MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED AUGUST 31, 2021

This Management Discussion and Analysis ("MD&A") of the financial condition and results of operations has been prepared as at December 20, 2021 and should be read in conjunction with Viscount Mining Corp.'s (the "Company", "Viscount") consolidated financial statements for the year ended August 31, 2021. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements of the Company are presented on a consolidated basis with the Company's wholly owned Canadian and US subsidiaries, in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein, and in this MD&A, are reported in Canadian dollars. Additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.viscountmining.com.

The Company is a reporting issuer in the provinces of British Columbia and Alberta in Canada and is listed on the TSX Venture Exchange under the trading symbol VML.

To assist shareholders and potential investors to learn more about Viscount Mining Corp. and its mineral projects, the Company maintains a website that provides information regarding its portfolio of exploration properties in Nevada comprising of patented and unpatented claims, all 100% owned including more than 20 past producing silver and gold mines. Silver Cliff in Colorado is comprised of 96 lode claims, covering much of the historical past producing mineral districts of Silver Cliff and Rosita Hills. Readers are encouraged to visit the site at www.viscountmining.com as well as review the Company's press releases and other public filings available on SEDAR (www.sedar.com).

Introduction

Viscount is a project generator and an exploration company with a portfolio of silver and gold properties in the Western United States, including Silver Cliff in Colorado and Cherry Creek in Nevada.

The Silver Cliff property in Colorado lies within the historic Hardscrabble Silver District in the Wet Mountain Range, Custer County, south-central Colorado. It is located 44 miles WSW of Pueblo, Colorado, and has year-around access by paved road. The property consists of 2,297 acres where high grade silver, gold and base metal production came from numerous mines during the period 1878 to the mid 1900's. The property underwent substantial exploration between 1967 and 1984.

The property is interpreted to encompass a portion of a caldera and highly altered sequence of tertiary rhyolitic flows and fragmental units which offers potential to host metal deposits. Drilling in the 1980s by Tenneco resulted in a pre-feasibility study on which basis it was planned to bring the property to production. The plan was abandoned following takeover by another company.

Viscount is currently conducting a drill program at Silver Cliff to expand the ACS resource estimate. To date ACS has determined based on the work completed that the Kate deposit contains 2,064,000 tonnes of Indicated Mineral Resource averaging 84 grams of silver per tonne for 5,560,000 ounces of silver and 3,172,000 tonnes of Inferred Mineral Resource averaging 70 grams of silver per tonne for 7,143,900 ounces of silver.

The Cherry Creek Property focus is on the exploration in the immediate vicinity of an area commonly known as the Cherry Creek Mining District, located approximately 50 miles north of the town of Ely, in White Pine County, Nevada.

The Cherry Creek exploration property is in an area commonly known as the Cherry Creek Mining District, located approximately 50 miles north of the town of Ely, White Pine County, Nevada. Cherry Creek consists of 578 unpatented and 17 patented claims as well as mill rights and is comprised of more than 4960.5 hectares. Cherry Creek includes more than 20 past producing mines including Blue Bird, Chance Mine, Filmore, Last Chance, Star, Exchequer/ New Century Mine, Ticup and Motherlode mines and other promising targets.

This MD&A contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those discussed in forward-looking statements as a result of various factors, including those described under "Forward-Looking Information".

Forward Looking Information

This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's ongoing drilling program; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and silver and the level and volatility of prices of gold and silver, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to the Company's exploration of its Silver Cliff property. There is no certainty that past results can be replicated in current or future exploration;
- risks related to the Company's lack of revenues from operations and its continued ability to fund ongoing and planned exploration and possible future mining operations;
- risks related to the Company's history of losses, which will continue to occur in the future;
- risks related to governmental regulations;
- risks related to the uncertainty of the Company's ability to attract and retain qualified management;
- risks related to the Company's ability to successfully establish mining operations or profitably produce precious metals;
- volatility in the market price of gold, silver and other minerals which could affect the profitability of possible future operations and financial condition;
- risks related to currency volatility;
- risks related to the inherently dangerous activity of mining, including conditions or events beyond the Company's control;
- uncertainty as to actual capital costs, operating costs, production and economic returns relating to potential mining operations;

- uncertainty in the Company's ability to obtain and maintain certain permits necessary for current and anticipated operations;
- risks related to the Company being subject to environmental laws and regulations;
- risks related to land due to inability to meet contractual obligations;
- risks related to the Company's ability to attract necessary capital funding for mineral exploration in the future;
- risks related to officers and directors being or becoming associated with other natural resource companies which may give rise to conflicts of interests; and
- the volatility of the Company's common share price.

This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

MAJOR OPERATING MILESTONES

The Company has commenced plans to drill Cherry Creek and Silver Cliff this year. Company Geologists are working on targets and models to best outline potential targets. The goal in Silver Cliff is to expand its current resource and test new areas for mineralization. In Cherry Creek the Company will continue with understanding its existing structures and expanding on the known areas of mineralization uncovered thus far.

Cherry Creek, Nevada:

Viscount Mining Corp has entered into an exploration earn – in agreement (the "Agreement") with a wholly owned subsidiary of Centerra Gold Inc. ("Centerra") for the Cherry Creek project. Together Viscount and Centerra are developing the exploration plan.

The 2021 work program is in full swing on the Cherry Creek project. Centerra have deployed a geological crew on the project since January to collect geochemical samples on target areas generated from previous work on the property as well as new target concepts developed by Centerra. The program has grown over time to include the following activities:

1. Rock geochemical sampling;
2. Soil geochemical;
3. Geological mapping, initially focused on the past producing Star and Exchequer areas;
4. IP survey;
5. Aeromagnetic survey

Both the new and historical geochemical sampling results indicate the potential for multiple target types including sediment hosted, disseminated gold deposits; manto or replacement silver deposits; high-grade gold and silver vein deposits; and finally intrusive related base metal deposits. The geophysical surveys also lend support to the existence of these styles of targets being present on the project and greatly assist in the targeting.

- The program was expanded based on results over time to include the following activities:
- Rock geochemical sampling (425 samples to date).
- Soil geochemical sampling (625 samples to date).

Geological mapping, initially focused on the Star and Exchequer areas; moved onto the Doctor's Cut and Ticup mine areas; and now has expanded property wide. This work is still very much in progress and will be discussed in more detail at a later date.

- IP survey (46.3-line km).
- Ground magnetic survey (8 sq. km.)
- Aeromagnetic survey (850-line km.)

During past year 262 new lode claims were staked, bringing the number of unpatented lode claims to 562. The property also includes 17 patented lode claims. The new claims were necessary in order to control and test the newly developing exploration targets; as well as some the company had been working up previously. The claims were primarily added to the west, north and east sides of the project and include mineralized projections of the Black Metal and Exchequer Faults.

Geochemical sampling and Geophysics were utilized to map the large Eocene intrusive rock body that floors the district. Eocene intrusive rocks in Nevada are closely associated with many of the Carlin type gold deposits in the region. The company has been working with EM Strategies to permit an initial Phase 1 core drilling program under a Notice of Intent (NOI). The NOI has been approved by the BLM.

The permitting work on Cherry Creek was done with a forward-looking view to allow the program and permit to be expanded if needed without undue delays

Silver Cliff, Colorado

During this quarter, Viscount has wrapped up phase 3, and begun planning for phase 4 of the multi-phase exploration program. Phase 3 was an experimental phase and has allowed the Company better understand trends that exists in the in the Kate Resource area. It has helped the Company define the relationships between geophysical, geochemical expressions and subsurface data. This exercise was successful, and additional surface soil samples have been collected, and analysis are pending. Several of the drill holes were designed to test the extent of the Kate area, and will guide the phase 3 program, which will be designed to expand the Kate Resource area. During Phase 3 and 4 an additional two holes were drilled in the Passiflora target and are currently being analyzed to better understand trends and future exploration targets.

Phase 3 was designed as an exploration program at the Kate Deposit to test unknown areas and confirm our understanding of the magnetic and soil geochemical areas. Based on the results of Phase 3 our QP will use targets in Phase 4 to provided him with the ore body direction of mineralization and understanding of additional areas of mineralization. In Phase 4 using this understanding the future drill hole locations will be selected. The Goal of Phase 4 is to expand the current deposit beyond the historical deposit area.

KATE EAST ZONE DRILL HOLES BY VISCOUNT 2016-2020

HOLE ID	FROM (M)	TO (M)	LENGTH (M)	AG G/T	INCLUDING
K16-1	15.8	32	16.2	837.4	6.1 M @ 1778.5 G/T
K16-3	17.3	34.1	16.8	141.5	
K16-4	15.6	36.9	21.3	179.1	13.7 M @ 250.7 G/T
K16-5	19.8	33.5	13.7	388.6	6.1 M @ 757.3 G/T
K16-6	29	36.6	7.6	47.3	
K16-7	23.5	38.7	15.2	153.2	7.6 M @ 252.6 G/T
K16-8	32.2	52.9	20.7	228.8	6.1 M @ 542.3
K16-9	25.9	41.1	15.2	136.6	
P17-03	15.1	30	15.1	702.7	9 M @ 477 G/T
P17-05	9.5	24.5	15	219.4	
P17-06	0	24.5	24.5	129.3	
P17-07	0	25.5	25.5	50.8	
DDH20-01	19.5	41.1	21.6	100.6	
DDH20-02	15.5	25.6	10.1	63.9	7.6 M @ 1259.1 G/T
DDH20-03	15.1	30	14.9	702.7	
DDH20-04	15.6	30.8	15.2	105.1	
DDH20-10	0	19.5	19.5	51.9	10 M @ 236 G/T
DDH21-01	11	29.6	18.6	147.6	
DDH21-02	24.4	36.6	12.2	27.6	

DDH21-03	14	38.4	24.4	51.4
DDH21-04	0	7.6	7.6	75.1
DDH21-04	15.2	23.5	8.2	69.4
DDH21-05	12.2	13.7	1.5	22.6
DDH21-06	19.8	29	9.1	33.2
DDH21-07	0	30	30	7.6

On March 23, 2021, the Company announced the 2021 phase 2 exploration campaign, which is designed to expand the National Instrument 43-101 Kate silver resource (KSR) done by Dr. Gilles Arseneau in 2018. This will be done by further defining the limits of the Kate East zone, a zone that has the potential of raising the grade of the deposit. Viscount is also expanding the drilling to increase the tonnage that can be included in upcoming resource reports. Also, additional drilling will be conducted in the Passiflora target to continue to explore the potential to add to the total resource of the Silver Cliff project.

To date, all holes drilled by Viscount have intercepted significant silver grades (see table above). If this continues, it will potentially improve the grade and size of the resource as defined by Dr. Arseneau in his 2018 NI 43-101 report.

Viscount has so far drilled six holes in the Passiflora target. Historic drilling has showed significant silver and gold intercepts. An internal report from CoCa Mines in 1983 estimated a potential resource of 40 million short tons, based on 14 drill holes (not NI 43-101 compliant), with the best intercept reporting to be 256 grams per tonne silver and 1.4 g/t gold. Viscount drilled one hole in Passiflora in 2020 to a depth of 193.9 m that showed anomalous silver throughout, some anomalous gold as well as strong silica and clay alteration, and pyritization over most of the hole. Viscount awaits drill results.

Upon competition and receipt of the current geophysical and geochemical study, Viscount will complete our selection of the Phase 4 drill locations. The number of drill holes in Phase 4 will be determined by our QP and the data required to complete an expanded NI 43-101.

In summary, Viscount's 2020/2021 drill campaign has three objectives. They are to expand the previously defined Kate resource (the "KSR") with the objective of adding to the ACS resource estimate of the KSR/Kate deposit. Also, to further outline the Kate East high-grade zone as well as moving forward on the evaluation of the resource potential of several other promising targets.

Disclosure of Technical Information on Mineral Projects

References in this MD&A to mineral resources are pursuant to the requirements of National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101").

Technical aspects of this MD&A were reviewed by Harald Hoegberg, PG, is independent of the Company and is a Qualified Person ("QP"), both as defined under National Instrument 43-101 Standards of Disclosure for Mineral Projects. This QP has neither visited the Cherry Creek Property, nor examined rock or mineral samples and drill core or cuttings therefrom nor personally researched current or historic documentation on mines and sites for which information is disclosed in this Management Discussion and Analysis.

- **Company Overview**

The Company was incorporated under the British Columbia Business Corporations Act on October 26, 2011.

The Company's registered office is located at Suite 409 – 221 West Esplanade, North Vancouver, BC, V7M 3J3. The Company is an exploration company with a portfolio of properties in the Western United States including holdings in Nevada comprised of patented and unpatented claims, all 100% owned, including more than 20 past producing silver and gold mines. The Silver Cliff property in Colorado is comprised of 96 lode claims, covering much of the historical past producing mineral districts of Silver Cliff and Rosita Hills.

- **Directors & Management**

Mr. James MacKenzie	Director, President, Chief Executive Officer
Mr. William MacDonald	Director, Corporate Secretary
Mr. Andrew Gertler	Director
Dr. Grant Devine	Director, Interim Chairman

Mark Abrams	Director
Mr. Derick Sinclair, CPA, CA	Chief Financial Officer

Exploration and Evaluation of Properties

NEVADA properties

Nevada Properties, described collectively as our Cherry Creek Project, lie within a historic silver district, where high grade silver production came from numerous mines that operated until the 1920's. The three largest historic such mines on the property were the Exchequer/New Century, Ticup and the Star Mine.

Cherry Creek Properties consists of over 276 unpatented and 18 patented claims as well as mill rights.

On March 31, 2011, the Company entered into a Mining Lease and Agreement to Purchase for certain patented and unpatented mining claims located in White Pine County, Nevada (the "Cherry Creek 1 Property"). Under the terms of the agreement, the Company has made payments totaling US$551,500 in cash and issued 375,000 shares and the owner has transferred title to the Cherry Creek 1 Property to the Company.

The Company will pay the owner a Net Smelter Royalty ("NSR") of 1.5% of net smelter proceeds.

On March 31, 2011, the Company granted a NSR of 1% to Kingsmere Mining Ltd. in recognition of their efforts in the acquisition of the Cherry Creek 1 Property.

A. **The First Cherry Creek Claims** (Cherry Creek 1 Property)

The First Cherry Creek Claims are comprised of the following unpatented and patented claims:

Unpatented

Name of Claim	Acres	Sec.	T.	R.	BLM No.
Only Chance	20	19	24 North	63 East	NMC #973017
Chequer No. 08	20	19	24 North	63 East	NMC #873018

Patented claims

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
Ben Butler	10.95	099-025-01	24 North	63 East	250170
Big Giant	20.08	099-025-02	24 North	63 East	6167
Emma	20.08	099-025-14	24 North	63 East	250170
Exchequer	20.66	099-025-15	24 North	63 East	5700
Jim Blaine	20.25	099-025-18	24 North	63 East	250170
Little Giant	20.20	099-025-20	24 North 63	East	250169
Logan	19.52	099-025-21	24 North	63 East	250170
New Century	18.89	099-025-36	24 North	63 East	250170
Old Imperial	16.55	099-025-41	24 North	63 East	250170

The First Cherry Creek Claims are also subject to a 1% net smelter royalty from the gross revenue received from the sale of mineral products from the First Cherry Creek Claims less allowable deductions granted by Viscount to Kingsmere Mining Ltd. ("Kingsmere") as consideration for Kingsmere's efforts in completion of the Ruggles Agreement (the "First Kingsmere Royalty"). The First Kingsmere Royalty is transferable by Kingsmere subject to a right of first refusal in favour of Viscount.

B. Second Cherry Creek Claims (Cherry Creek 2 Property)

On June 27, 2011, the Company entered into a Mining Lease and Agreement to Purchase for certain patented and

unpatented mining claims and two mill sites located in White Pine County, Nevada (the "Cherry Creek 2 Property"). Under the terms of the amended agreement the Company has made payments totaling US$450,000 and the owner has transferred title to the Cherry Creek 2 Property to the Company.

The Company will pay the owner a NSR of 1% of net smelter proceeds.

On June 27, 2011, the Company granted a NSR of 1.5% to Kingsmere Mining Ltd. in recognition of their efforts in the acquisition of the Cherry Creek 2 Property.

In August 2014, the Company acquired 139 claims from Nevada Tungsten Holdings Ltd. for US$5,000 (CDN$5,500) the HENW claims and staked an additional 155 the MATS lode claims for $18,101 in the Cherry Creek area.

