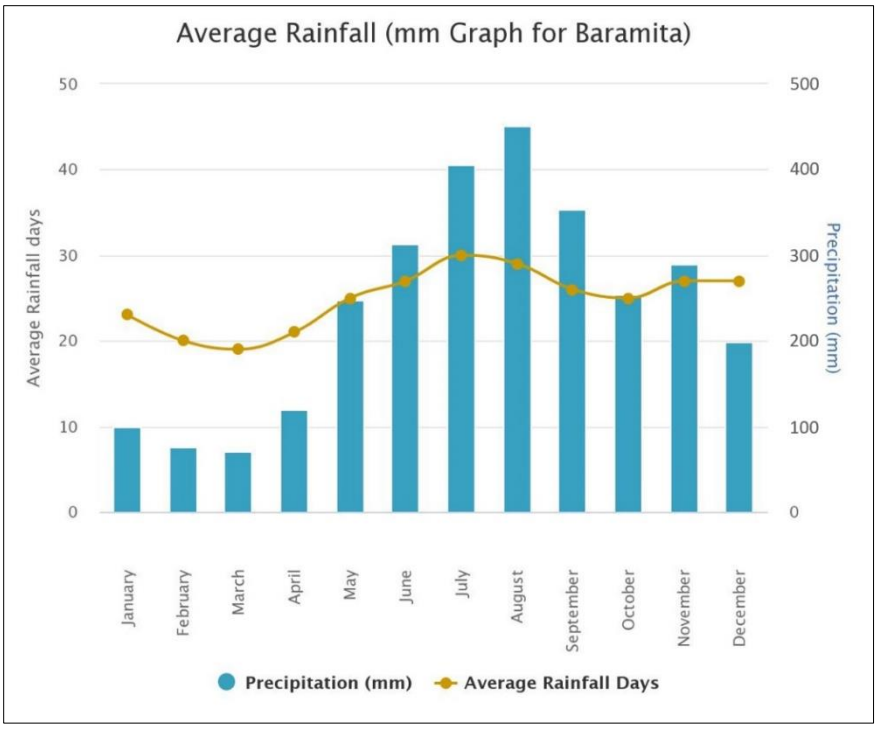

Figure 5.2: Average Monthly Rainfall for Baramita, Guyana
(Chart from World Weather Online, 2021)

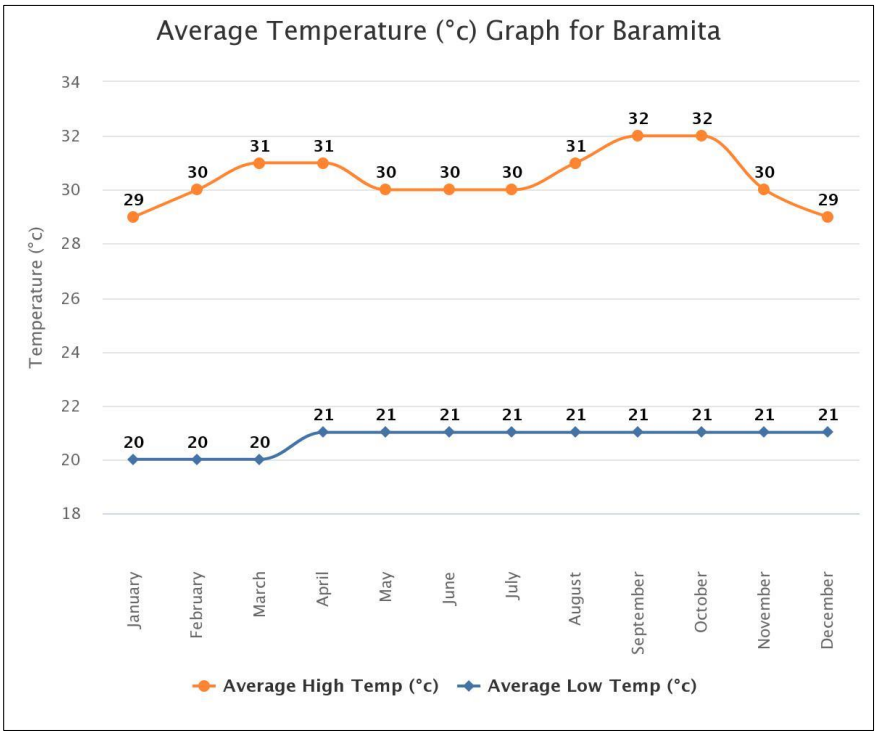

Figure 5.3: Average Monthly Temperatures for Baramita, Guyana
(Chart from World Weather Online, 2021)

5.3 Local Resources and Infrastructure

There is no infrastructure on or near the Noseno Property other than a recently upgraded road extending to the northern edge of the Property from the town of Matthews Ridge. There is no fixed electrical power, piped water nor cellular phone network coverage. The Property is nearly 100% covered by virgin rainforest, with little else.

Limited groceries and supplies can be obtained from Port Kaituma, which sits at the end of a canal to the Atlantic ocean, and possibly Matthews Ridge, however most supplies and equipment would have to be flown into Matthews Ridge and trucked to Noseno on the 55-kilometer gravel road extending to the northern end of the Noseno Property, or via barge from Georgetown to Port Kaituma and then along 95 kilometers of road from the port through Matthews Ridge and to the Noseno Property.

A small basic field camp was built on the Noseno small scale claims area explored by Mammoth Minerals and Riva Gold during 2006 through to 2011, however the current condition of the camp is unknown, and the camp belongs to another party and is on another party's property; the Higgins small scale mining claims still held by the Higgins family of Georgetown. A new camp would have to be constructed on the Noseno Property in order to support exploration, although it would initially be a basic (low cost) field camp until the Property starts to show merit and the likelihood of extended exploration campaigns. A tent camp should suffice for the initial programs on the Property. A generator would be necessary for electrical power and a satellite dish would be required for communications. Potable water can likely be obtained from rainfall and streams on the Property and/or bottle drinking water can be carried in, however a water borehole and pump would be more practical once the Property advances and a more permanent camp is constructed. There is no shortage of trees that can be cut into lumber to construct a permanent camp.

Local labour and limited skilled labour are available in Matthews Ridge and Port Kaituma, the towns supporting the developing manganese mine, otherwise specialized skills can be brought in from Georgetown.

Although the current status of artisanal mining on the Property is unknown, there is more than likely some presence of illegal or unregistered small-scale miners, either local (Guyanese), Brazilian or Venezuelan. These artisanals can sometimes be a local source of labour, and they already have the bush and basic exploration skills.

5.4 Topography, Elevation and Vegetation

The relief in the Noseno Property is relatively hilly and ranges from an elevation of 105 masl at the northeastern edge of the Property up to 425 masl in the north-central part of the Property. Two north-north-easterly trending series of hills extend from the southwest corner of the Property to the north-central area, and along the eastern side of the Property, with somewhat of a lower-lying plateau between

the two ranges of hills. Well-developed, moderately incised dendritic drainage networks on the northern side of the Property drain north to the Barama River, while the southern side drains south to the Cuyuni River. Figure 5.4 is an elevation map covering the Noseno Property area.

The Noseno Property is largely covered by first growth tropical rain forest with a diverse range of species of trees, shrubs, palms, lianas, vines and epiphytes. Vegetation growth is thick and most concentrated on slopes and along drainage channels. The forests of Guyana contain more than 1,000 tree species and Guyana has a robust timber export trade with the principal tree exports including Wamara, Greenheart, Kabukalli, Wallaba, Purpleheart, Shibadan and Crabwood.

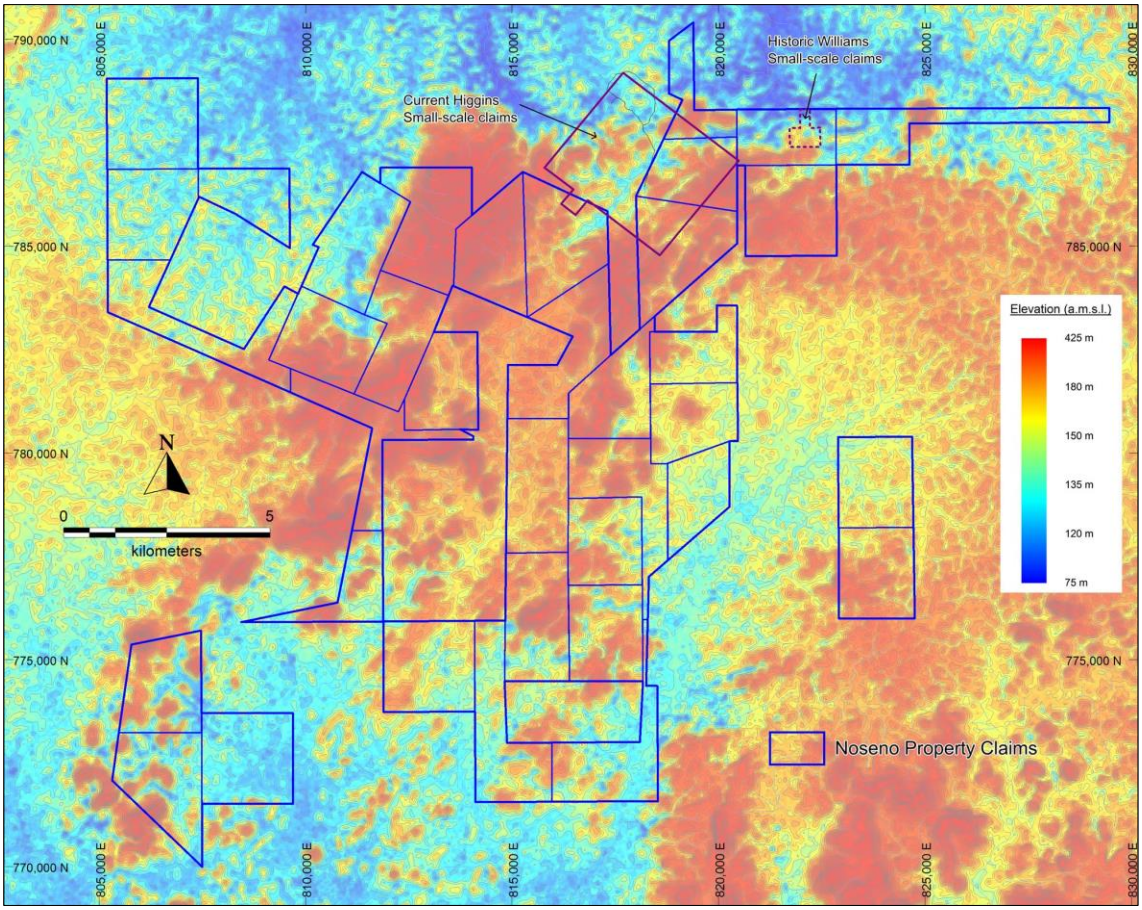

Figure 5.4: Elevation of the Noseno Property Area
(Map created by K. Thomson, 2021, from Public SRTM Data)

6 HISTORY

There is limited known history of mineral exploration and mining on the Noseno Property apart from efforts on the Higgins and former Williams small-scale claims, which occupy a small area at the northern edge of the Noseno Property. Macdonald (1965) notes several areas of gold workings on the Property, although does not describe them, and he also refers to an older report by Bishopp (1937) which describes the Noseno Creek prospect in the north-central part of the Property, which reportedly consisted of an 80-foot shaft plus 555 feet of drifting from an adit, with "rather high" gold values obtained from quartz veining. Little other description is offered, and the precise location of the shaft is unknown, however it might be approximated from the old maps and searched for if any evidence remains. Small-scale underground mining also commenced at the Williams prospect on the northeastern edge of the Noseno Property in the late 1930's but was relatively short-lived ending in an underground collapse that killed two men. Macdonald (1965) refers to several "gold fields" or "gold workings" in the central parts of the Noseno Property but does not describe them. These were possibly prospecting pits and/or areas of small-scale alluvial workings. Although undocumented, there are indications of more recent artisanal workings on the Property (XAU Resources, pers. comm., Jan. 2021).

The Higgins prospect adjoining the northern edge of the Noseno Property has experienced small-scale prospecting and mining activities since the 1950's plus more recent formal exploration activities during 2005 through 2010 which lightly tested both the Higgins and Williams prospects. The details of this work is covered in Section 23, Adjacent Properties.

The Noseno Property is effectively unexplored, with only a small area near the northern edge of the Property lightly tested a decade ago.

7 GEOLOGICAL SETTING AND MINERALISATION

7.1 Introduction

Guyana lies within the Paleoproterozoic Guiana Shield, a granite-greenstone terrane that forms the northern segment of the Amazon craton. The Guiana shield extends from eastern Venezuela through Guyana, Suriname, French Guiana and into northern Brazil. Much of the Guiana shield formed during periods of intense magmatism, metamorphism and deformation between approximately 2.25 to 2.0 Ga concluding with the Trans-Amazonian tectono-thermal (orogenic) event between approximately 2.1 to 2.0 Ga. The Guiana shield is poorly understood as it is largely inaccessible, mostly underexplored and has little bedrock exposure due to intense deep tropical weathering.

The Guiana Shield exhibits many geological similarities to the Paleoproterozoic Birimian (Leo or Man) Shield which underlies most of West Africa, which formed at roughly the same time. The coincident and related Trans-Amazonian and Eburnian orogenic events were a result of the collision between the West

African and the South American Brazilian cratons during the formation of the Gondwana supercontinent, before breaking up again and separating during the Cretaceous. The collisional event resulted in folding, thrust and strike-slip faulting and the emplacement of igneous intrusives. Gold mineralization, both in the Birimian and Guiana shields, is predominantly associated with regional scale faults, with mesothermal, orogenic-type mineralization deposited along and within the major and subsidiary structures during the later stages of the orogeny, within both greenstone (volcanic and sedimentary formations) and associated intrusive rocks. Refer to Figure 7.1.

The oldest rocks of the Guiana Shield consist of the Archean Imataca Complex, composed of a quartz-feldspar gneiss and subordinate mafic gneiss, exposed in northern Brazil. Overlaying the Archean basement are the greenstone belts of island-arc type volcanics, flyschoid sediments and associated tonalite, granodiorite and granitic intrusives developed prior to the Trans-Amazonian event between 2.26 and 2.09 Ga. The greenstone belts lie mostly along the northern margin of the Guiana shield, currently oriented roughly east-southeast. During 2.08 to 1.98 Ga, high-grade metamorphic belts consisting of granulites and gneisses developed in the central part of the Guiana shield during the peak of the orogenic event. A period of explosive acidic volcanism and associated widespread felsic intrusion occurred during 1.99 to 1.95 Ga, mostly through western Suriname, which was followed by the deposition of the Roraima Supergroup, a thick sequence of sandstones and conglomerates plus interlayered ash tuffs considered to be the molasse of the Trans-Amazonian orogeny. The Roraima covers much of southern Guyana. A series of younger volcanics and intrusives developed during 1.89 to 1.51 Ga to the south in Brazil and Venezuela, and locally preserved sandstone platform sediments were deposit during 1.3 to 1.2 Ga. Refer to Figure 7.2.

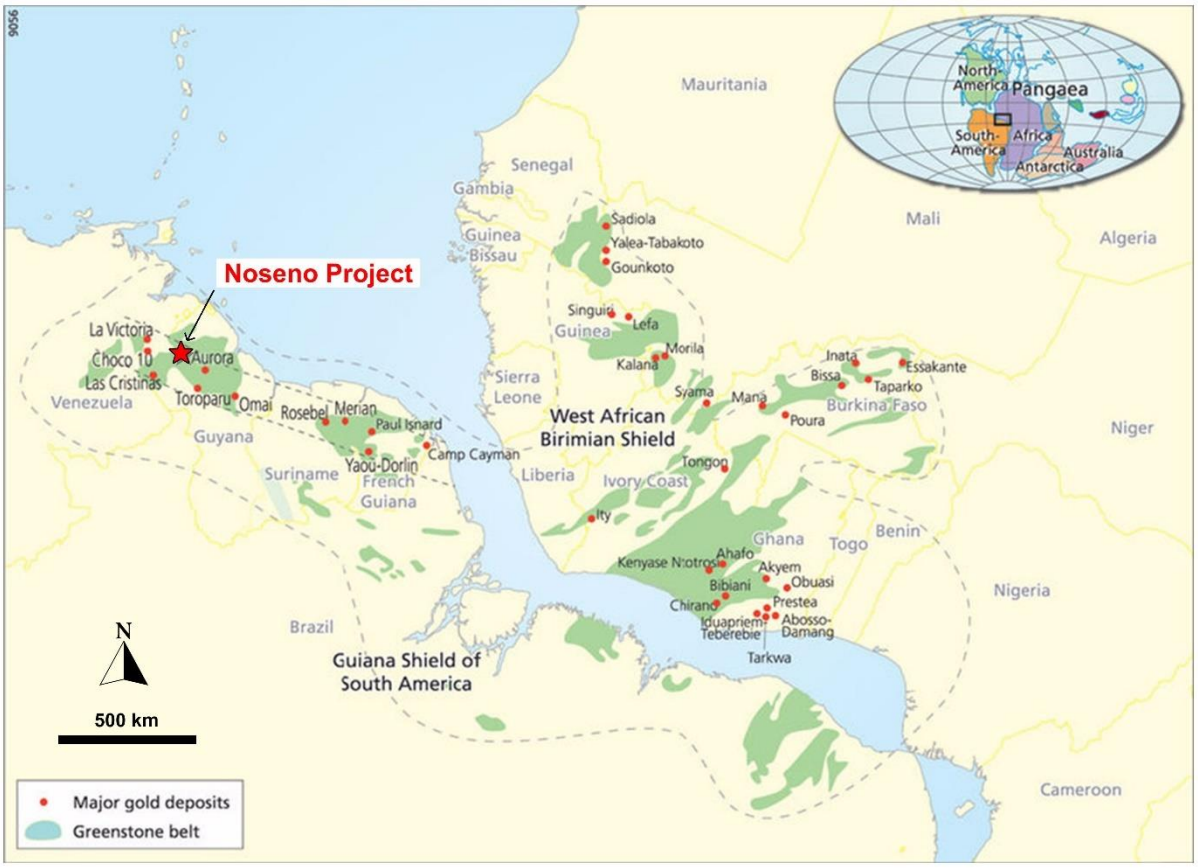

Figure 7.1: Paleogeographic Reconstruction of the Birimian And Guiana Shields during Gondwana
(Map from Nicole M.E. Kioe-A-Sen et al, 2016)

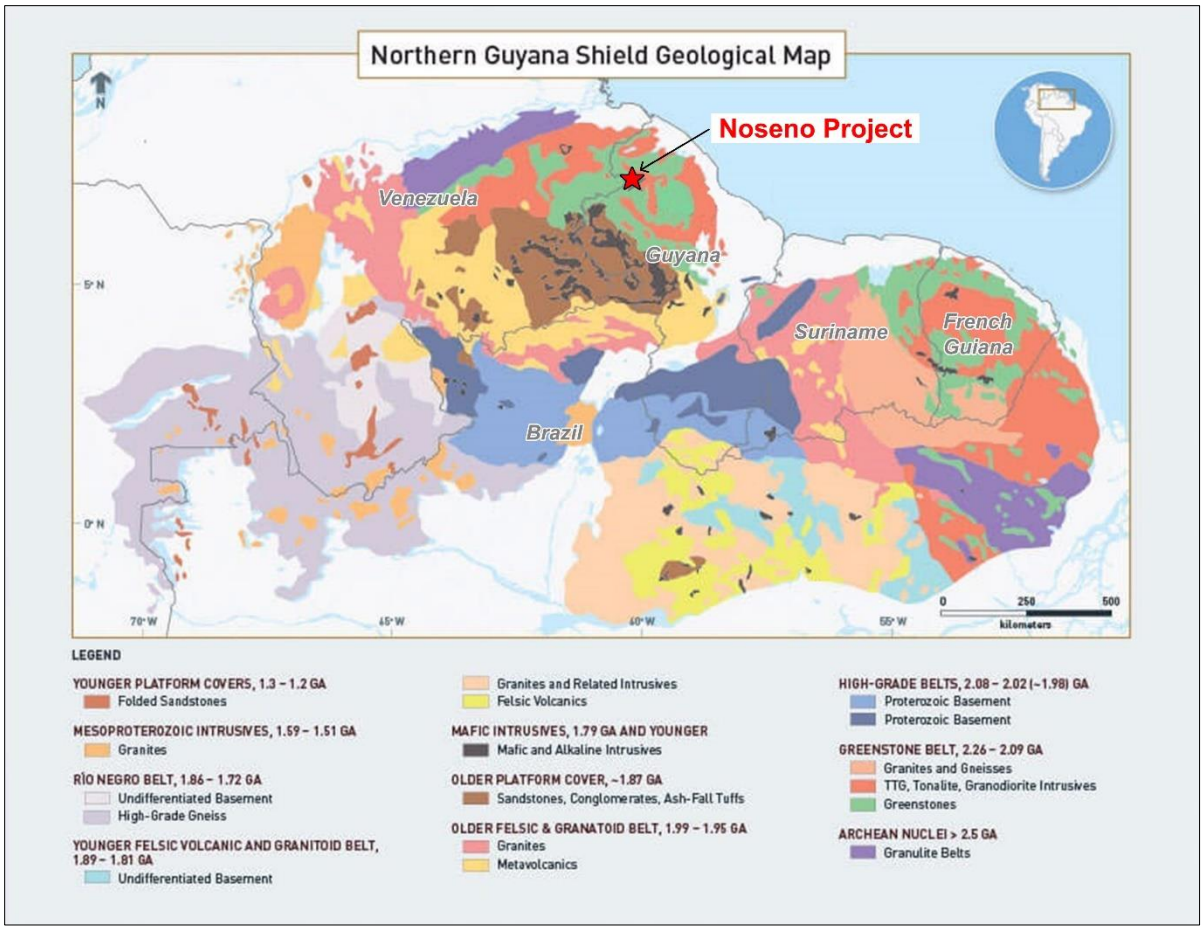

Figure 7.2: Geology of the Northern Guyana Shield
(Map from Kroonenburg et al, 2019)

Guyana is largely underlain by the Paleoproterozoic Barama-Mazaruni Supergroup, a greenstone / metasedimentary terrane intruded by Trans-Amazonian granites and mafic to ultramafic rocks. The Barama Group consists of deep-water metasedimentary and metavolcanic rocks. The Mazaruni Group conformably overlies the Barama Group and consists of a younger sequence of metasedimentary and metavolcanic rocks. The Mazaruni Group is sub-divided into the Cuyuni Formation and the Haimaraka Formation. The Cuyuni Formation consists of pebbly sandstone and conglomerate, intercalated with felsic to mafic volcanic rock. The Haimaraka Formation conformably overlies the Cuyuni Formation and consists of a thick sequence of mudstone, pelite, and graywacke.

