



OUTCROP
SILVER & GOLD

OUTCROP SILVER & GOLD CORPORATION

ANNUAL INFORMATION FORM

For the Year Ended August 31, 2021

December 22, 2021

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Schedule "A" – Audit and Finance Committee Information

GLOSSARY OF GENERAL TERMS

In this AIF, unless otherwise defined in the body of this AIF, the following capitalized words and terms have the following meanings:

- Affiliate:** A company is an "Affiliate" of another company if:
- (a) one of them is the subsidiary of the other; or
 - (b) each of them is controlled by the same Person;
- AIF:** means this Annual Information Form;
- ANM:** means the Agencia Nacional de Minería;
- Associate:** means, when used to indicate a relationship with a Person,
- (a) a partner, other than a limited partner, of that Person;
 - (b) a trust or estate in which that Person has a substantial beneficial interest or for which that Person serves as trustee or in a similar capacity;
 - (c) an issuer in respect of which that Person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or
 - (d) a relative, including the spouse, of that Person or a relative of that Person's spouse, if the relative has the same home as that Person;
- Board:** means the Board of Directors of the Company;
- Common Shares:** means the common shares of the Company;
- company:** unless specifically indicated otherwise, means a company, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;
- Control Person:** means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;
- Exchange:** means TSX Venture Exchange;
- Insider:** if used in relation to an issuer, means:
- (a) a director or senior officer of the issuer;

- (b) a director or senior officer of another issuer that is an insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities;

NI 43-101 or National Instrument 43-101:

means National Instrument 43-101 - Standards of Disclosure for Mineral Projects adopted by the Canadian Securities Administrators;

NI 52-110 or National Instrument 52-110:

mean National Instrument 52-110 – Audit Committees adopted by the Canadian Securities Administrators;

Non-Arm's Length Party:

means a): in relation to a company: (i) a promoter, officer, director, other Insider or Control Person of that company and any Associates or Affiliates of any of such Persons; (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same promoter, officer, director, Insider or Control Person; and (b) in relation to an individual, any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person;

Outcrop or the Company:

means Outcrop Silver & Gold Corporation, a company incorporated under the laws of British Columbia;

Person:

means a company or individual;

Santa Ana Project:

means the Company's Santa Ana silver-gold exploration project located in the municipality of Falan, Tolima Department, Colombia;

Santa Ana Technical Report or the Technical Report:

means the technical report titled "NI 43-101 Technical Report on the Santa Ana Project" dated effective February 24, 2021 and with a report date of March 15, 2021 and prepared by Jack King, MIMMM; and

Shareholder:

means a holder of Common Shares.

PRELIMINARY NOTES

Financial Statements and MD&A

The Company's audited financial statements and management's discussion and analysis ("MD&A") have been filed with Canadian securities regulatory authorities and are available for review under the Company's profile at www.sedar.com. The Company's financial statements and all other financial information in this Annual Information Form ("AIF") are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). The Company's fiscal year end is August 31.

Effective Date of Information

ALL INFORMATION CONTAINED IN THIS ANNUAL INFORMATION FORM IS AS OF December 17, 2021, UNLESS OTHERWISE STATED.

Cautionary Note regarding Forward-Looking Information

This AIF contains or incorporates by reference "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws (collectively, "**forward-looking information**"). Statements other than statements of historical fact contained in this AIF may be forward-looking information. 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, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking information. Some of the specific forward-looking information in this AIF includes, but are not limited to, statements with respect to: upgrading Inferred Mineral Resources to Indicated Mineral Resources; renegotiation or termination of contracts or sub-contracts; incurrence of losses by the Company for the foreseeable future; revenues from operations and profitability in the foreseeable future; the area of the Alaska Project to be initially developed; timelines for the commencement and completion of exploration drilling and development programs; retention of future earning and other cash resources for the future operation and development of the Company's business; timing for the declaration of dividends; the ability to obtain required permits; expectations regarding the impact of the COVID-19 pandemic on the global economy and the Company and its business and operations; and the Company's outlook and business strategies related thereto.

In this AIF, forward-looking information are necessarily based upon a number of expectations and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the expectations or assumptions used to develop forward-looking information include, without limitation, the following expectations and assumptions, which may prove to be incorrect: the results of the Santa Ana Technical Report; next steps and timing regarding the Santa Ana Project exploration program; regulatory and permitting considerations; the impacts of the COVID-19 pandemic on the global economy and the Company; future financings and the intended use of proceeds resulting therefrom; exploration

activities and the results and developments in the Company's operations in future periods; the adequacy of the Company's financial resources, future operating and capital costs; closure costs; timelines; the ability to obtain the requisite permits; economics and associated returns on the Santa Ana Project; the technical viability of the Santa Ana Project; the market and future price of and demand for each of silver and gold; the environmental impact of the Santa Ana Project; the ongoing ability to work cooperatively with stakeholders, including the local levels of government; and the overall impact of misjudgments made in good faith in the course of preparing forward-looking information.

Forward-looking information involve risks, uncertainties, assumptions, and other factors including those set out below, that may never materialize, prove incorrect or materialize other than as currently contemplated which could cause the Company's results to differ materially from those expressed or implied by such forward-looking information. Such factors include, among others: risks related to infectious disease or pandemics, including the impact of COVID-19 on the business and operations of the Company and the global markets; risks related to exploration and development activities at the Company's projects, and factors relating to whether or not mineralization extraction will be commercially viable; risks related to mining operations and the hazards and risks normally encountered in the exploration, development and production of minerals, such as unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction and removal of materials; uncertainties regarding regulatory matters, including obtaining permits and complying with laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters, and the potential for existing laws and regulations to be amended or more stringently implemented by the relevant authorities; risks related to social and environmental activism; risks related to regulatory investigations, civil claims, lawsuits and other proceedings, and uncertainty and costs thereof; risks related to operating in foreign jurisdictions, including compliance with foreign laws and a foreign tax regime; risks related to seizure or expropriation of assets pursuant to the laws of Columbia; uncertainties regarding estimating mineral resources, which estimates may require revision (either up or down) based on actual production experience; risks relating to fluctuating metals prices and the ability to operate the Company's projects at a profit in the event of declining metals prices and the need to reassess feasibility of a particular project that estimated mineral resources will be recovered or that they will be recovered at the rates estimated; risks related to title to the Company's properties, including the risk that the Company's title may be challenged or impugned by third parties; environmental risks and hazards; risks related to natural disasters, geopolitical instability and other unforeseen events; the ability of the Company to access necessary resources, including mining equipment and crews, on a timely basis and at reasonable cost; competition within the mining industry for the discovery and acquisition of properties from other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel; access to suitable infrastructure, such as roads, energy and water supplies in the vicinity of the Company's properties; and risks related to the stage of the Company's development, including risks relating to limited financial resources, limited availability of additional financing and potential dilution to existing Shareholders; reliance on its management and key personnel; inability to obtain adequate or any insurance; currently unprofitable operations; risks regarding the ability of the Company and its management to manage growth; risks related to information technology, cybersecurity incidents and technological disruptions; risks related to climate change; and potential conflicts of interest, as well as all those risks discussed in the Company's Management's Discussion and Analysis in respect of the year ended August 31, 2021 and in the section entitled "Risk Factors" in this AIF.

The foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking information. Forward-looking information includes statements about the future and are inherently uncertain, and the Company's actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF.

Investors are cautioned not to put undue reliance on forward-looking information, and investors should not infer that there has been no change in the Company's affairs since the date of this AIF that would warrant any modification of any forward-looking information made in this AIF, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking information attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking information or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which are available for review under the Company's profile on www.sedar.com.

Currency

All dollar amounts in this AIF are expressed in Canadian dollars, unless otherwise indicated.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources

Information regarding Mineral Resource estimates in this AIF has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States Securities and Exchange Commission ("**SEC**") Industry Guide 7. The provisions in Industry Guide 7 and Item 102 of Regulation S-K, have been replaced with a new subpart 1300 of Regulation S-K under the United States Securities Act have become mandatory for SEC registrants effective January 1, 2021. The changes adopted are intended to align the SEC's disclosure requirements more closely with global standards as embodied by the Committee for Mineral Reserves International Reporting Standards (CRIRSCO), including Canada's NI 43-101 and CIM Definition Standards. Under the new SEC rules, SEC registrants will be permitted to disclose "Mineral Resources" even though they reflect a lower level of certainty than Mineral Reserves. Additionally, under the new rules, Mineral Resources must be classified as "measured", "indicated", or "inferred", terms which are defined in and required to be disclosed by NI 43-101 for Canadian issuers and are not recognized under Industry Guide 7. Accordingly, the Mineral Resource estimates and related information may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal laws and the rules and regulations thereunder, including SEC Industry Guide 7.

A "Mineral Resource" is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

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

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

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

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

A “Probable Mineral Reserve” is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

A “Proven Mineral Reserve” is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

For the purposes of the CIM Definition Standards, “Modifying Factors” are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

CORPORATE STRUCTURE

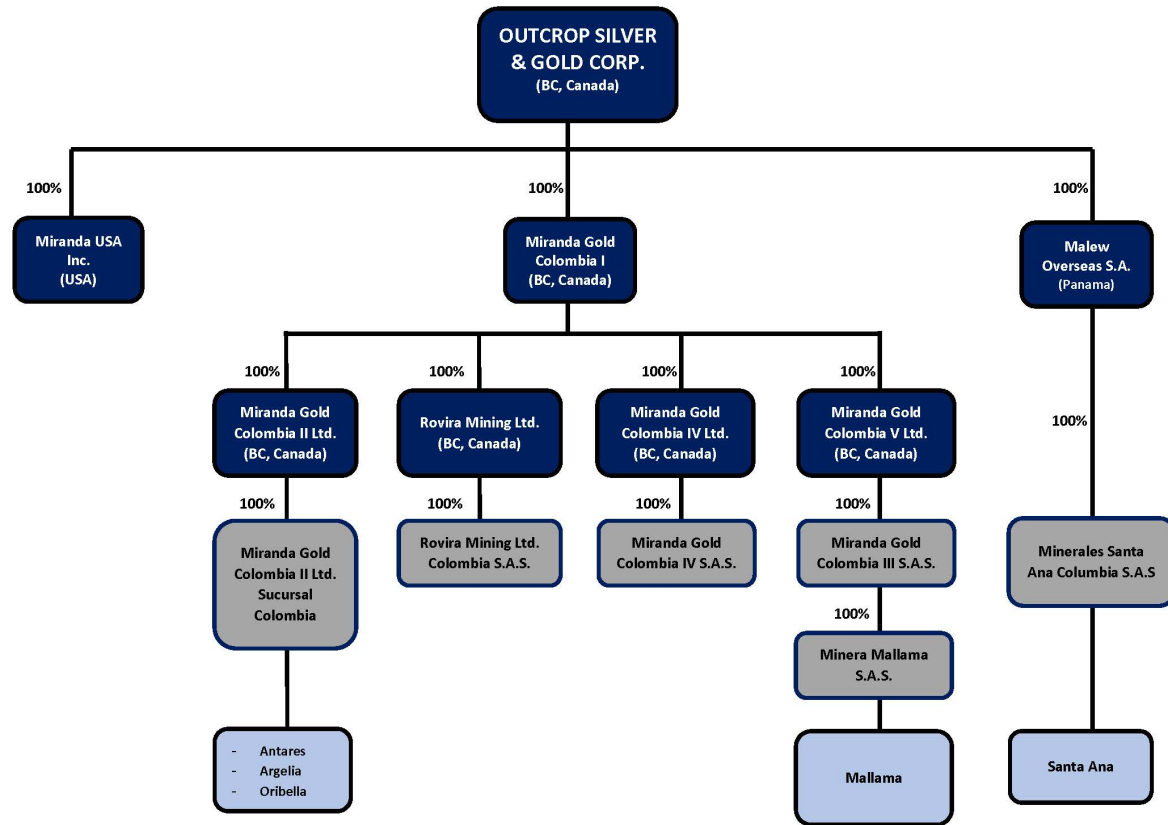
Name, Addresses and Incorporation

The Company was incorporated as “Miranda Industries Inc.” under the British Columbia *Company Act* on May 4, 1993. On August 3, 2001, Miranda Industries Inc. altered its memorandum by changing its name to “Thrush Industries Inc.” Effective April 15, 2002, Miranda Industries Inc. changed its name to “Miranda Diamond Corp.” Effective January 30, 2003, Miranda Diamond Corp. changed its name to “Miranda Gold Corp.” On February 8, 2019, the Company changed its name from Miranda Gold Corp. to Outcrop Gold Corp. and consolidated its Common Shares on a basis of ten to one (10:1) and began trading under the ticker symbol “OCG” on the Exchange. On June 14, 2021, the Company changed its name to Outcrop Silver & Gold Corporation.

The head office, principal address and registered and records office of the Company is located at 905 – 1111 West Hastings Street, Vancouver BC, Canada V6E 2J3. The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Yukon, and Nunavut.

Intercompany Relationships

Outcrop currently has the following wholly-owned subsidiaries:



Unless otherwise noted or inconsistent with the context, references to Outcrop or the Company in this AIF are references to Outcrop Silver & Gold Corporation and its subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS OF THE COMPANY

Overview

Outcrop is rapidly advancing exploration on five silver and gold exploration projects with world-class discovery potential in Colombia. Outcrop is currently drilling and expanding the Santa Ana historic high-grade silver district. These assets are being advanced by a highly disciplined and seasoned professional team with decades of experience in Colombia.

Recent Developments

Since the Company filed its last Annual Information Form dated February 4, 2021, there have been the following recent developments to disclose:

Drilling Update as of October 30th 2021

The Company drilled 114 diamond drill holes over 17,586 metres in the Santa Ana Project throughout 2021 with two drill rigs between January and July and only one rig from August to October.