The Second Cherry Creek Claims are comprised of the following unpatented and patented claims:

Unpatented

Name of Claim	Acres	Sec.	T.	R.	BLM No.
October	20	NW 29	24 North	63 East	NMC #551764
June Bug	20	SE 19	24 North	63 East	NMC #125828
Cherry Creek #5	20	NE 29	24 North	63 East	NMC #125820
Cherry Creek #6	20	NE 29	24 North	63 East	NMC #125821
Ashley B	20	19/29/30	24 North	63 East	NMC #650072
Ashley B 1	20	19/29/30	24 North	63 East	NMC #351644
North Star	20	NE 19	24 North	63 East	NMC #704348
Ticup Millsite #2	20	NW 19	24 North	63 East	NMC #351651
Ticup Millsite #3	20	NW 29	24 North	63 East	NMC #352652
Keithley Fraction	20	19,30	24 North	63 East	NMC#351649
Name of Claim	**Acres**	**Sec.**	**T.**	**R.**	**BLM No.**
Foggy Fraction	20	19,30	24 North	63 East	NMC #395299
Good Enough	20	19,30	24 North	63 East	NMC #395300
Keithley Fraction	20	19	24 North	63 East	NMC #648544
Ashley B 3	20	19/25/30	24 North	63 East	NMC #351646
Good Enough 31	20	19/25/30	24 North	63 East	NMC #576046
Cherry Creek # 10	20	SE 19	24 North	63 East	NMC #125822

Patented

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
Mascot	20.88	099-025-22	24 North	63 East	79655
Chief of Hills	17.80	099-025-09	24 North	63 East	79655
Gray Eagle	15.60	099-025-17	24 North	63 East	3283
Star	20.66	099-025-44	24 North	63 East	2691
West Extension of Star	20.88	099-025-48	24 North	63 East	79655

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
East Extension of Star	10.27	099-025-12	24 North	63 East	7033

The Second Cherry Creek Claims are also subject to a 1.5% net smelter royalty from the gross revenue received from the sale of mineral products from the Second Cherry Claims less allowable deductions granted by Viscount to Kingsmere as consideration for Kingsmere's efforts in completion of the Sorensen/Winkler Agreement (the "Second Kingsmere Royalty"). The Second Kingsmere Royalty is transferable by Kingsmere subject to a right of first refusal in favour of Viscount.

C. Third Cherry Creek Claims

Subsequent to the date of the Ruggles Agreement and the Sorensen/Winkler Agreement, Viscount, through its wholly-owned subsidiary, Viscount Nevada Holdings Ltd, acquired certain additional unpatented claims in the surrounding area of the Cherry Creek Property (the "Third Cherry Creek Claims").

D. Ticup Property

On January 29, 2013, the Company entered into a Mining Lease and Agreement to Purchase for certain unpatented mining claims located in White Pine County, Nevada (the “Ticup Property”). Under the terms of the agreement the Company paid US$32,500. In accordance with the agreement the Company made payments totaling $32,500 and the owner transferred title of the Ticup Property to the Company by Quitclaim Deed.

Former Mines on the Properties

Star Mine (Excerpt from Technical Report dated May 20, 2013)

Most of the work on the Star Mine was done during the period from 1872 to 1883. Starting in 1880, heavy water inflow was encountered in the 350 level, and the Star crosscut tunnel was driven for drainage. Work continued until 1893 when no recovery from the silver crash finally brought the work to a halt.

In 1895, the Glasgow and Western Company started advancing the Star tunnel 800 feet west, but after 400 feet the vein disappeared. A crosscut to the north failed to find the vein. Three un-successful attempts to mill ore locally failed, and the mine closed again in 1910. In 1913, a new company began to operate the mine using British capital, but closed in 1914 due to the war.

The Star was worked intermittently for the next ten years, until the Nevada Standard Mining Co. took over. In 1927, a crosscut to the south discovered the vein, and the Walker drift was driven, which was named after the mine manager. Following the stock market crash of the 1920s the mine experienced a steady decline. The last major accomplishment was the driving of the Goodman drainage tunnel that intersected the Star shaft at the 700 foot level. It was completed in 1936.

Gray Eagle (Excerpt from Technical Report dated May 20, 2013)

The Gray Eagle shaft is located about 275m northwest of the Star main shaft. It was sunk to a depth of 64m on a vein that cuts shale, limestone and quartzite and strikes N 60 E, and dips 45 NNW, close to the strike and dip of the host rocks.

Exchequer/New Century (Excerpt from Technical Report dated May 20, 2013)

The Exchequer and Imperial (New Century) mines are some of the oldest in the district, and were considered the northern part of the Star Group of claims (Schrader 1931). The mines are located 1,160m NNW of the Star shaft and about 122m higher in elevation. There are two veins that are roughly parallel, 9 to 18m apart, and strike N 80 W. They are called the Exchequer to the north and the Blue Vein to the south. They are separated by a quartz monzonite that is hosted in argillite, shale and quartzite. They can be traced for about 915m.

The Imperial Mine is located on the east side of Exchequer Canyon, and was originally opened as an adit, 183m long, and a 98m shaft. The vein consists of brecciated quartzite, that is quartz cemented and associated with the quartz monzonite. The Blue Vein forms the south wall of the fault zone. The ore is not as complex as the Star ore, and was amenable to cyanidation.

The Exchequer Mine, on the opposite side of the canyon was developed by a 366m adit and a 67m shaft.

In the early 1980's, Goldera Resources Inc. began to rehabilitate and explore the Exchequer and the New Century Mines. They rehabilitated the shaft at the New Century and drove a decline to the 67m level. Only a few assays are available from this work at the present.

Teacup-Mother Lode (Excerpt from Technical Report dated May 20, 2013)

The Ticup (Tecup, Teacup) was operated in the 1890's and again between 1905 to 1912 as a silver mine. In 1940 tungsten was discovered, and the Cherry Creek Tungsten Mining Company was formed.

It is thought that the Ticup is a continuation of the Mother Lode deposit. They both are located on a bedding plane fault between the same lithologic units. The silver ores occur as lenticular bodies that conform with bedding, about 40 degrees west. The shaft at the Ticup was developed in and sunk to a depth of 335m with many levels and drifts. The economic cut-off grades are unknown.

After the tungsten discovery, a 61m shaft was sunk east of the Ticup shaft, and production of tungsten began. The U.S. Bureau of Mines did extensive exploration for tungsten in 1942, apparently as part of the war effort. They rehabilitated mine workings, improved and built roads, trenched, sank shafts, long-holed and core drilled the property. Sixteen holes were drilled in the more important tungsten deposits, totaling 767m. Unfortunately, no analytical data other than that related to tungsten is available from these efforts.

Located on the same lithologic horizon as the Ticup, the Mother Lode is about 1.25km to the north.

Current mineral resources and reserves

No mineral resources or mineral reserves as defined under National Instrument 43-101 have been identified on the Cherry Creek property.

Production (Excerpt from Technical Report dated May 20, 2013)

The Cherry Creek District, has documented historic production of 312,012 tons of ore that yielded 32,450 ounces of gold, 1.6 million ounces of silver, 144,000 pounds of copper, and 832,000 pounds of lead. Tungsten was also produced from the area as part of the World War I effort.

Geological Setting and Mineralization (Excerpt from Technical Report dated May 20, 2013)

General

The Cherry Creek district is within the Basin and Range Tectonic Province of the western US. The Basin and Range Province consists of a series of North to NNE trending mountain ranges separated by broad alluvial basins. The mountain ranges are structurally high areas; the basins are structurally low areas. Complex fault movements resulting from deep seated crustal extension formed the basins and ranges. The crustal extension process began between 30 and 20 million years ago, and is still on going to this day.

The crustal extension, responsible for the numerous faults (many of which may be still active) that formed the Basin and Range, resulted in a thinner crust beneath this tectonic province with respect to the neighboring tectonic provinces. A consequence of this is the presence of an anomalously high geothermal gradient in the Basin and Range which gave rise to the presence of many hot springs throughout the province.

Hot springs are formed by geothermal cells which have been emplaced at depth along the many faults throughout the Great Basin. Epithermal mineral deposits are often formed coincident to hot springs systems (in Nevada, these type deposits are generally gold and silver rich). This process (formation of and cessation of hot spring systems and their coincident mineral deposits) has occurred intermittently throughout the past 30 to 20 million years throughout the Great Basin.

In many cases a younger geothermal cell will be formed in the same or nearby location of an older dormant cell, thus enriching the previously formed mineral deposit. This is an abbreviated description of how a mineral district such as the Cherry Creek District is formed.

Regional geology

Rocks of the lower Paleozoic in eastern Nevada show a sequence of depositional environments, reflecting a stable cratonic boundary with a developing continental shelf. The lower Cambrian Prospect Mountain formation, a quartz arenite reflecting broad braided stream environment, is followed by a sequence of Cambrian through Devonian limestones and dolomites, indicating a low relief stable environment, though the local variations in depositional environments is quite varied. Westward thickening of the sediments reflect deposition towards the edge of the shelf and the slope into deep water eugeoclinal environments.

During Mid-Paleozoic time, the Antler Orogeny began to form to the west of the continental shelf. This resulted in a large scale thrusting of the deeper water silici-clastic, eugeoclinal deposits eastwards over the mioclinal rocks of equivalent or younger ages. The resulting highlands then started shedding clastic sediments towards the east. This sequence is referred to as the eastern autochthonous assemblage (the shelf carbonates), the western allochthonous assemblage (the eugeoclinal silici-clastics) and the overlap or transitional assemblage (clastic sediments resulting from the orogenic uplift).

Beginning in the Mesozoic, the region experienced a period of folding and plutonic and volcanic activity. Igneous rocks from early Jurassic to Eocene were emplaced throughout eastern Nevada. During the waning phase of this orogenic event, an arch developed in eastern White Pine County called the Butte Structural Through (Hose et al 1976). This positive arch created the west dip of the rocks in Cherry Creek and northern Egan range. Beginning in Mid Cenozoic times, the area experienced volcanism and an extensional tectonic domain began, that is possibly still active.

Lithology - Sedimentary Rocks

The stratigraphy in the Egan and Cherry Creek Range ranges in age from late Pre-Cambrian through the Triassic. This section of the report discusses those rocks that are exposed north of Cherry Creek Canyon, and concentrates on the Cambrian section, as all metal deposits are hosted in these sediments with the exception of the Old Last Chance and the Maryanne that are hosted in Tertiary Quartz Monzonite.

Prospect Mountain Formation (Cpm) – This is the oldest recognized unit in the prospect area. In the Cherry Creek project area, the thickness of the formation is about 2,100 m. The exact age of the unit is not certain, but the upper parts of the Prospect Mountain are conformable with overlying shale that contains a distinctive Cambrian trilobite Fauna. It is likely that the lower parts of the Prospect Mountain Formation are Pre-Cambrian in age, especially considering its great thickness. The Prospect Mountain Formation is composed of quartzites and shales, with phyllites in the lower part of the formation and extends from Cherry Creek Canyon, about 12 km to the northeast.

The Prospect Mountain Formation is the dominant rock unit found at the Star, Grey Eagle, Exchequer and New Century deposits; the veins which contain the mineralization are hosted in this unit.

Pioche Shale, Busby, Millard, Burrows, Burnt Canyon and Dome Formations undifferentiated (Clmu) – This unit lies above the Prospect Mountain Formation and is a section of shale, limestone and dolomite that Adair maps as a single unit and consists of several lower Cambrian units identified individually in other places. This composite map unit is about 185 m thick. District wide, the lower third of this unit is predominately shale, the upper two thirds is predominately limestone and dolomite. This unit is separated from the underlying Prospect Mountain Quartzite by a bedding fault horizon.

This unit is found in the foot wall of the Exchequer Fault in the Star-Gray Eagle and the Exchequer-New Century prospect areas, where it is not known to be mineralized. It is found in the hanging wall of the Exchequer Fault in the Filmore-Bluebell prospect area, where the upper contact is mineralized along a bedding plane fault. This unit does not appear to be associated with or near mineralization in any of the other mineralized areas of the project area.

Swasey Limestone (Cs) – This unit is a massive limestone about 176 m thick (in part oolitic), and is conformable with the underlying beds. I t forms massive cliffs which contrast with the overlying, non-resistant Wheeler Shale. It is found in the foot wall of the bedding plane fault that hosts mineralization at the Chance and Ticup prospect areas. It is not known to be mineralized or near mineralization at any other of the prospects controlled by Viscount Mining.

Wheeler Shale (Cw) – This unit is from 194 to 197 m thick and is separated from the underlying Swasey Limestone by a bedding fault horizon. The lower part of this unit is a black to maroon shale; it grades upwards into a silty

limestone. The Wheeler Shale is found in the foot wall of the bedding plane fault that hosts mineralization at the Chance and Ticup prospect areas. It is not known to be mineralized or near mineralization at any other of the prospects controlled by Viscount Mining.

Marjum, Weeks and Orr Formations undifferentiated (Cmwo) – The composite thickness of this unit is 1,135m thick and is composed of predominately limestone and dolomite with minor shale. The upper 460m of this unit is composed of a medium to massive bedded sequence of limestones and dolomites, Bedding plane faults in this unit host the Mother Lode prospect on the east side of the range (controlled by Viscount), and the Shoestring and Nora prospects on the west side of the range.

Dunderberg Shale (Cd) – This unit overlies the predominately massive limestone unit mentioned above, and this contact is sharp and is commonly a silicified bedding plane fault. It is an olive to black fossiliferous shale with numerous thin interbedded limestone lenses. This unit is up to 210m thick.

Notch Peak Formation (Cnp) – This is the uppermost Cambrian unit exposed in the Cherry Creek district. It is a thin to medium bedded, slightly argillaceous fossiliferous limestone. The lower contact with the Dunderberg Shale is mapped as a sharp, conformable contact.

In spite of the fact, that the Notch Peak-Pogonip contact is an important mineralized horizon in nearby mountain ranges to the north, there are no historic mineral occurrences associated with the Notch Peak Formation in the Cherry Creek project area. At the present time, Viscount does not control any claims that are underlain by the Notch Peak Formation. Snowden feels that this horizon should be prospected as part of future exploration efforts in the project area. Pogonip Group (Op) – This Lower Ordovician unit is composed of six separate mainly limestone units that are mapped as separate formations elsewhere in Nevada.

In November 2013, Viscount did not control any claims that are underlain by the Pogonip Group. As with the Notch Peak formation, Snowden feels that this horizon should be prospected as part of future exploration efforts in the project area. Eureka Quartzite (Oe) – This quartzite unit, which is up to 30m thick is intermittently present north of the project area. It is mapped as being conformable with both the underlying and overlying units. It is a prominent ledge former where present. It does not underlie any of Viscount's claims.

Fish Haven, Laketown, Sevy, Simonson and Guilmette formations undifferentiated (OSD) – These Upper Ordovician formations were mapped as one unit by Adair. These units are predominately limestones and dolomites with lesser portions of shale.

There are no historic mineral occurrences associated with these units in the Cherry Creek project area.

The Devonian – Mississippian Pilot Shale (DMp), Mississippian Joanna Limestone (Mj) and Chainman Shale (Mc), and the Permo-Pennsylvanian Ely and Arcturus Formations (PPu), while important formations in most of eastern Nevada, do not outcrop in the Cherry Creek Project Area. They are found about eight miles to the south. These formations were eroded in the project area.

Lithology – Intrusive Rocks

Several Tertiary intrusives are present in the project area. The most prominent of these are a series of related quartz monzonite dykes that outcrop on the east side of the range and just north of Cherry Creek Canyon. On its south and east side, the sedimentary rocks are in fault contact with the intrusives. On the west side the intrusives seem to replace the sediments, but the contacts are sharp. Extremely little contact metamorphism is evident. Unaltered quartz monzonite is light grey and phaneritic, and in some places shows phenocrysts of potassium feldspar.

Most likely, these rock units form a series of at least five igneous bodies which interfinger with and intrude each other and were sourced from the same magma chamber. The process of magmatic differentiation was responsible for the minor mineralogical variations between these units. Heat which emanated over long periods of time from these igneous bodies powered the series of hydrothermal cells that were responsible for depositing economic mineralization in the Cherry Creek District.

Mineralogically, the dikes vary in composition throughout the project area. In the Star-Gray Eagle and Exchequer-New Century prospect areas, the dike rocks are quartz monzonite porphyry; probably derived as a late phase differentiation from the large quartz monzonite magma chamber found at depth several kilometers to the south. At the

Exchequer-New Century prospect silver and gold bearing veins were emplaced on the hanging wall and foot wall sides of a 15 to 21m wide dike. The dike rock is said to be "milling grade", but this has not been tested as of yet. At the Star-Gray Eagle prospect, the quartz monzonite porphyry dikes are found in close association with silver-gold bearing veins, but not as intimately as at the Exchequer-New Century prospect. Porphyry dikes appear to be associated with mineralization at Viscount's Cherry Creek Project Area, at least at the prospects mentioned above.