The Barama-Mazaruni Supergroup formed within a geosynclinal basin bordered by an Archean continental foreland. The Trans-Amazonian Orogeny, approximately 2.0 Ga years ago, resulted in block faulting, crustal shortening, folding, metamorphism and anatexis of the Barama-Mazaruni Supergroup. The regional metamorphic grade of the Barama-Mazaruni Supergroup is generally lower to middle greenschist facies, with amphibolite grade metamorphism locally present near the contacts of younger felsic intrusives. Syn- to late-tectonic calc-alkaline to intermediate intrusive rocks, collectively known as the

Trans-Amazonian Granitoids were emplaced late in the Trans-Amazonian Orogeny, between 2.25 and 1.96 Ga, and the Badidku Suite high magnesian ultramafics were intruded during a tectonically quiet period at the end of the Trans-Amazonian event.

The middle Proterozoic fluviatile sands and conglomerates of the Roraima Group were eroded from the Trans-Amazonian orogen and deposited in several foreland basins, much like the Tarkwaian sediments of the Birimian Shield in West Africa, and extensive Avanevero Suite gabbro-norite sills and dikes intruded most rocks late in the middle Proterozoic. Figure 7.3 illustrates the geology of Guyana and the location of the Noseno Property. Figure 7.4 shows the legend to Figure 7.3 at a more legible scale.

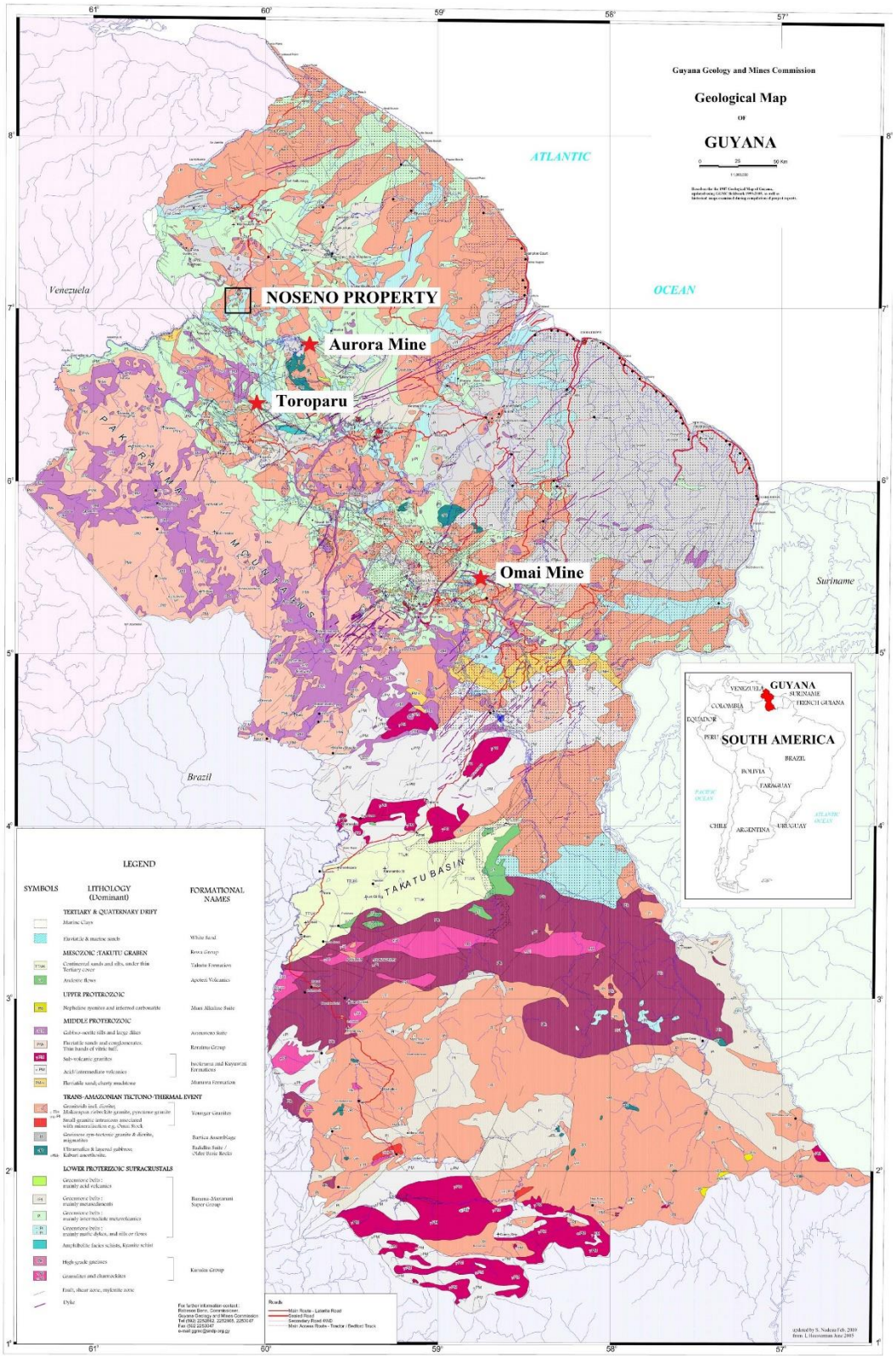

Figure 7.3: Geology of Guyana

(Map from Guyana Geology & Mines Commission, 2010)

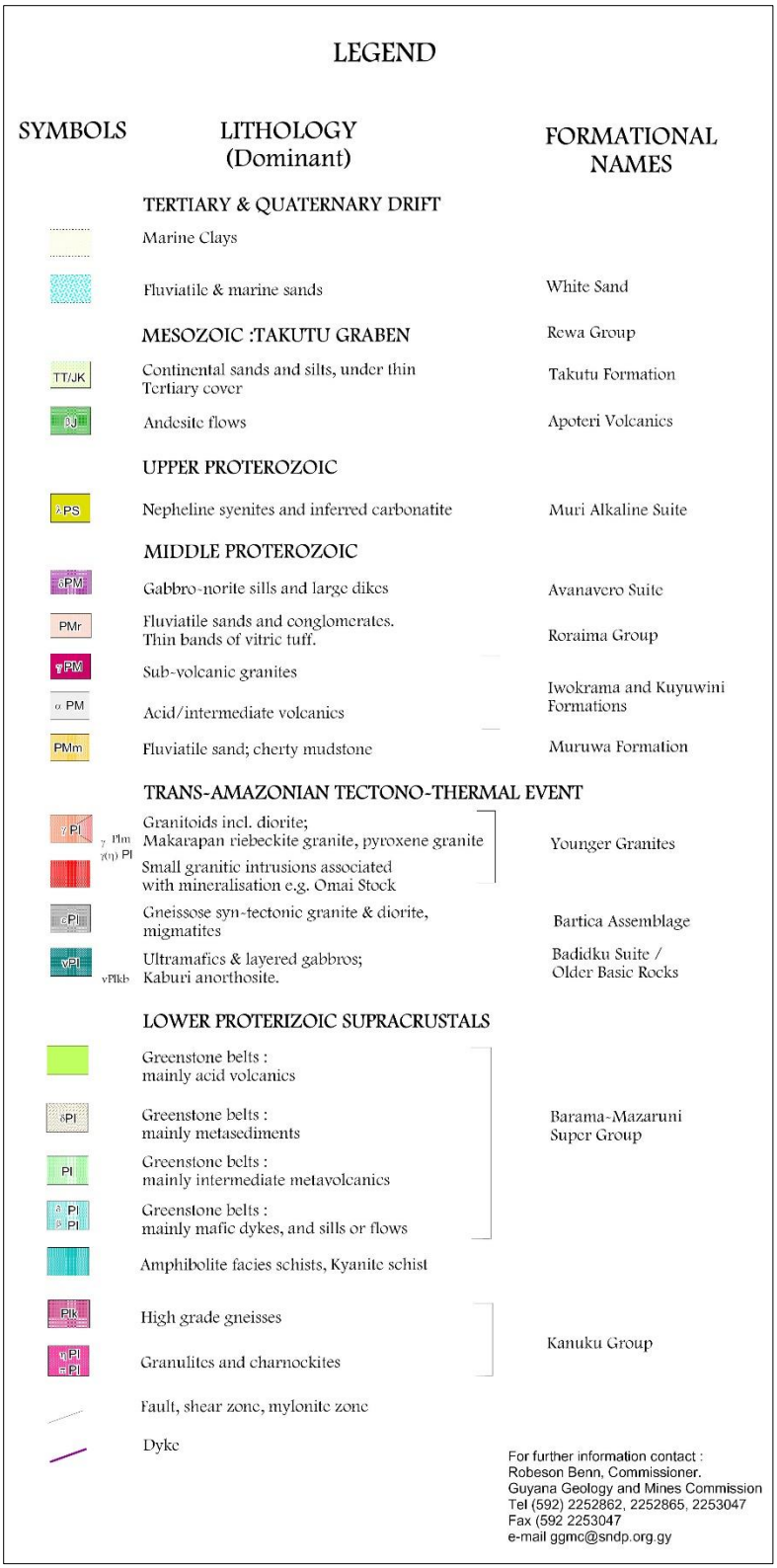

Figure 7.4: Legend to the Geology of Guyana Map *(Fig. 7.3)*

(From Guyana Geology & Mines Commission, 2010)

7.2 Geomorphology

The Guiana shield, in which the Noseno Property is located, is near the middle of the current Tropical Belt climate zone, with year-round warm to hot temperatures and historic cyclical arid and humid conditions, with annual rainfall ranging from nil up to 2,000mm or more. These conditions have prevailed across the region for at least 2 million years throughout much of the Quaternary period, resulting in intense, deep tropical weathering. During the arid periods' mechanical erosion and the accumulation of alluvial deposits prevailed, while the humid intervals leached soluble minerals from bedrock to develop an alumina and iron rich cap of laterite, underlain by a well-developed, zoned saprolite profile in the highly weathered bedrock. Laterite can consist of iron and alumina rich friable clay soils or may become indurated, or hardened into a duricrust through concentration of silica, alumina and iron oxide minerals. The thickness of laterite in the Noseno district is typical a few meters but ranges between less than a meter to 10 meters or so. Saprolite can extend up to 45 meters or more deep before transitioning into residual, unweathered rock, depending on topography and the nature of the bedrock (Veldhuyzen, 2010). More resistive lithologies, such as granitoids, silicified formations and quartz veining will be weathered less deeply or not at all, while less resistive lithologies with less silica, such as greenstones (metavolcanics and sediments) may weather more easily and generate a deeper weathering profile. Soil, decimetres to a meter thick, often caps the weathering profile and is developed from weathered, alluvial and aeolian material plus organic matter from the decay of abundant vegetation. Figure 7.5, from Veldhuyzen (2010), illustrates a typical weathering profile from the Noseno area.

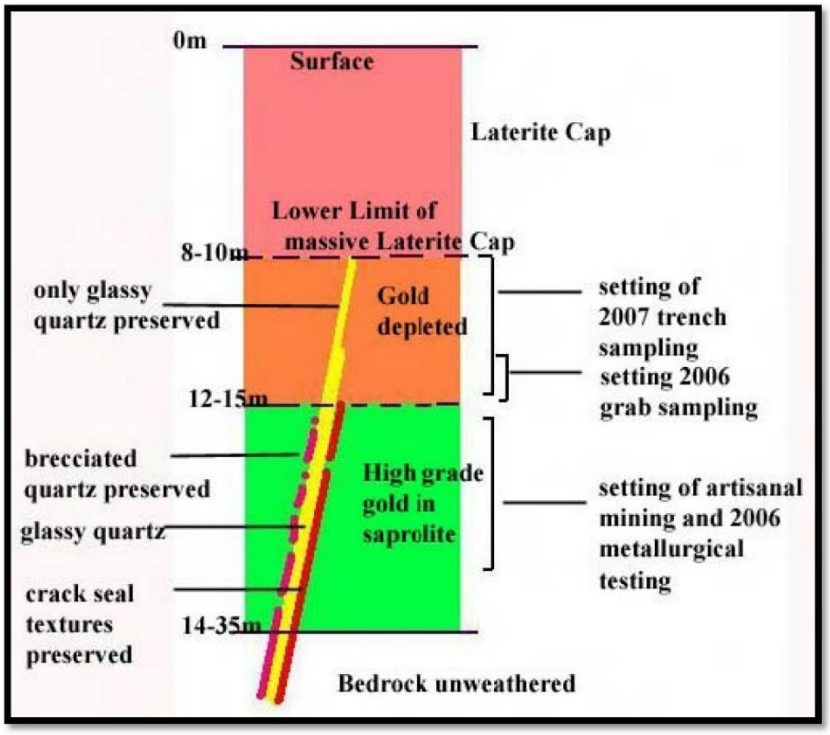

Figure 7.5: Typical Weathering Profile from the Noseno Area

(From Veldhuyzen, H., 2010)

Tropical weathering presents a number of challenges, and a few advantages to mineral exploration which need to be considered in designing exploration programs and in the interpretation of results. Overlying soils and laterite caps can be either enriched or depleted in gold and other minerals and not representative of the mineral content of the underlying bedrock. If the soil and laterite regolith has been transported from a distance, it could be deficient or enriched in gold relative to the underlying bedrock, depending on the source material. If low in gold content, the surficial regolith may be masking anomalous gold, if present, in the bedrock. If high in gold content, e.g., sourced from a gold deposit or area of artisanal mine tailings some distance away, the shallow regolith could produce spurious anomalism if sampled compared to what is present in the underlying rock or weathered rock.

The saprolite itself may also be enriched or depleted in gold content relative to the underlying bedrock. The upper horizons of saprolite are sometimes depleted in gold and other elements through hydromorphic fluid flow, which can leach minerals from the upper levels and enrich these elements through deposition and concentration below, often occurring along an oxidation interface such as the oxide-transitional (partially weathered) boundary. This results in the classic mushroom effect of gold content in the weathering profile with widespread, enriched gold anomalism sitting above the bedrock gold source, which might only be a narrow, gold mineralized quartz vein, possibly resulting in a very misleading gold anomaly in soil sampling. The transitional horizon descends below into saprock, which generally just shows weathering of minerals in fractures, with the residual, unweathered bedrock lying below.

Apart from regolith complications to the geochemical response from surficial sampling in a deep weathering profile above bedrock, one of the biggest challenges from tropical weathering to mineral exploration is the weathering of bedrock to sometimes considerable depths, which often obliterates the mineralogy, rock textures and geological structures of the underlying rock, dependant on how resistive the bedrock is. Accordingly, the bedrock lithology may be unknown, and the orientation of primary and secondary structures, that would normally be used to plan drill testing, are not evident. The underlying geology, if not exposed, might be surmised from the nature and geochemistry of the regolith, and possibly from geophysics surveys, however the details are often obscured by up to tens of meters of complete oxidation and weathering of minerals.

The negative aspects of deep weathering can be countered to a degree through the ease of excavation of trenches as an aid to exploration. If the laterite is not prohibitively hard or thick, exploration trenches, usually dug with an excavator, can be excavated across the strike of the geology to a depth below potentially transported surficial regolith, into the saprolite below; usually to depths of 3 to 4 or so metres. If the trench extends deep enough to expose saprolite below any geochemical depletion, if present, sampling of the saprolite is easy, compared to rock, and the gold content in the sampling will be reasonably representative of the underlying bedrock. Deep trenching poses the risk of possible wall failures which could bury and injure or kill a mapper or sampler working in the trench, and so trenching needs to be conducted carefully and safely, benching the sides of the trenches as appropriate where the material is unstable or might become unstable during the rainy season.

Deep tropical weathering also presents the advantage of up to 50 or more meters thick of free-digging saprolite, which if mineralized and of sufficient widths and mineral grades, could present an easy to dig open pit-able mineral deposit, cheaper and easier to excavate and process than if in fresh rock.

7.3 Regional Geology

The Noseno Property sits within the northwestern end of the Paleoproterozoic Barama-Mazaruni Supergroup of the Guiana Shield, which forms a roughly southeasterly trending belt of greenstone and related intrusives, which has in turn been intruded by multiple large Trans-Amazonian granitoid batholiths. The Noseno Property is underlain principally by the older Barama Formation of greenstone and associated sediments consisting of basaltic flows and subvolcanic mafic intrusive sills and dikes, plus fine grained deep-water clastic and pelitic sediments. The Barama-Mazaruni Supergroup is generally metamorphosed to lower to middle greenschist and locally to amphibolite near the margins of the Trans-Amazonian granitic batholiths. The Noseno Property, though largely underlain by Barama Formation greenstone rocks, is bounded on the north, west and east sides by younger Trans-Amazonian granitoid rocks consisting of diorite to granite, with a number of smaller granitoid intrusives into the greenstone in the central parts of the Property. Regional structures trend northwest to southeast outside of the Noseno Property area, as evidenced in the Guyana Geology and Mines Commission Geological Map of Guyana and their compilation of aeromagnetic surveys over Guyana, as do the structures that control the mineralization at the not-too-distant Aurora Mine and Toroparu Project, however structures within the Noseno Property area may be oriented more east-westerly. Refer to Figure 7.6.