Drilling this year continued delivering excellent results with 0.7 metres of 117.5 grams gold equivalent per tonne or 8,584 grams silver equivalent per tonne drilled at Ivana, the discovery of San Antonio shoot with 1.18 metres of 410 grams silver equivalent per tonne and 0.3 metres of 6,052 grams silver equivalent per tonne. Additionally, expansionary holes drilled to the NW of Megapozo shoot intercepted 1.42 metres of 3,151 grams and 2.18 metres of 1,098 grams silver equivalent per tonne. The expansionary drilling at Megapozo shoot confirms interpreted high-grade controls to mineralization and extends the shoot down-plunge over 480 metres to the west-northwest within the vein. Drilling and discoveries have proceeded at a remarkable pace and are hitting the high-grade silver-gold veins that made the historic Santa Ana Mines of the Spanish colonial era famous.

Each of the six targets tested has delivered a large high-grade shoot. The six Santa Ana shoots discovered to date are exceptional in size for an epithermal vein system, each measuring larger than 250 metres in surface trace and over 250 metres down-dip. All shoots are open in one or more directions along their surface trace and all are open at depth. Limited drilling at depth indicates the shoots may extend to over 400 metres down-dip.

The high-grade shoots show good internal grade contours and physical continuity. Shoots of this size add significant potential to the project with each new discovery. Open strike and especially depth extensions to mineralization could potentially double the size of the existing shoots. With less than 42% of the known vein systems on the original concession explored, there is significant room for expansion of Santa Ana. Early this year the company completed an IP (Induced Polarization) survey over 700 Ha and an airborne magnetic survey over 19,000 Ha to aid with target generation. Additionally, the Santa Ana exploration team continues to advance mapping and sampling works north of El Dorado (El Dorado vein, and Porfia and Santa Ana vein systems) and south of the San Antonio shoot (Espiritu Santo and Las Maras targets) to prepare those for drilling in the first quarter of 2022.

The Company started a fourth phase drilling campaign consisting of 18,000 metres and will continue the Santa Ana exploration program throughout 2022.

Board and Management Update

On October 20, 2020, the Company announced the appointment to the board of directors of Mr. Chris Grainger who subsequently resigned on January 11, 2021, due to the listing of a new exploration company where he is an Officer.

On January 21, 2021, Mr. Dave Thomas, the Company's former VP Exploration resigned.

On August 1, 2021, Dr. Jesus Velador was appointed VP Exploration. Dr. Velador is a Professional Geoscientist with over twenty years' experience in the field of precious metals exploration and economic geology with a strong specialization in epithermal environments. He holds both a Master of Science and a Doctorate degree focused on epithermal deposits.

On August 16 2021, Alex Tong, the Company's former CFO resigned and was replaced by Lisa Peterson.

On November 5, 2021, Judy McCall, the Company's former Corporate Secretary resigned and was replaced by Melissa Martensen on November 8, 2021.

Financing Update

The Company closed a bought deal offering on March 26, 2021 through a short form prospectus consisting of 21,401,500 units at a price of \$0.43 per unit for gross proceeds of \$9,202,645. Each unit consists of one Common Share and a one-half share purchase warrant, each full warrant exercisable into a Common Share at a price of \$0.60 per share until March 26, 2023.

The Company filed a base shelf prospectus on April 27, 2021. The Company may offer and sell from time to time Common Shares of the Company, warrants to purchase any of the other securities that are described in the base shelf prospectus, subscription receipts, units comprised of one or more of any of the other securities that are described in the short form base shelf prospectus, share purchase contracts obligating holders to purchase a specified number of Common Shares at a future date or dates, or similar contracts which may be issued on a prepaid basis or any combination of such securities for up to an aggregate offering price of \$100,000,000 (or its equivalent in other currencies), in one or more transactions during the 25-month period that the April 27, 2021 base shelf prospectus, including any amendments, remains effective.

On July 5, 2021, the Company established an at-the-market equity program, which allows the Company to issue and sell, at its discretion, up to \$5,000,000 of Common Shares in the capital of the Company to the public from time to time at the prevailing market price when the Common Shares are issued, pursuant to an equity distribution agreement between the Company and Research Capital Corporation as the agent, which will remain valid until the existing short form base shelf prospectus dated April 27, 2021 ceases to be effective or until terminated by the Company or the agent. To date no Common Shares have been issued under the at-the-market equity program.

Three Year History

The following three-year history is based on the Company's three most recently completed fiscal years for which audited financial statements are currently available, being the fiscal years ended August 31, 2019, 2020 and 2021. In addition, the following describes how the Company has developed over the period and includes only events, such as acquisitions or dispositions, or conditions that have influenced the general development of the business.

Financial year ended August 31, 2019

Effective February 7, 2019, the Company consolidated its common shares on a 10:1 basis and changed the name of the Company to Outcrop Gold Corp.

On February 22, 2019, the Company closed a non-brokered private placement of 13,599,260 units at a price of \$0.20 per unit for gross proceeds of \$2,719,852. Each unit consists of one common share and one non-transferable share purchase warrant, each warrant exercisable into a common share at a price of \$0.40 per warrant share for a period of five years.

On April 17, 2019, the Company completed a non-brokered private placement of 2,173,914 units at a price of \$0.23 per unit for gross proceeds of \$500,000. Each unit consists of one common share and one share purchase warrant exercisable into a common share at a price of \$0.40 per warrant share for a period of five years.

Financial year ended August 31, 2020

On November 7, 2019, the Company completed a private placement of \$589,500 with units issued at a price of \$0.10 per unit, with each unit consisting of one common share and one common share purchase warrant, where each warrant is exercisable at a price of \$0.20 per warrant share for a period of five years from closing.

On November 25, 2019, the Company announced that Mr. David Thomas had been appointed the Company's new Vice President of Exploration.

On November 26, 2019, the Company announced that Mr. Alex Tong had been appointed the Company's new Chief Financial Officer effective January 2, 2020 after a period of transition, replacing Mr. Rakesh Patel.

On January 6, 2020, the Company completed a private placement of \$1,112,000 with units issued at a price of \$0.10 per unit, with each unit consisting of one common share and one common share purchase warrant, where each warrant is exercisable at a price of \$0.20 per warrant share for a period of five years from closing.

On January 24, 2020, the Company completed the acquisition of the Santa Ana Project in Tolima, Colombia. Consideration of 24,000,000 common shares of Outcrop were transferred to Cedar Capital Corporation ("**Cedar Capital**") at a value of \$0.11 per share in exchange for all of the issued and outstanding shares of Cedar Capital's wholly owned subsidiary, Malew Overseas S.A. ("**Malew**"). Malew's wholly owned subsidiary Minerales Santa Ana Columbia SAS (formerly Lost City SAS) owns the Santa Ana Project.

In connection with the acquisition of the Santa Ana Project, the Company announced the appointments of Mr. Ian Slater as a director and Executive Chairman to the Board of Outcrop, Mr. Jay Sujir as a director of the Board, and Ms. Judy A. McCall as Corporate Secretary.

On February 6, 2020, the Company completed a private placement of \$448,000 with units issued at a price of \$0.10 per unit, with each unit consisting of one common share and one common share purchase warrant, where each warrant is exercisable at a price of \$0.20 per warrant share for a period of five years from closing.

On February 26, 2020, the Company completed a private placement of \$1 million with Mr. Eric Sprott, issuing units at a price of \$0.10 per unit, with each unit consisting of one common share and one common share purchase warrant, where each warrant is exercisable at a price of \$0.20 per warrant share for a period of five years from closing.

On June 17, 2020, the Company announced the closing of a brokered private placement of \$5.75 million with units issued at a price of \$0.28 per unit, with each unit consisting of one common share and one-half of one common share purchase warrant, where each whole warrant is exercisable at a price of \$0.42 per warrant share for a period of 24 months from closing. The private placement was led by Research Capital Corporation along with Eventus Capital Corp.

On July 20, 2020, the Company announced the acquisition of a significant increase in the land position surrounding and along trend from the Santa Ana Project, including the consolidation of multiple regional scale, parallel silver-gold belts in the Mariquita District, Colombia. The additional claims increased the Santa Ana land position twenty-fold to over 36,000 hectares. The additional claims cover five regional scale parallel vein systems across a trend 12 kilometres wide and 30 kilometres long. The Company paid US\$250,000 and issued 1,000,000 Common Shares with

subsequent future payments of US\$1,000,000 payable in Common Shares contingent upon future permitting milestones and a 2% NSR royalty, of which 1% of the 2% NSR royalty may be purchased by Outcrop at any time for US\$500,000 in cash.

Financial year ended August 31, 2021

The Company announced ongoing drill results from the Santa Ana Project throughout the year.

On August 26, 2020, the Company announced that it mobilised a second drill rig to drill at the Santa Ana Project.

On January 5, 2021, the Company announced assay results from a newly discovered shoot called San Juan at the Santa Ana Project. San Juan is 150 metres north of the Roberto Tovar shoot along the same vein system.

On January 26, 2021, the Company announced results from a ground geophysics gradient-array induced polarization and resistivity program on its Santa Ana Project, and started a large airborne geophysical survey, including magnetics, radiometrics and LIDAR, along a 36-kilometre northeast mineralised trend between the Santa Ana and El Porvenir mines with a flight line width of ten kilometres.

On March 11, 2021, the Company announced the third phase of 12,000 metres of drilling had commenced at the Santa Ana Project to delineate along strike and at depth five discovered shoots (La Ivana, Megapozo, Roberto Tovar, El Dorado and San Juan) and to drill test numerous greenfield targets with the goal to discover five to seven new high-grade shoots.

On March 22, 2021, the Company qualified to trade on the OTCQX, with ticker symbol OCGSF in the United States. Further information is available at www.otcm Markets.com.

On March 26, 2021, the Company closed a bought deal financing with Research Capital Corporation as the lead underwriter and sole bookrunner (the "**Lead Underwriter**"), on behalf of a syndicate of underwriters (collectively with the Lead Underwriter, the "**Underwriters**"), pursuant to which Outcrop issued 21,401,500 Units at a price of \$0.43 per Unit, for aggregate gross proceeds of approximately \$9.2 million, which included the full exercise of the over-allotment option. Each Unit was comprised of one Common Share and one-half of one Common Share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Each Warrant shall entitle the holder thereof to purchase one Common Share at an exercise price of \$0.60 at any time up to 24 months from closing of the Offering. The Units were offered by way of a short form prospectus dated March 22, 2021 filed in all provinces of Canada, except for Quebec, and were also offered by way of private placement in the United States.

On May 14, 2021, the Company entered into an agreement with Hybrid Financial Ltd. ("**Hybrid**") to distribute information to its database of financial professionals. Hybrid had been engaged by the Company for an initial period of six months starting May 10, 2021. Outcrop paid Hybrid a monthly fee of C\$15,000, plus applicable taxes.

On June 9, 2021, the Company completed a name change from Outcrop Gold Corp. to Outcrop Silver & Gold Corporation, which took effect on June 14, 2021 and trading continued under the same ticker symbol "OCG" on the Exchange. The new CUSIP for Outcrop's Common Shares is 69002Q105.

On June 15, 2021, the Company announced assay results from a newly discovered shoot, San Antonio, from its Santa Ana Project.

Significant Acquisitions

The acquisition of the Santa Ana Project in Tolima, Colombia on January 24, 2020 was a significant acquisition that was conducted by way of a share purchase agreement with Cedar Capital Corporation.

The 100% owned Santa Ana Project comprises over 36,000 hectares located in the Municipality of Falan, Tolima Department, Colombia, approximately 15 kilometres southeast of the town of Mariquita and 190 kilometres from Bogota, Colombia's capital city. The Santa Ana Project consists of five regional parallel scale vein systems across a trend 12 kilometres wide and 30 kilometres long, and covers a significant part of the Mariquita District, the highest-grade primary silver district in Colombia, where mining records date back to at least 1585. Under colonial Spanish era control of the mines, silver grades were reported to be among the highest in Latin America with the fourteen mines of Santa Ana producing average smelter returns of 4,300 g Ag/t from veins averaging 1.4 metres wide. These colonial mines are on property controlled by Outcrop.

Historic mining depths, structural controls, host rocks and vein textures support a geologic and exploration model for a composite mesothermal and epithermal vein system having mineralization that likely extends to great depth. At Santa Ana it is unlikely that there is sharp elevation restriction common to high-grade zones in many epithermal systems with no mesozonal component.

At the core Royal Santa Ana project, located at the northern extent of just one of the regional vein systems controlled by Outcrop, seven high grade shoots have been discovered – La Ivana hanging-wall and footwall (La Porfia vein system); San Antonio, Roberto Tovar, San Juan (Royal Santa Ana vein systems); El Dorado (El Dorado and El Paraiso vein systems) and Megapozo (El Paraiso vein system). Each zone commonly contains multiple parallel veins. The veins can show both high-grade silver and high-grade gold mineralization and may be both low and high angle depending on local controls. Drilling indicates that mineralization extends from surface or near surface to depths of at least 300 to 450 metres.

Outcrop currently has two drill rigs mobilized on the Santa Ana project and has obtained promising results from targets showing seven high-grade shoot discoveries to date. Drill results indicate that each of the seven discovered shoots are exceptional in size for structural dilation, pinch and swell epithermal vein systems, each measuring greater than 250 metres in surface trace and over 250 metres down-dip, and that all shoots are open in one or more directions along their surface trace and all are open at depth. It is expected that deeper drilling of each shoot will significantly increase its current size.

A total of 183 holes have been drilled on Santa Ana for a total of 29,510 metres. The weighted average grade for all significant holes drilled to date is 1.4 kilograms equivalent silver per tonne. Significant holes for exploration purposes are defined as greater than 200 grams equivalent silver per tonne. La Ivana has delineation spacing of drill-holes.

Outcrop has completed the first three phases of its drilling program at Santa Ana and has announced the commencement of another 18,000-metre phase four drill program on the project. Phase four will test a pipeline of eight greenfield targets identified through systematic target review and ranking. The greenfield targets are well advanced and drill testing will begin in early 2022. Ground and airborne geophysical surveys have been completed to identify vein structures to follow up with surface exploration. The geophysical survey footprint covers four historic mine

areas. Geophysical anomalies that have the character as known mine areas will be prioritized for follow-up with prospecting and mapping.

BUSINESS OF THE COMPANY

General

The Company is an exploration company active in Colombia with an emphasis on generating silver and gold exploration projects with world-class discovery potential.

The Company considers the Santa Ana Project to be its only material property for the purposes of applicable Canadian securities laws.