Structural Geology

The general structural trend of the north part of the Cherry Creek Mining District is that of a west dipping monocline.

Bedding plane faults

The oldest structures in the area are the bedding plane faults. They are all hosted in the Cambrian sections and have metal deposits associated with them. These faults appear at the contacts between the Prospect Mountain Formation and Pioche Shale, at the contact between the Swasey Limestone and the Wheeler Formation and the Orr and Dunderberg Formations.

The Ticup, Baltic/Mother Lode and Chance are prospects controlled by Viscount, where mineralization was emplaced along bedding plane faults.

Right lateral faults

Three major right lateral faults cut across the range. Two of these, the Black Metal Fault and the Exchequer Fault are in the project area, and both strike to the northeast. They displace the bedding plane faults, but not the intrusives, thus being bracketed in terms of possible age. Both faults appear to be closely associated with mineralized prospects.

The Black Metal Fault is the more northerly of the two and is thought to have the greatest displacement (1,220m). It is persistent, and in the field it is marked by quartz veins silicification and brecciation. Known mineralization associated with this fault is restricted to the NE part of the project area in the vicinity of Silver Canyon.

The Exchequer fault strikes northeasterly across the Cherry Creek District for a distance of about 8 kilometers, dipping steeply to the southeast. There are seven past producing small mines which are found along this fault and several additional in close proximity. The Exchequer fault is definitely a major mineralizing structure in the district. The Exchequer, New Century, Filmore and Bluebell are prospects controlled by Viscount which are along this structure. The Grey Eagle, also controlled by Viscount is in close proximity and is sub parallel to the fault. Soil geochemical work indicates that disseminated mineralization may have been deposited along this fault in the Star Mine-Gray Eagle Mine area.

East-West normal faults

East –West striking faults also exist and are thought to be part of the general development of the northeasterly trending systems. They are not as common, but are significant as the Star vein is hosted by one of these types of faults.

Northeast striking, shallow dipping faults

A northeast striking fault with a dip of approximately 25 degrees southeast is located in the Star-Gray Eagle and Exchequer-New Century area. The fault has a strike length of about 2.5km. Mineralization at the Star-Gray Eagle is hosted in the hanging wall block of this fault. The northeast extension of the New Century quartz monzonite porphyry dike terminates where it encounters this fault.

Mineralization

General

Several different types of mineralization occur in the Cherry Creek District. They are broadly defined as gold quartz veins, silver-gold-base metal veins associated with northeast trending faults, west to northwest trending veins and bedding fault deposits. The gold quartz veins are found in the Egan Canyon area and are not part of the area of interest.

Silver-gold-base metal veins are associated with the northeast trending lateral faults; the Black Metal and the Exchequer veins. The veins tend to be brecciated and associated with the quartz monzonite dikes of the district. Their

mineralogy is fairly simple. Initially the oxides were mined and direct smelted, but most of the mines examined in later times seem to have reached the sulfides. The Exchequer, New Century and Black Metal fall into this category.

The only west to northwest veins are the Star vein system. These are more truly quartz veins and cut quartzite and shale of the Prospect Mountain Formation. The Star vein is cut off by the quartz monzonite. The mineralogy of the vein is much more complex than that of the northeast trending veins.

Bedding plane faults deposits are known to occur at three different horizons within the section. They all tend to be capped by shale, and occur in the underlying quartzites or limestones. The lowest are those that occur at the contact between the Prospect Mountain upper quartzite and the overlying Pioche shale.

The second group of known bedding plane fault deposits occurs at the contact of the Swasey limestone and the Wheeler shale. They tend to be developed in the limestone from 2 to 7m wide. It is not known if lower grade material continues further into the limestone. They are found as lenticular bodies of white quartz that have replaced the limestone. The more prominent mines of this group are the Ticup, Chance and Mother Lode (Baltic). The samples taken by Snowden at the Ticup were of a flesh colored silicified breccia that averaged 0.09 gpt gold and 36.08 gpt silver; however, these values are based on only three samples.

The third group of bedding plane fault controlled metal occurrences is found at the contact of the Orr formation and the Dunderberg Shale. They are similar in appearance to the bedding faults that are found at the contact of the Swasey limestone and the Wheeler Shale. The Shoestring and the Nora in Lead Canyon are typical of the third group.

A fourth type of deposit along bedding contacts may or may not be present. In the Peqoup Mountains directly north of the Cherry Creek Range, the newly discovered Long Canyon deposit is found in a karst breccia and solution environment in the Notch Peak Dolomite under the Pogonip Formation. This potential occurrence has not been investigated, or seen as an exploration target to date in the Cherry Creek range.

Description of mineralized zones

The structures visited included the Imperial new Century Mine, the Ticup Mine, the Mother Lode Mine and the Star Mine. The minerals of interest that were identified during the field investigation are shown on Table 7-2, Table 7-3, Table 7-4 and Table 7-5 of the Technical Report dated May 20, 2013 and which can be downloaded from the SEDAR web site, http://www.sedar.com.

Deposit types

Snowden's interpretation is that there are probably two distinct types of mineral deposits present at the Cherry Creek project area. Both are hydrothermal type deposits as defined by Bateman (1951). That is, they were formed by the physio-chemical processes associated with mineral laden hot waters moving through fractures, faults, unconformities, etc. present in a given rock mass.

Mesothermal veins

The Exchequer-New Century veins and the Star veins appear to be classic mesothermal veins. These veins are formed at intermediate depths and are noted for mineralogical persistence with depth down the dip and projection along strike. Economic mineralization is associated with quartz veins and brecciated zones between veins that were emplaced along faults. Gold and silver values are found in fine sulfide minerals that are encapsulated in quartz. It is noteworthy, that these mines were the major past producers in the district and were also silica flux mines providing gold and silver bearing silica flux material for the nearby copper smelter at McGill, Nevada.

Epithermal breccia veins

Several of the bedding plane fault prospects in the district appear to contain mineralized breccias. The Mother Lode (claimed by Viscount) and the Pick and Gad (not claimed by Viscount) prospects, in particular, appear to be associated with epithermal breccias.

Epithermal type deposits in Nevada were formed at relatively shallow depths and are known to not persist down the dip. This unwelcome characteristic is offset by the fact that there are often very high mineral grades associated with these type deposits.

The Cherry Creek Range shows a fairly complete sequence of deposition from the late Pre-Cambrian through the Devonian Joanna Limestone, all part of the Eastern Assemblage. There are some regional unconformities through the sequence, in the Mid Ordovician and in the Silurian. Deposition stopped in the Devonian. This is followed by the deposition of the Chainman Formation of the transitional assemblage. There is no evidence of over-thrusted western assemblage rocks in the range. This seems to indicate that the range was located substantially to the east and possibly south of the uplift formed by the Antler orogeny.

Geologic model

The conceptual geologic model used to guide the exploration at the Cherry Creek Prospect, is a modification of the shear hosted mesothermal vein model. The geologic evidence clearly indicates that the Exchequer and New Century deposits were emplaced along the hanging wall and footwall of a porphyry dike intruded along the Exchequer Fault. The Star vein and the Gray Eagle vein, the two major deposits at the Star Property, were both emplaced along shear zones associated with the Exchequer Fault. The Star vein is at an approximate right angle to the fault, while the Gray Eagle vein is sub parallel to the fault.

At all three locations, the faults intersect quartzites of the Prospect Mountain Quartzite. It is postulated that the quartzite wall rock may host disseminated mineralization, where the main mineralized shear intersects the more permeable zones. The wide (30m) high grade gold and silver geochemical anomaly discovered at the northwest end of the Star soils geochemical survey line provides strong evidence for disseminated mineralization in the quartzite host rock. The Mother Lode occurrence is hosted at a bedding plane fault that cuts the contact zone of the shales of the Dunderberg Formation and the underlying limestones of the Orr Formation. Snowden postulates that the Mother Lode is a typical epithermal breccia type deposit.

Basis for the exploration program (Excerpt from Technical Report dated May 20, 2013)

The reconnaissance exploration program carried out to acquire the baseline data is described in Section 9 of the Technical Report.

To effectively plan the program, a basic understanding of the economic geology of the project area was acquired by a literature review, followed by an initial site visit. Once a basic understanding of the prospect geology was acquired, the reconnaissance exploration program was designed. The program as executed included IP Geophysical surveying, orientation soils geochemical sampling and limited geologic mapping at the Star-Gray Eagle and Ticup-Mother Lode and Silver Canyon quartz diorite prospects. The use of these techniques to gain an initial geologic-mineralogical understanding of the project was successful in identifying several exploration targets.

Exploration

General (Excerpt from Technical Report dated May 20, 2013)

Snowden was contracted in May 2011 to design and carry out an exploration program for Viscount's Cherry Creek project. The primary objective of the initial exploration program was to determine whether the properties of interest host epithermal style mineralization. The focus of the program was to better define known and discover unknown silver and gold mineralization. An additional objective of the program was to determine the exploration techniques best able to support the exploration effort. The initial program was both qualitative and quantitative. Three different surveys have been conducted to date; a rock chip survey, a soil geochemical survey and a geophysical (Induced Polarization) survey.

Previous work (Excerpt from Technical Report dated May 20, 2013)

The report authored by Dr. W. D. Groves for Goldera Resources Inc., is the latest documented exploration work conducted in the Cherry Creek Project Area. A summary report of this work exists, however the detailed mine maps and sample location maps produced prior to the writing of the summary report have been lost. The information provided in the report may only be used as a general guide towards future exploration efforts in the area.

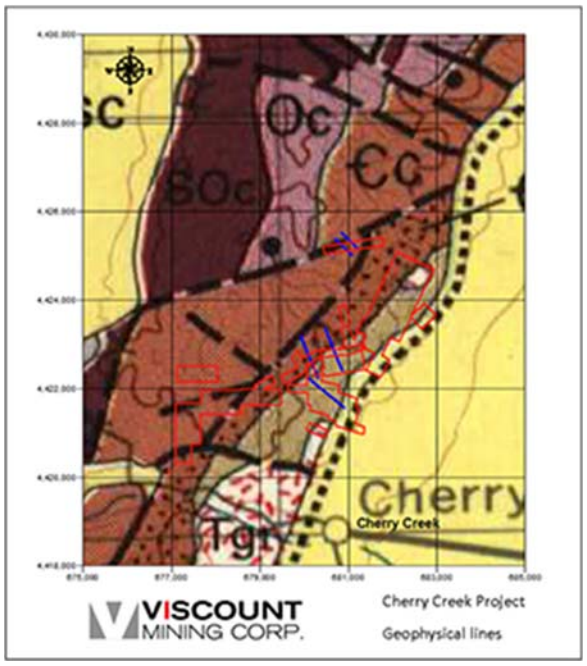
In addition to the investigative work carried out on behalf of Goldera Resources Inc, several property scale reports were produced by the USGS during the WWII-Korean War era. The only metal assayed as a focus for these reports was tungsten. Consequently, the USGS work has limited value.

Three different surveys have been conducted to date by Viscount: a targeted rock chip survey, a targeted soil geochemical survey and a targeted geophysical survey.

Geological 2014 Program

Assay results received from Summit's 2014 sampling also demonstrates the poly-metallic character of Cherry Creek's mineralization. Many of the highest assay values coincide with the known historic mining trends and the structural interpretations made by Summit geologists across the Cherry Creek property. The distribution of mineralized samples throughout the prospect, and accompanying alteration, suggests good potential for significant metal accumulations.

The 2014 rock chip sampling results Summit conducted indicate widespread occurrences of anomalous to high grade gold, silver, and base metal mineralization thereby confirming the information cited in historic reports. Of the 302 samples collected21 assayed greater than 1 g/t gold with 7 assaying greater than 10 g/t gold and a high value of 76.9 g/t or nearly 2.6 ounces per ton gold. Ninety nine of the samples assayed higher than 1 ounce of silver per ton, with 31 having values greater than 10 ounces per ton and a high value of more than 8,700 g/t or 280 ounces of silver per ton. Surface base metal values also were very anomalous, with 3 being greater than 1% copper, of which one was 3.4%; 14 lead assays were greater than 1% with a maximum value of more than 20%. Zinc in 10 samples was greater than 1% with a high of 14%.



Au g/t – ppm	Cu %	Pb %	Zn %	Ag g/t – ppm	Ag Total Oz/t
76.900	3.390	>20.0	13.950	8710	280.03
61.400	1.140	7.830	12.450	3620	116.39
39.600	1.125	2.780	7.980	3580	115.10
17.950	-	2.550	6.730	3340	107.38
16.950	-	2.520	5.380	2580	82.95
11.200	-	2.200	4.430	2360	75.88
10.050	-	2.160	1.495	2250	72.34
9.760	-	2.030	1.335	2060	66.23
8.750	-	1.775	1.170	1980	63.66
4.950	-	1.615	1.085	1925	61.89
4.610	-	1.580	-	1910	61.41
4.480	-	1.575	-	1605	51.60
3.970	-	1.205	-	1445	46.46
2.910	-	1.015	-	1200	38.58
2.680	-	-	-	1140	36.65
2.350	-	-	-	1100	35.37
2.170	-	-	-	1090	34.08

Table: Summit Geological 2014 Sampling Cherry Creek

Flint Canyon

The Cherry Creek exploration program in 2016 started at Flint Canyon, where gold mineralization is considered to resemble the Carlin-type , with soil sampling combined with continued detailed geologic mapping and drilling.

The 2015 mapping at Flint Canyon found the area to be much more complexly faulted than previously indicated on the Adair 1961 geologic base map. Summit's mapping program found that east-west orientated faults and fractures, which are important ore controlling structures at the Ticup and Star Mines, also occur in the area. The Flint Canyon area contains highly dissected fault blocks of the Dunderberg Shale with the underlying Marjum Limestone and overlying Notch Peak Limestone. The Pogonip Formation overlies the Notch Peak and both units are important host rocks for Carlin-type gold mineralization in east-central Nevada.

Jasperoid occurrences in Nevada are extremely significant in context to Carlin-type gold deposits and mineralized jasperoid outcrops are common throughout the Flint Canyon area. They occur principally along the base of the Dunderberg Shale, but other outcrops are found along Pogonip-Notch Peak contact. Many major gold discoveries have been made based on the presence of outcropping, weakly mineralized jasperoid hosted in and along bedding contacts of carbonate rocks. At Flint Canyon, jasperoid is found in the same carbonate rocks that are prolific host rocks at nearby large gold deposits (Newmont Mining-Long Canyon, and Barrick Gold Corp.-Bald Mountain deposits).

The jasperoid beds, interpreted as west dipping tabular features, occur along the base of the Dunderberg Shale and within the Pogonip group limestone. Summit's geological team indicated that the Dunderberg Shale is generally recessive and is exposed mainly along the outcropping contacts with more competent rocks. The Dunderberg appears to be moderately altered throughout its distribution, and at Flint Canyon it experienced widespread and significant

alteration by hydrothermal fluids. The underlying Marjum Limestone is usually competent and unaltered, while the overlying Pogonip exhibits variable alteration.

The Flint Canyon jasperoid and carbonate rock chip samples are highly anomalous in gold mineralization. Of the 203 rock samples collected in the Flint Canyon domain (includes northern Lead Mine Canyon):

- Maximum gold grade of 3.83 g/t, which is 0.123 ounce per tonne Au
- 6 samples > 1.0 g/t Au
- 51 samples > 0.1 g/t Au
- 81 samples > 0.05 g/t Au (50 ppb Au), the lower threshold for significant gold value.

Phase 4 soil sampling program

The phase 4 soil geochemical survey was concluded, and results for gold are included in the May to June 2016 activity report issued by Summit for Flint Canyon on the Cherry Creek property. It states that "1,250 soil samples have been collected." Analysis has been by a 51-element-plus-gold-ICP (inductively coupled plasma) procedure (ME-MS41 and Au-TL43) at ALS Labs Ltd. of Elko, Nev. The sample grid spacing is 75 metres by 75 metres and tight GPS control.

The Pogonip limestone anomaly area includes two anomalies located in close proximity to each other. The anomalies measure 500 metres northwest by 300 metres northeast and 250 metres northwest by 125 metres northeast, respectively. The highest gold-in-soil value for these combined anomalies is 0.345 gram per tonne gold (0.012 ounce per ton).