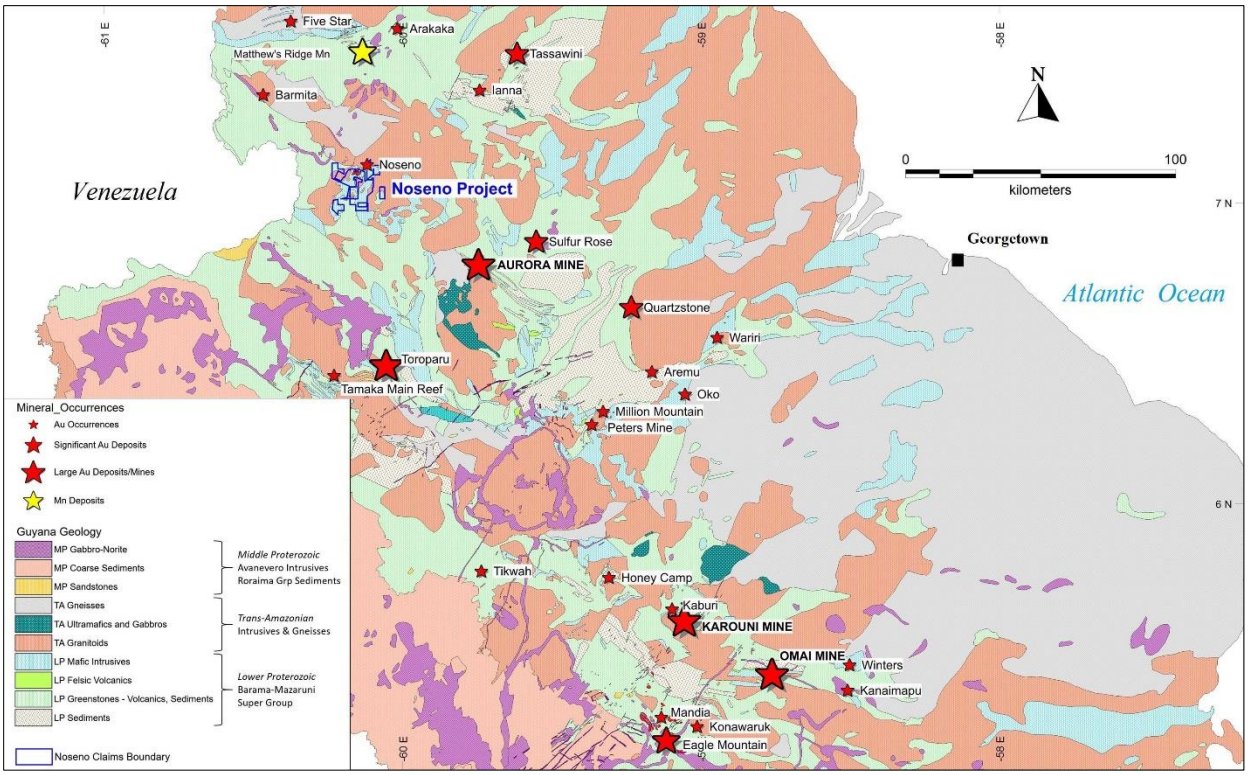

Figure 7.6: Regional Geology of Northern Guyana with Major Au Deposits & Prospects
(Geology from Guyana Geology & Mines Commission, 2010, Modified by K. Thomson, 2021)

7.4 Local Geology

The detailed local geology of the Noseno Property is nearly unknown given that there are no known reports of work conducted on or near the Property, apart from the work conducted by Mammoth Minerals and Riva Gold Corp. (as described in Veldhuyzen, 2010 and Vida, 2010) on the relatively small areas of the Higgins and Williams small-scale mining claims at the very northern edge of the Property. Their geological observations are summarized in Section 23, Adjacent Properties. As noted in Section 7.2, and as observed on the Guyana Geology and Mines Commission Geological Map of Guyana (2010), the Noseno Property is largely underlain by Barama Formation "greenstones". According the GGMC map, approximately 75% of the Noseno claims are underlain by Barama lithologies consisting principally of metagabbro and metabasalt dikes, sills and flows (the blue unit in Figure 7.7) plus lesser intermediate metavolcanics (the green unit in Figure 7.6). The Property is surrounded on three sides (north, west and east) by Trans-Amazonian granitoids, which underly some of the peripheral claims, and the central to northern part of the Property has been intruded by smaller plutons of Trans-Amazonian granitoid plus several very small intrusions of diorite and felsic porphyry as noted in the GGMC map. The age of these smaller intrusives is unclear on the GGMC map, however they postdate the Barama greenstones and may be Trans-Amazonian in age.

The Trans-Amazonian batholiths and the smaller internal plutons on the Noseno Property present a rheological contrast along their margins with the host greenstone lithologies along which regional deformation during and post the Trans-Amazonian orogenic event could have resulted in a focus of stresses at and along the contacts, resulting in either ductile deformation (shearing) or brittle deformation (fracturing), depending on the affected lithologies. Although gold mineralization on the Noseno Property is presently unknown outside of the prospects documented on the Higgins and Williams small-scale claims, gold-bearing hydrothermal fluids, if present, could have been channelled and/or deposited in such deformation zones along the intrusive contacts, making the intrusive-greenstone contacts a favourable target for exploration. Toroparu and the Aurora and Omai mines provide Guyanese examples of both shear and brittle fracture-hosted orogenic-type mineralization along granitoid contacts. The one caveat to this potential target style on the Noseno claims, is the main regional structures and the mineralized zones at Toroparu, Aurora and Omai have southeast to east-southeast strike orientations suggesting that this orientation of strain across the region may have been the preferred one for significant mineralizing fluid flow. Intrusive contacts at Noseno with a similar orientation appear to be in the minority, however there are abundant intrusive contacts with multiple orientations to target.

Additionally, the smaller intrusives within the central to northern part of the Noseno Property, depending on their age with respect to the Trans-Amazonian event, could have undergone brittle deformation during the compressional stage of the orogeny, or extensional fracturing as the regional stresses relaxed post-orogeny, producing potential conduits and/or depositional sites for hydrothermal fluid flow possibly resulting in Fennel (Omai Mine) or Rory's Knoll (Aurora Mine) style mineralization if the fluids were gold bearing. Again, the presence of significant zones of deformation possibly hosting gold mineralization is unknown for the majority of the Noseno Property, however the geology, as evidenced in the GGMC geology map, presents a favourable geological environment for this possibility.

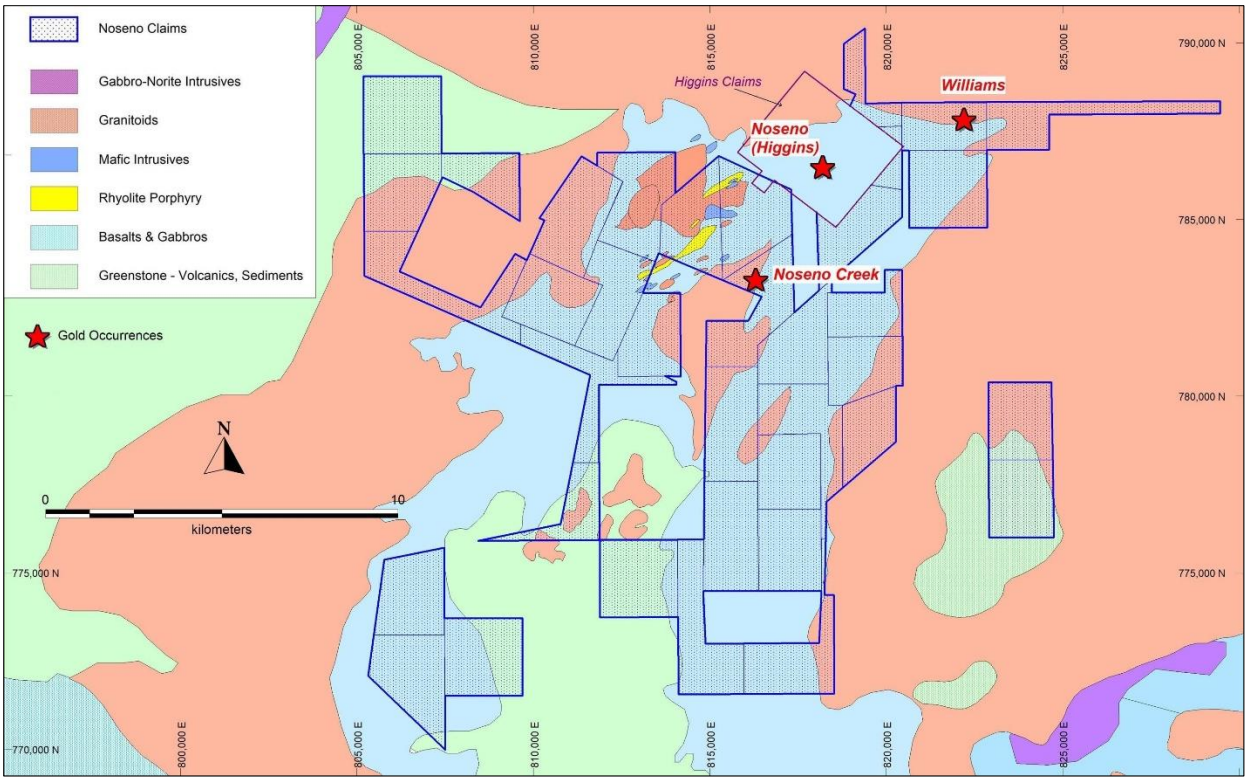

Figure 7.7: Local Geology of the Noseno Property Area
(Geology from Guyana Geology & Mines Commission, 2010)

7.5 Mineralization and Alteration

Outside of the Higgins and Williams small-scale claim blocks at the northern edge of the Noseno Property, there are few gold occurrences on the Property documented in public reports. The report by J.W. Macdonald (1965), Geology and Mineral Occurrences, NW District of Guyana, shows several areas of gold workings on the Noseno Property he refers to as the Noseno-Iroma Goldfields # 113, 114 and 115, which are possibly alluvial gold workings, although there is no description in the text. Macdonald also notes a shaft in the area of the # 114 Goldfields, which is described in the text of the report as the Noseno Creek occurrence. Macdonald refers to a 1937 report by D.W. Bishopp and describes the Noseno Creek occurrence as follows.

"In the immediate proximity of the old workings on the Noseno Creek, there are low hills of much decomposed reddish-brown schist.... which contains small quartz veins associated with rather high values in gold. (Bishopp, 1937). A small plant operated in 1937, but the stamp was not working for most of the time, and ore was ground by hand. A shaft went to 80 feet in depth, and there was 555 feet of drifting from an adit". Bishopp sampled sands from the hand mill and found these graded 1.45 oz/ton in gold. Nevertheless, Bishopp felt that the occurrence offered little opportunity for large tonnage development." Macdonald goes on to state: *"Certainly the locality should be re-examined."* Refer to Figure 7.9.

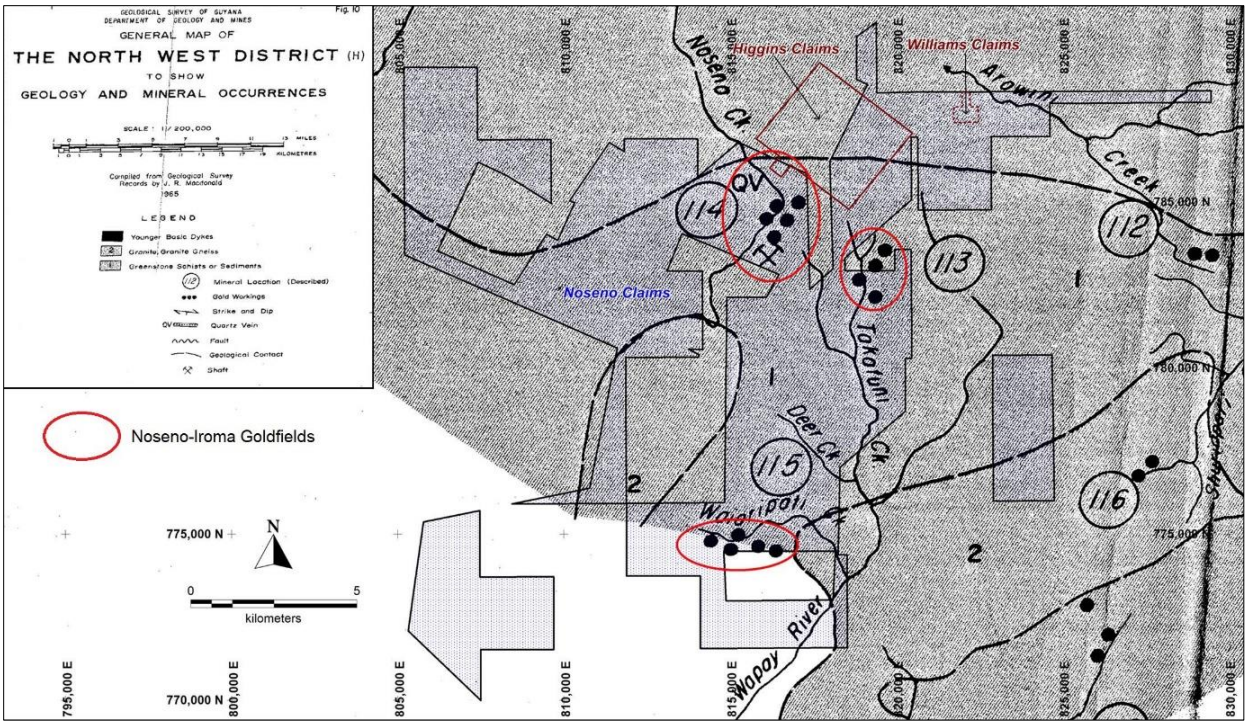

Figure 7.8: Gold Workings Noted on Fig.10 in J.R. Macdonald's 1965 Report
(Modified From Macdonald, J.W. 1965)

Mineral occurrences are better documented for the Noseno (Higgins claims) and Williams prospects at the northern end of the larger Noseno Property in reports of work conducted by Mammoth Minerals and Riva Gold Corp. during 2005 through 2010. These include the Technical Reports filed by Riva Gold authored by H. Veldhuyzen (July 2010) and E.A. Vida (December 2010). Their descriptions of mineralization are summarized in Section 23, Adjacent Properties.

8 DEPOSIT TYPE

Gold mineralization on the Noseno Property is unknown, except for the references to the "Noseno-Iroma gold fields" in the central part of the Property described by Macdonald (1965) and the two small occurrences on the Higgins and the former Williams small-scale claims at the northern edge of the Property. However orogenic structurally controlled gold mineralization is the most likely style to be present and should be the principal target type explored for.

The Noseno (Higgins claims) and Williams prospects are both examples of orogenic-type, structurally controlled quartz vein hosted gold mineralization in discrete veins and breccias or fracture fill, in both ductile shears and brittle deformation structures. There is also limited evidence at Higgins and Williams of disseminated gold mineralization associated with sulphides possibly from hydrothermal fluid alteration and replacement of host rocks, a related style of orogenic-type gold mineralization. Replacement style

gold mineralization can produce large, wide gold deposits amenable to open pit mining if near surface, however the few examples of disseminated gold mineralization at Noseno and Williams prospects were reportedly small and of modest grades.

Orogenic, structurally controlled gold mineralization can produce deposits ranging from very small up to "super-giant" in size, depending on the style, extent and longevity of structural deformation and hydrothermal fluid chemistry and volumes. The known primary deposits and mines in Guyana are all of the orogenic type, and range in size from the numerous small-scale artisanal mines like the Noseno prospect, up to the tier one project at Toroparu (Indicated + Measured resource of 7.35 Moz of gold at 0.91 g/t plus 3.15 Moz of gold at 0.76 g/t Inferred).

The geology of the Noseno Property is comparable to that hosting the largest gold systems in Guyana, namely Toroparu and the Aurora and Omai mines, consisting principally of Paleoproterozoic greenstone formations intruded by large and small Trans-Amazonian granitoids along which orogenic stress have focussed resulting in deformation favourable for hydrothermal gold mineralization to have developed in. What is possibly lacking at Noseno are the large, regional southeast to east-south east oriented structures, evident (on the GGMC Geological Map of Guyana, 2010) at Aurora, Toroparu and Omai, which the very large gold mineralizing systems are possibly related to. It may be that the Noseno Property is somewhat sheltered from these regional structures by the extents and geometries of the granitoid batholiths there, or these structures are just not well defined in the aeromagnetic data over the area and the geological mapping by the GGMC. Although bearing a number of geological similarities with the significant gold mines and deposits across Guyana, this does not by itself indicate a likelihood of the presence of gold mineralization on the Noseno Property.

The other type of gold mineralization possibly present on the Noseno Property are alluvial placer concentrations of gold in current or historic drainage channels. Alluvial mining by "Pork-knockers" (free-lance indigenous artisanal miners) has been widespread across Guyana since the turn of the century due to the prevalence of gold and diamonds in alluvial deposits in the mineral belts of Guyana. Although the Noseno Property has a well-developed drainage network from high relief to low-lying plains to the north and south of the Property, which could enable the concentration of gold in drainage catchments, a significant source of gold mineralization on higher ground is a prerequisite but is not yet demonstrated at Noseno. Although there are indications of local alluvial and eluvial mining in the Noseno district (XAU Resources, pers. comm., Jan. 2021), there is no evidence in the most current Google satellite imagery over the Property of extensive Pork-knocker workings as is commonly seen elsewhere in Guyana. Figure 7.9 above, from Macdonald's 1965 report show several "gold fields", or areas of gold workings, that could represent areas of alluvial gold mining, although these are not described in the text of his report. Significant alluvial gold may well be present, but it does not appear to have been exploited on a large scale in recent times.

9 EXPLORATION

There has been no exploration work conducted on the Noseno Property by North West Exploration nor XAU Resources in the past nor is NWE or XAU presently active on the ground at Noseno.

Historic small-scale exploration and mining activities appear to have conducted over limited areas of the Property as per the historic Geological Survey reports, and more recently formal, though relatively limited exploration, was conducted by Mammoth Minerals and Riva Gold Corp. on the Higgins and Williams small-scale claims, during 2005 through 2010. Descriptions of these activities are covered in Section 23, Adjacent Properties.

10 DRILLING

There has been no drilling conducted on the Noseno Property by North West Exploration nor XAU Resources.

11 SAMPLE PREPARATION, ANALYSIS AND SECURITY

Neither North West Exploration nor XAU Resources have conducted work on the Noseno Property. There is nothing to disclose with respect to sample preparation, analysis or security.

12 DATA VERIFICATION

12.1 Site Visit

The principal Author has not visited the Noseno Property due to travel restrictions resulting from the Covid-19 pandemic. A site visit was conducted on the property by Dr. Dennis J. LaPoint on May 16, 2021. Dr. LaPoint is solely responsible for the site visit and the following write up.

Due to restrictions in travel because of Covid, Dr. Dennis J. LaPoint was requested to conduct a site visit on May 16, 2021. Travel was by helicopter to the region of the licenses. Mr. Bharat Kaawla of Georgetown, who was familiar with region accompanied as guide. The weather was clear and temperature warm. Because of the distance of the flight and fuel requirements, scouting of the area of licenses was limited. The area has extensive alluvial workings of several generations, based on regrowth of vegetation. The region is at the transition from mining the alluvial material to switching to mining colluvial and saprolitic production (Figure 12.1). Multiple encampments of miners and small stores were noted. As is typical, most of the region is jungle with minimal landing areas, and areas suitable to land a helicopter were not obvious near workings for sampling in saprolite within fuel constraints.

Figure 12.1: Area of extensive alluvial workings and saprolite workings sampled, looking southwest.
(Dr. D. LaPoint, May 16, 2021)

The pilot was familiar with the region and selected a landing near a store and road that were close to saprolitic workings. An ATV and local miners were present to assist in the sampling. Later when data was plotted, it was determined that these workings are on the Higgins claims where they are overlapped by North West's Noseno claims. Should the Higgins claims expire or be cancelled, the overlapping Noseno claims would assume both the surface and mineral rights for the area sampled (Figure 12.2). The area is surrounded by the Noseno claims and represents the only suitable sampling site given the jungle cover, area of saprolite mining and fuel limitations. The site visit is within an area representative of the surrounding Noseno claims based on published geology, extensive alluvial workings and review of satellite images and geophysics, as described in this report.

