

## EARLY WARNING REPORT

Form 62-103F1

*Filed pursuant to National Instrument 62-103*

### Item 1 – Security and Reporting Issuer

**1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

Designation of securities: Common shares.

Name of issuer: Fusion Gold Ltd. (the "Issuer")

Head office of Issuer: Suite 1400 – 400 Burrard Street, Vancouver, BC, V6C 3A6.

**1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable. The transaction that triggered the requirement to file this report was the completion of the Issuer's initial public offering (the "Offering") which closed on September 21, 2018 and did not take place on a market.

### Item 2 – Identity of the Acquiror

**2.1 State the name and address of the acquiror.**

January Vandale, Suite 1400 – 400 Burrard Street, Vancouver, BC V6C 3A6

**2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

January Vandale purchased 35,000 common shares in the Offering (the "Purchased Securities"), which Offering closed on September 21, 2018. After giving effect to the Offering, the acquiror beneficially owned 3,035,000 common shares and 25,000 incentive stock options.

**2.3 State the names of any joint actors.**

Not applicable

### Item 3 – Interest in Securities of the Reporting Issuer

**3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.**

As a result of the acquisition of the Purchased Securities, the acquiror currently holds 3,035,000 common shares and 25,000 incentive stock options which represents 48.95% of the Issuer's issued and outstanding common shares on a non-diluted basis

or 49.16% of the Issuer's issued and outstanding common shares on a partially-diluted basis assuming the exercise of the acquiror's incentive stock options only.

**3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

The acquiror acquired ownership of the securities that triggered the requirement to file this report.

**3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Immediately before giving effect to the transaction described in Item 2.2, the acquiror beneficially owned a total of 3,000,000 common shares of the Issuer, representing 71.42% of the Issuer's issued and outstanding common shares of the Issuer prior to giving effect to the Offering.

After giving effect to the transaction described in Item 2.2, the acquiror beneficially owns and controls a total of 3,035,000 common shares and 25,000 incentive stock options, representing approximately 48.95% of the issued and outstanding common shares of the Issuer on a non-diluted basis or approximately 49.16% of the Issuer's issued and outstanding shares on a partially-diluted basis assuming exercise of the acquiror's incentive stock options only.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

**(a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.4.

**(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

**(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

The acquiror purchased 35,000 common shares at a price of \$0.10 per common share for an aggregate purchase price of \$3,500.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 4.1 above.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

#### **Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions**

which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a)** the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;
- (b)** a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c)** a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d)** a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e)** a material change in the present capitalization or dividend policy of the reporting issuer;
- (f)** a material change in the reporting issuer's business or corporate structure;
- (g)** a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h)** a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i)** the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j)** a solicitation of proxies from securityholders;
- (k)** an action similar to any of those enumerated above.

The acquiror acquired the securities for investment purposes. The acquiror intends to evaluate her investment in the Issuer and to increase or decrease her beneficial shareholdings from time to time as she may determine appropriate for investment purposes.

#### **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except

that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

**Item 7 – Change in Material Fact**

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

**Item 8 – Exemption**

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable

**Item 9 – Certification**

I, as the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED this 21<sup>st</sup> day of September, 2018.

*"January Vandale"*

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**JANAURY VANDALE**