The Dunderberg shale anomaly measures approximately 1,200 metres by 300 metres. The highest gold value in this anomaly is 0.106 gram per tonne Au (0.003 ounce per ton). The anomaly widens or bends to the east on its northern end, and it appears to be controlled by the west-southwest-trending Black Metal fault in this area.

The highest gold value on the soil grid was 0.534 gram per tonne Au (0.018 ounce per ton). It is located on the east side of the survey area. The two northerly trending anomalous areas located in the centre and west side of the grid contain most of the anomalous gold and pathfinder element values in the Flint Canyon area. The anomalous values are open to the south and west of the westernmost area where soils samples were collected.

The soil gold assay map with ranges of gold values in soil shows a strong relationship between the areas with jasperoid outcrops and a surprisingly broad and strong gold anomaly on the extreme west side of the Flint Canyon area in the Pogonip limestone. The soil gold anomaly occurs to the west of some jasperoid outcrops that are found at the contact between the Pogonip and Notch Peak formations, a common relationship found at major gold deposits in Nevada. From the distribution of anomalous gold results, there are at least two major target areas that need to be tested by several drill holes.

Rock chip sampling program

The following points concerning geology and geochemistry in the mapped area are excerpts from the Summit activity report for May to June, 2016.

The Flint Canyon Pogonip limestone and Dunderberg shale samples are highly anomalous in gold mineralization. Of the 1,250 rock samples collected in the Flint Canyon domain (includes west-southwest-trending Black Metal fault):

- Pogonip limestone -- maximum gold grade of 0.345 gram per tonne Au;
- Pogonip limestone -- 22 samples greater than 0.02 gram per tonne Au;
- Dunderberg shale -- maximum gold grade of 0.106 gram per tonne Au;
- Dunderberg shale -- 46 samples greater than 0.02 gram per tonne Au.

In February 2019 the Company conducted a two-hole reconnaissance reverse circulation (RC) drill test totaling 434 meters (m) or 1,425 feet (ft) on the Cherry Creek property in late November and early December 2018. Hole numbers are CC045 and CC046. The purpose of the drilling was to test the Star Vein and the Exchequer Vein system's in the vicinity of their namesake historic mines for continuity of the veins at depth, and to better understand the nature of the

mineralization in the veins and host geology. The holes were drilled utilizing a Foremost Explorer 1500 RC drill supplied by Boart Longyear of Elko, Nevada.

RC Hole CC045 test of the Star Vein System

The Star Vein system is comprised of the South Star Vein and the North Star Vein emplaced about 9 m (30 ft) apart and are subparallel to each other. Both veins have a production history, with the South Star Vein having the greatest production. Mineralization in the Star veins is hosted in a black phyllite and grey/tan quartzite of the Precambrian Prospect Mountain Formation.

Hole CC045 was drilled across the North Star and South Star veins. The hole was designed to test the deeper portion of the South Star vein, as well as, the North Star Vein. It was drilled to 261 m (855 ft) on an azimuth of 204° and at a -65° angle to horizontal.

After encountering an underground working from123.4 to 125 m (405-410 ft), hole CC045 intersected 7.6 m (25 ft) to 132.6 m (435 ft) of quartz-veined black phyllite interpreted to be an unmined portion of the North Star Vein and its footwall. This intercept of 4.5 m (14.76 ft) estimated true thickness assayed 1.6 grams of gold per tonne (g/t Au) or 0.051 oz/ton and 24.88 grams of silver per tonne (g/t Ag) or 0.796 oz/ton. The intercept includes two higher grade intervals: 3.26 g/t Au (0.10 oz/ton) and 36 g/t Ag (1.15 oz/ton) over 1.52 m (126.49-128.01 m or 415-420 ft) and 2.42 g/t Au (0.08 oz/ton) and 27.5 g/t Ag (0.88 oz/ton) over 1.53 m (131.06-132.59 or 430-435 ft), respectively of estimated true thickness 0.90 m (2.95 ft) and 0.91 m (2.97 ft).

Hole CC045 also intersected what is interpreted from the presence of quartz and sulphides in several sections to be an unmined portion of the South Star Vein from 230.1 m (755 ft) to 260.6 m (855 ft) where caving backfill in historic mine workings caused the hole to be terminated. The 30.5 m (100 ft) interval has an estimated true thickness of 19.59 m (64 ft) whereas the historic production width was in the 0.5-2.0 m range.

Included in the above interval was 1.52 m (5 ft) of quartz-veined black phyllite from 240.79 to 242.31 m (790-795 ft) that assayed 0.822 g/t Au (0.026 oz/ton) and 30 g/t Ag (0.96 oz/t). Estimated true thickness is 0.9 m (2.95 ft).

RC Hole CC046 test of the Exchequer Vein System

The Exchequer Vein system is comprised of the Exchequer Vein (also known as the New Century or Imperial Vein) and the Blue Vein. The Exchequer and Blue Veins are distinct, subparallel, approximately 9 to 18 m (30 to 60 ft) apart along the Exchequer Fault and separated by quartz monzonite which hosts disseminated gold and silver mineralization as reported in Nevada Bureau of Mines and Geology Bulletin 14, Spruce Mountain District, Elko County and Cherry Creek (Egan Canyon) District, White Pine County, F.C. Schrader (USGS), August 1, 1931.

Hole CC046 was drilled to 174 m (570 ft) across the Exchequer and Blue veins at an azimuth of 200° and angle of -65°. It was designed to test the deeper portions of both veins as well as the intervening mineralized intrusive.

The geology encountered by hole CC046 is complex due to the Exchequer Vein's propensity to "feather out" in quartzite of the Precambrian Prospect Mountain Formation. This Formation in the Exchequer Mine area hosts numerous veins as well as a mix of intermediate intrusive dikes that have intruded parallel to the veins. A "feathered" appearance noted in drill sample chips of the Exchequer Vein may indicate potential for a stockwork type of mineralization surrounding the main veins and, if so, suggests the possibility for a much larger mineralization target. Surface rock sampling of stockwork quartz veining along the strike of the Exchequer Vein in an area of no historic mining or drilling has yielded sample results up to 1.69 g/t Au (0.054 oz/ton) and 320 g/t Ag (10.24 oz/ton), also providing encouragement to search for a nearby bulk tonnage target.

Based on the amount of quartz vein and fine-grained sulfide in the chips, the Exchequer Vein is interpreted to have been intersected from 91 to 110 m (300-360 ft) in hole CC046. The true thickness is estimated at 12 m (39.3 ft). A dark porphyritic dike from126.5 to 129.5 m (415-425 ft) is likely the quartz monzonite dike noted in the literature as occurring between the Exchequer Vein and the Blue Vein. The Blue Vein, as evidenced by the abundance of blue-green chlorite in a 90% quartz matrix, was cut from 166 to 174 m (545-570 ft for an estimated true thickness of 5 m (16.4 ft). Assayed intervals from both veins were not anomalous.

Master Thesis 2019

The thesis was prepared by David J. Freedman as partial fulfillment of the requirements for the Master of Science degree in Geology at the University of Nevada, Reno Ralph J. Roberts Center for Research in Economic Geology (CREG); under the direction of advisor Dr. Michael W. Ressel Ph.D., a research geologist with the Nevada Bureau of Mines and Geology. Previously, Dr. Ressel was Chief Geologist of North America for Newmont Mining.

The thesis is entitled: "Igneous and Hydrothermal Geology of the Central Cherry Creek Range, White Pine County, Nevada." It discusses the local geology, geochemistry, geochronology, igneous geology, rock alteration, and mineralization. Several of the Company's gold and silver target areas are discussed in the thesis and directly benefit from the new geological understanding and new geochemical data.

The thesis work has documented a large, long lived hydrothermal mineralizing system and shows abundant evidence of hydrothermal mineralization (metals carried by hot water and deposited in favorable rocks, and vein structures etc.) This large hydrothermal footprint encompasses nearly eight kilometers of stratigraphy and is responsible for the metallic mineralization that has allowed over 40 historical mines to operate in the district. The thesis documents the various mineral occurrences and relates them to each other in time and space, which is extremely useful for pursuing exploration targets because Viscount can now develop a model of the mineralizing events and to a degree predict where the next deposits might be located.

COLORADO PROPERTY

Silver Cliff Property

In June 2017, Viscount increased its long-term land holdings in Silver Cliff by another 46.43 acres for a total of 2,029 acres and entered into a long-term extension on the previous access and mineral rights agreements for the area at Silver Cliff including the Kate Deposit located adjacent to the Town of Silver Cliff in the State of Colorado. The final lease/option agreements entered into with the underlying holders of the mineral rights are consistent with the previously announced terms and conditions and now provide for greater security and certainty of Viscount's rights and interests. In addition, the Company has acquired partial interest in an aggregate pit lease known as the Silver Cliff Pit area.

In August 2014 the Company acquired a 100% interest in certain mining claims located in the State of Colorado 50 miles west of Pueblo, known as the Silver Cliff Property.

To exercise the Option, the Company must make cash payments in the aggregate amount of US$3,000,000 over a period of up to 13 years and issue a total of 200,000 of each of its common shares and common share purchase warrants to the Property vendors (the "Vendors"), which securities will be released in equal stages over a four year period following receipt of Exchange approval. The warrants will be exercisable at the greater of CDN$0.20 or the market price at the time of issuance for a period of three years.

The Agreement does not contain provisions for mandated exploration expenditures but requires Viscount to make certain claim rental fees on behalf of the Vendors. In addition, as operator during the option period, Viscount will be required to file all regulatory exploration reports and keep the Property in good standing. In July 2015 in accordance with the Agreement the Company paid the Claim maintenance fees for the 2015-2016 year.

At the time of commencement of commercial production on the Property, the Vendors will be granted an additional 550,000 shares and 550,000 warrants of Viscount and will retain a 2% net smelter returns royalty (the "NSR Royalty"). The NSR Royalty is subject to a buy-back right in favour of Viscount at any time prior to commencement of commercial production on any particular deposit, to repurchase 1% of the NSR Royalty from the Vendors. The purchase price for such buy-back will be an amount equal to the value of 0.5% of all commercially mineable and proven and probable reserves on the subject deposit determined pursuant to a National Instrument 43-101 compliant Feasibility Study, with the mineral price to be based on the 30 day average price prior to Viscount giving notice of the intended NSR Royalty repurchase.

Viscount paid a finder's fee in the amount of 500,000 common shares in connection with the closing of the Option Agreement which shall vest and be released as follows:

i. 10,000 shares on the effective date September 15, 2014 (issued);
ii. 15,000 shares on the first anniversary, September 15, 2015 (issued);
iii. 20,000 shares on the second anniversary, September 15, 2016 (issued);

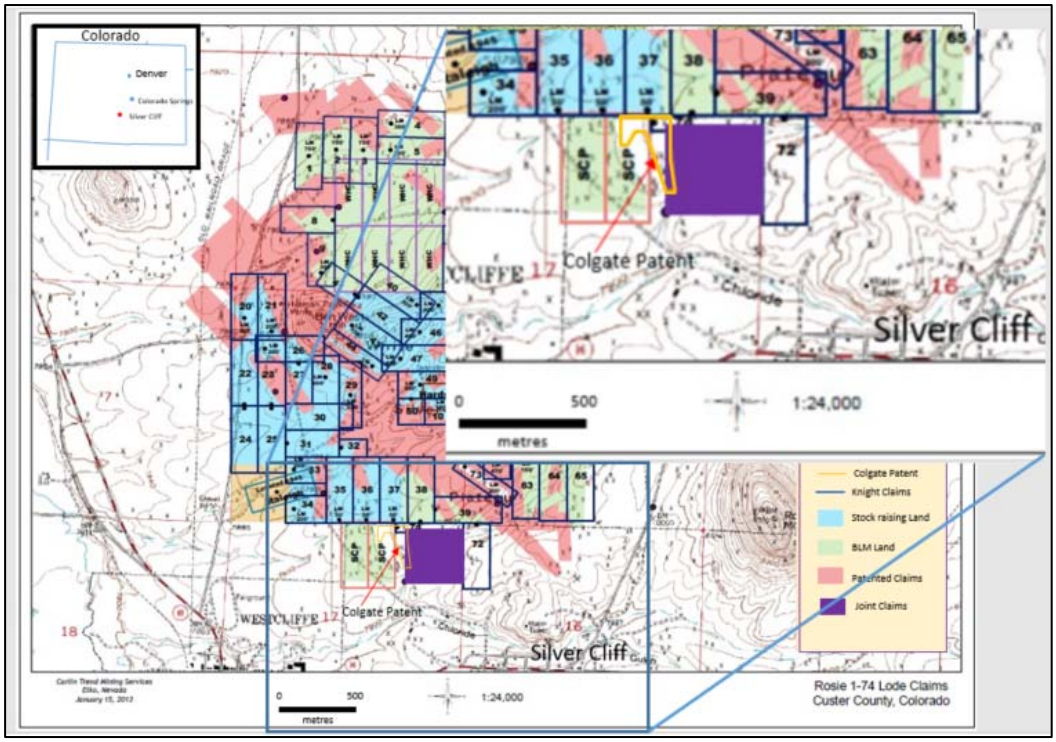
iv. 25,000 shares on the third anniversary, September 15, 2017 (issued);
v. 35,000 shares on the fourth anniversary, September 15, 2018 (issued);
vi. 45,000 shares on the fifth anniversary, September 15, 2019 (issued);
vii. 50,000 shares on the sixth anniversary, September 15, 2020 (issued);
viii. 50,000 shares on the seventh anniversary, September 15, 2021 (issued);
ix. 75,000 shares on the eighth anniversary, September 15, 2022;
x. 75,000 shares on the ninth anniversary, September 15, 2023;
xi. 100,000 shares on the tenth anniversary, September 15, 2024;

The Joint Claim consists of a single land parcel covering approximately 16 ha situated at the southern end of the Knight claim block (Figure 4.2). The ownership of the Joint Claim is shared by four groups and covered by four separate agreements signed with Viscount in May of 2017. All agreements are very similar and cover prorated payments and commitments as outlined in Table 4.1.

Table 0.1 Summary of Joint Claim agreements

	Owners			
Payment Due (US$)	Bailey	Petersen	Silver Cliff	Colgate
Ownership of Joint Claims (%)	26.64	4.26	20.03	49.07
Upon Execution	$10,296.00	$1,704.00	$11,000.00	$40,000.00
Year One	$10,296.00	$1,704.00	$11,500.00	$40,000.00
Year Two	$15,444.00	$2,556.00	$12,000.00	$40,000.00
Year Three	$15,444.00	$2,556.00	$16,500.00	$40,000.00
Year Four	$22,636.80	$3,363.20	$21,500.00	$40,000.00
Year Five	$25,740.00	$4,260.00	$21,500.00	$40,000.00
Year Six	$25,740.00	$4,260.00	$26,000.00	$40,000.00
Year Seven	$38,610.00	$6,390.00	$26,500.00	$40,000.00
Year Eight	$51,480.00	$8,520.00	$47,000.00	$40,000.00
Year Nine	$77,760.00	$12,780.00	$67,500.00	$40,000.00
Year Ten	$102,960.00	$17,040.00	$88,000.00	$1,000,000.00
Retained NSR (%)	0.4	0.0639	0.3	0.736

In addition to the Joint Claims, the Colgate agreement signed on May 12, 2017 between Viscount and Richard Michael Colgate (Colgate) also covers two patented claims 100% owned by Colgate. The patented claims are situated west of the Joint Claims and slightly overlapping the Joint Claims (Figure 4.3). The option payments to Colgate described in Table 4.1 covers both the Joint claims and the patented claims. However, any production from the patented claims is subject to a 1.5% NSR.



Source: Carlin Trend Mining Services 2013 (with modifications)

On October 24, 2017, Viscount entered into an agreement with William Tezak thereby optioning 33 lode claims covering 285 acres (115 ha) in the Silver Cliff area, the Tezak Property (Figure 4.2 above). The agreement grants Viscount the right to explore, mine and extract minerals from the Tezak Property with the exception of rhyolite and obsidian. In exchange, Viscount grants to Tezak, pursuant to and conditional upon compliance with the terms of the Knight Option Agreement, the sole and exclusive right to explore, mine and extract rhyolite and obsidian from the Viscount property. Viscount also agrees to grant Tezak a 1% net smelter royalty.

Most of the land on the Viscount property is covered by patented claims, stock raising and homestead land, private land or Bureau of Land Management Land (BLM). The Joint Claims agreement grants access to the NE¼ of NE ¼ Section 17 lot, the Colgate agreement grants access to the Colgate Patented claims, the Tezak agreement grants access to the Tezak patents and Knight agreement grants access to the BLM land but surface access to stock raising or the patented land not covered by the Colgate agreement is restricted and must first be granted by the land owners.