Stage of Development

The Company is in the exploration and development stage and does not produce, develop or sell any products at this time and consequently, has no current operating income or cash flows from the properties that it holds, nor has it had any income from operations in the past three financial years. As a consequence, operations of the Company are funded solely by equity financings. The Company's strategy is to advance its projects through exploration, resource, feasibility and permitting and then sell the projects to producing mining companies.

Specialized Skill and Knowledge

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, logistical planning and implementation of exploration programs, mining, metallurgy, accounting and law. To date the Company has been able to readily locate and retain such professionals and believes that it can continue to locate and retain such employees and consultants necessary to operate its business and achieve its stated corporate objectives.

Competitive Conditions

There is significant competition in the mineral exploration industry. The Company competes with other mining companies, many of which have greater financial resources and technical facilities for the acquisition and development of, and production from, mineral concessions, claims, leases and other interests, as well as for the recruitment and retention of qualified employees and consultants. The Company also competes for financing with other resource companies, most of which have greater financial resources and/or more advanced properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Components

All of the raw materials the Company requires to carry on its business are readily available through normal supply or business contracting channels in Canada at commercially reasonable prices. The Company has secured the personnel needed to conduct its contemplated programs.

Cycles

The mining business, and the silver and gold sectors in particular, is subject to significant volatility, including cyclical, in commodity prices and in the supply and cost of labor, equipment, fuel and

other resources integral to development and operating of a mining project. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

Economic Dependence

The Company's business is not substantially dependent on any contract such as a contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

Changes to Contracts

It is not expected that the Company's business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Environmental Protection

The Company's current mining, exploration and development activities are subject to various Colombian laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. The Company is in full compliance with all environmental protection requirements under applicable law, and such requirements do not have a material impact on the capital expenditures, profit or loss or the competitive position of the Company.

Employees

As at August 31, 2021, the Company had 1 full-time employee, and its subsidiaries had 68 full-time employees. The Company also relies upon consultants to carry on many of its activities.

Foreign Operations

The Company's main project is located in Colombia. See "Mineral Project Disclosure – Santa Ana Project". Mineral exploration and mining activities in Colombia may be affected in varying degrees by government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on permitting, production, price controls, income taxes, expropriation of property, environmental legislation and mine safety. Future development and operations may be affected in varying degrees by such factors as government regulations or changes thereto. The Company has a regional office located in Medellin, Colombia.

RISK FACTORS

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist. The Company is in the business of the exploration of mineral properties. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. It is exposed to a number of risks and uncertainties that are common to other mining companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks.

Negative Impacts by an Outbreak of Infectious Disease or Pandemic

An outbreak of infectious disease, pandemic or a similar public health threat, such as the COVID-19 pandemic, and the response thereto, could adversely impact the Company, both operationally and financially. The global response to the COVID-19 pandemic has resulted in, among other things, border closures, severe travel restrictions and extreme fluctuations in financial and commodity markets. Additional measures may be implemented by one or more governments around the world in jurisdictions where the Company operates. Labour shortages due to illness, the Company or government imposed isolation programs, or restrictions on the movement of personnel or possible supply chain disruptions could result in a reduction or interruption of the Company's operations, including operational shutdowns or suspensions. The inability to continue ongoing exploration and development work could have a material adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. The Company's operations have not been materially impacted to date as a result of the COVID-19 pandemic, but there can be no assurance that the Company will remain unaffected by the current COVID-19 pandemic or potential future health crises. The extent to which COVID-19 and any other pandemic or public health crisis impacts the Company's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of and the actions required to contain the COVID-19 pandemic or remedy its impact, among others.

Mining

The Company is engaged in exploration and development of minerals and is exposed to a number of risks and uncertainties that are common to other companies in the same business. Unusual or unexpected geologic formations, formation pressures, seismic activity, fires, power outages, flooding, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labour are risks involved in the operation of mines and the conduct of exploration programs. These risks and hazards could result in damage to, or destruction of, mineral properties or producing facilities; personal injury or death; environmental damage; delays in mining; and monetary losses and possible legal liability. As a result, production may fall below estimated levels and the Company may incur significant costs or experience significant delays that could have a material adverse effect on the Company's financial performance, liquidity and results of operation. Although the Company maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. There is no assurance that any exploration activities of the Company will result in the development of an economically viable mineral projects. Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. Among the many uncertainties inherent in any mineral exploration and development program are the location of economic ore bodies, the development of appropriate metallurgical processes, the receipt of necessary regulatory permits and the construction of mining and processing facilities. In addition, substantial expenditures are required to pursue such exploration and development activities. Assuming discovery of an economic ore body, depending on the type of mining operation involved, several years may elapse from the initial phases of drilling until commercial operations are commenced and during such time the economic feasibility of production may change.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. The economic viability of a mineral deposit depends on a number of factors, including and without limitation: the characteristics of the orebody and its proximity to infrastructure, costs associated with exploration, development and operation of the mine project, prevailing metal prices, economic and financing conditions.

Permitting

The mineral projects are subject to receiving and maintaining permits from appropriate governmental authorities. Although the Company believes that the owners, operators and partners of its mining operations will obtain in due course, all required permits for their respective operations, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations, additional permits for any possible future changes to operations or additional permits associated with new legislation. Prior to any development on any of the properties and projects, permits from appropriate governmental authorities may be required. There can be no assurance that the owners, operators and partners of the mining operations will continue to hold all permits necessary to develop or continue operating at any particular property or for any particular project. 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 to be curtailed. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the owners or operators of the mining operations, resulting in increased capital expenditures or production costs, reduced levels of production at producing properties or abandonment or delays in development of properties.

Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations (“**NGOs**”) who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company’s operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company’s business, financial condition, results of operations, cash flows or prospects.

Legal Proceedings

The Company may be subject to regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot

be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal disputes can be substantial, even with claims that have no merit. If the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Foreign Country Risk

The Company's principal mineral properties are located in rural Colombia. Over the past 10 to 15 years, the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political, economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups. In addition, Colombia experiences narcotics-related violence, kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Company to suspend operations on its properties.

Although the Company is not presently aware of any circumstances or facts which may cause the following to occur, other risks may involve matters arising out of the evolving laws and policies in Colombia, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, or other matters.

Foreign Operations

The Company's key asset, the Santa Ana Project, and operations are located in Colombia. Colombia's legal and regulatory requirements in connection with companies conducting mineral exploration activities, banking system and controls as well as local business culture and practices are different from those in Canada. The officers and directors of the Company must rely, to a great extent, on the Company's Colombian legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on the members of management and the Board who have previous experience working and conducting business in Colombia to enhance its understanding of and appreciation for the local business culture and practices in Colombia. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters in Colombia. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Colombia are beyond the control of the Company and may adversely affect its business.

Due to its location in Colombia, the Santa Ana Project depends in part upon the performance of the Colombian economy. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Colombia over which

the Company does not have control. Because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is disfavoured by international investors, Colombia could also be adversely affected by negative economic or financial developments in other emerging market countries.

Differing Interpretations in Tax Regimes in Foreign Jurisdictions

Tax regimes in foreign jurisdictions may be subject to sudden changes. The Company's interpretation of taxation law where it operates and as applied to its transactions and activities may be different than that of applicable tax authorities. As a result, tax treatment of certain operations, actions or transactions may be challenged and reassessed by applicable tax authorities, which could result in adverse tax consequences for the Company, including additional taxes, penalties or interest.

Foreign Subsidiaries

The Company conducts certain of its operations through foreign subsidiaries and some of its assets are held in such entities. Any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Government Regulation

The Company's mineral exploration activities in Colombia may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties or the costs related to the Company's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, government-imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and mine safety. The effect of these factors cannot be accurately predicted. Although the Company's exploration activities are currently carried out in material compliance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Seizure or Expropriation of Assets

Pursuant to Article 58 of the Colombian constitution, the Government of Colombia can exercise its eminent domain powers in respect of the Company's assets in the event such action is required to protect public interests. According to Law 388 of 1997, eminent domain powers may be exercised through: (i) an ordinary expropriation proceeding (*expropiación ordinaria*), (ii) an administrative expropriation (*expropiación administrativa*) or (iii) an expropriation for war reasons (*expropiación en caso de guerra*). In all cases, the Company would be entitled to a fair indemnification for expropriated assets. However, indemnification may be paid in some cases years after the asset is effectively expropriated. Furthermore, the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or the value of the asset as part of an ongoing business.

Tax Matters

The Company is subject to income taxes and other taxes in a variety of jurisdictions and the Company's tax structure is subject to review by both Canadian and foreign taxation authorities. The Company's taxes are affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Company's filing position were to be challenged for whatever reason, this could have a material adverse effect on the Company's business, results of operations and financial condition.

No History of Profitability

The Company has a history of losses and there can be no assurance that it will ever be profitable. The Company expects to continue to incur losses unless and until such time as it commences profitable mining operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with any strategic partners, if any. There can be no assurance that the Company will ever generate revenues from operations or that any properties the Company may hereafter acquire or obtain an interest in will generate earnings, operate profitably or provide a return on investment in the future. There can be no assurance that the Company's cost assumptions will prove to be accurate, as costs will ultimately be determined by several factors that are beyond the Company's control.

Risks Associated with Mineral Markets

The Company's business is strongly affected by the world market price of various types of minerals that are found on the Santa Ana Project and the Company's other properties. Global metal prices fluctuate widely and are affected by numerous factors beyond the Company's control, including global demand and production levels; political and economic conditions; speculative activities; inflation; interest rates; central bank lending, sales and purchases of the minerals that are found on the Santa Ana Project and the Company's other properties; the strength of, and confidence in, the U.S. dollar, the currency in which the price of minerals is generally quoted; and currency exchange rates. If the world market price of the minerals that are found on the Santa Ana Project and the Company's other properties were to drop and the prices realized by the Company on sales were to decrease significantly and remain at such a level for any substantial period, the Company's future profitability and cash flow would be negatively affected. Mineral prices can be subject to volatile price movements, which can be material and can occur over short periods of time and are affected by numerous factors, all of which are beyond the Company's control. Depending on the market price of the minerals that are found on the Santa Ana Project or the Company's other properties, the Company may determine that it is not economically feasible to continue some or all of its operations or the development of some or all of its projects, as applicable, which could have an adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Risks with Title to Mineral Properties

Title on mineral properties and mining rights involves certain risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyance history of many mining properties. Although the Company has, with the

assistance of its legal advisors, diligently investigated and validated title to its mineral claims, there is no guarantee that the Company will not encounter challenges or loss of title to its assets. The Company does not carry title insurance. The Company is actively engaged in the process of seeking to strengthen the certainty of its title to its mineral concessions, which are held either directly or through its equity interest in its subsidiaries. The Company cannot give any assurance that title to properties it acquired individually or through historical share acquisitions will not be impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties. Failure by the Company to retain title to properties which comprise its projects could have a material adverse effect on the Company and the value of its Common Shares.

Indigenous Rights and Land Claims

The Company's properties may now or in the future be the subject of Indigenous rights or Indigenous land claims. The legal nature of Indigenous rights and Indigenous land claims is a matter of considerable complexity. The impact of any such rights or land claims on the Company's interest in its properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of any Indigenous rights or land claims in the areas in which the Company's properties are located, by way of negotiated settlements or judicial pronouncements, would not have an adverse effect on the Company's activities.

Environmental Risks and Hazards

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Natural Disasters, Geopolitical Instability or Other Unforeseen Events

Natural disasters, terrorism or other unanticipated events, in any of the areas in which the Company operates could cause interruptions in the Company's operations. Natural disasters, geopolitical tensions and instability (including terrorism) or other unforeseen events could negatively affect project development, operations, labour supply and financial markets, all or any of which could have a material adverse effect on the Company's business, financial condition, operational results or cash flows.

Risks Associated with Potential Acquisitions

The Company is actively evaluating opportunities to acquire mining assets and businesses. These acquisitions may be material in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition targets, acquire them on acceptable terms and integrate their operations successfully with those of the Company.

Any acquisitions would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of

the Company through the successful incorporation of acquired assets and businesses; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential unknown liabilities associated with acquired assets and businesses, including environmental liabilities. In addition, the Company may need additional capital to finance any such acquisitions. Debt financing related to acquisitions would expose the Company to the risk of leverage, while equity financing may cause existing Shareholders to suffer dilution. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Competition and Scarcity of Mineral Lands

The mining industry is intensely competitive, with many companies and individuals engaged in the mining business including large, established mining companies with substantial capabilities. There is a limited supply of desirable mineral lands available for claim staking, lease or other acquisition in the areas where the Company contemplates conducting exploration activities. The Company may be at a disadvantage in its efforts to acquire quality mining properties as it must compete with individuals and companies which in many cases have greater financial resources and larger technical staffs than the Company. Accordingly, there can be no assurance that the Company will be able to compete successfully for new mining properties. Increased competition for experienced mining professionals, equipment and other resources could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration.

Future Profits/Losses and Production Revenues/Expenses

The Company has no history of operations and expects that its losses will continue for the foreseeable future. The Company does not expect to receive revenues from operations or be profitable in the foreseeable future, if at all. The Company expects to incur losses until such time as a property enters into commercial production and generates sufficient revenues to fund its continuing operations. Development will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability. The Company's operating expenses and capital expenditures may increase in subsequent years due to the cost of employees, consultants, service providers and equipment associated with advancing exploration and development. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the Company's strategic analyses, the rate at which operating losses are incurred, the execution of any joint venture or other agreements with strategic partners, and the Company's acquisition of additional properties and other factors, many of which factors are beyond the Company's control.

Personnel; Equipment

The ability to identify, negotiate and consummate transactions that will benefit the Company is dependent upon the efforts of the Company's management team. The loss of the services of any member of management could have a material adverse effect on the Company. The Company's future drilling activities may require significant investment in additional personnel and capital equipment. Given the current level of demand for equipment and experienced personnel within the mining industry, there can be no assurance that the Company will be able to acquire the necessary resources to successfully implement its business plan.