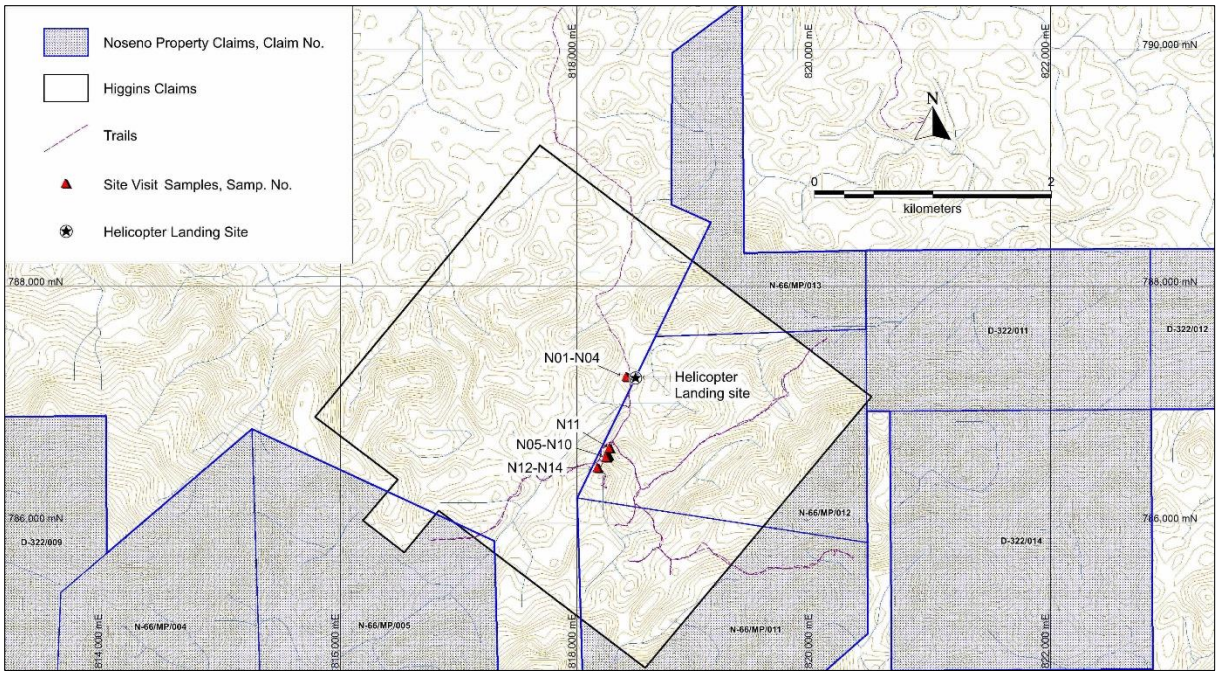

Figure 12.2: Area of sampling showing claim blocks.
(Modified from Dr. D. LaPoint)

At a mined area, 14 samples were collected as short channel and grab. Sampling focused on sheared and silicified mafic rocks. The field term of diorite was used and there were some quartz diorite lithologies seem during sampling (Figures 12.3, 12.4 and 12.5). The samples were collected from the sheared zones with quartz veining and silicification. The style of mineralization observed is representative of the area and mines seen by the author such as Troy Resources' Karouni Mine and the Omai Gold Mine. However it should be noted that this is not necessarily indicative of the mineralization on the Noseno Property.
The workings sampled are likely the Noseno prospect as shown in figure 23.2. If shafts were originally present, they have been obscured by later mining.

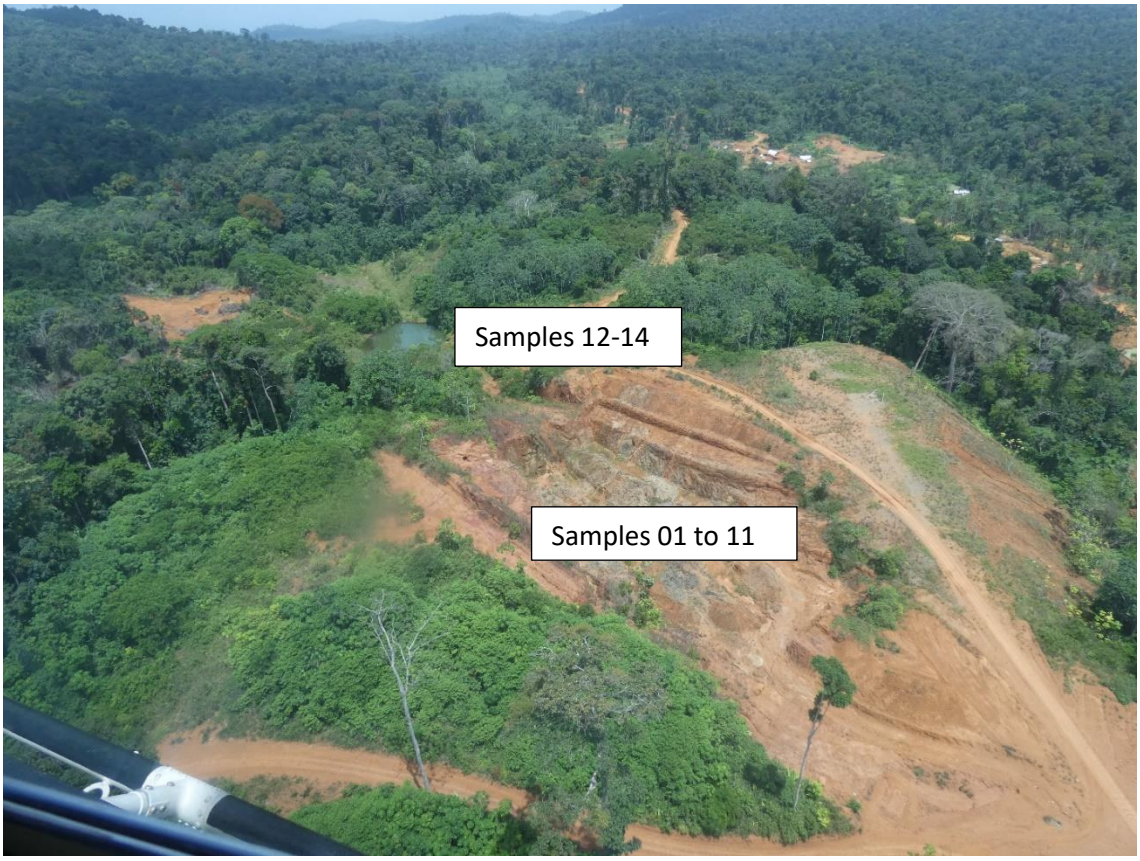

Figure 12.3: View of main pit and water filled pit to the south. Looking southwest.
(Dr. D. LaPoint, May 16, 2021)

Figure 12.4: Main area of workings with samples 01-11.

(Dr. D. LaPoint, May 16, 2021)

Figure 12.5: Water-filled pit sampled; samples 12-14.

(Dr. D. LaPoint, May 16, 2021)

Of the 14 samples collected, three are anomalous in gold, but are not high grade. Further time and mapping would uncover other mineralized zones (Table 12.1, Figure 12.6). The focus of sampling was on sheared intrusive rocks with evidence of quartz veinlets and/or silicification. Shear directions were N 45 E and N 20 E and dipping vertical and near vertical. Sulfides were minor.

All sampling was supervised or personally collected during site visit and dropped off at Actlabs in Georgetown on the same day. Standards and blanks were not available, but the author uses Actlabs with no issues for other projects.

Site Visit May 16, 2021		GARMIN 62s	UTM zone 20N		
Station	UTM E	UTM N	AU ppb FA	Description	Sample
helicopter landing	818426	787233			
N 01	818422	787233	513	Shear zone with quartz veinlets	2 foot channel
N 02	818422	787233	10	Shear zone with quartz veinlets	2 foot channel
N 03	818422	787233	376	Quartz left from mining	grab sample
N 04	818422	787233	<5	Shear with quartz	2 foot channel
N 05	818258	786581	<5	Quartz rubble from mining	grab sample
N 06	818266	786571	9	sheared saprolite with quartz veinlets	2 foot channel
N 07	818266	786571	<5	sheared saprolite with quartz veinlets	3 foot channel
N 08	818259	786565	<5	sheared diorite	2 foot channel
N 09	818250	786554	<5	sheared diorite with lenses of quartz	2 foot channel
N 10	818250	786554	<5	sheared diorite with lenses of quartz	2 foot channel
N 11	818279	786631	8	2 foot quartz vein in saprolite	2 foot channel
N 12	818176	786464	<5	saprolite grab samples from wall of flooded pit	grab sample
N 13	818176	786464	<5	saprolite grab samples from wall of flooded pit	grab sample
N 14	818176	786464	<5	saprolite grab samples from wall of flooded pit	grab sample

Table 12.1: Samples collected during site visit and assays returned

Figure 12.6: Sub-pit where samples 01 to 04 were collected as channel samples within a sheared diorite. Local miners report 20 ounces of gold recovered with a fineness of 94.
(Dr. D. LaPoint, May 16, 2021)

The site visit shows that local miners are prospecting and recovering gold using alluvial operations and metal detectors. The production of gold by local miners is promising for further potential of larger operations. The area under control by XAU merits further exploration to develop gold resources.

12.2 Database Verification

There has been no work conducted on the Noseno Property by XAU Resources nor by the vendor, North West Exploration, and accordingly there is no data to analyze and verify.

Descriptions of geology, mineralization and the limited exploration work conducted on the Higgins and former Williams small-scale claims at the northern edge of the Noseno Property are cited in this report and are extracted from NI 43-101 reports authored by H. Veldhuyzen (2010) and E.A. Vida (2010) on behalf of Mammoth Minerals and Riva Gold Corp. The Author has no reason to believe that their reports are inaccurate. Although the Author has made no effort to physically verify their data, the data disclosed by Veldhuyzen and Vida is comprehensive and adequate enough for inclusion in this technical report under Section 23, Adjacent Properties.

The Higgins small-scale claims, while overlain by XAU Resources' Noseno claims, predate XAU's claims and the mineral rights belong to W. Higgins of Georgetown, Guyana, and the claims can be considered exclusive from XAU's Property. The Williams small-scale claims, which were very lightly worked by Mammoth Minerals and Riva Gold Corp, have expired and can be considered part of XAU's Property.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

The Noseno Property is an early stage greenfields exploration project and there has been no mineral processing or metallurgical studies conducted for the project.

14 MINERAL RESOURCE ESTIMATES

The Noseno Property is an early stage greenfields exploration project and does not currently host a mineral resource.

15 MINERAL RESERVE ESTIMATES

The Noseno Property is an early stage greenfields exploration project and does not currently host a mineral reserve.

16 MINING METHODS

This section is not applicable as the Noseno Property is at an early exploration stage.

17 RECOVERY METHODS

This section is not applicable as the Noseno Property is at an early exploration stage.

18 PROJECT INFRASTRUCTURE

Mining infrastructure is not considered at this stage as the Noseno Property is at an early exploration stage.

19 MARKET STUDIES AND CONTRACTS

This section is not applicable as the Noseno Property is at an early exploration stage.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

The Noseno Property is an early-stage exploration project and there has been no environmental or community impact studies conducted for the Property.

21 CAPITAL AND OPERATING COSTS

There is no mineral resource or reserve defined for the Noseno Property. Capital and operating costs cannot be determined at this time.

22 ECONOMIC ANALYSIS

There is no mineral resource or reserve defined for the Noseno Property and no economic analysis has been undertaken for the Noseno Property.

23 ADJACENT PROPERTIES

Activity on the Higgins and Williams claims dates back to the 1930's when small scale underground mining was undertaken on the Williams prospect to exploit narrow gold bearing quartz veins and quartz stringers in clay altered saprolite. Two men were reportedly killed in a collapse of underground workings in 1937 and underground mining ceased thereafter (Heesterman, L. et al, 2001). Artisanal mining was underway

on the Noseno prospect on the Higgins claims in the later 1930's, reported by Bishop (1937) and cited in MacDonald (1968), with small-scale mining and processing of alluvial gravels and quartz veins in saprolite.

Three generations of the Higgins family of Georgetown began prospecting and mining at Noseno in the 1950's or 1960's although there is no written documentation of their work or production. The Higgins conducted considerable small-scale mining of material extracted from numerous alluvial workings, shafts, adits and open cuts excavated in the saprolite, with up to 40 occurrences worked to varying degrees (Veldhuyzen, 2010). Old shafts have been located on surface spaced at intervals of 70 to 90 meters along the strike of a vein, with several veins mined from underground. The principal shaft, the #2 shaft (in the southwest corner of the Noseno prospect as shown in Figure 23.2), was being worked by the Higgins family when Mammoth Minerals became interested in the property in 2005. The shaft was a well-timbered 2.13 by 4.26 meter two-compartment shaft with a hoist compartment and a manway, sunk to 31.7 meters with drifts developed on the 13.7 and 25.9 meter levels to exploit an approximately 1 meter wide quartz vein (Veldhuyzen, 2010).

In 2005, Mammoth Minerals entered into an option agreement with the Higgins and commenced exploration on the Higgins property planned and managed by Hendrik Veldhuyzen. An option agreement was also conducted by Mammoth Minerals over the Williams claims in 2008. Work by Mammoth initially consisted of multiple property visits to map the Noseno prospect and area at a broad scale with handheld GPS, at the prospect scale using a level sight and chain to locate all the historic workings, and at a detailed scale along two trenches that were excavated across the prospects and in underground workings including two new shafts sunk by Mammoth. Over $1,000,000 was expended on the Noseno prospect between late 2005 and December 2007, after which the project became dormant for two years (Veldhuyzen, 2010).

Riva Gold Corp merged with Mammoth Minerals (both formerly TSX-V listed junior explorers) in July of 2010, acquiring their assets in Guyana. Three months later they lodged a small diamond drilling campaign to test both the Noseno and Williams prospects, concluding in November of 2010. The drilling consisted of 1,322.67 meters of diamond drilling in 5 holes at Noseno plus two holes totalling 474 meters drilled across the Williams prospect. The entire drill holes were sawn and sampled and analyses for gold were by fire assay at reputable labs with appropriate security and QA/QC measures in place. With the exception of one narrow high-grade intercept (1.63m @ 98.89 g/t Au, uncut), the assay results were weak to negligible and confined to narrow zones of quartz veining with little in the host rocks apart from occasional, 1-meter intervals returning weakly anomalous (up to several 100 ppb Au) assays. Refer to Table 7.1. Although the drilling was not extensive, it was possibly sufficient to downgrade the potential of a large discovery on the known Noseno and Williams prospects. However, the possibility of a smaller, high grade deposit remains, and neither trenching nor drilling has evaluated any potential targets outside of these two relatively small prospect areas, let alone the much larger Noseno Property held by North West Exploration.

After the 2010 drilling program on the Noseno (Higgins claims) and Williams prospects, there is no recorded work by Riva Gold on their properties in Guyana and no publicly reported work by others on the Higgins and Williams claims.

The detailed geology has been described by Mammoth Minerals (Veldhuyzen, 2010) for the Higgins and Williams small-scale claims areas, however it should be noted that these claims only cover approximately 3% of the total area of the Noseno medium-scale claims at the very northern edge of the Property, and do not necessarily represent the geology of the larger Noseno Property. However, with east to southeast striking geology and structures observed on the small-scale claims, there is likely a strike continuation of the geology and structure onto the Noseno Property at the northern end of the Property.

Veldhuyzen (2010) notes that mapped outcrops are scarce on the small-scale claims as a result of limited field time spent on mapping, plus extensive rain forest cover and thick tropical weathering. The rock types that were mapped by Mammoth Minerals on the Noseno and Williams small-scale claims, as per Veldhuyzen (2010), include:

- Gabbroic anorthosite to anorthositic gabbro,
- Medium grained gabbro,
- Shear banded amphibolites with more competent, massive feldspar porphyry sills or dykes,
- Green to light tan mud adjacent to auriferous quartz veining - altered and weathered late dyke material?
- Light green to bluish green varying from massive to fine-grained igneous textures - volcanic to intrusive in origin.

This is consistent with the GGMC geology map, which shows “metagabbro and metabasalt dikes, sills and flows” over the northern end of the Noseno Property. Figure 23.1 illustrates the basic surface geological observations made by Veldhuyzen in his 2010 report.

A report on the diamond drilling (Vida, E.A., Dec.2010) conducted by Mammoth Minerals/Riva Gold on the Noseno and Williams prospects in September to October of 2010 provides more detail on the local geology. Five drill holes (1,341m total) were completed at Noseno, and two holes were drilled at Williams (474m total), and the following geological and structural observations are summarised from Vida’s report.

At Noseno, drilling typically encountered 5m to 6m of clay laterite on surface, underlain by approximately 40m of saprolite before encountering fresh rock. Rocks identified were named as amphibolites and intrusive rocks consisting of feldspar porphyry, quartz-feldspar porphyry, anorthositic gabbro, gabbro, granodiorite plus volcanic tuffs. The amphibolites were described as greyish, medium grained equigranular silicified amphibolite and greenish grey medium grained chlorite amphibolite with the amphiboles altered to chlorite. Textures ranged from massive to intensely foliated schist, and locally mylonite. The amphibolites are locally crosscut by feldspar and quartz-feldspar porphyry dikes occurring as fine-grained grey to dark gray with feldspar +/- quartz porphyroblasts up to 5mm in size. The

anorthositic gabbro and gabbro are related to a large intrusive complex north of Noseno and are described as medium to coarse grained pyroxene and feldspar plus ilmenite and magnetite and are highly magnetic units. And small lenses of granodiorite and volcanic tuffs were observed within the amphibolite units. The tuffs locally contain graphitic units, possibly of sedimentary origin.

Similar geology was also observed in diamond drilling on the Williams prospect, with several meters of clay laterite, much shallower saprolite 1.5m to 12m thick, plus amphibolites and the feldspar porphyry, quartz-feldspar porphyry and anorthositic gabbro intrusives. The report on drilling indicates that the amphibolites tend to be or schistose and of higher metamorphic grade than observed at Noseno, and locally contain glaucophane or lawsonite feldspars giving a bluish hue to the rock. The intrusive lithologies, as described, are similar to those identified in the drilling at the Noseno prospect.