The property lies within an historic silver district, where high-grade silver production came from numerous mines during the period 1878 to 1894. Silver production was derived from both shear-vein zones in tertiary volcanic units as well as breccia pipes hosted in Precambrian rocks located within and adjacent to a tertiary caldera or volcanic centre.

In summary, Hecla Mining bought out the rights to the lands in 1993 from the previous owner, CoCa Mines. Low silver prices in the 1990s led to reduced activity and ultimately to the release of many strategic claims by 1996.

The Company has access to historical data and other information on the property, including extensive maps of the district showing claims, old mines, exploration targets and prospects, locations of historic resource estimates drill hole and infrastructure data.

This section discusses the geology of the Silver Cliff area, much of the information was drawn from Fieldman (1966) and Sawyer (1984) which are excerpts from the NI -43-101 prepared by Arseneau Consulting Services.

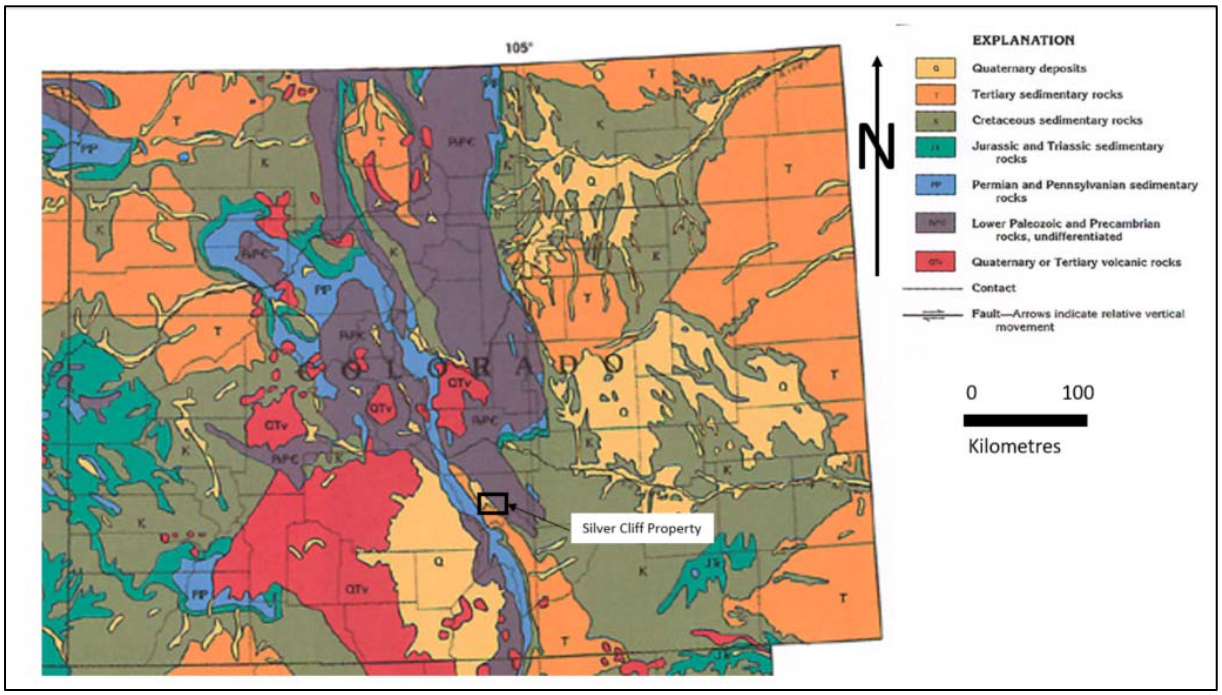
Regional Geology

Regionally, the rocks surrounding the Silver Cliff area are part of a Precambrian complex of metasedimentary and intrusive rocks that form the basement to the district. The rocks include hornblende gneiss, granite gneiss, pegmatite and migmatite. Northwest striking syenite dykes of Late Precambrian age intrude the older foliated gneisses.

The Silver Cliff and Rosita areas are underlain by two eruptive centres, about 9 kilometers apart, of Oligocene to Miocene age that are at least in part cogenetic and coeval. The contact between the Precambrian rocks and the Tertiary volcanic rocks derived from these centres is partly faulted and partly unconformable. The Silver Cliff caldera covers an area of approximately 3.2 by 4.0 kilometers, much smaller than the Rosita volcanic centre lying to the east-southeast and is essentially surrounded by the Precambrian basement rocks.

Structurally the major feature of the Silver Cliff area is the caldera itself which has resulted due to subsidence along marginal ring faults overlapped by vent material. These are discernable on the east side of the caldera but obscured elsewhere. The southern part of the caldera appears to be the deepest and thought to represent the neck.

At least three sets of through going faults have been identified that transgress the caldera filling and continue into the Precambrian basement rocks. These sets are oriented north-westerly, north-easterly and north-south. All appear to be younger than the bounding ring faults with the north-south set being the youngest.



Source: USGS 1995

Regional geology of Colorado

Local Geology

The Silver Cliff caldera consists of a felsic volcanic pile in excess of 600 metres thick. The upper 90 metres of the pile is extrusive in origin and is composed of mainly flow banded, flow brecciated and spherulitic rhyolites with lenticular bodies of volcanic glass (obsidian), often present near the base of this sequence (Sharp, 1978) (Figure 7.2). The lower rocks are epiclastic and pyroclastic in origin and include tuffs, breccias and conglomerate. Fieldman (1966) has described the following volcanic stratigraphy from oldest to youngest. Coding for these units from the geologic map prepared by Sharp (1978), which agrees closely with the map provided by Sawyer (1984), is included where possible.

Rhyolite Tuff, Breccia and Conglomerate (Tru, Trrw, Tlt)

This is the basal Tertiary (Miocene) unit and is represented by a thick sequence (at least 550 m) of fine to coarse tuffs, lapilli tuffs, breccias and volcanic conglomerate. The beds weather to light to darker grey, pink and brown. Most are coarse or lapilli tuffs. Fragments of Precambrian gneiss and granite are common. The beds are not resistant, and form subdued grass covered expressions. Variable attitudes make measurement of an accurate thickness but a minimum thickness of 75 metres is shown and the Geyser shaft is reported to have passed through 550 metres these units.

Rhyolite Breccia (Tbb)

A thin and local unit that caps Ben West Hill and the surrounding ridges to the north and east, this unit is approximately 25 metres thick. The unit is thick bedded and unsorted, but rhyolite and pumice blocks do decrease in size to the south where it grades into a coarse lapilli tuff. The matrix to the breccia is highly silicified so it forms resistant ridges.

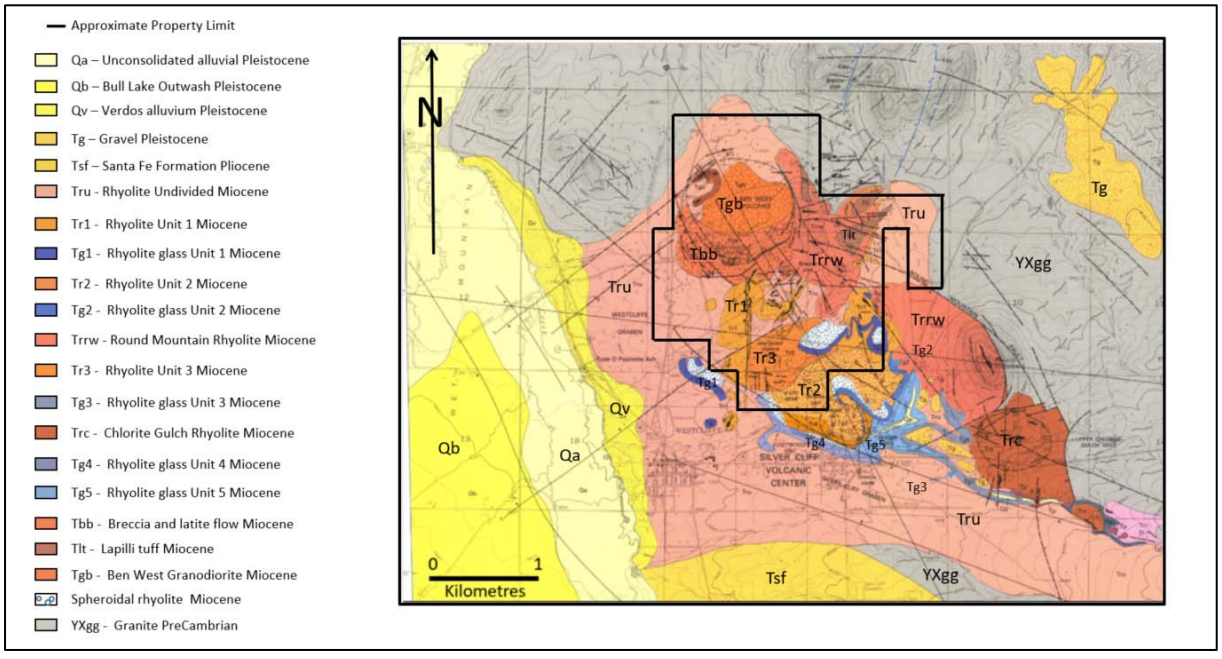
Rhyolite Lava Flows (Tr1, Tr2, Tr3, Tr4, Trc, Tg1 to Tg5)

This is the most widespread and best exposed unit in the Silver Cliff area. The areal extent of the flow complex is approximately 260 hectares and its thickness as demonstrated in the Geyser shaft is approximately 75 metres. It is unconformable on the underlying units and dips gently westwards. Fieldman (1966) divided this unit into three zones with transitional boundaries: an upper white to pale orange to brown, flow banded rhyolite about 45 metres thick. Near the base of this unit spherulites appear which increase in size and number into the underlying zone which of composed of numerous compound spherulites enclosed in envelopes of clay. Where unaltered and the clay envelopes are not continuous, black perlitic obsidian forms the third and lowest zone. These last two zones are approximately 15 metres thick.

While the stratigraphic order appears more or less the same, Sharp (1978) has broken out several different flows from within the upper flow unit described by Fieldman (1966) which are described below. Fieldman and Crowley (1980) indicate that these units are interbedded, overlapping and gradational to one another.

- **Tr1** – white porcellaneous rhyolite that forms dykes, and ropey to glassy and scoriaceous to boney flows from dykes. Clear quartz grains are common.
- **Tr2** – white to cream banded flows and breccias pipes in the Geyser vent area. The rhyolite is lithophysal and contains garnet and topaz in cavities.
- **Tr3** – Strongly flow banded and boney and highly fractures rhyolite, with textures well exposed near the old Kate mine. Black Me-Fe oxides fill fractures and heavily stain the rock.
- **Tr4** – Flow banded rhyolite and tuff. Overlies an obsidian unit exposed in the Geyser workings.

Sharp also broke out several different glassy flows, or obsidian units, of varying colour and stages of devitrification, several of which contained the spherulitic units noted by Fieldman (1966) in their upper portions.



Source: Sharp 1978 with modifications

Silver Cliff Property geology

Mineralization

Silver mineralization in the Silver Cliff area occurs either as near vertical fissures or narrow veins or as stratigraphically controlled replacement of favourable porous volcanic units.

Fissure Veins

Fissure type mineralization generally contain Pb-Zn-Ag mineralization and are found in the Ben West Hill and White Hills areas of the Silver Cliff caldera where rhyolitic tuffs and breccias are the host rocks. The area is argillically altered with disseminated fluorite and small zones of intense silicification. Veins range from less than 30cm to several metres in width and contain pyrite, argentiferous galena and sphalerite in sulphide zones and cerussite (lead carbonate) and silver halides in near surface oxide zones. Gangue consists of barite sericite and quartz (Mukherjee, 1976). The ratio of silver to lead-zinc is low with one ounce (31.1 grams) for every 5% of lead and zinc.

The most intensely investigated mineralization at Silver Cliff has been in the form of secondary silver mineralization locally associated with manganese oxides in the upper, highly fractured rhyolite flows and flow breccias that occur just north of the town of Silver Cliff (Kate Deposit). The host rocks correspond to units the Tr1 to Tr4 of Sharp (1978). Silver appears to have been deposited as replacement and infill in porous volcanic breccia units and manganese appears to overprint the silver mineralization in the Tr3 unit (Hildebrand and Mosier, 1974). The mineralization is associated with intense clay alteration.

The silver mineralization is conformable to stratigraphy and occurs from surface to depths varying from approximately 40 to 50 m. Aside from the stratigraphic and fracture controls, the location of silver mineralization appears to have been at least partially controlled by the geometry of volcanic glass or obsidian lenses, as better silver grades are encountered just above or on the margins of them, and not where the flows overlie the rhyolite tuff, breccia and conglomerate units (Mukherjee,1976).

Manganese oxide (cryptomelane) locally occurs with silver bearing chlorides (chlorargyrite), bromides (bromargyrite) and sulphide (acanthite) minerals in breccias as matrix fillings and also as small vuggy zones in the matrix and breccia fragments. In the flow banded rhyolite manganese and silver mineralization occur as veins and partial fracture fillings, perpendicular and parallel to the flow banding. The veins range in thickness form a hairline to approximately 13.0 cm but are more commonly 1.5 cm to 5.0 cm wide. The smaller veins have no regular structural pattern or orientation, but larger ones trend northwest or northeast and are generally vertical. Where fractures are not completely filled, the manganese oxides line the wall with botryoidal surfaces.

Silver mineralization in the lower flow unit is associated with cryptomelane along with goethite, fluorite, barite, dickite and hematite. Native silver and argentite have been reported in the spherulitic horizon, immediately above the glass lenses (Mukherjee,1976).

Deposit Type

It is difficult to fit the Kate deposit, or any of the manganese oxide silver mineralization in the Silver Cliff area, into a deposit model but the deposits do share similarities with low sulphidation epithermal silver deposits.

Low sulphidation silver deposits tend to occur as veins, stockwork or breccia. The mineralization commonly exhibits open-space filling textures and is associated with volcanic-related hydrothermal activity. The deposits are often associated with regional-scale fracture systems related to grabens, (resurgent) calderas or flow-dome complexes. Extensional structures in volcanic fields (normal faults, fault splays, ladder veins and cymoid loops, etc.) are common; locally graben or caldera-fill clastic rocks are present. High-level (subvolcanic) stocks and/or dikes and pebble breccia diatremes occur in some areas. Locally resurgent or domal structures are related to underlying intrusive bodies.

Most deposits occur in volcanic rocks. Some deposits occur in areas with bimodal volcanism and extensive subaerial ashflow deposits. The deposits are commonly zoned vertically over 250 to 350m from a base metal poor, Au-Ag-rich top to a relatively Ag-rich base metal zone and an underlying base metal rich zone grading at depth into a sparse base metal, pyritic zone. From surface to depth, metal zones contain: Au-Ag-As-Sb-Hg, Au-Ag-Pb-Zn-Cu, Ag- Pb-Zn and fluorite may be abundant.

Pervasive silicification in vein envelopes is flanked by sericite-illite-kaolinite assemblages. Advanced argillic alteration (kaolinite-alunite) may form along the tops of mineralized zones. Propylitic alteration dominates at depth and peripherally. Associated gangue minerals include quartz, amethyst, chalcedony, calcite; adularia, sericite, barite, fluorite, Ca- Mg-Mn-Fe carbonate minerals, hematite and chlorite.

The Kate deposit seem to share some of the characteristics of low sulphidation silver deposits. Of the two rhyolite flow units that have been explored by Viscount, in the older and smaller unit, manganese and iron oxide staining is common, and little or no gold is present.

Exploration

In Summer 2016, preliminary results of representative, continuous rock chip sampling and geological mapping at a scale of 1:240 around the perimeter of the 7960 bench in the existing aggregate pit show that silver, manganese, lead, zinc, gallium and indium are present. Only recently have indium and gallium become of great importance, with indium used in LCD (liquid crystal display) televisions and computer monitors, and gallium in medical devices, microwave circuits, high-speed switching circuits and infrared circuits. Semi-conductive gallium nitride and indium gallium nitride produce blue and violet light-emitting diodes, and diode lasers.

On January 19, 2017, the Company released further drill results from the Silver Cliff property in the Hardscrabble district of Custer county, Colorado. Nine holes with a total of 1,502 feet (457.8 meters) were completed in the recent program. A summary of drill intersections for which assays can be found below and on the Company website.

The table below displays summary data for Viscount's 2016 "K" series of 2.5-inch diameter holes (HQ core) along with available data for the historic holes which were twinned.