The Company is heavily dependent on its key personnel and on its ability to motivate, retain and attract highly skilled persons. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the Company could be adversely affected. There can be no assurance that the Company will successfully attract and retain additional qualified personnel to manage its current needs and anticipated growth. The failure to attract such qualified personnel to manage growth effectively could have a material adverse effect on the Company's business, financial condition or results of operations.

Insurance

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions and other environmental occurrences may occur. It is not always possible to fully insure against such risks and, even where such insurance is available the Company may decide to not take out insurance against such risks. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company.

Infrastructure

Mining, processing, development and exploration activities and mining operations depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which effect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Financing

Additional funding may be required to complete the proposed or future exploration and other programs on the Company's properties. There is no assurance that any such funds will be available. Failure to obtain additional financing, if required, on a timely basis, could cause the Company to reduce or delay its proposed operations. The majority of sources of funds currently available to the Company for its acquisition and development projects are in large portion derived from the issuance of equity. While the Company has been successful in the past in obtaining equity financing to undertake its currently planned exploration and development programs, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Currency Risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk.

Market for Securities

There is currently no market through which the Company's securities, other than its Common Shares, may be sold and, unless otherwise specified in a prospectus, prospectus supplement or any amendments thereto, the Company's securities, other than its Common Shares, will not be listed on any securities or stock exchange or any automated dealer quotation system. As a consequence, investors may not be able to resell the Company's securities, other than its Common Shares. This may affect the pricing of the Company's securities, other than its Common

Shares, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of trading regulation. There can be no assurance that an active trading market will develop for the aforementioned securities, or, if developed, that such a market will be sustained at the price level at which it was offered.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada and the United States 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 which 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. The market for the Common Shares will be subject to market trends generally, notwithstanding any potential business of the Company. The value of the Common Shares will be affected by such volatility.

Unlimited Number of Authorized but Unissued Shares

The Company has an unlimited number of Common Shares that may be issued by the Board without further action or approval of the Company's Shareholders. While the Board is required to fulfil its fiduciary obligations in connection with the issuance of such shares, the Common Shares may be issued in transactions with which not all Shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's Shareholders.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity and the fluctuations in the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results, and financial condition.

Information Technology

The Company relies on information technology systems and any inadequacy, failure, interruption or security breaches of those systems may harm its ability to effectively operate the business. The Company is dependent on various information technology systems, including, but not limited to, networks, applications and outsourced services in connection with the operation of the business. A failure of the Company's information technology systems to perform as it anticipates could disrupt the business and cause the business to suffer. In addition, the Company's information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, systems failures, viruses and security breaches. Any such damage or interruption could have a material adverse effect on the business and operations of the Company.

Cybersecurity Incidents and Technological Disruptions

A cybersecurity incident or other technology disruptions could negatively impact the business and its reputation. The Company uses computers in substantially all aspects of business operations. It also uses mobile devices, social networking, cloud services and other online activities to connect with employees and contractors. Such uses give rise to cybersecurity risks, including security breaches, espionage, system disruption, theft and inadvertent release of information.

Climate Change

Climate change may negatively affect the Company's business and operations. There is concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of natural resource exploration, development and production. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

MINERAL PROJECTS – SANTA ANA PROJECT

The information below is based on the Technical Report titled "NI 43-101 Technical Report on the Santa Ana Project" dated effective February 24, 2021 and with a report date of March 15, 2021 and prepared for the Company by Jack King, MIMMM, as the Qualified Person for the Technical Report. The Technical Report has been filed with Canadian securities regulatory authorities and prepared pursuant to NI 43-101 and is available for review under the Company's issuer profile on SEDAR at www.sedar.com. Mr. King is a Qualified Person under NI 43-101.

On January 24, 2020, the Company completed the acquisition of the Santa Ana Project in Tolima, Colombia. Consideration of 24,000,000 common shares of Outcrop were transferred to Cedar Capital at a value of \$0.11 per share in exchange for all of the issued and outstanding shares of Cedar Capital's wholly owned subsidiary, Malew Overseas S.A. ("**Malew**"). Malew's wholly owned subsidiary, Minerales Santa Ana Columbia SAS (formerly Lost City SAS), owns the Santa Ana Project. The Santa Ana Project is located in the Municipality of Falan, Tolima Department, Colombia, approximately 15 km southeast of the town of Mariquita, and 190 km from Bogota, Colombia's capital city.

The Project comprises of multiple claim blocks covering over 36,000 hectares and is located in the Municipality of Falan (Tolima Department, Colombia), approximately 15 km south-west of the town of Mariquita, and 190 km west of the capital, Bogota. OGC has 100% ownership of the Santa Ana Project.

At the core Royal Santa Ana project, located at the northern extent of just one of the regional vein systems controlled by Outcrop, seven high grade shoots have been discovered – La Ivana hanging-wall and footwall (La Porfia vein system); San Antonio, Roberto Tovar, San Juan (Royal Santa Ana vein systems); El Dorado (El Dorado and El Paraiso vein systems) and Megapozo (El Paraiso vein system). Each zone commonly contains multiple parallel veins. The veins can show

both high-grade silver and high-grade gold mineralization and may be both low and high angle depending on local controls. Drilling indicates that mineralization extends from surface or near surface to depths of at least 300 to 450 metres.

Seven vein zones have been interpreted which taken together accumulate to over 60 kilometres of total strike. Each zone contains a package of several parallel veins. Veins mapped to date are north northeast and northwest striking but locally east-west striking veins are observed, and some historic reports indicate production from all vein-trends. The veins are interpreted to be a composite of early polymetallic gold-silver orogenic thrust-fold related and later epithermal open-space veins in highly deformed Paleozoic schist, quartzite and gneiss of the Cajamarca Formation.

On July 16, 2020, the Company entered into a Purchase and Sale Agreement with Activos Mineros de Colombia S.A.S. to acquire a significant increase in the land position surrounding and along trend from the Santa Ana Project, including the consolidation of multiple regional scale, parallel silver-gold belts in the Mariquita District, Colombia. The new claims increased the Santa Ana land position to over 36,000 hectares. The new claims cover five regional scale parallel vein systems across a trend 12 kilometres wide and 30 kilometres long.

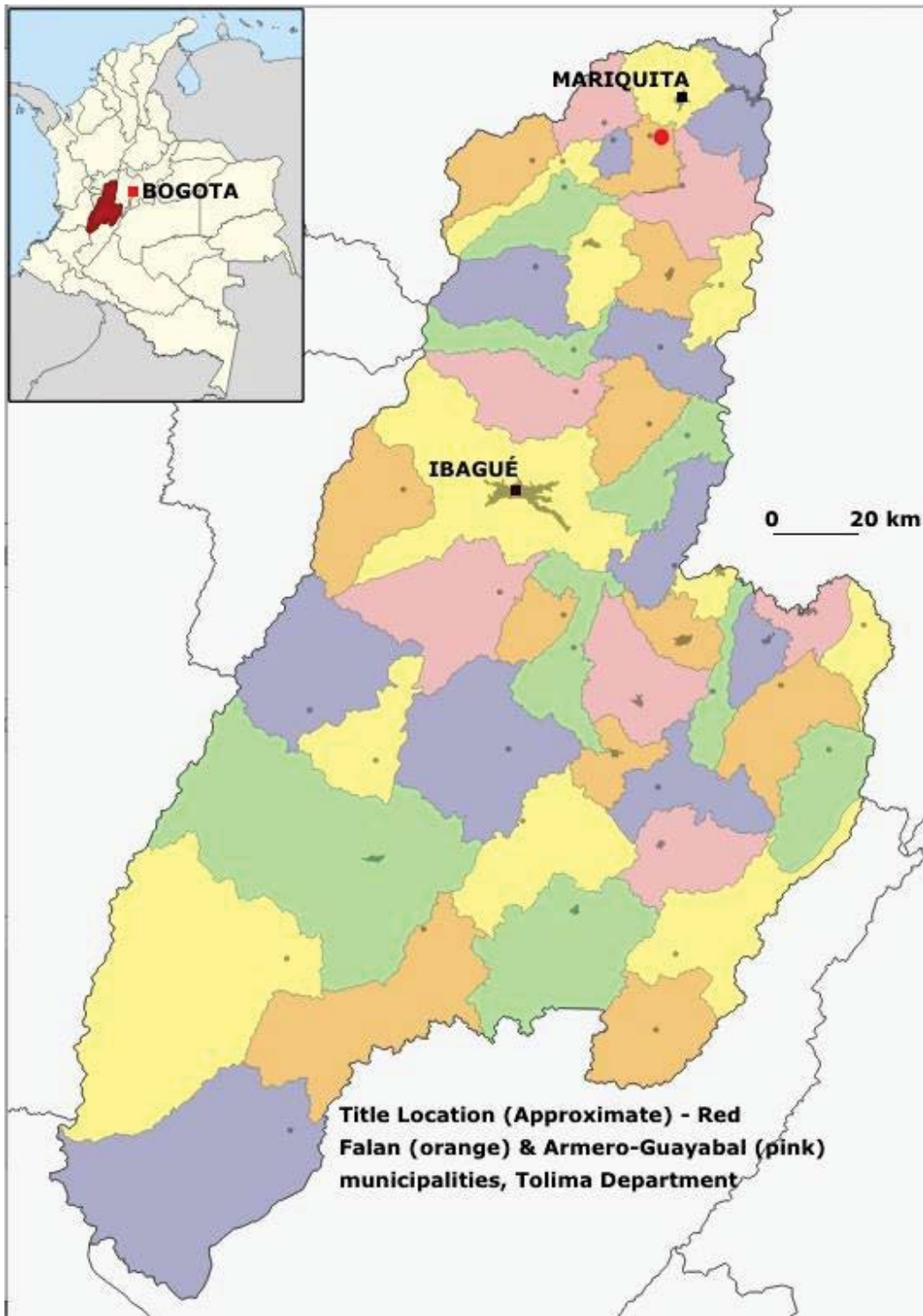
Project Description, Location and Access

Property Location

The Santa Ana Project comprises of eighteen applications and titles totaling 36,000 hectares , located in the Municipality of Falan, (Tolima Department, Colombia), approximately 15 km southeast of the town of Mariquita, and 190 km from Bogota, Colombia's capital. The Latitude and Longitude of the Santa Ana Project are approximately 3°10'40"N and 76° 15' 44"W. The Project is located in Sheet number 300 IV-C and 321 II-A from Instituto Geográfico Agustín Codazzi (IGAC).

Properly Location Map



Property Location Graphic

[illegible]

In order to initiate the construction phase, a company must file a “Programa de Trabajo y Obras” (“PTO”), within the final three months of the exploration phase. The PTO is a technical document that describes, among others things, the area of operation, the characteristics of reserves to be exploited, the location of facilities and mining works, the mining plan of exploitation, the scale and duration of the expected production, the physical and chemical characteristics of minerals that are going to be exploited and the closure plan of exploitation and abandonment of the assemblies and the infrastructure. During the construction phase, the concessionaire may make changes and additions that are necessary prior to filing with the environmental and mining authorities. Further, during this phase, the concessionaire is authorized to initiate anticipated exploitation and make use of provisional equipment and civil works.

In Colombia, there are annual payments for the mineral rights which the Company is obligated to pay to remain in good standing.

Environmental Liabilities

The Santa Ana Project has potential environmental liabilities due to past and informal artisanal mining activities, including: (i) surface disturbance and degradation including deforestation, (ii) waste rock and tailings from previous colonial mining operations, and (iii) contamination of soil and water from past mining operations.

Under Colombian mining and environmental laws, the Company is responsible for any environmental remediation and any other environmental liabilities based on actions or omissions occurring from and after the entry into force and effect of the relevant concession contract, exploration license or mining request, as applicable, even if such actions or omissions occurred at a time when a third party was the owner of the relevant mining title. The Company is not responsible for any such remediation or liabilities based on actions or omissions occurring before the entry into force and effect of the relevant concession contract, exploration license or mining request, as applicable, from historical mining by previous owners and operators, or based on the actions or omissions of third parties who carry out activities outside of the mining title, such as illegal miners. The Constitution, the National Code of Renewable Natural Resources and Protection of the Environment (Decree – Law 2811 of 1974) as well as Law 99 of 1993, form the basis of environmental regulations in Colombia.

Surface Rights

Surface rights are not considered a part of the mining titles or rights and are not governed by mining laws even though the mining regime provides for expropriation of real property and the imposition of easements and rights-of-way. Surface rights must be acquired directly from the owners of such rights, but it is possible to request that judicial authorities facilitate expropriation and/or grant easements or rights-of-way necessary for a mining operation.

The Santa Ana Project does not have any surface rights in the project area. In Colombia there is no requirement to have surface ownership to access the subsoil. Mining law in Colombia provides the access to land and the possibility of expropriation of the surface rights, as mining activity is considered to be in the public interest. Access to exploration target areas is requested from the local landowners prior to completing any exploration activities. The Company has surface easement agreements with numerous owners to allow access to the entire Santa Ana Project.

Santa Ana Project Agreement

Outcrop (previously Miranda Gold Corp.), purchased the Santa Ana Project pursuant to an agreement with Cedar Capital for consideration of 24,000,000 common shares in the Company. Cedar Capital's 100% owned subsidiary Malew Overseas owns a 100% interest in Minerales Santa Ana SAS (formerly Lost City SAS), which in turn owns a 100% interest in the Santa Ana Project.

Santa Ana Mining Rights

The mining title HFL-151 is 100% owned by Minerales Santa Ana SAS (formerly Lost City SAS), a 100% owned subsidiary of Outcrop, and covers an area of 942 hectares. Recent titles granted to Outcrop by the National Agency of Mining total over 5,800 hectares.

Ownership / Owner	Type of Claim	No. of Claims	Serial Numbers	Area (Ha)
Minerales Santa Ana S.A.S.	Titles	1	HFL-151	942
Activos Mineros	Titles	3	QLV-08191	511
			RAP-08001	445
			RC2-08051	1057
			QAE-08001	1171
			QB4-08001	719
Miranda Gold Colombia II Ltd Sucursal Colombia	Titles	4	501725	49
			501737	76
			501724	107
			500464	911
TOTAL Titles				5988

Royalties

The Santa Ana Project is subject to a 2% net smelter returns royalty payable to Orford Mining Corporation. Upon closing of the acquisition of the Santa Ana Project, Outcrop holds a right of first refusal on the royalty, as well as the right to acquire half of the royalty for \$500,000 at any time. The property will be subject to state royalty payments should the property be put into production. Royalties payable to the state are 4% of gross value at the mine gate for gold and silver (Law 141 of 1994, modified by Law 756 of 2002). For the purposes of royalties, the gold and silver prices are set by the government and is typically 80% of the average of the London Afternoon Fix price for the previous month for an effective gross royalty of 3.2%.