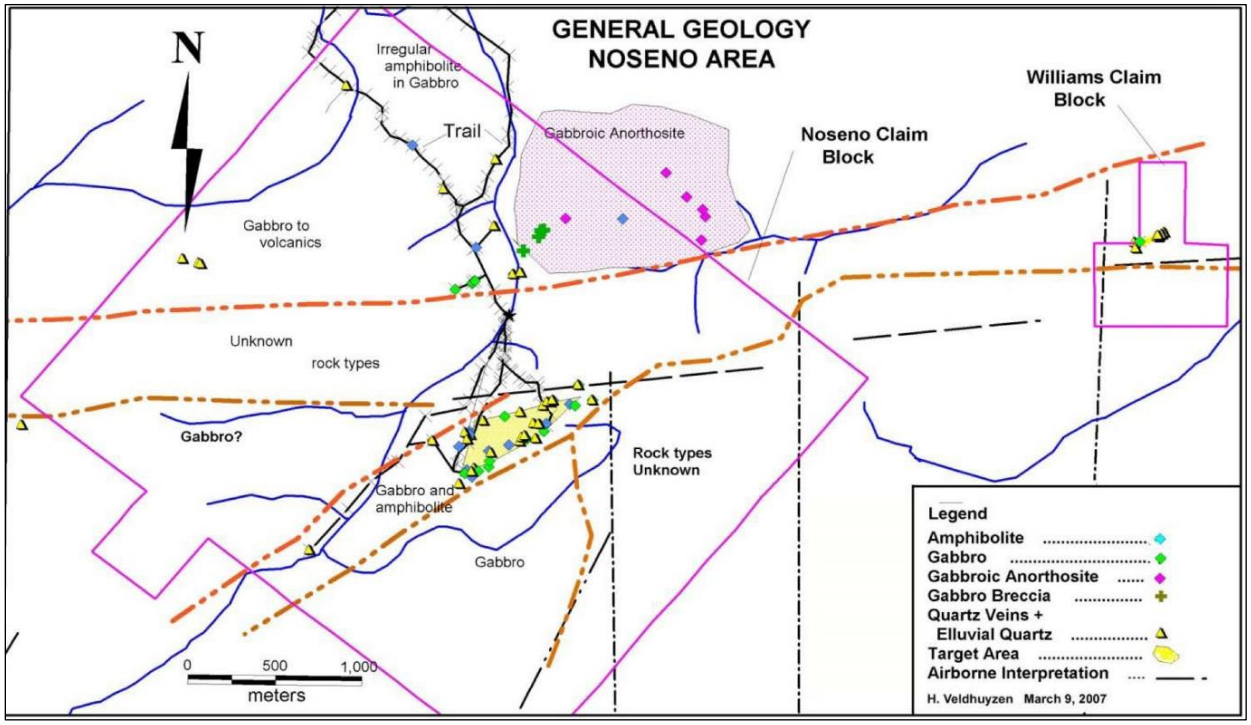

Figure 23.1: Local Geology of the Higgins and Williams small-scale Claims
(From Veldhuysen, H., 2010)

The nature of the mineralization at the Higgins and Williams prospects at the northern edge of the Noseno Property is well documented in Veldhuyzen's and Vida's 2010 technical reports covering the work by Mammoth Minerals And Riva Gold on these prospects. As described in Veldhuyzen (2010), who did not have the benefit of the diamond drilling which was conducted after his Technical Report was written, gold mineralization on the Higgins and Williams small-scale claims occurs in three geological environments:

- Quartz veins and quartz breccias cross-cutting amphibolite and feldspar porphyries.

- Sulphide bearing silicified amphibolites.
- Specified sulphide (?) segregations in argillic (?) alteration.

Quartz veins have been mined at Noseno since the 1930's (Veldhuyzen, 2010) and were the principal target for exploration and mining. Despite a long history of exploiting vein-hosted gold mineralization in the area, there are no historic records mapping or describing the veins and production. Veldhuyzen's work documents several principal mineralized vein orientations to be present at Noseno ranging from north to northeast (360° to 060°) with moderate to steep easterly dips (-50° to -85°), plus a nearly east-west striking set with a vertical dip. The quartz veins have been described as being multiple generations with 1. massive white veins, 2. crack and seal style quartz, 3. quartz vein breccias, 4. quartz veins with sulphides and 5. laminated quartz veins. Massive white to glassy quartz veins are by far the most common type. Sulphides in quartz consist mostly of fine grained pyrrhotite and pyrite, and associated oxide and carbonate minerals. Quartz vein widths are generally narrow (centimetres in thickness) but can be up to a meter or so thick, with gold assay grades demonstrated from Veldhuyzen's sampling programs ranging from less than 1 g/t up to 110 g/t Au. Veldhuyzen's sampling was principally grab samples of veins exposed in workings, trenches and from material in waste dumps and accordingly gives no true indication of widths of mineralization of significant tenor.

Gold mineralization also occurs at Higgins and Williams prospects in silicified amphibolite containing between 2% and 25% pyrrhotite. The mineralized amphibolites are sheared with fuchsite and clinozoisite alteration and were reportedly not exploited by the historic miners who were only prospecting for quartz veins. Sampling of this style of mineralization returned assays up to 2.2 g/t Au, however Veldhuyzen notes that the geometry and extent of this style of mineralization is unknown.

The third style of mineralization observed consists of irregular lenses of brecciated quartz and associated hematite and specular hematite encountered in clay rich saprolite which might represent weathered argillic alteration. High grade grab sample assays were returned from these zones, which tend to be located along or near the margins of quartz veins, however the extent of this mineralization has likewise not been determined.

The Noseno prospect on the Higgins claims forms a roughly triangular target area approximately 800m in strike (in an east-north-easterly direction) and up to 250m wide in a north-south direction. The triangle is bounded on the north by a regional 080° striking shear structure, on the west by northerly trending veining ("Rock Steady" veins) and on the south by north-easterly trending veins with a number of north-easterly trending veins within the core of the triangular block. Outside of the triangular area is reportedly low relief with unknown geology. Figure 23.2 illustrates the Noseno prospect and shows the more significant assays from grab samples obtained by Veldhuyzen.

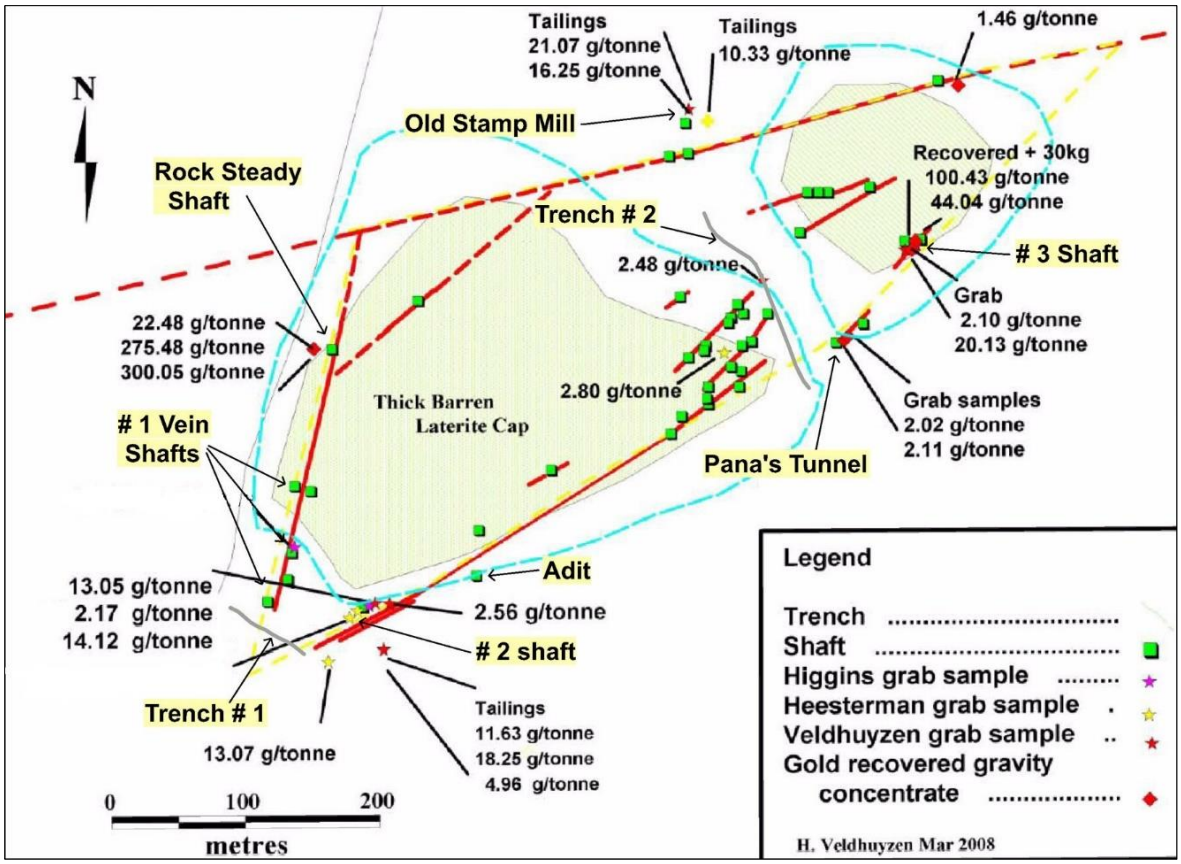

Figure 23.2: Grab Sample Gold Results from the Noseno Prospect
(From Veldhuysen, H., 2010)

The diamond drilling program conducted by Riva Gold Corp in late 2010 (Vida, A.E. 2010) was designed to test the prospects at Noseno with 5 diamond drill holes totalling 1,322.67 meters. The drill core revealed more detail on the geology, alteration and mineralization present at Noseno than is evident in the generally highly weathered surface exposures. Rock types encountered in the drill core were largely amphibolite with various styles of alteration plus minor porphyry intrusive dikes. Alteration types observed included:

- Iron oxide in the laterite
- Argillic – Kaolinite and limonite in the weathered profile
- Manganese oxide – a mottled alteration in the saprolite
- Propylitic – alteration of Fe-Mg minerals to chlorite and epidote/clinozoisite
- Potassic – brownish red orthoclase
- Fuchsite – often along quartz vein contacts
- Carbonitization – calcite rimming quartz veins and as veinlets in the amphibolites

- Silicification – pervasive, moderate to intense, observed in all of the drill holes.

Sulfide minerals observed in the drilling included pyrite, chalcopyrite and pyrrhotite occurring as disseminations through the amphibolites in concentrations between 5% and 15%, and up to 5% in the porphyry intrusive dikes.

Gold mineralization encountered in the drilling was restricted to narrow quartz veins with: 1. Sugary white quartz veins being the most common, 2. milky white quartz veins, and 3. smoky grey quartz veins. With the exception of one narrow high-grade intercept, assays returned from the Noseno prospect drill test were generally very weak. Two of the drill holes returned no significant values. Two others returned narrow, modest intercepts of 0.74m @ 1.26 g/t Au and 2.0m @ 1.81 g/t Au. The best drill intercept returned was 1.63m @ 98.89 g/t Au including a subinterval of 0.5m @ 273.69 g/t Au in drill hole N-10-02, from milky white quartz veins in intensely silicified and brecciated amphibolite. Outside of these quartz vein-hosted mineralized units, assays were locally weakly anomalous up to several hundred ppb Au over 1-meter intervals, however the vast majority of assays were below the detection limit of 0.01 g/t. Table 23.1 lists the holes drilled at Noseno and the several significant gold intercepts and Figure 23.3 illustrates the location of drilling with respect to the prospects mapped and sampled at Noseno.

Despite the decades of small-scale mining at the Noseno prospect, the gold mineralization, though locally quite high grade, appears to be confined to a series of widely spaced narrow quartz veins of unknown lateral extent, with little to no gold enrichment in the host rock amphibolites between the mineralized veins.

Prospect	DHID	Utm_E	Utm_N	Azim	Dip	EOH (m)	From	To	Length (m)	Au (g/t)	Mineralized Geology
Noseno	N-10-01	818709	787070	150	-50	262				n.s.v.	
	N-10-02	818361	786886	150	-50	266.67	70.05	71.68	1.63	**98.89**	milky white qz veins in intensely silicified & brecciated amphibolite
						incl.	*70.55*	*71.05*	*0.50*	***273.69***	"
	N-10-03	818801	787183	150	-50	266				n.s.v.	
	N-10-04	818866	787082	150	-50	265	86.57	87.31	0.74	1.36	qz veining in intesnely silicified amphibolite schist
	N-10-05	818828	786823	330	-50	263	124.00	126.00	2.00	1.81	silicified amphibolite schist
Williams	W-10-01	822351	788081	350	-48	249	201.53	202.53	1.00	2.31	silicified amphibolite schist
	W-10-02	822264	788061	350	-50	225	1.10	2.10	1.00	0.95	laterite/saprolite contact
							48.78	49.28	0.50	3.00	sugary white qz veins in a silicified qz-feldsp porphyry
							82.00	82.55	0.55	2.16	sugary white qz veins in a moderately silicified amphibolite schist

Table 23.1: Significant Diamond Drill Hole Intercepts from the Noseno and Williams Prospects

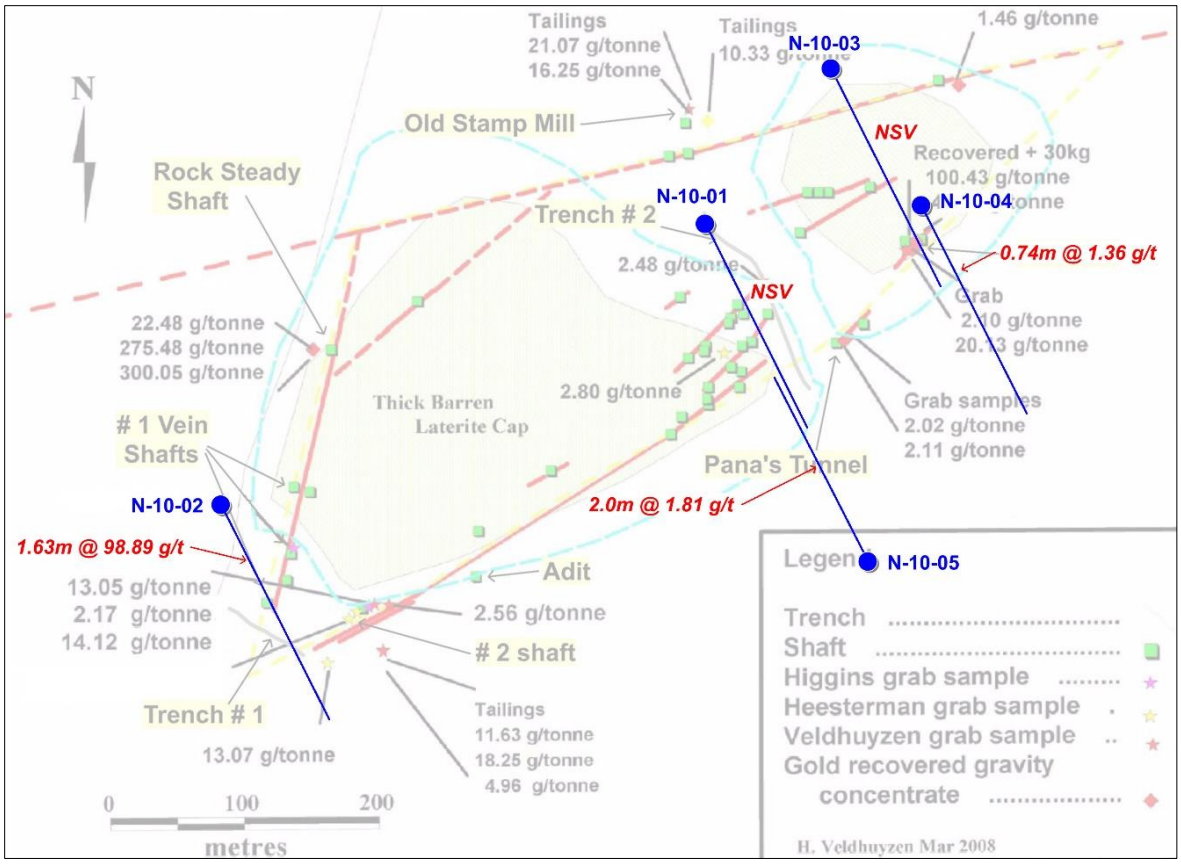

Figure 23.3: Noseno Prospect DDH Locations

(Modified after Vida, A.E., 2010)

Mineralization described by Veldhuyzen (2010) for the Williams prospect is essentially the same as that described at Noseno with gold in quartz veins and to a minor extent associated with disseminated pyrrhotite in sheared amphibolite. Two subparallel veins striking 080° and dipping vertically were historically mined with widths between 50cm to 80cm and mapped strike lengths up to 210 meters. Grab samples from Veldhuyzen's due diligence sampling returned only weak assay values up to 1.24 g/t Au in grab samples of quartz veining and 0.53 g/t from grabs of sulphide bearing sheared amphibolite material. A sample obtained from surface mine tailings returned 20.61 g/t Au.

Riva Gold Corp drilled two diamond drill holes totalling 474 meters at the Williams prospect. The Technical Report by A.E. Vida (2010) provides a little more information on the geology, alteration and mineralization at Williams than does the Veldhuyzen report. The drilling reportedly intercepted similar rocks to those observed at Noseno with a much shallower weathering profile consisting of several meters of clay laterite and 1.5m to 12m of saprolite, underlain by amphibolites and porphyry plus anorthositic gabbro intrusives. The same six types of alteration were observed to varying degrees in the drill core, and limited gold mineralization was confined to sugary white quartz veins in silicified amphibolite and a silicified quartz feldspar porphyry dike. A handful of modest gold intercepts were encountered ranging from 1m @ 0.95

g/t Au up to 0.5m @ 3.0 g/t Au. As at the Noseno prospect, outside of the narrow quartz veined zones, gold assays are rarely above detection levels for the host rock amphibolites and minor intrusive rocks. Table 23.1 lists the details of the two diamond drill holes drilled at the Williams prospect and the several anomalous assay intervals and Figure 23. 4 illustrates the drilling conducted.

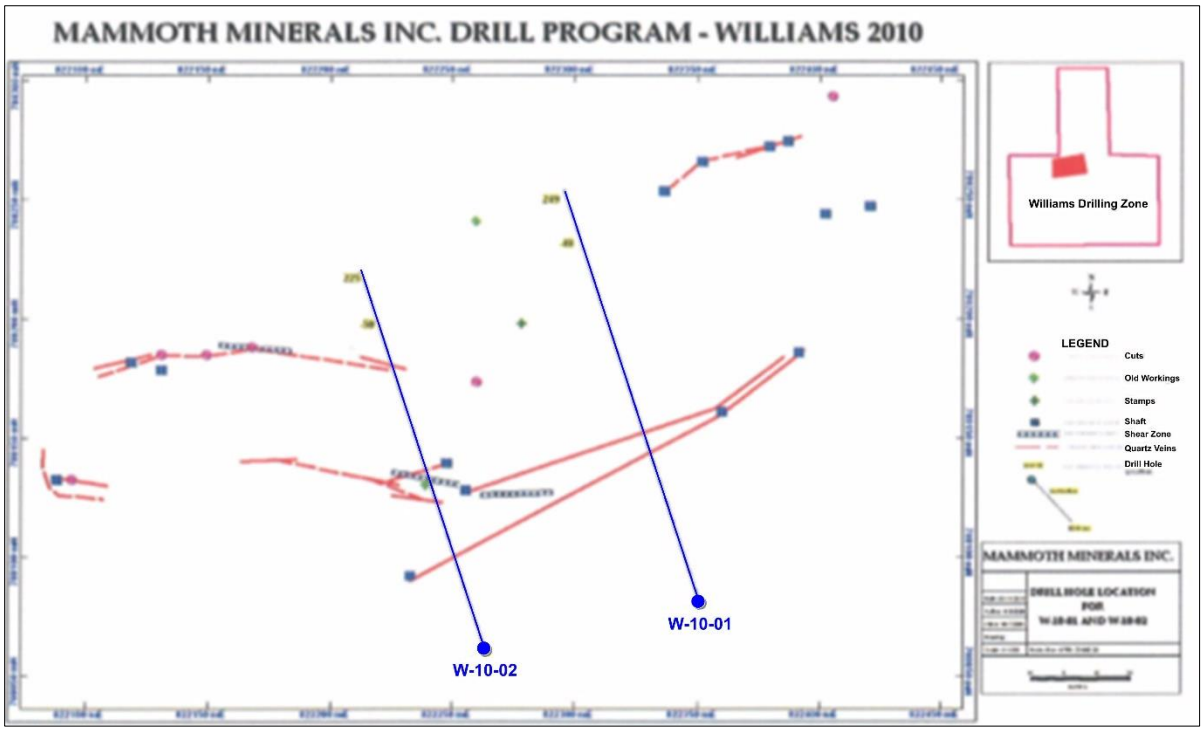

Figure 23.4: Williams Prospect DDH Locations
(Modified after Vida, A.E., 2010)

The only other known formal exploration properties near to the Noseno Property are Reunion Gold's Arawini properties adjacent to and to the east of Noseno. These were part of Reunion Gold's exploration alliance with Barrick Gold in the Guiana shield. Barrick dropped these properties from the alliance and Reunion no longer mentions any of their Guyana properties on their website, except for the Oko West property 100 kilometers to the southeast of the Aurora Mine. The results from Reunion and Barrick's work at Arawini, if any, are unknown.