2016 DDH Results Compared With Holes Twinned								
Hole #	**From (ft.)**	**To (ft.)**	**Dip (°)**	**Length (ft.)**	**oz/t**	**g/t**	**Easting (m)**	**Northing (m)**
73-2-CC	54	98	-60	44	67.70	2105.7	460455	4221740
88-1	65	95	-60	30	16.30	507.0		
K16-01	55	105	-60	50	26.92	837.4	460455	4221739
Including	60	92		32	40.87	1271.1		
Including	60	80		20	57.18	1778.5		
89-27	80	140	-90	60	7.00	217.7	460605	4221831
K16-03	57	112	-90	55	4.55	141.5	460604	4221829
Including	82	112		30	7.49	233.0		
89-26	50	120	-90	70	5.90	183.5	460575	4221830
K16-04	51	121	-90	70	5.74	178.5	460578	4221827
Including	61	121		60	6.54	203.4		
Including	76	121		45	8.06	250.7		
89-53	70	115	-60	45	8.30	258.2	460420	4221650
K16-05	65	110	-60	45	12.57	390.9	460420	4221654
88-2	90	120	-60	30	7.90	245.7	460483	4221830
K16-06	65	130	-60	65	1.05	32.8	460484	4221744
Including	100	120		20	1.72	53.6		

88-59	75	115	-60	40	4.20	130.6	460451	4221650
K16-07	47	152	-60	105	2.56	79.7	460452	4221650
Including	72	137		65	3.94	122.6		
Including	77	137		60	4.21	131.1		
Including	92	117		25	8.13	252.8		
88-36	115	170	-60	55	4.32	134.4	460513	4221711
K16-08	105	173	-60	68	7.35	228.6	460512	4221710
Including	115	173		58	8.55	265.9		
88-40	110	135	-60	25	2.99	93.0	460543	4221801
K16-09	85	135	-60	50	4.39	136.5	460542	4221799
Including	110	135		25	7.11	221.0		

Mineral Resource Estimate – April 2018

The mineral resource model prepared by ACS utilized a total of 133 drill holes, 19 of which were drilled by Viscount in 2016 and 2017. The resource estimation work was completed by Dr. Gilles Arseneau, P. Geo. (APEGBC) an appropriate independent qualified person within the meaning of NI 43-101. The effective date of the Mineral Resource statement is April 15, 2018.

Three-dimensional solid of the Kate mineralization was generated on north-south sections spaced 25 m apart. The wireframe was constructed to bracket all mineralization greater than 15 g/t silver (approximately 0.5 opt). Some lower grade intersections were included to allow for greater deposit continuity and few intervals that were isolated had to be excluded from the wireframe model. All silver grades were capped to 1,000 g/t and composited to 2.5 m prior to estimation.

Mineral resources were estimated by ordinary kriging using Geovia GEMs Version 6.8.1 modelling software into 10 by 10 by 5 m blocks. Bulk densities were coded in the model based on the block rock code. All mineralized blocks were assigned a 2.36 t/m^3 bulk density and all waste blocks were assigned 2.72 t/m^3.

Blocks were classified according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (the CIM Definition Standards, May 2014). ACS is satisfied that the geological modelling reflects the current geological information and knowledge. The location of the samples and the assay data are sufficiently reliable to support resource evaluation.

ACS considers that blocks estimated during pass one and from at least 4 drill holes could be assigned to the Indicated category. All other estimated blocks were assigned to the Inferred category within the meaning of the CIM Definition Standards.

In order to determine the quantities of material satisfying “reasonable prospects for economic extraction”, ACS assumed a minimum mining cut off of 35 g/t silver representing an approximate mining and processing cost of US$16 per tonne. The reader is cautioned that there are no mineral reserves at the Silver Cliff Property.

ACS is unaware of any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political issues that may adversely affect the Mineral Resources presented.

ACS considers that the blocks with grades above the cut-off grade satisfy the criteria for “reasonable prospects for economic extraction” and can be reported as a Mineral Resource. Mineral resources for the Kate deposit on the Silver Cliff Property are summarized in Table1.1.

Kate deposit mineral resource statement at 35 g/t silver cut-off, effective April 15, 2018

classification	Tonnes	grade Ag (g/t)	ounces silver
Indicated	2,064,000	84	5,560,900
Inferred	3,172,000	70	7,143,900

(1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

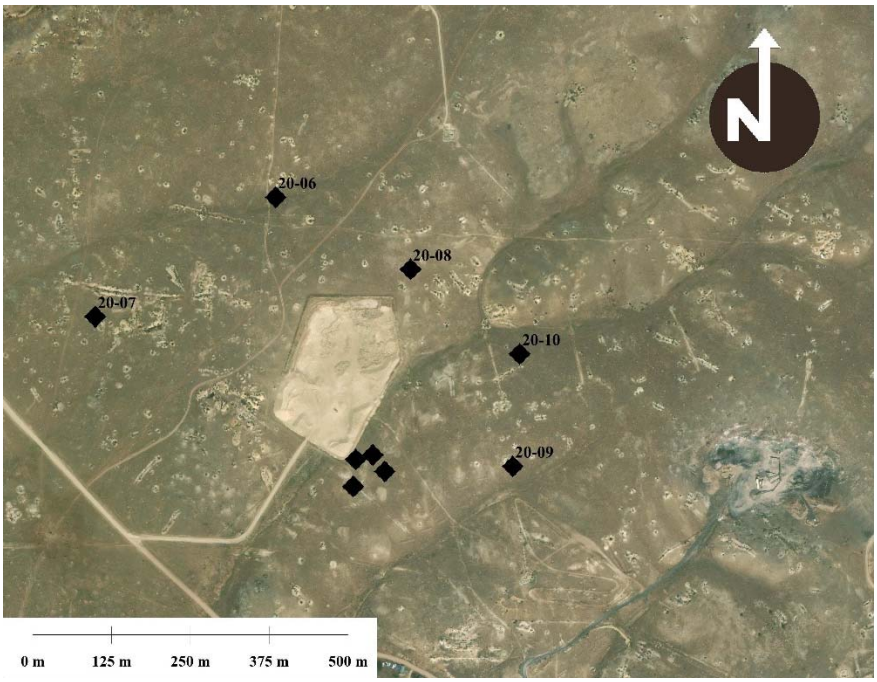
(2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(4) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

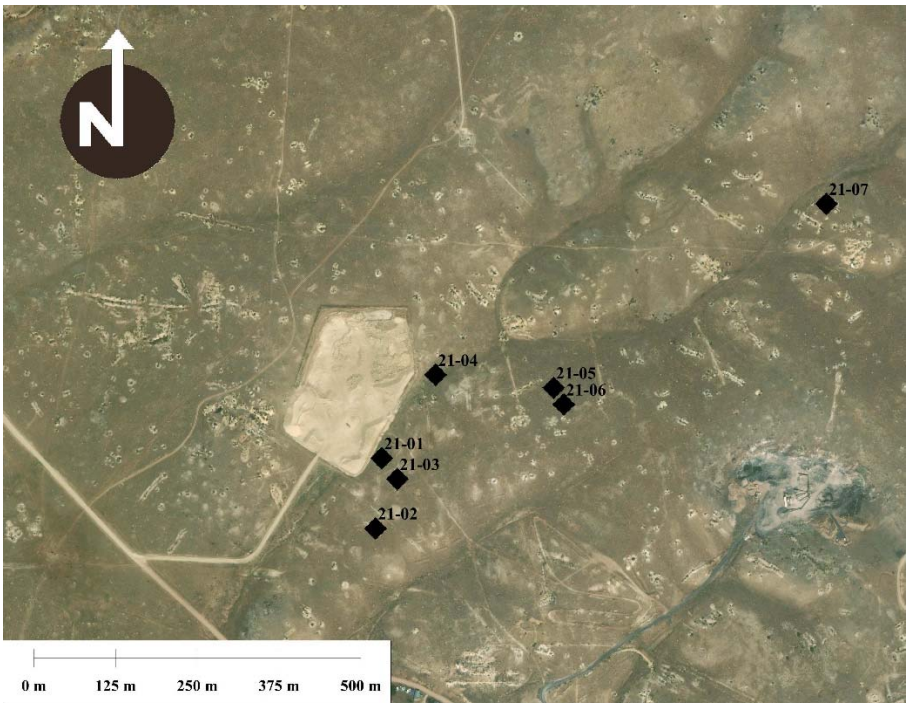
2020 Exploration Program In November Viscount commenced. The three-phase drill campaign has three objectives: 1). To expand the previously defined Kate resource (the "KSR"); 2) To further outline the South Kate high grade zone and to test new targets; 3) finally, five of the planned holes are East, North and West of the resource defined by Dr. Gilles Arseneau in his 2018 NI 43-101 report.

The aim of this phase is to increase the defined resource available at the Kate Deposit (KSR). Sixteen holes were drilled in the south, west, and northeast of the known resource with the opportunity for expansion of the current drill program. The locations of many of these drill holes were guided by the soil surveys conducted in the spring and early summer of this year. This correlation of soil sample and drilling data will show how effective these types of surveys will be for the guidance of future drill programs.



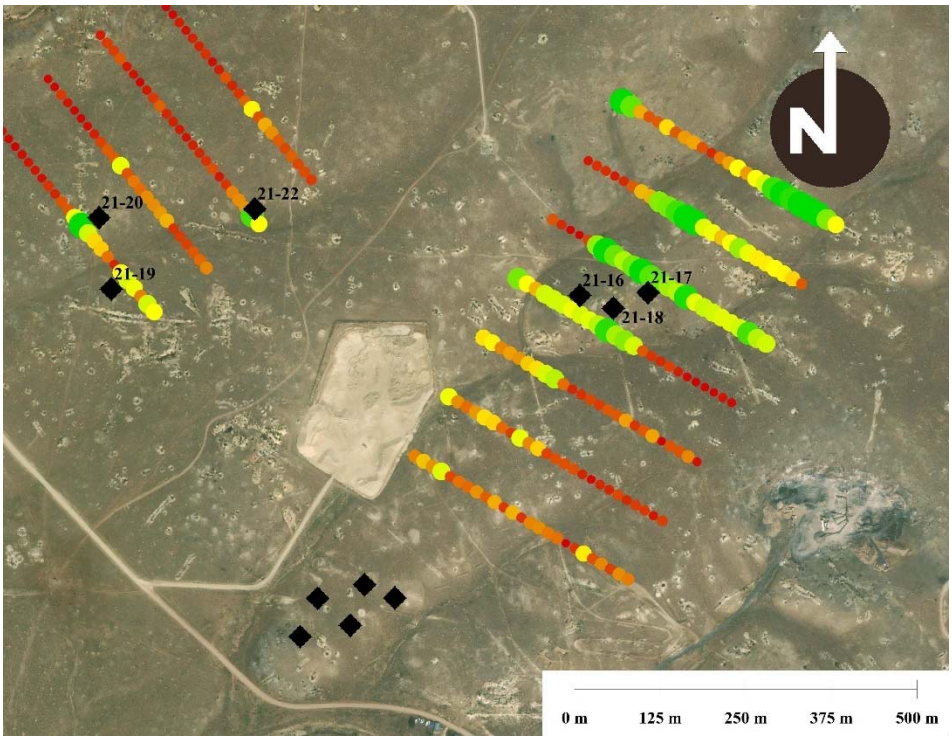
Phase 1 Drill Program:

- In addition to the main Kate deposit, 5 exploration holes were drilled to determine the most favorable directions to expand the resource.
- The primary focus of this was to the East and North, with one hole to the West.
- Hole DDH-20-10 located 20m North of the defined resource assayed 51.9 g/t over 19.4m with a 1.6m interval of 169 g/t.
- DDH-20-07 was drilled 55m on the west side of the Kate resource and encountered an interval from surface to 20.1m that showed a silver concentration of 46.1 g/t.
- There are good indications that the Kate resource can be extended in multiple directions.



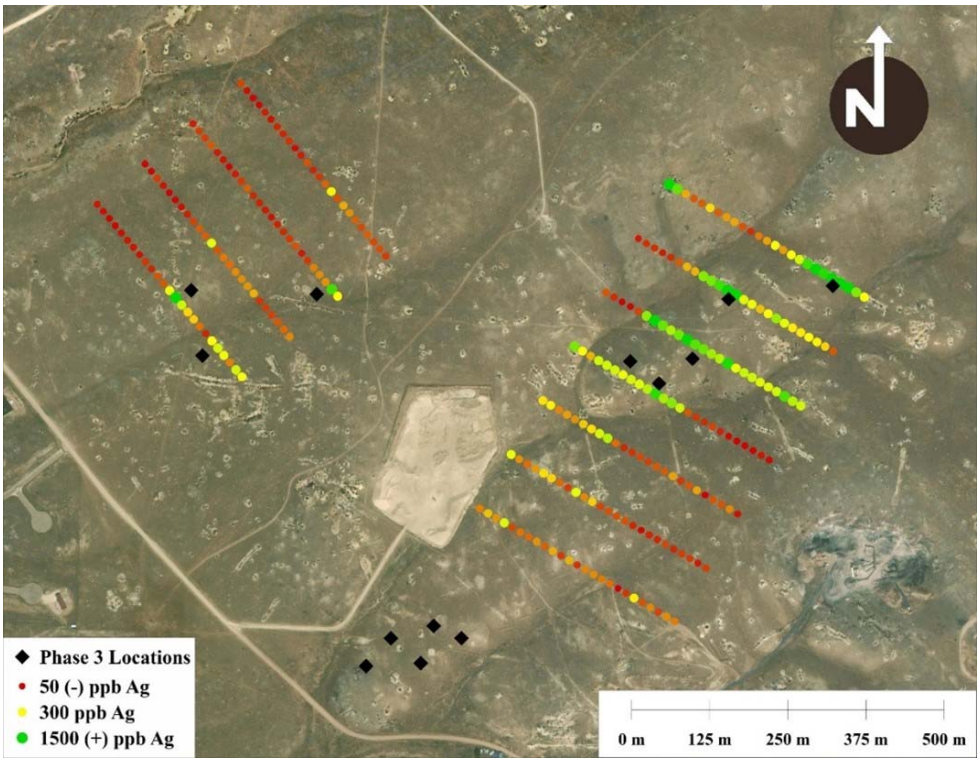
Phase 2 Drill Program

- Drilled 697m.
  - 4 bores further defined the Kate deposit.
  - 2 bores just south of DDH-20-10, a hole drilled the previous phase.
  - 1 far eastward hole which twinned a historic high-grade hole.
- MMI (mobile metal ion) soil geochemical survey – 100 samples were collected to help define targets for phase 3 and 4.
- A magnetometer survey was conducted on the same area as part of the soil geochemical survey to confirm anomalies.
- District-wide geologic mapping and rock chip sampling were completed to further define silver mineralization and potential targets for additional analysis.



Phase 3 Drill Program:

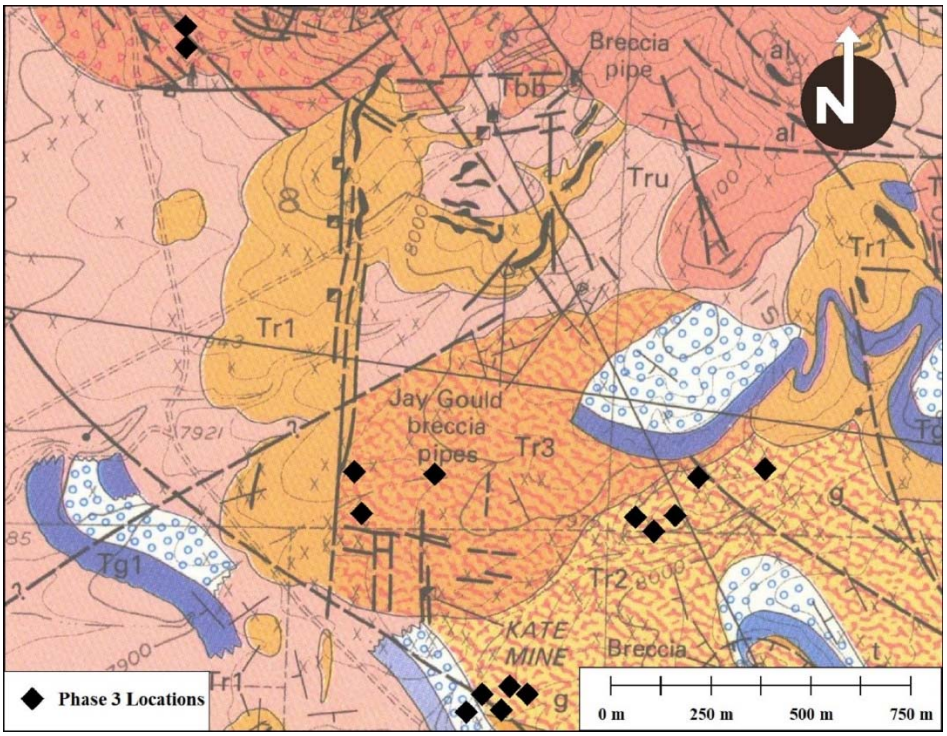
- Drilled 881m.
  - 3 bores to the N-E in areas that appeared prospective based on magnetometer and soil surveys.
  - 5 bores to the south in areas with rock chip indications of potential silver mineralization
  - 3 bores to the west to test soil survey anomalies.
- An additional 175 MMI (mobile metal ion) soil survey samples were collected to further assist future drilling.
- Additional geologic mapping and rock chip sampling was conducted to assist in the understanding of the silver mineralization of the Silver Cliff caldera complex.



