

**Form 62-103F1**

*Required Disclosure under the Early Warning Requirements*

**Item 1 – Security and Reporting Issuer**

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

**Securities:** Units of Labrador Gold Corp. (the “**Units**”, and each a “**Unit**”), whereby each Unit consists of one common share in the capital of the Issuer (as defined below) (a “**Common Share**”) and one-half of one Common Share purchase warrant. Each full Common Share purchase warrant (a “**Warrant**”) is convertible into a Common Share.

**Issuer:** Labrador Gold Corp. (the “**Issuer**”)  
82 Richmond Street East  
Toronto, Ontario  
Canada M5C 1P1

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

The Common Shares are listed for trading on the TSX Venture Exchange under the security symbol “LAB”.

The transaction that triggered the filing of this report was the acquisition of Units by the Acquiror (as defined below) directly from the Issuer on a private placement basis, pursuant to which the Acquiror’s ownership of outstanding Common Shares, including securities convertible into Common Shares, increased to greater than 10%.

**Item 2 – Identity of the Acquiror**

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

New Found Gold Corp. (“**New Found**” or the “**Acquiror**”)  
Suite 430, 800 West Pender Street  
Vancouver, British Columbia  
Canada V6C 2V6

New Found is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on gold properties located in the Provinces of Newfoundland and Labrador and Ontario, Canada.

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

On May 18, 2021, the Acquiror purchased a total 5,555,556 Units in connection with the Issuer’s private placement offering (the “**Offering**”), thereby acquiring 5,555,556 Common Shares and 2,777,778 Warrants (the “**Acquisition**”).

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

Not applicable.

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

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

Immediately prior to the Acquisition detailed in Item 2.2 above, the Acquiror directly held an aggregate of 7,000,000 Common Shares representing approximately 5.4% of the then issued and outstanding Common Shares on a non-diluted basis. In addition, the Acquiror directly held an aggregate of 3,500,000 Warrants. If all of the Acquiror’s Warrants had been exercised, the Acquiror would have had direct ownership of 10,500,000 Common Shares representing approximately 7.9% of the Issuer’s then issued and outstanding Common Shares on a partially diluted basis.

Subsequent to the Acquisition, the Acquiror held 12,555,556 Common Shares representing approximately 8.6% of the current issued and outstanding Common Shares on a non-diluted basis. In addition, the Acquiror directly held an aggregate of 6,277,778 Warrants. If all of the Acquiror’s Warrants were to be exercised, the Acquiror would have direct ownership of 18,833,334 Common Shares representing approximately 12.3% of the Issuer’s issued and outstanding Common Shares on a partially diluted basis.

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

The Acquiror acquired direct ownership of additional Common Shares and Warrants and such Acquisition triggered the requirement to file this report. See Items 2.2 and 3.1.

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

Not applicable.

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

Immediately prior to the Acquisition, the Acquiror had direct ownership of 7,000,000 Common Shares and 3,500,000 Warrants, representing approximately 5.4% of the then issued and outstanding Common Shares on a non-diluted basis and approximately 7.9% on a partially diluted basis assuming exercise of the Warrants.

Immediately after the Acquisition, the Acquiror had direct ownership of 12,555,556 Common Shares and 6,277,778 Warrants, representing approximately 8.6% of current issued and outstanding Common Shares on a non-diluted basis and approximately 12.3% on a partially diluted basis assuming exercise of the Warrants.

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

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

See Item 3.4 above.

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

Not applicable.

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

Not applicable.

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

Each Warrant held by the Acquiror entitles New Found to purchase one additional Common Share. The Acquiror directly holds 3,500,000 Warrants convertible at an exercise price of \$0.75 per Common Share and bearing an expiration date of April 16, 2023, and 2,777,778 Warrants convertible at an exercise price of \$1.05 per common share until May 18, 2023.

If all Warrants were exercised, the Acquiror would directly own and control 18,833,334 Common Shares representing approximately 12.3% of the Issuer's then issued and outstanding Common Shares on a partially diluted basis.

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

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

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

Not applicable.

#### **Item 4 – Consideration Paid**

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

The Units acquired in connection with the Offering were purchased at a price of \$0.90 per Unit for aggregate consideration of \$5,000,000.40.

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

See Item 4.1 above.

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

Not applicable.

**Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

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

The Acquisition was completed for investment purposes. New Found may, in future, increase or decrease its ownership, control or direction over the Issuer's securities through market transactions, private agreements, or otherwise.

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

Not applicable.

**Item 7 – Change in Material Fact**

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

Not applicable.

**Item 8 – Exemption**

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

Not applicable

**Item 9 – Certification****Certificate**

I, as the Acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 21<sup>st</sup> day of May, 2021.

**NEW FOUND GOLD CORP.**

*/s/ Michael Kanevsky* \_\_\_\_\_

Michael Kanevsky  
Chief Financial Officer