Forty kilometres to the north of Noseno is the Matthews Ridge Manganese mine which was operated by Union Carbide between 1962 and 1968 with 1.7 million tons of manganese concentrate (37%) recovered and shipped during that time (Reunion Gold Matthews Ridge Manganese Project 43-101 Report, 2013). Reunion Gold acquired the project in 2010, conducted further drilling and declared a global mineral resource of 32.3 Mt at 14% manganese (Reunion Gold Matthews Ridge Manganese Project 43-101 Report, 2013). Reunion Gold sold the project in 2016 to a Chinese company, Bosai Minerals, for US$10 million. Bosai has been redeveloping the project for mining and are expected to commence production in 2021.

Thirty-five kilometers to the north and northeast of the Noseno Property are Alicanto Minerals Arakaka and Ianna exploration projects. These properties experienced considerable exploration work by Alicanto during 2013 to 2019 and through agreements with Barrick Gold and Nordgold. The joint ventures with Barrick and Nordgold were relatively short lived, and Alicanto no longer appear to be active on their Guyanese properties, choosing now to focus on a new project they are exploring in Sweden.

Fifty plus kilometers to the southeast of Noseno are the former Guyana Goldfields properties, acquired by Zijin Mining in August of 2020, including the largest active mine in Guyana, the Aurora Mine. The Aurora Mine holds a 3.8 million ounce gold Measured + Indicated gold resource, as per Guyana Goldfields last public mineral resource statement of March 2020.

Sixty kilometres to the south of Noseno is the Toroparu Project owned by Gold X Mining (formerly Sandspring Resources), which is a feasibility stage project, and hosts a mineral resource of 7.35 Moz of gold at 0.91 g/t plus 6.28 million ounces of silver at 0.81 g/t and 444 Mlbs of copper at 0.084% in the Measured + Indicated categories, plus an Inferred resource of 3.15 Moz of gold at 0.76 g/t plus 0.28 million ounces of silver at 0.07 g/t and 104 Mlbs of copper at 0.04% (Sandspring Resource PEA report, July 2019).

The principal author has been unable to verify the information pertaining to adjacent properties and the other mentioned mining projects in Guyana, and the information regarding these other projects is not necessarily indicative of the mineralization on the Noseno Property.

Figure 23.5 illustrates the location of these various properties and projects with respect to the Noseno Property.

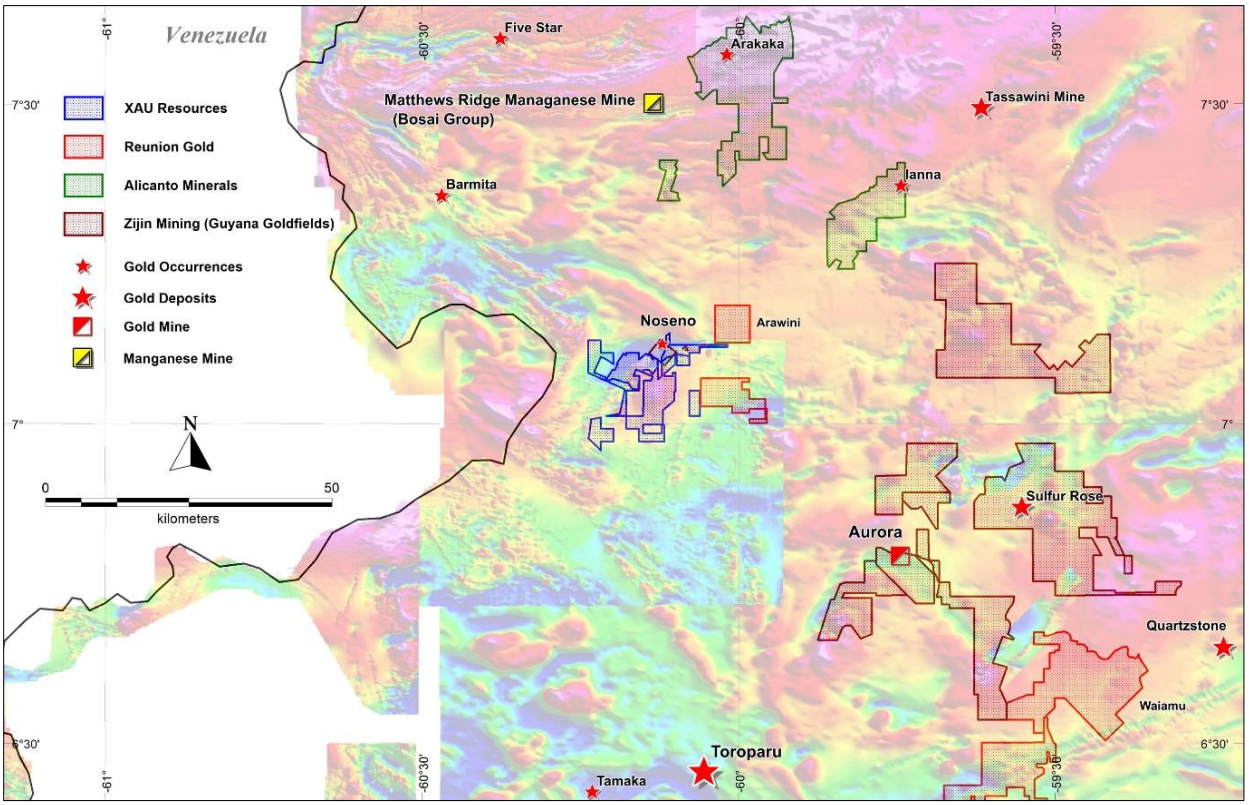

Figure 23.5: Properties Adjacent to and Near the Noseno Property
(Magnetics Image from GGMC 2010, Property Compilation by K. Thomson, 2021)

24 OTHER RELEVANT DATA AND INFORMATION

24.1 Introduction

With no work conducted on the Noseno Property by XAU Resources and no records of formal exploration conducted on the Property apart from the limited work by Mammoth Minerals and Riva Gold on the northern edge of the Property, all other potential sources of available information should be sought in order to better understand the geology and mineral potential of the Property and to help guide exploration activities and the development of targets early on. Otherwise, one is nearly starting with a blank slate. The geology presented in the Guyana Geology and Mines Commission Geological Map of Guyana (2010) provides a valuable initial framework for the geological setting of the Property. Although interpreted from limited historic geological mapping in the Noseno area, and at a small scale of 1:1,000,000, the geological map presents a good starting point for a geological understanding and the targeting areas of higher geological prospectivity to focus work on.

In addition to the Guyana Government's current and historic regional and local geological maps, there is a publicly available aeromagnetic geophysical survey map covering much of the northern three-quarters

of Guyana, and surficial geochemical surveys have been conducted over much of the more prospective greenstone terrane in the northern half of the country, with detailed reports, maps and multi-element geochemical data available for many areas. Both the aeromagnetic and geochemical survey coverage are highly useful datasets to aid initial efforts on geologically prospective ground that may not have experienced significant historic exploration.

24.2 Geophysical Surveys

Five aeromagnetic geophysical surveys have been flown over relatively large areas of Guyana, sponsored by the Guyana Geology and Mines Commission (GGMC), with approximately two thirds of the country covered. A compilation of the surveys can be acquired from the GGMC as a low resolution PDF file and also as moderate resolution JPG image registered in MapInfo. The MapInfo file is in the dataset provided to the author by XAU Resources and is shown in Figure 24.1 below. It is unknown what methods of processing were employed in the creation of the aeromagnetic compilation; however, it is likely to be a total field or total magnetic intensity (TMI) product.

The five known aeromagnetic surveys which were compiled into the publicly available map image from the GGMC were flown between 1963 and 2001 at line spacings ranging from a very coarse 2,400 meters to a reasonable 200 meters, as per Table 24.1 below.

Date	Line Spacing	Elevation	Geophysical Company
1963	1600 to 2400 metres	300 metres	Aero Services Corporation
1971-72	1000 metres	300 metres?	Terra Surveys
1993	200 metres	100 metres	Geonex Aerodat Inc.
1996	400 metres	100 metres	High Sense Geophysics Ltd.
2001	100 metres	100 metres	Fugro Airborne Surveys SA

Table 24.1: Summary of Source Data for the GGMC Aeromagnetic Map of Guyana
(Source: Veldhuyzen, H., 2010)

Veldhuyzen's 2010 report states that the Noseno area was covered by the coarser 1971-72 Terra Surveys survey (1,000 meter line spacing) and the higher resolution 1993 Geonex Aerodat survey (200 meter line spacing). North of the Higgins and Williams claims is clearly the coarse data, while the majority of the Noseno Property was flown at a higher resolution (tighter flight line spacing), possibly the Geonex Aerodat survey at 200 meter line spacing. Before undertaking too much exploration at Noseno, it is recommended that a visit is made to the Guyana Geology and Mines Commission in order to confirm what survey covered the Noseno Property, determine the details and acquire additional map products utilizing different processing, if available. It would be most beneficial to acquire the actual survey database if available for

purchase and contract a geophysicist to reprocess the data and produce a series of aeromagnetic map products using a variety of processing methods. Depending on the actual resolution of the historic survey over the Noseno area, the flight line directions and other relevant parameters, the quality and level of detail that might be extracted from further processing and imaging of the dataset might not be worth the cost and effort. Flying a new, higher resolution (100-meter line spacing or better) airborne magnetics plus radiometrics survey would be the best option to generating a high-quality geophysics base to aid exploration on the Noseno Property once initial exploration efforts justify the cost. However, initial exploration efforts should make use of the existing magnetics maps and possibly reprocessed reimaged data if available.

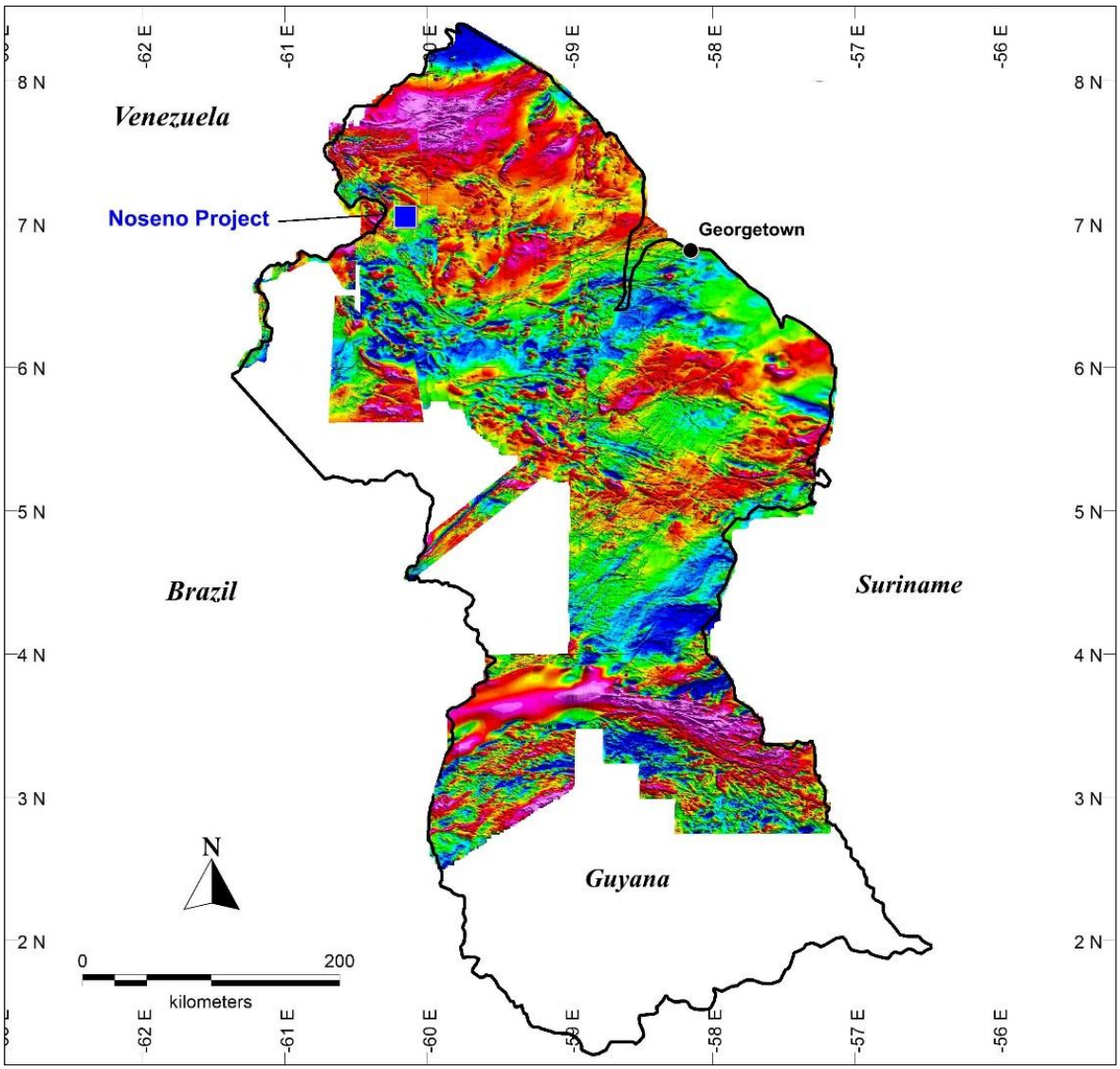

Figure 24.1: Publicly Available Aeromagnetic Survey Image for Guyana
(From GGMC, 2010)

The aeromagnetics over the Noseno Property (Figure 24.2) shows a distinct magnetic "low" over the northern end of the Property. This corresponds to the area thought to be underlain by a large anorthositic gabbro intrusion, which would be expected to be magnetically high. Veldhuyzen (2010) suggests that the gabbro might have been emplaced during a period of reverse magnetic field to account for the magnetic low. The magnetics data also shows several magnetic highs in the central part of the Property in the area of a series of smaller Trans-Amazonian granitoid intrusions as per the GGMC (2010) Geological Map of Guyana. These appear to be a series of magnetic intrusives in the aeromagnetics image (Figure 24.2), assuming the polarity is correct. The geophysical features are somewhat fuzzy in this magnetics map, and so a higher resolution processing or survey would be valuable to better defining these geological features for exploration targeting.

A series of magnetic linears interpreted as geologic structures were delineated on Veldhuyzen's (2010) map and are reproduced in Figure 24.2 below. These suggest the prevailing tectonic fabric, at least in the Property area, is oriented east to east-northeast, with a secondary set of structures oriented in a northerly direction. Veldhuyzen (2010) noted that the main Noseno prospect is located near the intersection of northerly and easterly oriented structures. Whether true or not, a more detailed aeromagnetics survey and new map products with interpretation by an experienced geophysicist would definitely be of value in targeting areas of interest for exploration planning and follow up.

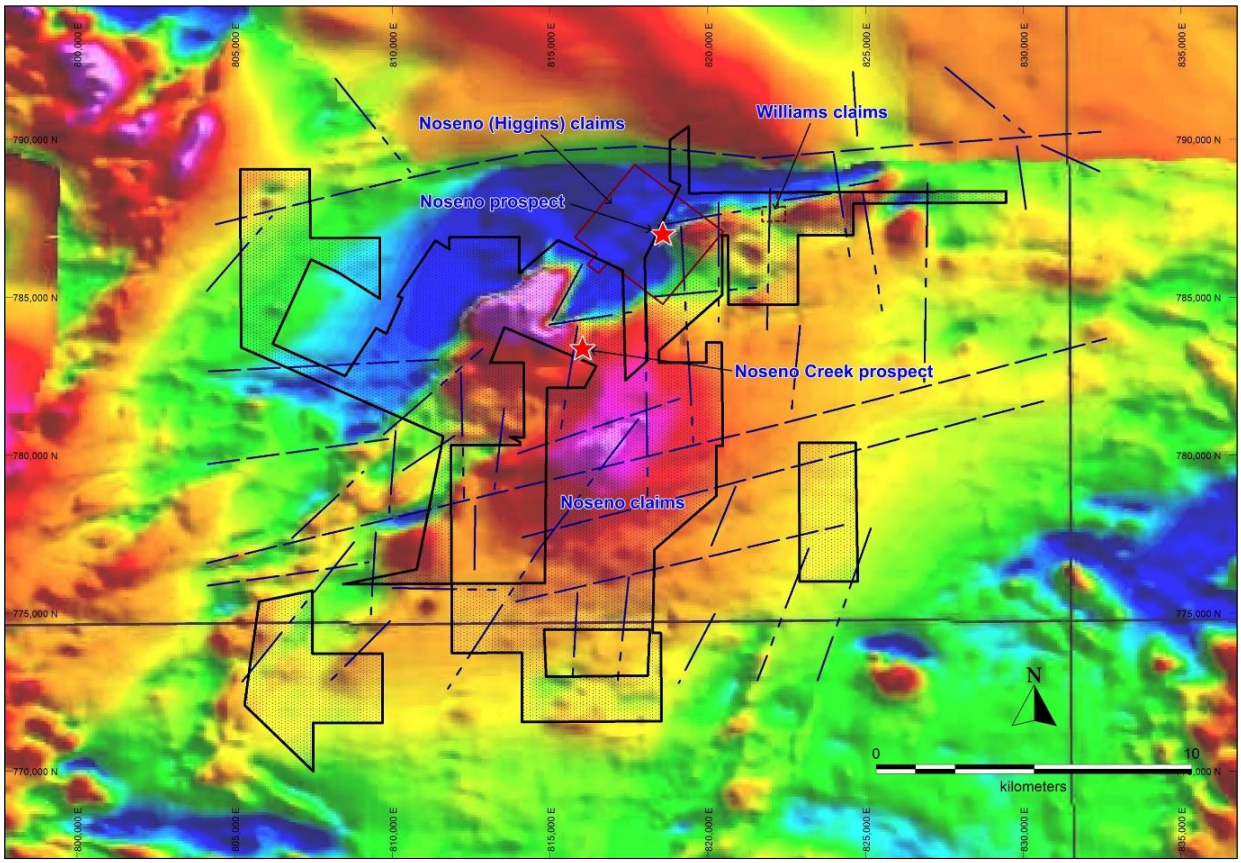

Figure 24.2: Aeromagnetics over the Noseno Area and Interpreted Structures
(Structural Interpretation from Veldhuyzen, H., 2010)

24.3 Geochemical Surveys

In order to encourage formal exploration in Guyana, The Guyana Geology and Mines Commission conducted a series of geological mapping and geochemistry surveys over the more prospective areas of greenstone, covering 35 areas mostly in the northern half of the country, between 1999 and 2012. The surveys were quite comprehensive, with reconnaissance scale mapping and rock sampling, plus stream sediment sampling and extensive geochemical analyses plus petrographic studies. Refer to Figure 24.3. One of the more recent projects covered the Barama Headwaters area lying north of and slightly overlapping the northern end of the Noseno Property; published in 2012. The Barama Headwaters and neighbouring Barama Head Gap survey, which was completed the following year, covered a total area of 2,781 square kilometres and collected 383 stream sediment samples, at a somewhat broad spacing of one sample per 7 square kilometers, plus 126 rock samples. The stream sediment samples were sieved to -30 mesh and a heavy mineral concentrate was collected for gold grain and other mineral counts and typing. A 2 kilogram split of the -30 mesh fraction was also analyzed by BLEG (Bulk Leach Extractable Gold bottle roll cyanide leach) for Au, Ag, Cu, Pd and Pt geochemistry. In addition, a -80 mesh sieved fraction was split off and analyzed by INAA (Instrumental Neutron Activation Analysis) with 4-acid digestion for Au plus 48 elements. Rock samples were also analyzed by INAA for Au + 48 elements, and 56 thin sections were also cut and examined. The final product is a comprehensive dataset available as a PDF report plus MS Excel and MapInfo GIS databases.