The Graphic above is the 275 Soil Sample Results with 13 of the Planned Phase 3 Drill Hole Locations at Kate

In phase 3 Five drill holes are planned to explore the potential of expanding the Kate East zone to the south. The south edge of the ore resource defined by Dr. Gilles Arseneau in 2018 has historically high-testing intervals. Eight of the drill holes for Phase 3 are planned to expand the Kate East zone to the northwest and northeast, respectively. The locations of these drill holes were heavily influenced by the results of the spring and early summer soil sample campaigns.

Tenneco Minerals leased the property in 1987. They had the previous drill data available to them, which was the results from 11,930 meters in 249 drill holes that had been done since 1968. The following two years Tenneco drilled an additional 143 holes totaling 7,949 meters. Based on the accumulated data and a feasibility study, Tenneco Minerals made the decision to construct a $35,000,000 milling operation for the extraction of the silver reserves at Silver Cliff. Shortly thereafter Tenneco decided to sell the minerals division, and the planned mining and milling operation was abandoned.



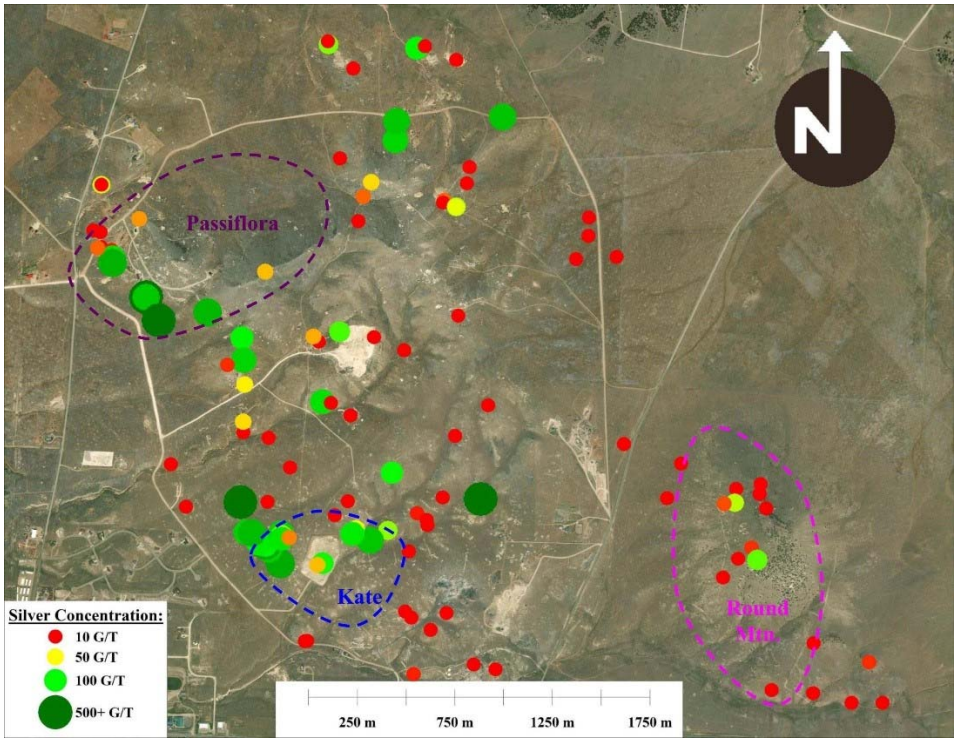
The above is the 13 Planned Drill Hole Locations for Phase 3 of Viscount's 2020/2021 Program

An additional two holes are being planned for the Passiflora target. This will increase our understanding of the alteration system, and continue to increase our knowledge base at the Passiflora. The phase 2 drilling revealed more intense phyllic alteration

An internal report from CoCa Mines in 1983, estimated a potential resource of 40 million short tons, based on 14 drill holes (not NI 43-101 compliant), with the best intercept reporting to be 256 g/t silver and 1.4 g/t gold. Viscount drilled four holes in the Passiflora in 2020/21 to depths greater than 193 m that showed anomalous silver throughout all, some anomalous gold as well as strong silica and clay alteration and pyritization over most of the holes. Duval Mining geologists had identified a quartz monzonite at shallow depth in the vicinity of the Passiflora mine. Quartz monzonite is a rock that is also commonly associated with porphyry ore bodies. The additional holes at the Passiflora are aimed at identifying this structure.

HIGHLIGHTS OF VISCOUNT DRILLED HOLES					
HOLE ID	FROM (M)	TO (M)	LENGTH (M)	AG G/T	INCLUDING
K16-1	15.8	32	16.2	837.4	6.1 M @ 1778.5 G/T
K16-4	15.6	36.9	21.3	179.1	13.7 M @ 250.7 G/T
K16-5	19.8	33.5	13.7	388.6	6.1 M @ 757.3 G/T
K16-7	23.5	38.7	15.2	153.2	7.6 M @ 252.6 G/T
K16-8	32.2	52.9	20.7	228.8	6.1 M @ 542.3
P17-03	15.1	30	15.1	702.7	9 M @ 477 G/T
P17-05	9.5	24.5	15	219.4	
P17-06	0	24.5	24.5	129.3	
DDH20-01	19.5	41.1	21.6	100.6	
DDH20-02	15.5	25.6	10.1	63.9	7.6 M @ 1259.1 G/T
DDH20-03	15.1	30	14.9	702.7	
DDH20-04	15.6	30.8	15.2	105.1	
DDH20-10	0	19.5	19.5	51.9	10 M @ 236 G/T
DDH21-01	11	29.6	18.6	147.6	
DDH21-03	14	38.4	24.4	51.4	

Phase 3 of Viscount Mining's Silver Cliff drill program consisting of 13 holes over 881 meters has recently concluded and all of the core samples have been shipped and are currently being assayed. As a supplemental part of Viscount's phase 3 drilling program, 50 surface rock chip samples were collected around the Kate Deposit, Passiflora and surrounding areas. Most of these samples were gathered from century-year-old, shallow mining pits which are found scattered throughout the Silver Cliff region. A map depicting silver concentration of each of these 124 surface samples including 74 local rock chip samples collected back in 2013 is shown below.



Silver Concentration and Locations

Twenty eight (28) of these rock chip samples collected at the surface tested over 100 g/t silver, with the highest testing sample assayed 1330 g/t silver. The presence of such high-grade silver deposits being revealed at the surface by shallow, abandoned pits, shows high promise for an eventual open pit mine. Many of these higher testing samples were collected from two locations: the southwest Passiflora and the northern area of the Kate Deposit and extension.

In the southwest Passiflora area, concentrations of silver in collected rock chip samples ranged from 122 G/T to 692 G/T. Though Viscount has done less extensive drilling in the Passiflora, most of the promising mineralization and assay values have come from holes drilled in this southwest region (DDH-20-05 and DDH-21-10). Two of the holes drilled during phase 3 were also located in this area and are currently being assayed. Viscount drilled four holes in the Passiflora in 2020/21 to depths greater than 193 m that showed anomalous silver throughout all, some anomalous gold as well as strong silica and clay alteration and pyritization over most of the holes. Duval Mining geologists had identified a quartz monzonite at shallow depth in the vicinity of the Passiflora mine. Quartz monzonite is a rock that is also commonly associated with porphyry ore bodies. The additional holes at the Passiflora are aimed at identifying this structure.

In the northern area of the Kate Deposit, 15 surface rock chip samples assayed between 71 and 1330 g/t silver, well above the current economic cut-off grade. Seven (7) of these high-grade rock chip samples, including the two highest testing (737 and 1330 G/T), on land outside of the current extent of the ore body as defined by Dr. Gilles Arseneau in 2018. The report titled Mineral Resource Estimate for the Silver Cliff Property, Custer County, Colorado, USA dated April 15, 2018 was prepared by Dr. Gilles Arseneau, Ph.D., P. Geo of Arseneau Consulting Services (“ACS”) in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards incorporated by reference in National Instrument 43-101 (“NI 43-101”) for its Silver Cliff property in Colorado.

These results support a possible expansion of the ore body, specifically near the surface, both to the West and Northeast. These are areas that were drilled during the third phase. As we await the core results, this collection of surface rock chip results gives us some insight into the silver resource expansion as defined by Dr. Gilles Arseneau in 2018 and for the Phase 4 drill program preparation.

Financial Data

The Company was incorporated under the British Columbia Business Corporations Act on October 26, 2011. The following selected financial information is derived from the Financial Statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS").

Overall Performance

During year ended August 31, 2021, the Company incurred a net loss of $1,732,307 (2020 - $2,102,854). At August 31, 2021, the Company had cash of $2,571,328 (2020 - $4,264,224) and working capital of $2,781,201 (2020 – $3,853,725). Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. For the year ended August 31, 2021, the Company had no source of operating revenues and, as at that date, had an accumulated deficit of $12,328,734 (2020 - $11,851,250).

Results for the last three years are set out in the table below:

All amounts in Cdn$	August 31, 2021 $	August 31, 2020 $	August 31, 2019 $
Operations:			
Revenues	**Nil**	Nil	Nil
Net Loss	**(1,733,533)**	(2,012,854)	(1,097,812)
Comprehensive Loss	**(1,732,307)**	(2,102,854)	(1,097,812)
Net Loss per share-basic	**(0.02)**	(0.04)	(0.02)
Dividends per share	**Nil**	Nil	Nil
Balance Sheet:			
Working capital	**2,781,201**	3,853,725	(833,881)
Total assets	**7,765,435**	8,191,834	3,262,328
Shareholder Equity	**7,685,792**	7,752,585	2,384,780

For the year ended August 31, 2021, the Company incurred a net loss and comprehensive loss of $1,732,307 (2020 - $2,102,854) a favorable variance of $370,547. Explanations of the decreased loss are:

- Share-based payments of $520,928 (2020 – $1,061,117), a favorable variance of $540,189 due to a reduction in awards in the current year.
- Consulting and management compensation of $540,254 (2020 - $623,938), a favorable variance of $83,684 primarily due to an adjustment in 2020 related to 2019.

Partially offset by:

- Promotion of $510,265 (2020 - $119,918), an unfavorable variance of $390,347 due to appointment of a new provider.
- Other expenses $264,031 (2020 - $207,881) an unfavorable variance of $56,150 primarily due to higher legal and accounting fees.

Results for each of the last eight quarters are set out in the table below:

All amounts in Cdn$	Three month period ending August 31, 2021	Three month period ending May 31, 2021	Three month period ending February 28, 2021	Three month period ending November 30, 2020
	$			
Operations:				
Revenues	Nil	Nil	Nil	Nil
Net profit/(loss) and comprehensive Profit/(loss)	(153,507)	(849,932)	(237,477)	(491,391)
Loss per share	(0.00)	(0.01)	(0.01)	(0.01)
Balance Sheet:				
Total assets	7,765,435	8,002,900	8,104,700	7,624,433
Working capital	2,781,201	3,055,933	3,537,663	3,179,668
Shareholders' equity	7,685,792	7,824,034	7,908,231	7,470,184

	Three month period ending August 31, 2020	Three month period ending May 31, 2020	Three month period ending February 29, 2020	Three month period ending November 30, 2019
	$			
Operations:	**1,349,630**	**188,010**	**499,397**	**(65,741)**
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(1,201,646)	(270,327)	(565,140)	(65,741)
Loss per share	(0.01)	(0.01)	(0.01)	(0.00)
Balance Sheet:				
Total assets	3,262,325	3,274,999	3,236,067	3,256,898
Working capital	(833,881)	(1,347,789)	(1,165,914)	(892,498)
Shareholders' equity	2,384,780	1,892,217	2,053,540	2,319,039

Net loss and comprehensive loss for the three months ended August 31, 2021, was $153,507 (2020 - $1,201,646) a favorable variance of $1,048,139. The Variance was primary due to Share-based payments of $104,762 (2020 - $1,061,117) a favorable variance of $956,355 due to the timing and reductions in awards in the current year compared to prior years. As noted in the year end comparisons above, share-based payments in the current year were lower by $540,189.

Share Capital

Authorized

At August 31, 2021 the authorized share capital consists of an unlimited number of common shares without par value and without special rights or restrictions attached and an unlimited number of preferred shares without par value and with special rights or restrictions.

Issued and Outstanding

On August 31, 2021, the total issued, and outstanding share capital was 84,949,462 common shares with no par value (August 31, 2020 – 81,215,462).

a) Share capital transactions of the Company during the year ended August 31, 2021 and 2020 are summarized as follows: During the year ended August 31, 2021, 3,684,000 warrants and options were exercised between $0.22 and $0.35 per share for gross proceeds of $1,123,585. Of this amount, $109,375 remained unpaid and is reflected as subscriptions receivable at August 31, 2021. The

warrant reserve was reduced by $27,425 and share capital was increased by the same amount related to recognition of the exercise of certain warrants.

b) During the year ended August 31, 2020, the Company entered into extension agreements related to the Silver Cliff property (Note 5) whereby the Company issued 949,000 common shares valued at $253,670 to extend payments due on the Colorado properties.

c) On August 5, 2020, the Company closed its non-brokered private placement and issued 23,958,333 units of the Company at a price of $0.24 per unit for gross proceeds of $5,750,000 of which $302,270 was paid for through a reduction of accounts payable and $24,000 remains receivable. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder thereof to acquire one additional share at a price of $0.32 for a term of two years. In connection with the closing, the Company paid cash commissions of $375,228 and issued 1,539,687 finder's warrants with a fair value of $292,891, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.27% per annum, an expected life of 2 years, volatility of 84.99%, and no expected dividend. The finder's warrants have the same terms as the unit warrants.

d) In August 2020, 2,422,000 $0.35 warrants were exercised for gross proceeds of $847,700 of which $52,500 remains receivable.

e) On December 2, 2019, the Company issued 45,000 common shares valued at $9,900 to Kingsmere Mining Ltd. in accordance with the Finders Fees agreement between the Company and Kingsmere (Note 5).

Warrants

The following is a summary of the changes in the Company's share purchase warrants for the year ended August 31, 2021 and 2020:

	August 31, 2021		August 31, 2020	
	Number of Warrants Outstanding	Weighted average exercise price $	Number of Warrants Outstanding	Weighted average exercise price $
Outstanding, beginning of year	29,434,020	0.32	8,986,000	0.35
Exercised warrants	(3,567,000)	0.34	(2,422,000)	0.35
Expired warrants	(1,510,000)	0.35	(2,628,000)	0.35
Warrants issued	-	-	25,498,020	0.32
Finders warrants issued (Note	-	-	-	-
Outstanding, end of year	24,357,020	0.32	29,434,020	0.32

The following table summarizes information regarding share purchase warrants outstanding as at August 31, 2021 and 2020:

Expiry Date	Exercise Price	August 31, 2021 Number of Warrants Outstanding and Exercisable	Exercise Price	August 31, 2020 Number of Warrants Outstanding and Exercisable
	$		$	
September 15, 2020	0.28	-	0.28	50,000
January 22, 2021	0.35	-	0.35	3,836,000
August 5, 2022	0.32	24,407,020	0.32	25,498,020
September 15, 2023	0.25	50,000	0.25	50,000
	0.32	**24,457,020**	**0.32**	**29,434,020**

Stock Options

On April 4, 2012, the Company adopted a stock option plan (the "Plan") that allows the Company to issue options to certain directors, officers, employees, and consultants of the Company. Options issued under the Plan shall not exceed 10% of the shares issued and outstanding at the time of granting of the options. Options granted under the Plan may have a maximum term of ten years. Stock options granted under the Plan may be subject to vesting terms, which may be imposed at the discretion of the directors.

a) During the year ended August 31, 2021, 117,000 options were exercised at $0.22 for proceeds of $25,740, in addition share capital was increased and the option reserve was reduced by $19,750.

b) On January 25, 2021, the Company issued 1,000,000 five-year options at an exercise price of $0.375 to officers, directors and consultants. The options were valued at $261,708, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.42% per annum, an expected life of 5 years, volatility of 79.88%, and no expected dividend.

c) On March 29, 2021, the Company issued 700,000 five-year options at an exercise price of $0.375 to consultants. The options were valued at $154,458, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.42% per annum, an expected life of 5 years, volatility of 79.83%, and no expected dividend.

d) On October 16, 2020, the Company issued 400,000 five-year options at an exercise price $0.40 to consultants. The options were valued at $104,762, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.32% per annum, an expected life of 5 years, volatility of 105.62%, and no expected dividend.

e) On August 31, 2020, 3,800,000 five-year options were issued at an exercise price of $0.40 to officers, directors, and consultants. The options were valued at $1,056,952, using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.37% per annum, an expected life of 5 years, volatility of 179.37%, and no expected dividend.

f) On August 5, 2020, 250,000 five-year options were issued at an exercise price of $0.40 were issued for services. The options were valued at $41,758 using the Black Scholes valuation methodology assuming a risk-free interest rate of 0.27% per annum, an expected life of 2 months, volatility of 84.99%, and no expected dividend.