Accessibility, Climate, Local Resources, Infrastructure & Physiography

The Santa Ana Project area, approximately 15 km south-west of the town of Mariquita, lies within the Cordillera Central. Located in the Municipality of Falan, Tolima Department, some 190 km West of the capital, Bogota, it is characterised by moderately to steeply incised relief, cut by a

number of tributary creeks (quebradas). Most of the rivers and creeks drain into the Magdalena River to the East. The property elevation ranges from 700 to 1,100 m a.s.l.

Access is south from Mariquita, along highway 43, then west along the paved road, Palo Cabildo. The route passes through Falan, 990 m a.s.l., and continues westwards to the town of Palocabildo.

The region has a sub-tropical rainforest climate under the Köppen climate classification, though with slightly lower temperatures at higher elevations. Average annual high temperatures are close to 30° C, with lows of 16° C. Average monthly precipitation exceeds 60 mm. (Taken from Ibagué data, elevation 1,285 m. a.s.l.).

Over 90% of the rainforest has been cleared for slash and burn agriculture, replaced by, in the lowlands near Mariquita and southwards, dairy and cattle farming, or at higher elevations, mixed crop agriculture, consisting primarily of corn, banana and coffee, yucca and plantain, with more recent introductions of guanabana and yellow pitaya.

Mariquita is a regional government centre of approximately 35,000 people, with a small municipal and military airport. Other centres are Honda, population 26,000, to the north-east, on the Magdalena River, and to the south, the regional capital, Ibagué, a city of nearly 500,000 people, and the seventh largest in Colombia. Personnel and industrial equipment can be sourced from Ibagué, though most mine construction equipment would be sourced from Bogota or Medellín.

Property History

There are no records of any recent systematic mining in the project area. Minor artisanal extraction along some creeks no longer takes place, with strict enforcement. Historically, the region is famous for precious metals extraction by the indigenous people, who extracted native gold from unconsolidated Recent-Quaternary sediments, alluvial sediments and underground mining. Following the Spanish conquest, more formal mining commenced, with extraction of gold and more importantly, silver specifically around the town of Falan to the north. During Spanish control, silver grades were reported to be some of the highest in Latin America. Spanish mining was superseded by British, commonly Cornish migrants who worked their way through Central then Southern America. The British engineer Robert Stevenson, son of George, worked briefly in the Falan area, with well-preserved old mine workings within and around the town, and several km to the South. His reports, with accompanying old plans and sections reveal relatively extensive underground work by the indigenous people and the Spanish, in and around Falan.

A gold-silver rush started in the area in the 1930s, with focus on existing or past producing mines. As a result, 4 mining districts (re)-started: Ibagué, Anzoategui, Santa Isabel and Líbano.

There is no known official documentation regarding the property from the 1930s. In 2012, Condor Precious Metals acquired the Santa Ana Property (through its subsidiaries Malew Overseas SA and Minerales Santa Ana Columbia SAS (formerly Lost City SAS). In 2016, Red Eagle Exploration Limited (through its subsidiary Cedar Capital), acquired Malew Overseas from Condor Precious Metals.

Historical Exploration Programmes

Lost City SAS, a 100% subsidiary of Condor Precious Metals (“**CPM**”) signed an Assignment Agreement dated March 31, 2012 to acquire 100% of the Mining Title JGF-08181 (Contrato de

Concesión) from Bryan Steven Castro Izquierdo and Hernando Sánchez Alvarado, beneficial holders of the Santa Ana JGF-08181 Project.

Before 2012, there are no known official records of work on the property other than informal artisanal placer mining on the Morales Creek and its tributary creeks prior to CPM's involvement on the property.

CPM conducted intermittent exploration consisting of prospecting and rock chip geochemistry, followed by a Phase I diamond drill programme during 2012. The main exploration target was the former colonial Santa Ana silver mine, where there are numerous tunnels with exposed veins. Work thereafter consisted of prospecting to extend and better characterise known veins and sample these and other discoveries made during this campaign. The tunnels were partially surveyed using chain and compass, with sample locations mapped.

In 2013, CPM conducted exploration consisting of mapping, prospecting and rock chip geochemistry on the property to demonstrate continuity of known vein and mineral occurrences and provide better geochemical characterization of the vein system(s). The main targets explored were the El Dorado/La Platilla zone, La Manta zone, the Pollera Vein, South of Morales Creek, La Porfia West, and Murillo Creek West.

Historical Drilling

CPM completed a total of 1,170.5 meters drilled eight drillholes, all from a single platform. Diamond drilling commenced on August 12, 2012 and was completed on September 16, 2012. Kluane Drilling Ltd. of Whitehorse, Yukon (Canada) and its Colombian subsidiary carried out the drill program. Drilling was conducted using one custom-made man-portable modular drill rig suitable for being mobilized using manpower and mules. The drill-core and fuel as well as all the necessary accessories and supplies were moved in and out of the drill site using mules. Drilling was performed in two 12-hour shifts per day, and the program was based out of the town of Falan.

Historical Resources

There is no record of any historical mineral resource estimates on the Santa Ana Project.

Historical Production

There is no record of any historical production on the Santa Ana Project other than from the Spanish archives during the Colonial Period (XV to XVIII Centuries). The Spanish archives do not quantify production, just average widths and grades from smelter return.

Geological Setting

Regional Geography

The western half of Colombia is transected by the Andes Mountains, which form a continuous, over 7,000 km long chain along the western margin of South America.

In Colombia, the Andes comprises three North-South trending ranges (the Western, Central, and Eastern Cordillera). From west to east, the Western Cordillera (Occidental) and Central Cordillera are separated by the Cauca-Patia Depression, the Central and Eastern Cordillera (Oriental) are separated by the Magdalena Depression, (the 'depressions' are expressed as two intermontane fluvial valleys), with the Precambrian Guiana Shield under and east of the Cordillera Oriental.

Western and Central Colombia forms part of the North Andean Block, extending from Venezuela to the North, through Colombia, into Ecuador. This block is one of three major lithospheric plates in the region, the others being the Pacific, or Nazca Plate, and the Caribbean Plate.

Local Geography

The Santa Ana Project is underlain by a series of dark grey to green-grey graphitic and pyritic schists forming part of the Cajamarca Formation, and displaying a very pronounced northerly trending foliation. In the upper parts of the property, the late Pliocene Mesa formation (conglomerates, sandstones) unconformably overlies the Cajamarca Formation.

Mineralisation

The Santa Ana Project covers at least six mapped and interpreted vein zones that taken together accumulate over 60 kilometres of total strike, based on outcrop exposure, extrapolation between such and underground workings. Each zone contains a package of several parallel veins. Vein geometry, that which hosts significant silver-gold mineralisation, appears planar, re-mobilised, locally banded with sulphides, and displays several if not multiple silica-rich fluid phases. Those mapped to date strike north-south but locally east-west striking veins are observed. These too are mineralised. The district has a 10 kilometre width, extending from east of the town of Falan, westwards towards La Rica, with numerous north-south striking and east-west striking veins distributed within the north to north-northeast trending regional Palestina fault zone in second and third order faults. Generally, veins in the district are hosted by sub-parallel, oblique-slip normal faults and extension fractures. The vein zones extend at least 32 kilometres from the Royal Santa Ana Mines area to south or the El Porvenir Mine.

Most faults that host mineralisation strike between 020° and 040° and dip moderately to steeply west in title HFL-151, and further south, strike between 030° and 060° and dip moderately to steeply north-west. These fault orientations host some of the richest veins of the district, including Mina Vieja, Pollera-Paraso-El Dorado-La Platilla, La Porfia-La Manta on title HFL-151. Strike-slip controlled mineralised veining is parallel to remobilised lower-middle order faulting. Vein textures include crustiform banding, breccias, and cockade textures, suggesting that vein opening and filling was episodic, with several episodes of fault movement related to brecciation and mineralisation.

Deposit Types

The Santa Ana Project polymetallic silver-gold veins are interpreted to be a composite of early polymetallic gold-silver orogenic thrust-fold related and later epithermal open-space veins in highly deformed Palaeozoic schist, quartzite and gneiss of the Cajamarca Formation. Veins are commonly associated with small intrusive body margins. The orogenic veins may have an intrusive affinity, evidenced by associated tungsten minerals. The veins and mineralisation as described would broadly conform to the classification proposed by e.g. Simmons, Stuart F., White, Noel C. and John, David A. (2005) and Corbett, G.J., 2002. Early hydrothermal orogenic veining appears to have been overprinted by this epithermal system.

At this preliminary stage, pathfinder or anomalous elements that appear to be associated with the precious metal mineralisation include varying quantities and ratios of, As, Cd, Mn, Sb, Sr, W and Zn. The deposit type can have open-space veining, commonly with stockwork or layered sulphide mineralisation and relatively minor disseminated and replacement sulphides. Typically observed textures are veining, banding, and cavity/open space filling. Mineralogically they are characterized by free gold and small amounts of sphalerite (Zn), galena (Pb), and chalcopyrite (Cu) in a quartz-

rich gangue. Silver and gold are associated with sulphides including pyrite, sphalerite, galena and to a lesser extent, chalcopyrite. They can have economic vertical extents in excess of one kilometre.

The characteristics of the veining and mineralisation are similar to those at, for example, Creede, Colorado (Cox and Singer, 1992), Guanajuato, Mexico (Gross, 2006), and Cailloma, Orcopampa and Arcata districts, Peru (Ericksen and Cunningham, 1993).

Gold-silver mineralisation in the district is considered to be remobilised, two-stage orogenic-epithermal in nature. Examples of silver-rich orogenic mineralisation include the Tieluping silver-lead deposit, Henan Province, China (Chen et al, 2004) and the Lachlan Orogen, Cobar-type deposits, near Broken Hill, New South Wales, Australia – e.g. Hera and CSA Au-Ag-Cu-Zn deposits.

Distal, intrusion-related Ag-Pb-Zn deposits may be associated with proximal, orogenic gold deposits, e.g. the Snip Gold Mine, northern BC, where outlying precious-base metal veining is associated with the Red Bluff Porphyry (pers. obs.). Several of the orogenic hydrothermal gold deposits of the Pataz Province, eastern Andean Cordillera, Peru, are silver rich with quite low Au:Ag ratios close or slightly more than 1:1. (See e.g. Haeblerlin et al., 2004). Mineralised fractures and veins are spatially related to Carboniferous pluton emplacement. Other mining camps include the Ag-Pb-Sb-Au district, Pershing County, Nevada,

An intrusion-related source for the metals cannot be ruled out, but such has yet to be discovered, unless one concludes the Ibagué pluton to be a candidate. Typically, orogenic gold deposits with a high base metal, silver and occasionally tin content have been emplaced at relatively shallow depths and in the case of South America, are associated with Andean-type intrusions.

Overprinting this is low-sulphidation epithermal system defined by quartz-(adularia)-(sericite) veining with silver-gold (including sulphosalt) mineralisation, elevated levels of sphalerite, tungsten and galena, hosted in chloritic, locally graphitic schist of the Cajamarca Formation. Mineralisation took place likely during the Cretaceous-Jurassic, formed at shallow levels (5 km or less), from acidic low CO₂ fluids. The setting would be 'Arc Low-sulphidation', within the accreted terrane of the mainly Cajamarca sequence.

On a regional scale, there are favourable comparisons with Andean Palaeozoic gold deposits. There are significant Ordovician to Carboniferous age, quartz vein, structurally-hosted gold deposits within turbidites, granites and gneisses in three major Au⁺/Sb⁺/W metallogenic belts, extending from northern Peru to central Argentina along the Eastern Cordillera, South to Argentina. Examples include in Peru, the Pataz-Marañón batholith-hosted gold deposits; Bolivian sediment-hosted Sb-(Au) mineralisation; Au-Ag-W veins within the Argentinean Sierra Pampeanas (pers. obs). One could also include the Antioquia region, Colombia, forming a portion of the mid-Cauca Belt.

Exploration

Since December 2019 Outcrop has drilled 183 holes for 29,510 metres. Surface work to generate targets includes 9,800 soil samples and 2,140 trench samples from 160 trenches.

The following sections describe exploration completed by previous operators within the last two years. Save for mapping and sampling of the Guano/Roberto Tovar tunnel, work was of a preliminary, reconnaissance nature with inspection, prospecting and sampling of exposures in quebradas, at road cuts or ridge tops, and several previously located showings.

Red Eagle Exploration 2018 Exploration Programme

Red Eagle Exploration Limited's ("Red Eagle") exploration programme primarily consisted of minor geological mapping, channel/rock chip sampling and an orientation soil geochemical survey. The results of Red Eagle's exploration programme confirmed and expanded on the previous work completed by CPM. Red Eagle discovered a parallel mineralized shear zone to the East of the main Santa Ana mines area.

Red Eagle's rock chip and channel sampling generally confirmed CPM's results, with some samples showing higher grades than those obtained by CPM.

Red Eagle completed an orientation mobile metal ion (MMI) soil geochemical survey. The survey consisted of six profile lines in proximity to known mineralized zones with a sample spacing of 25 to 30 m along the lines. Samples were collected from various depths ranging from 0.4 m to 0.01 m within shallow sample pits. The results of the MMI survey show that there are anomalous soil samples associated with the mineralized zones on the property. Ag, Au, As, Cd, Cu, Hg, Mo and Pb anomalies are most closely associated with the mineralized zones.

In January 2018, Red Eagle cleaned out the Guano tunnel, re-naming it Robert Tovar, and subsequently mapped it and took channel samples of the mineralised veining. Mapped was a continuous 150-metre long fractured and shear zone within the Cajamarca Formation. Within this zone, Red Eagle mapped and sampled discontinuous exposures of mineralisation and quartz veining. The host is tightly to isoclinally folded, with a north-east strike, and overall steep westerly dips. The fault/shear zone generally dips steeply west, with sub-parallelism to the schist's foliation.