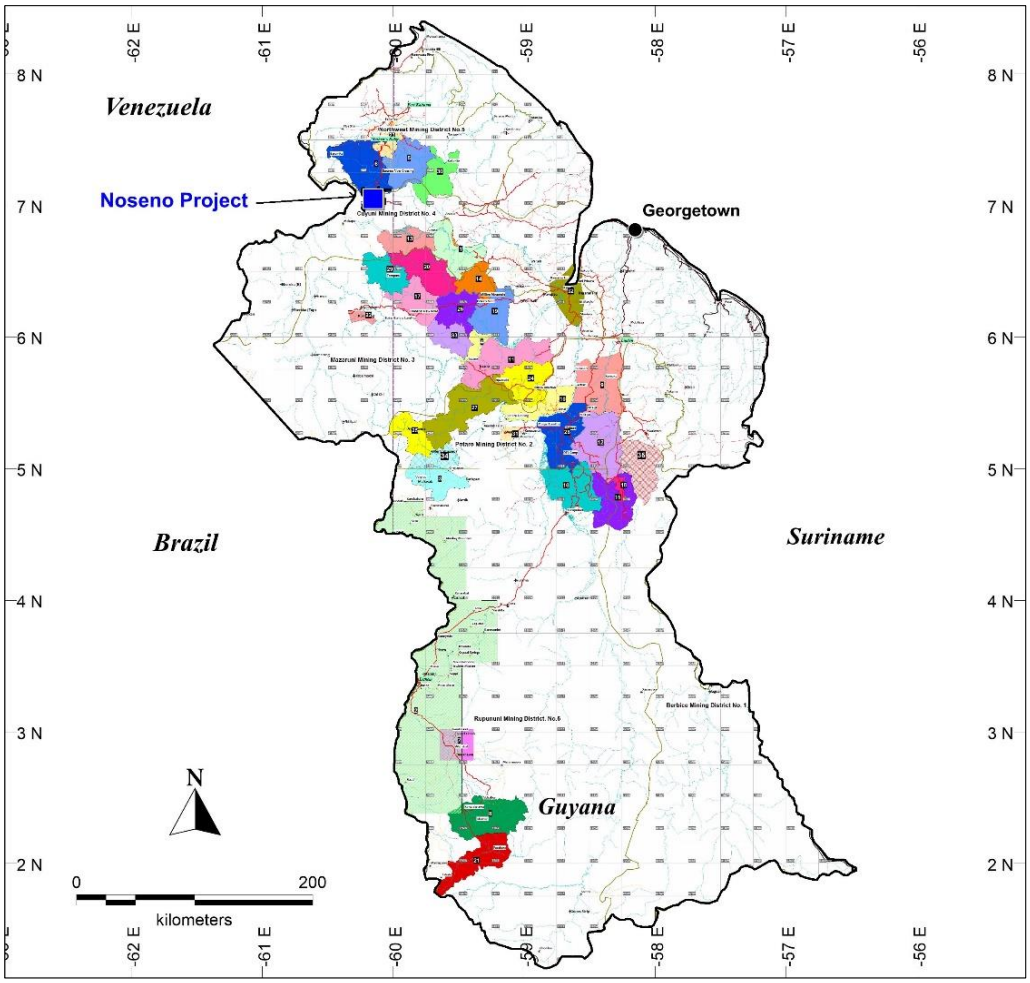

Figure 24.3: Geological and Geochemical Projects by the GGMC during 1999-2012
(From GGMC, 2012)

Unfortunately, the Barama Headwaters survey area only covers approximately 35% of the northern end of the Noseno Property and does not highlight much in the way of new targets apart from what is already known at the Noseno (Higgins claims) and Williams prospects. The -30 # BLEG stream analysis shows two high Au values > 30 ppb Au: one approximately 1 kilometer southwest of the Noseno prospect, and the second near the northeastern limit of the Noseno Property. The -80 # INA gold analyses indicate anomalous (20-100 ppb Au) drainage catchments at the northwestern and northeastern corners of the Property, and high anomalism (100-500 ppb Au) in drainage extending to the east from the Noseno prospect. Rock sampling returned weakly anomalous results from the Williams prospect (12-50 ppb Au) and anomalous results from the Noseno prospect (> 50 ppb Au). INAA multi-element geochemistry from the handful of rocks collected at the Noseno and Williams prospects returned weakly to moderately anomalous values of Ce, Co, Cu, La, Mn, Ni, Sc, Sm, Tb, Ti, V, Y ad Yb. Refer to Figure 24.4.

Attempts were made to determine if the GGMC conducted more recent geological and geochemical surveys in Guyana, especially covering the balance of the Noseno Property south of the Barama Headwaters survey area, without success. The GGMC should be visited in person to determine if the greater Noseno Property was included in a more recent survey not shown on their 2012 map. However, given the reconnaissance scale of the geochemical sampling, a more detailed stream sediment and prospecting program is planned for the Noseno Property.

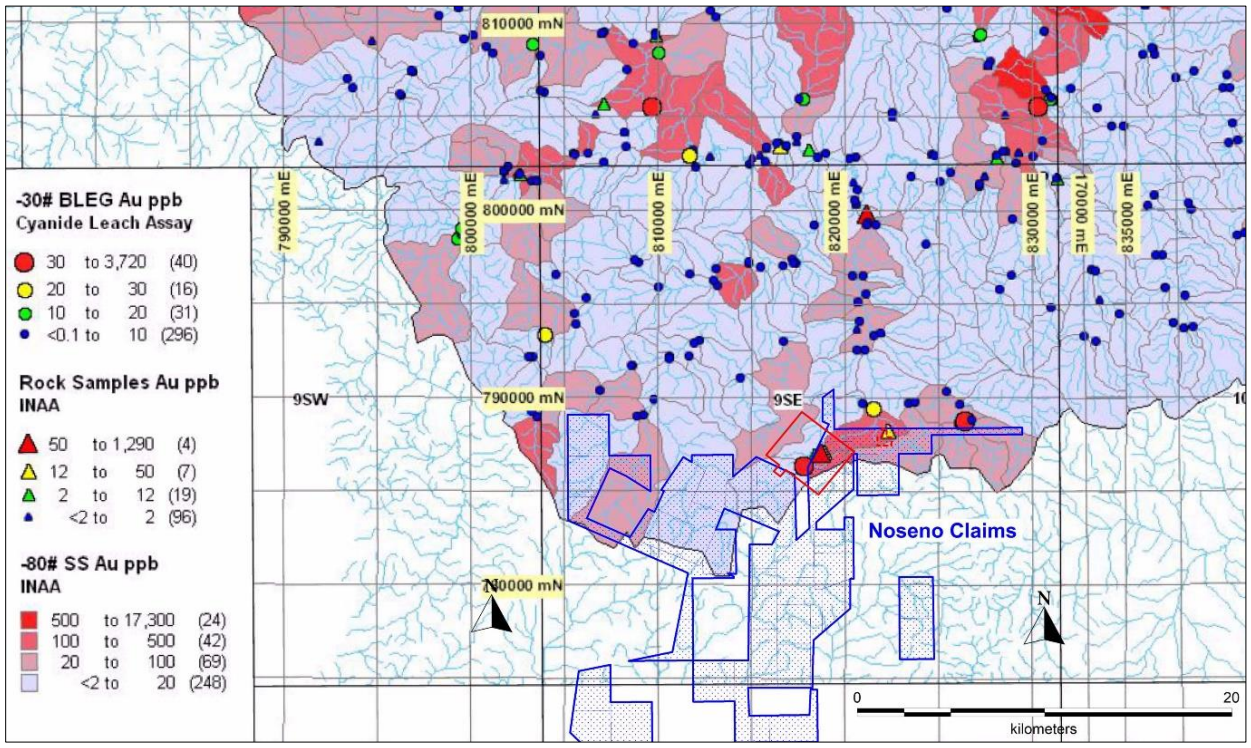

Figure 24.4: Results of the Barama Headwaters Survey Near the Noseno Property
(From GGMC, 2012)

25 INTERPRETATION AND CONCLUSIONS

The Noseno Property has not been explored by XAU Resources or North West Exploration Inc., the vendor of the licenses, and it has not historically experienced any formal exploration, apart from limited efforts on two small-scale mining claim blocks bordering the northern edge of the Property. The lack of historical exploration and geological understanding of the Property makes it difficult to accurately access the Property's mineral potential. The limited publicly available information presented herein, including the Guyana Geology and Mines Commission data and reports on geology, geochemistry and geophysics plus the technical reports covering the adjacent properties does illustrate a favourable geological setting at Noseno for the potential presence of gold mineralization. The Property, as interpreted from the

Government geology maps and reports, is underlain principally by Paleoproterozoic greenstone rocks and intruded by a number of Trans-Amazonian granitoids. It is situated in the same greenstone terrain as the two largest gold deposits in Guyana, the Aurora Mine and the Toroparu Project, and the similarities in geology and structural setting highlight Property geology amenable to the formation of similar styled structurally controlled, orogenic style gold mineralization, but does not guarantee it.

Although with no formal historical exploration work and no significant gold occurrences known on the Noseno Property, the interpreted geological environment is compelling enough to warrant a staged, results driven exploration program to evaluate the Property for its potential to host significant mineralization. Negative results from initial programs might curtail further exploration investment while positive results could warrant further exploration programs escalated according to favourable results.

With no historical exploration data or resource to evaluate at Noseno, the principal risk to the project's potential success lies in the interpretation and understanding of the Property's geological setting which is based upon regional geological mapping conducted by the Guyana Geology and Mines Commission and predecessors. Without having conducted field investigations to confirm the interpreted geology underlying the Property, it is unknown how accurate those geological interpretations are with respect to geological types and distributions. Potentially, the Government regional geological maps inaccurately depict the favourability of the Property geology, however, they are unlikely to be grossly misrepresentative.

The initial exploration programs proposed should relatively quickly determine the Property's potential for mineralization by confirming the interpreted geology through mapping and prospecting efforts plus the presence, or not, of gold and/or other minerals of interest through the planned geochemical surveys.

26 RECOMMENDATIONS

26.1 Introduction

A two-phase program of systematic, results driven exploration is proposed to evaluate the Noseno Property with the aim of identifying the most prospective areas of the Property through geochemistry, geological mapping and prospecting plus geophysical data processing followed by limited target testing by trenching and diamond drilling to ascertain the veracity of identified targets. Phase I comprises the minimum of work required for an adequate initial assessment of the Noseno Property, and includes establishing a field camp, improving access, reconnaissance stream sediment geochemistry followed by soil sampling. Phase II, contingent upon the results from Phase I, would entail testing of targets by trenching and diamond drilling. Relatively light programs of trenching and diamond drilling have been proposed, which could be scaled up if the results from Phase I warrant a more aggressive follow up and funding permits. Further work, not budgeted for, could consist of a new airborne geophysical survey,

further geochemistry, mapping and prospecting campaigns, more extensive trenching and escalating drill programs as justified by earlier results.

26.2 Access and Accommodations

Access to the Noseno prospect area on the northern edge of the Noseno Property is by way of recently improved 4x4 driveable roads extending from Port Kaituma and Matthews Ridge to the north of Noseno. Access into the interior of the property however is lacking. The recommended budget accounts for the establishment of at least one trail to the southern end of the property to aid initial reconnaissance exploration programs. It is anticipated that a bulldozer is available for hire in the district which could emplace a basic trail driveable by quad bikes at a minimum. The budget also allows for the purchase of two new or lightly used quad bikes to support the initial exploration programs laid out here. Alternatively, quad bikes might possibly be rented, or one quad bike might be purchased, and a pickup truck rented to transport goods and samples between Noseno and Matthews Ridge.

The field crew would be accommodated in a basic field camp to be erected ideally in a central location, but realistically where access by way of a 4x4 truck is permissible. The cost of a field camp is likely to be minimal, accommodating only a handful of geologists and field assistants in the early stages, with a permanent, more costly camp considered only once the project demonstrates merit and a greater likelihood of more advanced exploration efforts. Th field camp should be supported with a generator for electricity and a satellite dish for communications.

26.3 Geochemistry I

The first program that should be considered for the Noseno Property would consist of a stream sediment sampling and prospecting program. A program of stream sediment sampling has been laid out with 346 sample sites planned at an average density of just under 2 samples per square kilometer. This should be of sufficient density to evaluate the entire property for the potential presence of both large and small mineralization systems. The proposed program extends sampling coverage over internal gaps in the Noseno Property occupied by external parties' claims, requiring permission from these third parties. If the results are favourable, XAU could consider acquiring these other licenses to provide more continuous coverage of potentially prospective greenstone geology within the area of their claims. Figure 26.1 illustrates the designed stream sediment sampling campaign.

Stream sediment samples should be approximately 4 kilograms in weight, with 2 kilograms submitted for Au analysis by BLEG + Leachwell™ bottle roll while the remaining 2 kilograms of sample would be panned, and the gold concentrate weighed. In addition, a small split from the sample submitted to the laboratory for BLEG analysis should be analyzed for low-level trace element geochemistry by ICP-MS methods (48 or 53 elements etc., plus Au). Simultaneous with the stream sediment sampling program, prospecting and

rock sampling should be undertaken in order to improve understanding of the property wide geology and demonstrate the presence of gold insitu. Rock samples should also be analyzed for multielement geochemistry by ICP-MS, in addition to Au, as pathfinder elements could prove useful to targeting less obvious gold presence and other, potentially economic elements, such as base metals, might prove to be significant.

The stream sediment sampling and prospecting programs should provide a good gauge of the gold potential for the Noseno Property and identify the most prospective areas for targeting further work. If the geochemical results returned are consistently weak across the Property, XAU Resources could take the decision to cease further work on the Noseno Property and invest their capital elsewhere. However, given the favourable geological setting, one or more target areas are likely to be highlighted which will be further tested in the soil sampling campaigns.

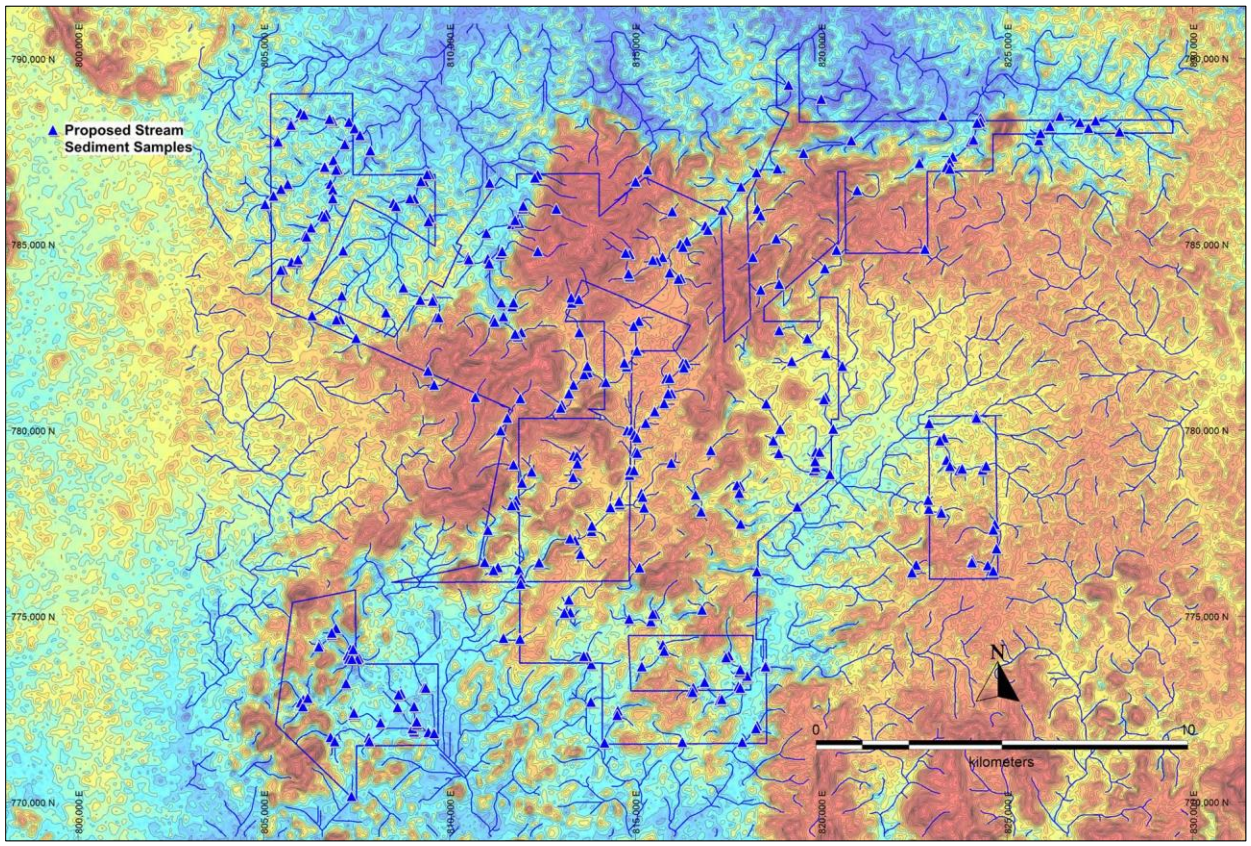

Figure 26.1: Proposed Stream Sediment Sampling Program for Noseno

(Map Created by K. Thomson, 2021, using SRTM Elevation Data)

26.4 Geophysics

Assuming the stream sediment sampling and prospecting return significant sites or areas of gold anomalism validating the Noseno Property as a worthwhile exploration play, improving the geophysics dataset, particularly the magnetics, would be the next logical step. The historic aeromagnetics flown over the Noseno Property area could, at this stage, be sufficient to aid geological understanding and the identification of structural features that might be prospective for gold mineralization. At a minimum, the Guyana Geology and Mines Commission (GGMC) should be approached to confirm what geophysics was flown over the Noseno area and all available products should be acquired, including possibly additional map products from different processing of the data. Depending on the parameters of the survey(s) flown over the Noseno area, including the equipment used, survey height, flight line spacing and direction, an attempt to acquire the historic raw data from the Guyana Geology and Mines Commission should be made if the cost is not prohibitive. A skilled geophysicist could possibly significantly enhance the magnetics data through various processing methods and create a full set of map products that could be of high value to geological understanding and targeting.

If, however, it is determined that not much additional information can be squeezed from the historic data, XAU Resources should consider flying a new geophysics survey over the Property area in future exploration programs, at a tighter line spacing (100 meters recommended) and at an appropriate flight line direction (possibly north-south). A high-resolution magnetics survey is likely sufficient; radiometrics and/or electromagnetics, although nice to have, would probably be of less use, and could prohibitively increase the cost of a survey. A proposed area for an airborne survey is illustrated in Figure 26.2, covering almost all of the current Noseno claims plus the internal and adjacent gaps in the claims, assuming permission from these other claim holders. This represents an area of 233 km², or approximately 2,400 line kilometers of survey flight including tie-lines. If the initial geochemical surveys only highlight a specific smaller area of the Property as being prospective, the airborne survey area could be reduced accordingly, along with a reduction in the survey cost.

At this stage it is being assumed that the Guyana Geology and Mines Commission aeromagnetics map(s) and possibly reprocessed and reimaged data (if available) will be sufficient to guide initial exploration efforts. A new airborne geophysical survey by XAU should be considered in the future if the initial Phase I and Phase II exploration programs proposed here provide sufficient encouragement from the results to justify the significant cost of a new airborne survey.