The following is a summary of the changes in the Company's stock options for the year ended August 31, 2021 and 2020:

	August 31, 2021		August 31, 2020	
	Number of Options Issued and Exercisable	Weighted average exercise price	Number of Options Issued and Exercisable	Weighted average exercise price
		$		$
Outstanding, beginning of year	6,500,800	0.30	4,220,800	0.30
Cancelled/Expired	(780,000)	0.57	(1,770,000)	0.57
Exercised	(117,000)	0.22	-	-
Granted	2,100,000	0.40	4,050,000	0.40
Outstanding, end of year	7,703,800	0.37	6,500,800	0.30

Liquidity and Capital Resources

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements.

Exploration and Evaluation Properties

A summary of the changes in the Company's exploration and evaluation properties for the years ended August 31, 2021 and 2020 are as follows:

	As at August 31, 2021 $	As at August 31, 2020 $
Nevada Properties		
Acquisition and exploration costs	3,119,590	2,126,778
Recoveries	(1,679,159)	(787,575)
Colorado properties		
Acquisition and exploration costs	3,496,548	2,578,826
Recoveries	(58,560)	(43,341)
Nevada Properties	4,878,419	3,874,688

Commitments and Contingency

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements.

Off-Balance Sheet Arrangements

There were no off-balance sheet arrangements as at August 31, 2021

Transactions with Related Parties

On August 31, 2021, the balance due to related parties, who are officers, directors and/or shareholders, was $Nil (August 31, 2020 - $114,033). Amounts owing relate to consulting services and advances on behalf of the Company provide by the related parties or by companies they controlled.

The key management personnel compensation for the year ended August 31, 2021 and 2020, are summarized as follows:

	As at August 31, 2021 Consulting fees or Salary	As at August 31, 2020 Consulting fees or Salary
	$	$
Chief Executive Officer/Director	225,000	310,000
Chief Financial Officer	92,000	72,000
Director/Managers	117,000	90,000
Director/Chief Geologist	61,773	-
Director legal fees	25,570	4,436
Stock based compensation	222,452	639,734
	743,795	1,116,170

During the year ended August 31, 2021, $6,742 related party consulting fees were capitalized in exploration and evaluation properties (2020 – $Nil). Consulting fees of $165,077 (2020 - $99,321) were paid or accrued to related parties.

Significant Accounting Policies

Statement of Compliance

The consolidated financial statements of the Company, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended August 31, 2021.

Basis of Preparation

These consolidated financial statements have been prepared on the historical cost basis except for financial instruments classified as fair value through profit and loss. In addition, these financial statements have been prepared using the accrual basis of accounting, except for the cash flow information. The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below.

Basis of Consolidation

The Company's consolidated financial statements include the accounts of the Company and its subsidiaries. A subsidiary is an entity (including a special purpose entity) controlled by the Company, where control is achieved by the Company having the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. A subsidiary is fully consolidated from the date on which control is obtained by the Company and is de-consolidated from the date that control ceases.

The following subsidiaries have been consolidated for all dates presented within these financial statements, and are wholly owned: Viscount Mining Resources Ltd., Viscount Nevada Holdings Ltd. ("Viscount Nevada") and Viscount Colorado Holdings Ltd. ("Viscount Colorado").

All significant inter-company transactions, balances, income and expenses are eliminated on consolidation.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Recoverability of Capitalized Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company and the maintenance of good standing of the mineral titles, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Share-based payments

The fair value of share options granted is measured using the Black-Scholes option pricing model. Measurement inputs include the share price on the measurement date, exercise price of the options, expected volatility, expected life of the options, expected dividends and the risk-free interest rate. These estimates will impact the amount of share-based payments recognized. When stock options are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves are recorded as share capital.

Income taxes

Related assets and liabilities are recognized for the estimated tax consequences between amounts included in the financial statements and their tax base using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences and, accordingly, affect the amount of the deferred tax asset or liability calculated at a point in time.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

Exploration and evaluation properties

Once a license to explore an area has been secured, all direct costs related to the acquisition, exploration and evaluation of mineral property interests are capitalized as exploration and evaluation properties on a property by property basis. At such time that technical feasibility and commercial viability of extracting a mineral resource has been determined for a property, the capitalized exploration and evaluation costs are transferred and capitalized into property, plant and equipment. The Company records expenditures on exploration and evaluation activities at cost.

Proceeds received from a partial sale or option of any interest in a property are credited against the carrying value of the property. When the proceeds exceed the carrying costs, the excess is recorded in profit or loss in the period the excess is received. When all of the interest in a property is sold, subject only to any retained royalty interests which may exist, the accumulated property costs are de-recognized, with any gain or loss included in profit or loss in the period the transfer takes place. No initial value is assigned to any retained royalty interest.

When entitled, the Company records mineral exploration tax credits or incentive grants on an accrual basis and as a reduction of the carrying value of the properties.

Management assesses the exploration and evaluation assets for impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The assessment is based on the development program, the nature of the mineral deposit, commodity prices and the Company's intentions

and ability for development of the undeveloped property. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated recoverable amount. The recoverable amount of an asset is determined as the higher of its fair value less costs to sell and its value in use. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Provision for decommissioning and restoration

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted at a pre-tax rate specific to the liability. The capitalized amount is depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows. As at August 31, 2021 and 2020, the Company had no known restoration, rehabilitation or environmental liabilities related to its mineral properties.

Financial instruments

(i) Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") and at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management

determines the classification of financial assets at initial recognition. A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets and collect contractual cash flows, its contractual terms give rise on specified dates that are solely payments of principle and interest on the principle amount outstanding, and it is not designated as FVTPL. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument by-instrument basis) on the day of acquisition to designate them as at FVTOCI.

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. The Company's cash is classified as FVTPL.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. None of the Company's financial assets are classified as FVTOCI.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date. The Company's financial assets at amortized cost comprise reclamation bonds.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

(ii) Financial liabilities

The Company classifies its financial liabilities as subsequently measured at amortized cost which include trade payables and accrued liabilities, loans payable, and amounts due to related parties. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or they expire.

(iii) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables the Company has no material loss allowance as at August 31, 2021 and 2020.

Per Share Information

Basic income (loss) per share amounts are calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period.

Diluted income/loss per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares, which consist of warrants and stock options (Note 8).

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Share-based Payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity

instruments that will eventually vest. When options are cancelled or expire, the remaining amount in the stock option reserve for the specific grant is transferred to retained earnings(deficit).

Related Party Transactions

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

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is based on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the statement of financial position date.

Foreign Currencies

The Company's reporting currency and the functional currency of all of its operations and its subsidiaries is the Canadian dollar as this is the principal currency of the economic environment in which it operates.

Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

New and revised standards and interpretations

There are no new IFRS or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Company.

Financial Instruments and Risk Management

(a) Overview

The Company has exposure to credit risk, liquidity risk, foreign currency risk, and market risk from its use of financial instruments.

This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(b) Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits its exposure to credit risk on liquid financial assets through investing its cash with high-credit quality financial institutions.

The carrying value of the Company's financial instruments represent the maximum exposure to credit risk.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company endeavors to ensure that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company's cash is currently invested in business and savings accounts with high-credit quality financial institutions which are available on demand by the Company for its programs. At August 31, 2021, the Company had a cash balance of $2,571,328, to settle current liabilities of $79,643. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(d) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(e) Interest Rate Risk

The Company is subject to interest rate risk with respect to its investments in cash. However, the Company does not hold any interest-bearing debt. The Company's current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash balances mature impact interest income earned.

(f) Foreign Currency Risk

As at August 31, 2021, the Company's expenditures are in Canadian dollars and US dollars, any future equity raised is expected to be predominantly in Canadian dollars. The Company's foreign currency risk relates to cash of US$114,360 denominated in US dollars and accounts payable of US$66,085 in US dollars. At August 31, 2021, assuming that all other variables remain constant, a 1% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of approximately $585 in the Company's pre-tax income or loss.

g) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. The Company manages its capital structure through the issuance of new shares, acquisition or disposition of assets or adjustment of cash. The Company does not have any major capital expenditures committed for the coming year. Management reviews the capital structure on a regular basis to ensure that the above-noted objectives are met. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

(h) Fair Value

The fair value of the Company's financial assets and liabilities approximates their carrying amounts.

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

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

All of the Company's financial instruments, excluding cash, have a fair value approximating their carrying value due to their short-term nature. Cash is carried at fair value and is measured using level 1 inputs.

August 31, 2021	**Level 1**	**Level 2**	**Level 3**
	$	**$**	**$**
Financial assets at fair value			
Cash	2,571,328	-	-
Total	2,571,328	-	-

August 31, 2020	**Level 1**	**Level 2**	**Level 3**
	$	**$**	**$**
Financial assets at fair value			
Cash	4,264,224	-	-
Total	4,264,224	-	-

Disclosure Controls and Procedures

In connection with Exemption Orders issued by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificates under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined in NI 52-109.

Risk Factors

No History of Earnings

The Company has no history of earnings. The Company's properties are in the exploration stage of development. Additional external financing will be required to develop these properties further. There can be no assurances that any of the Company's properties will ever contain an economic ore body.

None of the Company's properties are currently in production, and although the Technical Report indicates mineral resources, there can be no assurance that any proven or probable mineral reserves will be discovered or that any particular level of recovery of minerals will in fact be realized or that an identified mineral reserve or mineral resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The Company's ability to continue operations and fund its liabilities is dependent on management's ability to secure additional financing. Although the Company has been successful in pursuing additional sources of financing in the past, there can be no assurance it will be able to do so in the future. There can be no assurances that additional funding will be available, or available under terms favorable to the Company, or at all.

Title Risks

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. Until competing interests, if any, in the mineral lands have been determined, the Company can give no assurance as to the validity of title to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals the Company may acquire or discover may be affected by numerous factors that are beyond its control and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, the import and export of minerals and environmental protection, the combination of which factor may result in the Company not receiving an adequate return of investment capital.

All of the claims in which the Company has acquired or has a right to acquire an interest are in the exploration /development stage only and are without a known commercially mineable ore body. Development of the subject mineral properties would follow only if favorable exploration results are obtained.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of its operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The Company is required to obtain required permits from various government departments to carry out its work programs. There is no guarantee that all required permits will be granted on terms satisfactory to the Company, or at all. If such permits are not received, the Company may not be able to carry out or complete its business objectives.

Loss of Foreign Issuer Status

The Company may at some future date determine that it has ceased to qualify as a "foreign private issuer" for the purposes of United States federal securities laws. This determination is performed each year as of August 31, being the last business day of its fiscal year end. Should this occur, the Company would not be able to avail itself of the rules and forms designated for foreign private issuers until the Company is able to once again establish its qualification as a foreign private issuer. Absent registration under the U.S. Securities Act, under most circumstances, securities issued by the Company during such times as that the Company fails to qualify as a "foreign private issuer," would be "restricted securities" for the purposes of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and would be issued with a U.S. restrictive legend, regardless of whether they are issued in an "offshore transaction" pursuant to Regulation S, or are issued in the United States pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Company's inability to issue securities outside the United States without resale restrictions imposed by the U.S. Securities Act and regulations thereunder may make it difficult or impossible to complete securities offerings on favorable terms, or at all.

Uninsured or Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to insure fully against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have a material adverse impact on the Company's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Operating Hazards and Risks

Mineral exploration and development involves risks which even a combination of experience, knowledge and careful examination may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, developments and production of minerals, any of which

could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. The nature of these risks is such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable or the Company may elect not to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Environmental Risks, Regulations, Permits and Licenses and Other Regulatory Requirements

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The Company's operations, including development activities and commencement of production on its properties, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws, and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that the Company obtains permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or at all or that such laws and regulations will not have an adverse effect on any mining project which it might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fine or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Competition

The mining industry is intensely and increasingly competitive in all its phases, and the Company will compete with other companies that have greater financial and technical resources. Competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and operated economically and businesses compete for the technical expertise to find, develop, and operate such properties, the skilled labor to operate the properties and the capital for the purpose of financing development of such properties. Such competition could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties.

Dependence on Management

The Company is largely dependent on the performance of its directors and officers. There is no assurance the Company will be able to maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of any of these persons could have a material adverse effect on the Company and its prospects.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist at the time of sale. Factors beyond the Company's control may affect the marketability of metals or minerals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, and the Company will be affected by numerous factors beyond its control. The effect of these factors on the Company's operations cannot be predicted. If mineral prices decline significantly, it could affect the Company's decision to proceed with further exploration of its properties.

Future Financing

The Company's continued operation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms to the Company, if at all. Failure to obtain additional financing on a timely basis may result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in some or all of the Company's properties. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to further explore and develop its properties, take advantage of other opportunities, or otherwise remain in business. Events in the equity market may impact the Company's ability to raise additional capital in the future. The Company's loss of "foreign private issuer" status under US securities law may also adversely affect future financings.

Future Acquisitions

As part of the Company's business strategy, it may seek to grow by acquiring companies, assets or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. The Company cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions competed will ultimately benefit its business.

Volatility of Share Price

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in generating revenues, cash flows or earnings.

Conflicts of Interest

Certain directors and officers of the Company will and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the interest of the Company. Directors and officers of the Company with conflicts of interest will be subject to and follow procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Reliability of Historical Information

The Company has relied, and the Technical Report is based, in part, upon historical data compiled by previous parties involved with the La Josefina project. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Dividends

The Company has never paid a dividend on its common shares or preferred shares. It is not anticipated that the Company will pay any dividends on its common shares or preferred shares in the foreseeable future.

Adverse fluctuations in currency exchange rates

The Company will maintain most of its working capital in Canadian and United States dollars. However, a significant portion of the Company's operating costs are incurred in United States dollars. Accordingly, the Company will be subject to fluctuations and volatility in the rates of currency exchange between the Canadian dollar, and United States dollar and these fluctuations could materially affect the Company's financial position and results of operations as costs may be higher than anticipated. The costs of goods and services could increase due to changes in the value of the Canadian dollar, or the United States dollar. Consequently, operation and development of the Company's properties might be more costly than the Company anticipates.

Current Global Economic Conditions

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase its cost of capital. Failure to raise capital when needed or on reasonable terms may have a material adverse effect on the Company's business, financial condition and results of operations.

An investment in the Company will involve a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this MD&A in evaluating the Company and its business before making any investment decision in regards to the Company's Common Shares. The Company's business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Company. Additional risks not presently known to the Company may also impair its business operations.

Mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to conduct its planned exploration, meet its administrative overhead and maintain its resource interests.

Going concern

The Company's ability to continue as a going concern is dependent on its ability to secure additional financing to fund planned exploration and its ongoing administrative expenditures, and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

Market for Common Shares

There can be no assurance that an active trading market in the Common Shares will be established and sustained. The market price for the Common Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of its peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Common Shares.

Additional Information

Reference is made in this MD&A to the Company's Financial Statements for the relevant periods as filed on the Company's profile on the SEDAR website at www.sedar.com and at the Company's web site at www.viscountmining.com where additional disclosure relating to the Company is located. Readers are strongly encouraged to review such additional disclosure.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. For further information, please contact: Viscount Investor Relations Email: info@viscountmining.com Phone: 604-960-0535.