Drilling

The table below contains significant intercepts drilled by Outcrop in 2021:

Hole ID	From (m)	To (m)	Intercept (m)	True Thickness (m)	Au/t (g)	Ag/t (g)	% Pb	% Zn	AuEq/t (g)	AgEq/t (g)
SAED20DH50	NSR									
SAED20DH56	80.10	80.38	0.28	0.18	3.42	652	0.33	0.54	12.65	925
SAED20DH58	150.10	150.60	0.50	0.29	0.66	75	0.05	0.07	1.73	126
SAED20DH61	110.21	110.91	0.70	0.70	1.53	402	0.20	0.38	7.23	529
SAED20DH61	118.47	119.06	0.59	0.23	5.01	1290	0.45	0.84	23.13	1690
SAED20DH61	137.24	137.85	0.61	0.61	8.82	244	0.41	1.09	12.71	929
SAED20DH61	150.62	151.15	0.53	0.26	3.27	89	0.16	0.21	4.62	337
SAED20DH63	154.60	154.95	0.35	0.35	3.44	559	0.02	0.43	11.26	823
SAED20DH63	203.85	204.15	0.30	0.30	3.55	515	0.28	0.31	10.81	790
SAED20DH63	220.00	221.20	1.20	0.88	4.67	1127	0.42	0.27	20.33	1486
Includes:	220.00	220.70	0.70	0.51	7.95	1920	0.71	0.46	34.62	2530
SAED20DH65	NSR									
SAED21DH74	NSR									
SALP19DH01	64.60	64.95	0.35	0.34	10.80	115	0.09	0.30	12.52	915
SALP19DH02	39.98	40.26	0.28	0.27	22.50	52	0.09	0.28	23.35	1706
SALP20DH03	48.86	49.35	0.49	0.40	58.10	876	0.47	0.02	70.24	5133
SALP20DH03	80.74	81.20	0.46	0.36	5.83	1445	0.26	0.23	25.78	1884
SALP20DH04	22.92	23.90	0.98	0.92	21.30	4680	2.96	3.38	87.59	6401
SALP20DH04	46.35	46.83	0.48	0.48	3.78	436	0.36	0.27	9.96	728
SALP20DH05	NSR									
SALP20DH06	19.50	19.75	0.25	0.21	8.38	175	0.29	0.13	10.91	798
SALP20DH06	57.10	57.95	0.85	0.73	21.40	373	1.10	1.54	27.45	2006
SALP20DH07	71.40	71.80	0.40	0.38	3.06	246	0.17	0.20	6.56	479
SALP20DH08	83.72	84.33	0.61	0.61	29.00	1675	1.51	3.64	53.81	3933
SALP20DH09	82.50	83.08	0.58	0.57	36.20	325	1.52	1.50	41.71	3048
SALP20DH10	NSR									
SALP20DH11	NSR									
SALP20DH12	47.45	48.00	0.55	0.55	1.08	316	0.20	0.14	5.52	403
SALP20DH13	70.15	70.45	0.30	0.27	10.65	26	0.44	0.14	11.19	818
SALP20DH13	108.80	109.60	0.80	0.75	2.72	37	0.14	0.02	3.27	239
SALP20DH14	103.35	103.73	0.38	0.38	6.91	1030	2.05	3.75	23.11	1689
SALP20DH15	88.25	88.62	0.37	0.37	4.81	496	0.40	1.21	12.19	891
SALP20DH16	65.70	66.10	0.40	0.39	5.35	1710	0.66	1.20	29.42	2150
SALP20DH16	96.50	97.53	1.03	1.00	1.99	459	0.26	0.45	8.52	623
Includes:	96.50	97.03	0.53	0.52	2.80	864	0.48	0.82	15.10	1103
SALP20DH17	62.48	62.85	0.37	0.37	14.15	361	0.92	0.75	19.67	1437
SALP20DH18	66.60	67.05	0.45	0.43	0.23	59	0.05	0.07	1.08	79

Hole ID	From (m)	To (m)	Intercept (m)	True Thickness (m)	Au/t (g)	Ag/t (g)	% Pb	% Zn	AuEq/t (g)	AgEq/t (g)
SALP20DH19	57.91	58.30	0.39	0.38	10.95	360	0.71	0.27	16.20	1184
SALP20DH19	61.24	61.60	0.36	0.34	3.52	270	0.28	0.07	7.33	536
SALP20DH20	NSR									
SAED20DH50	258.20	258.50	0.30	0.24	0.43	55	0.56	0.25	1.45	106
SAED20DH52	11.32	12.19	0.87	0.87	17.15	35	0.08	0.11	17.70	1293
SAED20DH52	131.50	132.00	0.50	0.50	1.24	219	0.39	0.14	4.41	323
SAED20DH55	185.15	185.45	0.30	0.24	4.63	310	0.84	0.62	9.38	685
SAED20DH67	59.70	60.30	0.60	0.60	11.97	8	0.00	0.00	12.08	883
SAED20DH67	222.57	223.80	1.23	1.17	0.69	14	0.06	0.04	0.91	66
SALP21DH86	47.94	48.68	0.74	0.66	2.68	9	0.05	0.04	2.83	207
Includes:	48.38	48.68	0.30	0.27	4.42	15	0.11	0.04	4.67	341
SALP21DH86	74.37	75.04	0.67	0.60	1.75	244	0.11	0.21	5.20	380
SALP21DH88	96.70	97.25	0.55	0.45	12.11	468	0.57	0.78	19.00	1389
SALP21DH89	92.35	92.65	0.30	0.29	12.33	260	0.89	0.56	16.39	1198
SALP21DH91	105.40	105.79	0.39	0.33	0.46	13	0.00	0.01	0.64	47
SALP21DH92	62.74	63.20	0.46	0.45	1.21	142	0.10	0.10	3.22	235
SALP21DH92	92.50	92.80	0.30	0.28	8.19	1244	1.85	1.07	26.22	1916
SALP21DH93	102.19	102.49	0.30	0.30	4.43	1006	0.22	0.12	18.32	1339
SALP21DH96	97.04	97.45	0.41	0.39	9.75	845	1.30	6.95	24.43	1785
SALP21DH98	105.76	106.20	0.44	0.41	1.89	409	0.57	0.47	7.84	573
SALP21DH101	96.01	97.01	1.00	0.98	18.34	1354	0.45	0.93	37.37	2731
SALP21DH103	99.86	100.27	0.41	0.41	17.43	847	0.76	1.00	29.65	2167
SALP21DH104	99.50	100.00	0.50	0.44	6.94	104	0.13	0.33	8.53	624
SALP21DH106	101.40	101.70	0.30	0.24	1.45	82	0.17	0.68	2.90	212
SALP21DH110	74.95	75.65	0.70	0.63	29.11	5763	2.36	0.94	109.08	7971
SALP21DH111	51.11	51.41	0.30	0.30	2.86	960	0.31	0.86	16.43	1201
SALP21DH113	61.02	61.40	0.38	0.31	5.50	2079	0.53	0.73	34.39	2513
SALP21DH114	61.28	62.10	0.82	0.61	15.70	201	0.62	0.46	18.82	1376
SALP21DH116	75.17	75.59	0.42	0.42	6.02	2522	0.23	0.72	40.88	2987
SALP21DH117	54.24	55.60	1.36	1.18	9.34	346	0.16	0.17	14.20	1038
Includes:	54.24	54.64	0.40	0.35	28.11	40	0.10	0.06	28.71	2098
Includes:	55.30	55.60	0.30	0.26	4.76	1514	0.60	0.64	25.92	1894
SALP21DH117	59.53	60.54	1.01	0.88	4.83	387	0.23	0.17	10.27	750
Includes:	60.22	60.54	0.32	0.28	14.52	1168	0.72	0.51	30.92	2260
SALP21DH119	63.70	64.03	0.33	0.31	4.71	1309	0.28	0.26	22.81	1667
SALP21DH120	57.72	58.23	0.51	0.44	39.97	1941	2.06	1.97	67.94	4965
SALP21DH122	76.71	77.02	0.31	0.24	0.67	162	0.14	0.06	2.95	215
SALP21DH123	79.90	80.23	0.33	0.31	3.21	212	0.31	0.26	6.31	461
SALP21DH124	NSR									
SALP21DH126	85.27	85.59	0.32	0.31	2.53	441	0.33	0.49	8.86	647
SALP21DH126	108.04	108.35	0.31	0.31	1.07	148	0.12	0.18	3.20	234

Hole ID	From (m)	To (m)	Intercept (m)	True Thickness (m)	Au/t (g)	Ag/t (g)	% Pb	% Zn	AuEq/t (g)	AgEq/t (g)
SALP21DH127	NSR									
SALP21DH129	122.15	122.48	0.33	0.26	0.74	4	0.01	0.02	0.80	58
SALP21DH130	103.90	104.35	0.45	0.42	6.44	45	0.08	0.27	7.05	515
SALP21DH130	NSR									
SALP21DH132	116.45	117.32	0.87	0.76	2.15	382	0.25	1.36	7.98	583
Includes:	116.90	117.32	0.42	0.37	3.72	672	0.50	2.43	14.02	1025
SALP21DH134	136.95	137.26	0.31	0.25	4.90	20	0.15	0.42	5.39	394
SALP21DH135	NSR									
SALP21DH137	NSR									
SALP21DH138	69.05	69.37	0.32	0.31	2.08	195	0.53	0.80	5.23	382
SALP21DH140	NSR									
SALP21DH142	NSR									
SALP21DH143	NSR									
SALP21DH145	NSR									
SALP21DH149	112.77	113.09	0.32	0.28	1.19	399	0.18	0.11	6.75	493
SALP21DH150	NSR									
SALP21DH152	70.45	70.81	0.36	0.30	0.35	162	0.06	0.05	2.60	190
SALP21DH154	79.43	79.82	0.39	0.37	0.17	4	0.00	0.02	0.23	17
SALP21DH155	56.94	57.27	0.33	0.27	3.09	14	0.03	0.02	3.29	240
SALP21DH156	NSR									
SALP21DH158	20.97	21.31	0.34	0.34	0.75	2	0.00	0.01	0.78	57
SALP21DH159	NSR									
SALP21DH161	NSR									
SALP21DH162	NSR									
SAMP20DH21	NSR									
SAMP20DH22	24.60	25.00	0.40	0.38	37.40	1220	0.68	0.80	54.62	3991
SAMP20DH23	23.40	24.38	0.98	0.98	1.05	338	0.30	0.50	5.96	436
SAMP20DH23	30.92	31.15	0.23	0.18	1.08	249	0.32	0.28	4.69	343
SAMP20DH24	NSR									
SAMP20DH25	NSR									
SAMP20DH26	NSR									
SAMP20DH27	NSR									
SAMP20DH28	NSR									
SAMP20DH29	88.40	89.35	0.95	0.93	69.60	5550	2.53	3.15	147.57	10784
SAMP20DH30	120.00	121.20	1.20	0.91	8.16	1017	0.55	0.65	22.51	1645
Includes:	120.00	120.73	0.73	0.55	13.40	1460	0.90	1.07	34.08	2490
SAMP20DH31	117.65	118.45	0.80	0.62	7.15	719	1.18	1.78	18.05	1319
SAMP20DH32	110.10	110.90	0.80	0.75	11.40	422	0.43	0.43	17.47	1277
Includes:	110.10	110.50	0.40	0.38	22.00	689	0.80	0.64	31.93	2333
SAMP20DH33	NSR									
SAMP20DH34	NSR									

Hole ID	From (m)	To (m)	Intercept (m)	True Thickness (m)	Au/t (g)	Ag/t (g)	% Pb	% Zn	AuEq/t (g)	AgEq/t (g)
SAMP20DH35	47.42	47.76	0.34	0.32	5.55	39	0.28	0.41	6.33	463
SAMP20DH36	NSR									
SAMP20DH38	64.50	65.66	1.16	1.02	1.92	1040	0.34	0.11	16.30	1191
SAMP20DH39	NSR									
SAMP20DH41	64.87	65.13	0.26	0.26	2.05	390	0.20	0.04	7.46	545
SAMP20DH42	NSR									
SAMP20DH44	NSR									
SAMP20DH45	NSR									
SAMP20DH47	NSR									
SAMP20DH48	NSR									
SAMP21DH76	NSR									
SAMP21DH77	182.15	182.60	0.45	0.42	0.61	26	0.07	0.15	1.05	77
SAMP21DH80	NSR									
SAMP21DH171	132.77	133.42	0.65	0.62	7.84	65	0.38	0.37	9.00	658
SAMP21DH172	158.87	161.05	2.18	1.82	7.26	568	0.80	0.82	15.60	1140
Includes:	159.37	160.25	0.88	0.73	10.46	913	1.09	1.14	23.74	1735
Includes:	160.25	161.05	0.80	0.67	7.73	361	0.89	0.75	13.24	968
SAMP21DH173	128.90	130.32	1.42	1.32	22.97	1473	0.92	1.10	43.84	3204
Includes:	128.90	129.38	0.48	0.45	46.98	3437	2.00	2.16	95.48	6977
Includes:	129.38	130.32	0.94	0.87	10.71	470	0.37	0.56	17.47	1277
SAMP21DH174	117.80	118.10	0.30	0.29	1.57	250	0.15	0.76	5.33	390
SAMP21DH176	166.42	166.75	0.33	0.32	2.71	753	0.36	0.55	13.34	975
CP1201	78.45	79.00	0.55	0.42	1.75	990	0.33	0.39	15.55	1136
Includes:	78.45	78.75	0.30	0.23	2.28	923	0.36	0.07	15.05	1100
Includes:	78.75	79.00	0.25	0.19	1.11	1070	0.29	0.78	16.14	1180
CP1202	110.03	110.56	0.53	0.27	1.21	389	0.23	0.16	6.67	487
CP1203	83.82	86.86	3.04	2.09	3.68	1495	0.51	0.65	24.55	1794
Includes:	83.82	85.34	1.52	1.05	4.46	1800	0.17	0.14	29.20	2134
Includes:	85.34	86.86	1.52	1.05	2.90	1190	0.85	1.16	19.90	1454
CP1203	100.58	102.40	1.82	1.25	1.26	1378	0.39	0.14	20.29	1483
Includes:	100.58	102.10	1.52	1.04	1.14	1520	0.42	0.13	22.12	1617
Includes:	102.10	102.40	0.30	0.21	1.90	656	0.23	0.19	11.02	805
CP1204	133.15	133.70	0.55	0.27	0.67	281	0.06	0.18	4.60	336
CP1204	134.45	134.97	0.52	0.26	0.62	192	0.35	0.65	3.61	263
CP1205	88.00	88.80	0.80	0.53	1.65	532	0.29	0.83	9.34	682
CP1205	105.93	107.22	1.29	0.86	0.57	267	0.21	0.41	4.45	325
Includes:	105.93	106.26	0.33	0.22	0.39	388	0.19	0.17	5.83	426
Includes:	106.68	107.22	0.54	0.36	0.46	325	0.26	0.78	5.29	387
Includes:	106.68	107.22	0.54	0.36	0.46	325	0.26	0.78	5.29	387
CP1206	124.66	125.15	0.49	0.28	0.34	742	0.17	0.10	10.58	773
CP1206	137.00	137.66	0.66	0.37	1.89	685	0.18	0.27	11.43	835