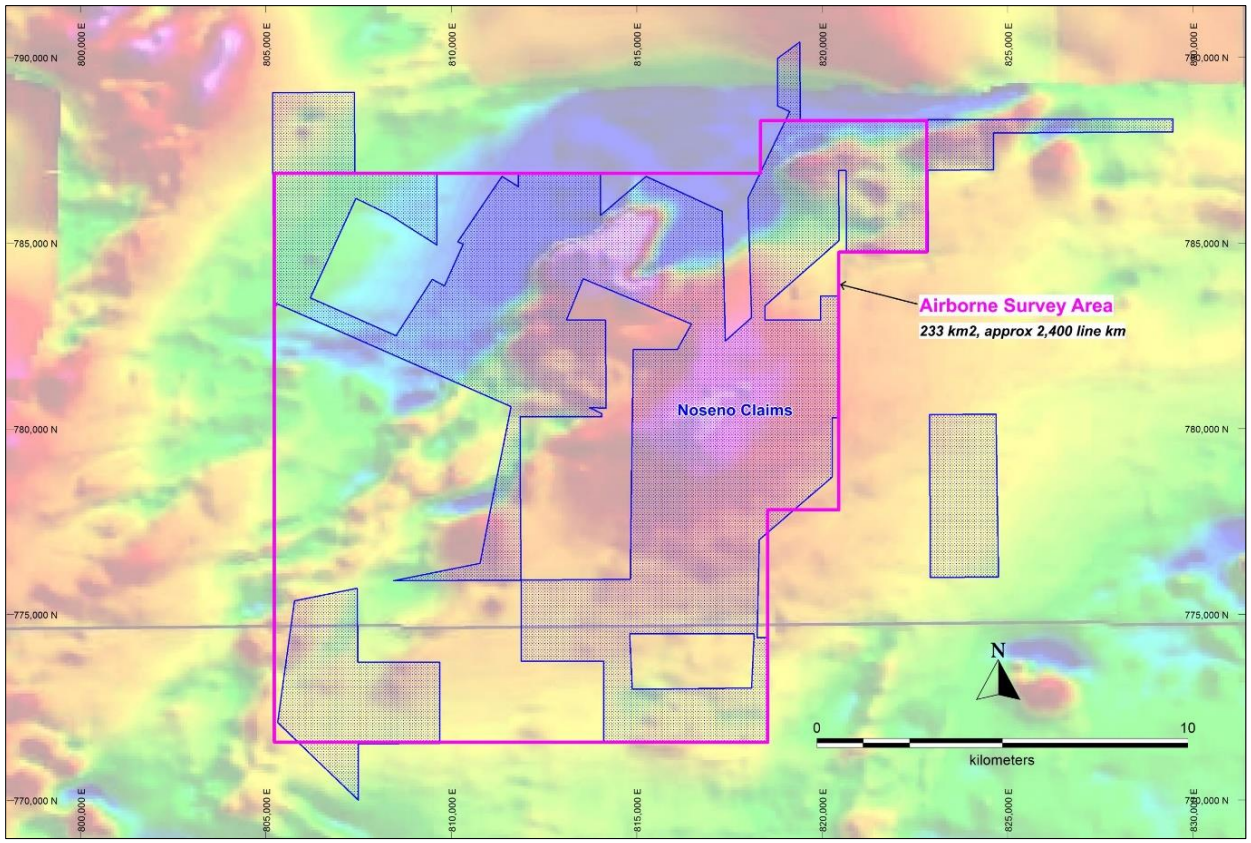

Figure 26.2: Area of Proposed Airborne Magnetic Survey
(Magnetics Image from GGMC Aeromagnetics Compilation, 2010)

26.5 Geochemistry II

If there is mineralization of potential economic significance present on the Noseno Property, it should become evident from the initial stream sediment sampling, prospecting and geophysics programs. At this stage, the Company will want to undertake soil sampling campaigns to tighten up the target areas for follow up testing. For the purpose of creating a budget, it has been assumed that roughly 35% of the current Noseno Property area (approximately 53 square kilometers) emerges as at least reasonably prospective from the initial work programs. This is not an unreasonable estimate given the geology of the Property; being underlain almost entirely by greenstone with Trans-Amazonian granitoid batholiths (likely only prospective along their margins) fringing the Property, but not underlying too much of the area, plus a number of smaller intrusions in the core of the Property that could each be prospective for gold mineralization. The author proposes a line and sample spacing for initial soil sampling a little tighter than standard reconnaissance scale sampling, with 320-meter spaced sample lines and samples every 40 meters along lines. At a 40 meter spacing, sampling should be sufficiently tight so as not to miss the potential presence of narrow mineralized trends. The orientation (strike) of sample lines would be determined by interpretation of structures in the magnetics data, as well as structural measurements

from outcrops that might be encountered during the stream sediment sampling and prospecting phase, but it is likely to be roughly 360° +/- 25°.

For an area of 53 square kilometres, a 320m x 40m sampling density would result in approximately 4,200 soil samples being obtained. Soil samples would be collected at depths of 50 to 75 cm or so, likely to be below possible surficial disturbance and potential geochemical masking at surface. Whole samples (unsieved) would be submitted to the laboratory for gold analysis by 2 kg BLEG + Leachwell™ bottle roll, if available. The author prefers BLEG analysis for both stream sediments and soil sampling as it uses a much larger sample (1-2 kg) versus that for fire assay (30-50 grams) and is therefore more representative of the actual gold content of the soil, and the larger sample is more likely to catch gold nuggets if the nature of the gold mineralization present is nuggety gold in veins. The Leachwell™ also enhances and quickens the cyanide leach of a bottle roll, allowing coarse gold to be more completely dissolved and the measured gold content to be more indicative of the total gold actually present in the sample. If the multielement geochemistry from the stream sediment sampling programs demonstrates any trace element associations with gold and/or indicates any other elements of potential economic significance, ICP-MS analysis on the soil samples would be valuable, however, to reduce cost, every second line (every 640 meters) might be submitted for ICP-MS rather than all soil samples.

Following the first pass soil sampling on 320 meter spaced lines, infill soil sample lines every 160 meters would be conducted over areas of significant gold in soil anomalism delineated by the initial soil sampling program. For the purpose of the budget, it has been assumed that 65% of the area sampled by the broader 320 meter spaced lines generates at least moderately favourable gold in soil anomalism significant enough to warrant follow up, which would require an additional 2,600 soil samples. The infill soil sample positions can be staggered with respect to adjacent lines in order to further tighten the detection for potential narrow mineralized structures oriented perpendicular to the lines. At the infill stage, samples only need be submitted for Au analysis by 2 kg BLEG + Leachwell™ bottle roll, unless the ICP-MS from the first pass sampling indicates other elements of potential economic interest.

The infill soil sampling campaign is expected to produce sufficiently well-defined Au (+/- other elements) soil anomalies that can then be rated by geology and geophysics and ranked or prioritized for initial target testing.

The Phase I exploration program briefly described here is considered to be the minimum to adequately evaluate the Noseno Property for discovery potential, at a total cost of approximately US$507,000. If the Phase I programs are successful in delineating favourable targets worthy of further evaluation, the relatively limited Phase II programs proposed here would be justified to determine if the targets are related to significant mineralized zones, and if there is a depth component to the mineralization.

26.6 Target Testing

Should the initial exploration efforts on the Noseno Property outlined above develop prospective targets that might be indicative of significant gold (or other) mineralization, the proposed Phase II exploration programs allow for limited initial testing of the targets by trenching and possibly diamond drilling to determine if the Property has merit and more aggressive exploration should be invested in. Initial testing of ranked soil anomalies could be conducted by trenching with geological mapping and sampling of the trenches. An assumption of 10 areas of interest, each to be tested by a 250 meter long trench was made for the purpose of the budget. The actual number of trenches and their lengths would be dependent upon the soil sampling and prospecting results and the dimensions of targets; however, 2,500 meters of trenching is a reasonable first pass test of targets that might be generated from early exploration. Trenching would be conducted by a locally hired excavator with the trenches geologically mapped and sampled, likely by 2 meter long channel samples along the base of the trenches, narrowing to 1 meter samples over areas exhibiting structure, alteration and/or veining. The budgeted cost is a best guess of the all-inclusive cost based upon the Author's experience, but it could be underestimating the total cost. The cost of backfilling trenches and reclamation has not been considered.

If one or more of the trenches generate significant gold assay intervals, exceeding +/- 30 gram-meters (5 meters of 6 g/t Au, 10 meters of 3 g/t Au, 15 meters of 2 g/t Au etc.), then it would be beneficial to immediately follow up the trenching with a short diamond drilling program in order to determine if the mineralization extends to depth and to have a better look at the geology, alteration, mineralization and structural controls. Knowing that the mineralization has some depth extension and is not just a supergene anomaly, and having a better geological understanding of the mineralization, will be important to determining ongoing exploration plans for the Property.

The Phase II target testing programs proposed here are fairly limited and might be scaled up to larger programs if the Phase I results are significantly compelling and funding permits.

The exploration programs here are relatively light and designed to quickly evaluate the Property for mineral potential. Unless very lucky, this work is unlikely to make a potentially economic discovery that one can then just walk up to and drill out a resource. However, it will provide a reasonable initial assessment of the Property and possibly result in the delineation of one or more significant geochemical anomalies which will then get a limited first pass test. With positive results from the Phase II target testing, a decision might then be made to continue exploration of the Property and a determination of the work justified and a new budget can be formulated. Further work could consist of continuing soil sampling to better define significant and lower tenor anomalism, ongoing geological mapping and prospecting, a new airborne geophysics survey would be warranted by this stage, additional trenching and scout drilling (what has been proposed here is a very light test of just a handful of anomalies), ground geophysics (e.g. Induced Polarization) to trace the extents of mineralization, and then more detailed drilling possibly leading to resource definition drilling should a potentially economic discovery be made.

26.7 Proposed Budget

A budget has been estimated for the exploration work briefly outlined above. It is not intended be precise, but a best guess of the likely cost of this work, based upon the Author's experience with similar exploration programs and is likely accurate to +/- 25%. The budget is staged by work phase, with Phase I considered to be the minimum required for an adequate first pass assessment of the potential of the Noseno Property, and initial target tests in Phase II contingent upon the results of Phase I programs. Dollar figures are in $US.

Phase I, the initial phase of exploration and evaluation would include access to and into the Property, emplacing trails that would be drivable by quad bikes (at a minimum), plus the establishment of a basic, low-cost field camp to conduct the initial stages of work from. Field work will consist of reconnaissance stream sediment sampling and subsequent soil sampling campaigns guided by stream sediment anomalism. In addition, acquisition of geophysical data and map products from the Guyana Geology and Mines Commission and possible processing and/or interpretation by a consulting geophysicist would provide valuable information for targeting and interpretation of geochemical results.

The reconnaissance stream sediment sampling program assumes 246 stream sediment samples, each to be analyzed for BLEG (bottle roll) Ay plus ICP-MS multielement analysis for a total analytical cost of approximately $50 per sample. The all-inclusive cost for sample acquisition, including salaries, camp and supply costs, is roughly estimated to be approximately $25 per sample. While the analytical costs are likely to be close, the sampling costs could be a little underestimated. Simultaneous with the stream sediment sampling, geological mapping and prospecting would be conducted with 300 rock samples budgeted for which would be analyzed for Au by fire assay plus multielement by ICP-MS, with similar acquisition costs of $25 per sample. The costs of the stream sediment sampling and prospecting programs are estimated to be approximately $26,000 and $20,000, respectively.

Initial soil sampling to follow up on anomalism generated by the stream sediment sampling and prospecting programs assumes 4,200 soil samples, half of which would be submitted for BLEG Au plus ICP-MS and half for just BLEG Au. Again, using an acquisition cost of $25 per sample to cover labour, camp and supplies costs, the total cost of the initial soil sampling is estimated to be $242,000. Follow up soil sampling assumes some success from the initial round of soil sampling and considers 2,600 additional soil samples to be obtained to extend and infill anomalism from the first pass, likely with just gold analyses. The cost of this program is estimated to be on the order of $104,000, for a total cost of the Phase I work estimated to be **$507,000**. This is considered to be the minimum spend to adequately evaluate the Noseno Property for discovery potential. Should these programs fail to indicate sufficient potential for discovery, XAU Resources would need to consider if further investment in the Noseno Property is justified.

Phase II of the proposed exploration program would only proceed if the results from Phase I warrant the testing of a number of the targets generated from initial efforts. A relatively modest program of 2,500 meters of trenching has been proposed with an all-inclusive total cost estimated to be $125,000. If the

trench results are weak and/or very narrow, then further investment into the Property might be reconsidered at that stage. If, however quite significant trench assay intercepts are returned, then the estimated $225,000 cost of a relatively small diamond drill test might be justified to test at depth zones of mineralization encountered in trenching and/or prospecting. The total cost of the Phase II programs would be approximately **$350,000**. The estimated costs for both the trenching and diamond drilling are without the benefit of tendering the work and getting precise bids and are accordingly best guesses and potentially on the low side.

Phase I exploration work (required) and Phase II target testing (contingent on Phase I results) are estimated to cost a total of **$857,000** and will provide a reasonable initial assessment of the mineral potential of the Noseno Property.

If these proposed exploration programs, especially the tests by trenching and drilling, return favourable results inferring the possibility of a potentially economic mineral discovery on the Property, continued exploration would be recommended and could escalate with continuing favourable results necessitating a considerably larger budget than that proposed here for the initial assessment.

Table 26.1 summarizes the budget estimated to conduct the recommended exploration programs at Noseno.

	Objective	Activity / Items	Unit	All-inclusive Unit Cost (US$)[1]	Est. Cost (US$)	Total Cost by Phase (US$)
PHASE I	Access & Accommodations	Improve access to & into the property plus construction of a basic field camp to start	Rough estimate for 14km of trail from Noseno prospect to southern end of property, plus a very basic field camp for initial work programs		60,000	
		Vehicles	Purchase of two Quad bikes	12.5K ea.	25,000	
	Initial property evaluation and target generation	Geochemistry I: Stream sediment sampling; BLEG Au, pan concentrates, ICP-MS multi-element analyses	346 samples, analyses + labour/sample	75/samp	26,000	
		Prospecting and rock sampling	300 rock samples (incl labour costs)	65/samp	20,000	
		Acquiring historic mag data from GGMC, reprocessing & re-imaging [2]	Estimated total cost		30,000	
	Target generation	Geochemistry II: First pass soil sampling	4,200 soil samples	75, 40/samp[3]	242,000	
		Geochemistry II: In-fill soil sampling	2,600 soil samples	40/samp	104,000	**507,000**
PHASE II	Initial target tests	Trenching to test most compelling gold in soil anomalies	2,500m (10 x 250m trenches), all inclusive cost + assays for Au	50/m	125,000	
		First-pass DD drill test of exceptional trenching results	1,000m (8 x 125m DDH), all inclusive cost + assays for Au	225/m	225,000	**350,000**
	TOTAL					**857,000**

1. Unit costs assume labour & meal costs etc. to be approx. $25/sample (soils or stream sediments)

2. Assuming the GGMC mag data is of reasonable quality and available. No new survey at this stage.

3. Only every 2nd soil sample line analyzed for ICP-MS multi-elements.

Table 26.1: Estimated Budget for Exploration on the Noseno Property

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28 DATE AND SIGNATURE PAGE

The effective date of this report: 7th of June 2021.

This report titled "Technical Report on the Noseno Property, Guyana" for XAU Resources Inc., dated 17th June 2021, was prepared and signed by the following authors, noting that Mr. Thomson was responsible for and prepared all of the report with the exception of Section 12.1 Site Visit, which was the sole responsibility of Dr. LaPoint:

"Kevin P. Thomson"

Kevin P. Thomson, P.Geo.

Signing Date: 17 June 2021

"Dennis J. LaPoint"

Dennis J. LaPoint, Ph.D.

Signing Date: 17 June 2021

29 CERTIFICATES

CERTIFICATE OF AUTHOR

Kevin P. Thomson, P.Geo.

As author of this report entitled "Technical Report on the Noseno Property, Guyana", with an effective date of 7th June 2021 (the "Technical Report"), I, Kevin P. Thomson, do hereby certify that:

i. I am a consulting geologist with my address of business at 10 Vissini Way, Brampton, ON L6P 2W2;
ii. I graduated with a Bachelor of Science (Hons) Degree in Physical Geography and Geology from McMaster University, ON in 1983;
iii. I have worked as a geologist for a total of 33 years since graduation in 1983, the majority of that time involved with gold exploration in Archean and Proterozoic terranes;
iv. I am a Full Practicing member in good standing of Professional Geoscientists Ontario, Membership number 0191;
v. I have read the definition of "qualified person" set out in NI 43-101 ("the Instrument") and certify that by reason of my education, affiliation with a professional association and past relevant work experience, I fulfil the requirements of a "qualified person" for the purposes of the Instrument;
vi. I have not visited the property that is the subject of this Technical Report, due to restrictions on travel due to the Covid-19 pandemic, however the property was visited by Dr. Dennis J. LaPoint who wrote Section 12.1 of this report;
vii. I have, however, visited other similar exploration properties in Guyana several times during 2018 through 2019 and I have 24 years of experience in gold exploration in comparable Proterozoic geological regions of West Africa;
viii. The author has had no prior direct involvement in work programs on the property.
ix. I am responsible for the content and the preparation of the entire report entitled "Technical Report on the Noseno Property, Guyana", with the exception of Section 12.1 and the site visit;
x. I am independent of both the issuer and the vendor as defined in section 1.5 of the Instrument;
xi. I have read the Instrument and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form; and
xii. As of the effective date (June 7th 2021) of this Technical Report entitled "Technical report on the Noseno Property, Guyana", to the best of my knowledge, information and belief, the Technical Report contains all the scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 17th day of June 2021.

"Kevin P. Thomson"

Kevin P. Thomson, P.Geo.

CERTIFICATE OF AUTHOR

Dennis J. LaPoint, Ph.D.

Registered Geologist with SME (QP)
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do hereby certify that:

1. I am President of Appalachian Resources LLC, a North Carolina Corporation with a physical office at 9601 Gates Lane, Chapel Hill, NC 27516 and provide geological consulting services throughout the Guiana Shield since 2000. I am also VP of Exploration for Omai Gold Mines, a public company on the TSX:V exchange.

2. I graduated with a PhD in Geology from the University of Colorado, Boulder, CO in 1977; an M.S. degree in Geology from the University of Montana, Missoula, MT in 1971; and a B.A. in Geology from the University of Iowa, Iowa City, IA in 1968.

3. I am a registered Geologist with the Society of Mining Engineers (SME) and this organization is approved for a qualifying person to author this section on the site visit. I am also a Licensed Geologist in North Carolina, #625, and I am appointed to the North Carolina Board of Licensing Geologists by the Governor of North Carolina. I am also a Licensed Geologist in South Carolina, #322. I am a member of various professional organizations including Society of Economic Geologists, Geological Society of America, Carolina Geological Society (Past President), and Society of Mining Engineers (Past chairman of Carolina Section). I am a Member at Large and on the Council of Examiners for the National Organization for testing of geologists, ASBOG and former Chair of International Relations. I have published and presented many professional papers at Professional meetings including papers on Guiana Shield exploration.

4. I have been employed as a geologist for over 45 years and have managed Exploration Programs in Suriname since 2000. I initiated the exploration program for Alcoa and led the team that discovered the Nassau gold deposit that is being mined by Newmont and known as Merian. I was Exploration Manager for Cambior and initiated exploration and discoveries on projects at the mine concession and elsewhere in Suriname. Since 2007, I have provided project management services to clients in Suriname, Central America, Southeastern US and Serbia. I am a current and past Director of a public and a private company. Two 43-101 reports for Suriname are available on Sedar. Other 43-101 reports have been written for clients to seek funding for Suriname projects.

5. I have read the definition of “qualified person” as set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined by

NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

I am responsible for the preparation of the site visit section 12.1 of the report entitled NI-43-101 Technical Report on the NOSENO Property, Guyana Prepared for XAU Resources Inc and dated June 17th, 2021. I have visited the property most recently for purposes of this report on May 16, 2021. I supervised 14 rock chip samples collected for this report.

1. I am not aware of any material fact or material change with respect to subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the technical report misleading.

2. As this report is written in support of a Qualifying Transaction, as per Appendix 3F, Table 1 of the Exchange Corporate Finance Manual, I have no affiliation with XAU or Affiliated Companies and I am totally independent of XAU according to all criteria defined..

3. I have read NI 43-101 and Form 43-101F and the Technical Report has been prepared with compliance with that instrument and form.

4. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 17th day of June 2021.

"Dennis J. LaPoint"

Dennis J. LaPoint