Hole ID	From (m)	To (m)	Intercept (m)	True Thickness (m)	Au/t (g)	Ag/t (g)	% Pb	% Zn	AuEq/t (g)	AgEq/t (g)
CP1207	170.47	170.76	0.29	0.11	2.45	746	2.79	1.08	13.95	1020
CP1208	160.40	165.34	4.94	2.62	3.06	510	0.37	0.34	10.29	752
Includes:	164.00	164.99	0.99	0.53	10.85	1985	1.48	1.16	38.93	2845
Includes:	164.99	165.34	0.35	0.19	8.26	1425	0.74	0.94	28.36	2072
CP1208	168.62	169.16	0.54	0.29	4.66	326	0.83	0.13	9.43	689
SART20DH37	207.32	209.32	2.00	1.67	0.16	48	0.01	0.01	0.83	61
SART20DH40	247.80	250.10	2.30	1.44	0.38	160	0.04	0.10	2.62	191
SART20DH43	292.10	292.70	0.60	0.40	2.22	397	0.41	0.19	7.86	574
SART20DH43	299.20	302.72	3.52	2.37	1.88	636	0.32	0.16	10.74	785
Includes:	299.20	299.65	0.45	0.3	1.58	354	0.29	0.25	6.61	483
Includes:	302.25	302.72	0.47	0.32	8.97	4030	1.88	0.36	64.85	4739
SART20DH46	284.98	286.51	1.53	1.2	0.70	1340	0.18	0.44	19.26	1408
SART20DH49	283.67	284.09	0.42	0.31	0.25	99	0.30	0.52	1.91	139
SART21DH75	288.70	289.00	0.30	0.21	0.53	127	0.15	0.08	2.34	171
SART21DH79	308.76	309.10	0.34	0.12	0.93	122	0.07	0.10	2.66	194
SART21DH79	309.10	309.67	0.57	0.11	0.36	95	0.02	0.08	1.67	122
SART21DH79	329.80	330.20	0.40	0.15	0.77	155	0.04	0.52	3.11	227
SART21DH81	245.46	246.65	1.19	1.02	0.30	142	0.04	0.08	2.28	167
SASA21DH82	NSR									
SART21DH84	135.94	136.90	0.96	0.76	0.45	33	0.00	0.01	0.91	66
SASA21DH112	133.35	134.20	0.85	0.70	0.38	37	0.01	0.02	0.89	65
SASA21DH118	168.41	170.00	1.59	1.01	0.33	23	0.00	0.07	0.67	49
SASA21DH125	82.30	83.48	1.18	0.55	0.48	370	0.06	0.11	5.61	410
Includes:	82.30	82.60	0.30	0.26	1.08	664	0.11	0.23	10.28	752
Includes:	83.14	83.48	0.34	0.29	0.39	593	0.11	0.14	8.59	628
SASA21DH125	159.65	160.00	0.35	0.29	2.61	14	0.02	0.04	2.83	207
SASA21DH128	87.11	87.41	0.30	0.26	5.07	5621	1.47	0.94	82.82	6052
SASA21DH131	89.35	89.72	0.37	0.30	0.28	3	0.00	0.01	0.33	24
SASA21DH133	NSR									
SASA21DH136	119.53	120.63	1.10	0.64	0.26	26	0.00	0.02	0.62	46
SASA21DH139	124.95	125.76	0.81	0.45	10.85	1394	0.76	0.74	30.45	2225
Includes:	125.20	125.76	0.56	0.31	15.40	1885	1.07	1.06	41.95	3065
SASA21DH141	134.15	134.51	0.36	0.30	0.73	5	0.00	0.02	0.80	58
SASA21DH144	187.05	187.35	0.30	0.20	2.15	99	0.01	0.10	3.54	259
SASA21DH146	NSR									
SASA21DH148	172.17	173.88	1.71	1.11	0.58	11	0.00	0.00	0.73	54
SASA21DH151	167.17	167.64	0.47	0.28	3.02	147	0.24	0.81	5.42	396
SASA21DH151	172.20	176.25	4.05	2.38	0.62	452	0.17	0.06	6.88	503
Includes:	172.20	172.50	0.30	0.18	0.78	745	0.14	0.03	11.03	806
Includes:	175.85	176.25	0.40	0.23	3.87	3897	1.60	0.49	57.88	4230
SASA21DH153	158.23	158.55	0.32	0.19	0.38	280	0.14	0.18	4.32	316

Hole ID	From (m)	To (m)	Intercept (m)	True Thickness (m)	Au/t (g)	Ag/t (g)	% Pb	% Zn	AuEq/t (g)	AgEq/t (g)
SASA21DH153	198.55	198.85	0.30	0.17	2.35	26	0.11	0.03	2.75	201
SASA21DH157	192.25	193.00	0.75	0.51	0.28	15	0.00	0.02	0.49	36
SASA21DH160	235.60	236.00	0.40	0.23	0.51	21	0.00	0.01	0.81	59
SASA21DH163	229.61	229.91	0.30	0.17	1.65	30	0.00	0.01	2.07	151
SASA21DH164	174.22	175.77	1.55	0.96	0.38	77	0.01	0.04	1.45	106
Includes:	174.22	174.59	0.37	0.23	0.40	83	0.01	0.06	1.56	114
SART20DH51	200.37	200.90	0.53	0.42	0.89	0	0.00	0.00	0.89	65
SART20DH53	NSR									
SART20DH54	186.70	188.53	1.83	1.46	0.19	72	0.01	0.02	1.18	87
SART20DH57	133.23	133.80	0.57	0.40	0.24	221	0.06	0.12	3.32	243
SART20DH57	217.44	217.84	0.40	0.29	0.86	198	0.05	0.13	3.63	265
SART20DH60	233.43	234.42	0.99	0.78	0.35	954	0.14	0.18	13.52	988
SART20DH62	216.85	217.71	0.86	0.67	1.06	2532	0.36	0.32	35.94	2626
Includes:	217.15	217.71	0.56	0.44	1.28	3454	0.49	0.45	48.88	3572
SART20DH64	216.80	217.40	0.60	0.44	3.59	20	0.05	0.16	3.94	288
SART20DH66	73.70	74.35	0.65	0.50	1.31	421	0.05	0.24	7.18	525
SART20DH68	117.60	119.65	2.05	1.00	0.23	54	0.01	0.01	0.98	72
SART20DH69	188.45	189.50	1.05	0.72	0.33	50	0.00	0.01	1.02	74
SART21DH70	250.20	250.60	0.40	0.30	0.24	5	0.00	0.01	0.31	23
SART21DH73	201.50	202.60	1.10	0.80	0.24	77	0.00	0.00	1.29	94
SART21DH73	301.26	302.36	1.10	0.80	0.23	35	0.01	0.02	0.72	52

Table 1: Significant intercepts are 200 g Ag/t. For equivalent calculations \$1,900 per ounce gold, \$26 per ounce silver, \$0.87 per pound lead and \$1.08 per pound zinc were used. Intervals shown are drill intercept and calculated true thickness.

La Ivana

The drilling in La Ivana was designed to build a good predictive high-grade shoot and vein model for exploration drilling in other targets. Total drilling in La Ivana consists of 8,823 metres in seventy holes. Drilling in Ivana defines a shallow dipping shoot of approximately 380 metres down dip and 270 metres along strike. The Ivana shoot has an average thickness of 0.51 metres and weighted average grades, for all significant drill intercepts, of 10.94 g Au/t and 807 g Ag/t or 21.98 equivalent g Au/t or 1,606 equivalent g Ag/t.

Phase 1 drilling defined predominantly the strike extent of veins in the La Ivana target with nine holes having an average downhole intercept length of 0.52 m and a weighted average grade of 21.7 g Au/t and 1,329 g Ag/t at an average depth of 55 metres.

Phase 2 drilling defined the down-dip extent of the La Ivana veins with seven holes having an average down hole intercept length of 0.40 metres and a weighted average grade of 7.18 g Au/t and 567 g Ag/t at an average below surface depth of 71 metres and a down dip extent of over 200 metres. The second phase suggests the down-dip limits of the high-grade shoot in La Ivana veins of La Ivana target are sufficiently defined at this stage of exploration drilling - although high-grade mineralization is still open to the north, northwest and locally the southwest. It is inferred that the shoot within the plane of the vein is controlled by the intersection of the north-trending La Ivana vein with the northwest trending El Paraiso vein.

La Ivana comprises two subparallel shoots in the hanging wall and footwall of the Porfia vein system approximately 30 metres apart.

Megapozo

The Megapozo target is located 500 metres south of La Ivana. Drilling has intercepted the Megapozo shoot for 480 metres down plunge and up to 310 metres down-dip and it remains open in all directions. Megapozo is hosted by the Paraiso vein, and secondary parallel veins and vein segments in a stacked sequence. The intercept width of the veins is variable with a range of 0.10 to 2.26 metres and an average drill-intercept width of 0.80 metres. Veins are commonly banded with quartz druse and local hydrothermal breccia. Drill core shows sulfides in veins vary from 1% to 15% occurring in character as massive, disseminated and in bands. The quartz veins typically have alteration selvages of clay, silica, and sulfide.

Using the weighted average grade for all significant intercepts, defined as greater than 200 equivalent g Ag/t, the Megapozo high-grade shoot has an average grade of 13.88 g Au/t and 1,108 g Ag/t or 29.04 equivalent g Au/t or 2,122 equivalent g Ag/t. The Megapozo discovery exceeds Outcrops first La Ivana discovery in dimension, thickness, and grade. Megapozo has provided the highest-grade intercept drilled by Outcrop on the Santa Ana Project at 0.95 metres of 10,780 equivalent g Ag/t.

Roberto Tovar

Drilling in Roberto Tovar area has defined a subvertical shoot with dimensions of 200 metres wide by 290 metres down plunge. The Roberto Tovar shoot has an estimated average thickness of 1.3 metres and weighted average grades, for all significant drill intercepts, of 2.13 g Au/t and 777 g Ag/t or 12.75 equivalent g Au/t or 932 equivalent g Ag/t. Roberto Tovar is comprised of three or more vein packages within a 20 to 25 metres wide interval.

San Juan

Drilling in San Juan, approximately 159 metres north of Roberto Tovar, defines a subvertical shoot of approximately 350 metres along strike and 240 metres down dip. The San Juan shoot has an average thickness of 0.68 metres and weighted average grades, for all significant drill intercepts, of 1.17 g Au/t and 888 g Ag/t or 13.32 equivalent g Au/t or 973 equivalent g Ag/t. San Juan, like Roberto Tovar, is comprised of three or more vein packages within a 20 to 25 metres wide interval.

San Antonio

Drilling in San Antonio, approximately 180 metres south of Roberto Tovar, defines a subvertical shoot of approximately 300 metres along strike and 230 metres down dip. The San Antonio shoot has an average thickness of 0.90 metres and weighted average grades, for all significant drill intercepts, of 2.13 g Au/t and 654 g Ag/t or 11.07 equivalent g Au/t or 809 equivalent g Ag/t. San Antonio, like Roberto Tovar and San Juan, is comprised of three or more vein packages within a 20 to 25 metres wide interval.

El Dorado

The El Dorado has been drilled along a 200 metre strike and 220 metre depth. It is high angle and, like the Roberto Tovar and San Juan shoots, is comprised of a group of four or more high-

angle veins within an interval of 30 metres. El Dorado can be traced for more than 400 metres at surface and is open to the north and down-dip. With limited drilling, it has been determined an average thickness of 0.57 metres and weighted average gradess of 4.38 g Au/t and 685 g Ag/t or 13.75 equivalent g Au/t or 1,005 equivalent g Ag/t.

Paraiso Vein

The Paraiso vein was intercepted when drilling El Dorado. The Paraiso vein can be traced 600 metres to the south where it is the primary host of the Megapozo shoot. Drilling below the Paraiso vein intercepted La Ivana and a hanging wall splay-shoot that is yet to be delineated.

The Paraiso vein, La Ivana and Megapozo are all dipping at low to moderate angles. Additional drilling of the Paraiso vein south towards Megapozo may define an additional low-angle high-grade shoot.

Plan maps and sections show variable vein dips- from high-angle in the El Dorado, Roberto Tovar and San Juan shoots to shallow and moderate dips in La Ivana and Megapozo shoots. Further drilling of new targets is expected to reveal a network of intersecting low-angle and high-angle vein zones each comprised of multiple parallel veins. It is anticipated after drilling in numerous targets are completed that Outcrop will be able to predict potential structural and lithologic controls to high grade mineralization as well as predict the number of 200 to 300 metre high-grades shoots that are likely to occur in each 1,000 metres of vein zone.

QA/QC

Core samples were sent to ALS Chemex in Medellin for preparation and then to ALS Chemex Toronto for analysis, with approximately three control samples inserted (one blank, one standard and one field duplicate for each twenty samples). The samples were analyzed for gold using standard fire-assay on a 50-gram sample with a gravimetric finish. Multi-element geochemistry was determined by ICP-MS using either aqua regia (ME-MS41) or four acid (ME-MS61) digestion. Comparison to control samples and their standard deviations indicates acceptable accuracy of the assays and no detectible contamination.

Sample Preparation, Analyses and Security

CPM 2012-2014 Sample Security and Preparation

Chip samples and channel samples were collected by CPM personnel from exposed mineralized outcrops on surface and in the mined tunnels at the Santa Ana Project. The samples were described in the field, and spatially positioned using a handheld GPS with an accuracy of ± 3 meters. Individual samples typically ranged from 0.5 kg to 2 kg in weight. Samples were kept in labelled, tamper-proof polyurethane sample bags and were stored in a secure facility at San Felipe. The samples were couriered to the ALS sample preparation facilities in Bogotá, Colombia. Notification of receipt of sample shipments by the laboratory was confirmed by electronic mail. No problems were encountered in transport during the program. All samples were firstly dried in drying ovens that are controlled to a maximum temperature of 60°C, and then prepared using the ALS sample preparation protocol with a code of Sample Prep-31 (sample preparation consisted in crushing the entire sample to 70% passing). Sample pulps were couriered by ALS to CPM offices in Vancouver, and from there the samples were driven by CPM personnel to ALS Laboratories in North Vancouver, Canada.

Red Eagle Exploration 2018 Sample Security and Preparation

Rock chip and channel samples were collected in the field by Red Eagle personnel. The samples were described in the field, and spatially positioned using a handheld GPS with an accuracy of ± 3 meters. Individual samples typically ranged from 0.5 kg to 2 kg in weight. Samples were kept in labelled, tamper-proof polyurethane sample bags and were stored in a secure facility at San Felipe. The samples were couriered to the Actlabs laboratory in Rio Negro, Antioquia. The Actlabs laboratory is ISO 9001:2008 certified and is independent. The samples were prepared by drying, crushing to 80% passing 10 mesh, splitting to 250 g and pulverizing to 95% passing 105 μm .

CPM Assay Procedures 2012-2014

Rock samples were analysed for gold at the ALS laboratory in Vancouver using standard fire assay on a 50 gramme sample with a gravimetric finish procedure (ALS lab code TL44-PKG that includes Au-OG44 (Ore Grade Au-50g AR+ICP-MS), and Au-TL44 (Trace level Au-50g AR+ICP-MS). Also, high silver results triggered analysis using the AG-OG62 procedure. Multi-element package ME-MS41 (51 element assay aqua regia ICP-MS), or multi-element package ME-MS-61 (48 element analysis by four acid digestion), were also employed.

Any samples that returned values greater than 10 g/t Au were instructed to have a second check fire assay with a gravimetric finish. This was done by re-homogenizing the reject and splitting, pulverizing and assaying this representative split of the sample. All check assays are recorded by CPM for internal statistical analysis for potential variance above the acceptable 30% range. The same procedure was applied for samples containing visible gold that are returned without a significant gold value. Results were reported electronically to the Vancouver head office, with Assay Certificates filed and catalogued at the CPM office in Vancouver.

Red Eagle Assay Procedures 2018

Rock samples were analysed for gold at the Actlabs Laboratory in Rio Negro, Colombia by assay method 1A2-50 (50g fire assay with an atomic absorption finish). The lower detection limit is 5 ppb and the upper detection limit is 5,000 ppb or 5 g/t. Samples which returned gold values above 5 g/t were re-assayed using assay method 1A3-50 (50g fire assay with a gravimetric finish). The detection limit for this assay method is 0.02 g/t Au and the upper detection limits is 10,000 g/t Au. Silver and copper assays were analysed at Actlabs, Rio Negro, Colombia by assay method AQ1-AR (aqua regia digest followed by atomic absorption spectroscopy). The lower detection limits for silver and copper are 0.1 g/t and 1 ppm respectively. The upper detection limits for silver and copper are 4,000 g/t and 5% respectively. Soil samples were analysed by the SGS Laboratory in Medellin, Colombia using a mobile metal ion (MMI) leach method.

Antediluvial Sampling 2019

The author of the Santa Ana Technical Report visited a new secure core facility located in Santa Ana, Colombia on August 1, 2019, and reviewed drill holes CP-12-05 and CP-12-08. All core from the old storage was moved to this location. At the time, core was being re-logged. Previous data verification was made by P. Sarjeant. Several field locations were examined and sampled by the author of the Santa Ana Technical Report.

The 2019 samples were sent to the ALS Global laboratory, La Estrella, Medellin, with the pulps analyzed at their main facility in Santiago, Chile. The laboratory is ISO 9001:2008 registered, and meets or exceeds current industry standards. A 52 multi-element ICP package (ME-MS41), was used, plus for Au and Ag overlimits Au-ICP21, and Ag-AA46 analytical methods, respectively.

ALS inserted blanks and standards in a single analytical batch, and also ran a duplicate analysis for sample 8004812.

Samples taken during the property visits were essentially of an exploratory nature, and provide additional findings on the prospectivity of the property. The 2019 sampling also verified the presence of anomalous precious metals over several of the prospects. Verification of sampling of the Tunel Robert Tovar was not possible due to local conditions. It is the opinion of the author of the Santa Ana Technical Report that the sample preparation, security, and analytical procedures reported by CPM and Red Eagle meet or exceed currently accepted industry standards.

Data Verification

Doublewood Data Verification 2012

As part of the preparation and completion of the 2013 Technical Report, Doublewood visited the secure core facility located in San Felipe, Colombia on March 9, 2012 and reviewed drill holes CP-12-03 and CP-12-05. Nine core intervals were re-sampled under the direction of Doublewood with work carried out by CPM personnel. A site visit to the Santa Ana Project area was completed from March 10-11, 2012.

T. Hughes was on-site during portions of the 2012 field season, visited the property, had access to, and personally collected and examined the samples, both mineralized and non-mineralized, confirming the geology and mineralisation. Mr. Hughes has verified the data sets and agrees with the sample locations and assay results. Mr. Hughes visited the ALS analytical laboratory in North Vancouver, and considers it professionally managed and operated under the highest quality standards. ALS Minerals is ISO 17025 accredited in North America. Mr. Hughes emphasizes the limitations of the QA/QC procedures used in the 2012 rock chip program by not inserting standard reference materials or blank samples in the sample stream sent for analysis, but for the purposes of a geochemical survey and the preliminary stage of the identified targets, the QA/QC procedures are acceptable. Mr. Hughes recommends that blanks, standard reference materials and duplicate samples are submitted for assay in future sampling campaigns. For the 2012 drill programme, Mr. Hughes personally supervised the insertion of standards and blanks. Material was sourced from laboratories of Langley, BC., Canada. Blanks and standards were inserted approximately every 24 samples, these in addition to those used by ALS Canada Ltd. Assay results of the blanks and standards are within $\pm 5\%$ of the values provided by the Canadian laboratories. Study of the (internal) ALS standards indicate no problems with the assays. In the future, it is recommended that duplicate samples be sent for assay. It is also recommended that in future drill campaigns three standard reference materials are used; the first with a grade around the economic cutoff for silver (80 g/t), a second with a grade around the average grade (200 g/t) and a third with a grade of around 400 g/t. In this way, the quality of the assays is monitored across the expected range of silver grades. The verification check assays indicate some variance of gold and silver values. This is considered to reflect the relatively coarse-grained nature of the sulphide vein mineralisation. Overall, it is concluded that the results from the drilling programme are reliable. Samples taken during the property visits were essentially of an exploratory nature, and provide preliminary findings on the prospectivity of the property. Some of the results from the CPM sampling programme were verified by the REM sampling. Mr. Hughes' 2019 sampling also verified the presence of anomalous precious metals over several of the prospects.

Environmental Studies, Permitting & Social or Community Impact

Work on the property is covered by a valid exploration licence. No environmental studies have been undertaken, or community studies completed. Further engagement with the small local communities and landowners is planned as the Santa Ana Project evolves and grows.

There is a declaration of cultural interest in the ruins of what is called "Ciudad Perdida" comprising less than 3 ha as part of the colonial Santa Ana silver mines, and an eco-touring trail (part of the "Ruta Mutis") that to date is not currently registered with the Ministry of Culture and Tourism. However, there is an agreement issued by the Municipal Council of Falan (Tolima). According to the provisions of Article 35 of Law 685 of 2001 (Mining Code) the areas defined as special archaeological site of interest, historical or cultural, are considered areas where mining is restricted, but not prohibited.

Exploration and exploitation activities, along with other activities may be carried out in the area where the colonial mine is located, as long as permission is requested and granted from the relevant authority. A proposed work plan aimed at ensuring the preservation of a site of cultural interest must be submitted to the appropriate authority for permission. The Company continues with community engagement, and working in these areas designated as of "special interest" was possible during Phase I, with drilling carried out by CPM. The Company fully expects to continue exploration activities in a normal fashion for the ongoing exploration programmes.

NON-MATERIAL PROPERTIES

Antares Project

On October 9, 2015, the Company executed an option agreement (the "**Antares Option**") by and among Activos Mineros de Colombia S.A.S. ("**AMC**"), the Company, and the Company's subsidiary MAD II, and the Colombian branch of MAD II, to acquire the Antares property, with minimum operation payments due and a share issuance by the Company according to the schedule below. Upon commencing commercial production (as defined in the agreement), the minimum operation payments will cease and the payment of a 1.8% NSR will commence.

The Company must meet the following schedule to maintain the option:

Antares Option Due Dates	Minimum Operation Payments Payable	Common Shares to be Issued to AMC
October 9, 2015 (paid)	US\$60,000	-
October 9, 2016 (paid)	US\$60,000	-
Upon registration of the Mining Concession Contract for the Antares property (payable 30-days subsequent)	US\$70,000	-
Upon the first anniversary of the registration of the Mining Concession Contract (" Registration Date ")	US\$80,000	US\$150,000
Upon the second anniversary of the Registration Date	US\$90,000	-
Upon the third anniversary of the Registration Date	US\$100,000	-

Antares Option Due Dates	Minimum Operation Payments Payable	Common Shares to be Issued to AMC
Upon the fourth anniversary of the Registration Date	US\$120,000	-
Upon the fifth anniversary of the Registration Date	US\$120,000	-
Upon the sixth anniversary of the Registration Date, and for each successive anniversary	US\$150,000	-

Further, to maintain the Antares Option, a schedule of work commitment expenditures must be made, beginning within the first two years following the Registration Date as follows:

Antares Option Work Commitment Due Dates	Minimum Exploration Expenditures	Cumulative Exploration Expenditures
Within the first two years of the Registration Date	US\$200,000	US\$200,000
During the third year following the Registration Date	US\$200,000	US\$400,000
During the fourth year following the Registration Date	US\$300,000	US\$700,000
During the fifth year following the Registration Date	US\$300,000	US\$1,000,000
During the sixth year following the Registration Date	US\$500,000	US\$1,500,000
During the seventh year following the Registration Date	US\$500,000	US\$2,000,000

The above minimum exploration expenditure schedule may be suspended for up to two years in any period that the Company does not have a suitable joint venture partner funding expenditures on the project.

Argelia Project

On June 15, 2017, the Company executed an option agreement (the “**Argelia Option**”) by and among Bullet Holding Corp., Esquimal S.O.M. and the Company to acquire the Argelia property, consisting of three applications.

The terms of the Argelia Option require that Outcrop make the following payments:

Event	Issuance of shares	Payment Amount
By June 22, 2017 (paid)	-	US\$100,000
Upon Exchange approval of the issuance of 1,624,270 Outcrop shares (issued)	162,427	-
Upon conversion of the applications to titles	-	US\$100,000
Upon receipt of approval for forestry subtraction or Outcrop making drill applications for any of the titles	-	US\$100,000
Upon receipt of drill permits	-	US\$100,000
Upon announcement of an NI 43-101 resource of >500,000 oz/au total in all categories (M+1+1)	-	US\$250,000
One year from the announcement of an NI 43-101 resource of >500,000 oz/au	-	US\$250,000

A residual net profits interest (“**NPI**”) of 4% or an NSR of 1.5%, whichever is greater, will be payable to the vendor, until US\$6,000,000 has been paid, at which time an NSR of 1.5% will be payable for the life of the mine.

Mallama Project

On August 31, 2017, the Company completed the acquisition of the Mallama project (the “**Mallama Project**”) by an outright purchase of 100% of the shares of the Colombian simplified share company, Minera Mallama S.A.S. (“**Mallama SAS**”). During the fiscal year ended August 31, 2017, Outcrop paid a total of \$298,216 in outstanding fees due to ANM prior to the final effective date of the purchase. Upon receipt of suitable drill permits on Mallama, without any future time constraint, Outcrop is required to make an additional payment of US\$200,000 to the former shareholders of Mallama SAS. An NSR of 4% will be payable to the former shareholders, with a minimum of US\$1,000,000 payable within three years of the commencement of commercial production, capped at US\$4,000,000 over the life of the mine.

The Mallama Project is the largest gold-silver vein system by area in Colombia, with a footprint of veins exceeding 120 square kilometers. Underground sampling by the Company in the Bombona zone indicates that production from artisan mines averages 23 g Au/t and 230 g Ag/t in-situ, and the vein mining is almost entirely non-selective (the entire vein is mined) and high-grade mineralization is open along strike and up and down dip.

The Mallama Bombona zone represents at least eight parallel veins as determined from the mapping and soil sampling that extend for up to 4 kilometers. Outcrop recognizes at least two other similar vein zones on the Mallama Project.

Oribella Project

On May 13, 2014, the Company acquired the Oribella project, in the Antioquia Department of Colombia (the “**Oribella Project**”), through a purchase agreement with Antioquia Gold Inc. (“**Antioquia Gold**”). The Oribella Project comprises one exploration license and one application. Outcrop has subsequently expanded the Oribella land package contiguously.

The Oribella Project is subject to a 0.5% royalty to Antioquia Gold that can be purchased for US\$1,500,000 and a 2% royalty to Soratama Gold (a wholly owned subsidiary of Barrick Gold Corporation). Outcrop acquired the property, subject to the royalties, by making the license canon payment on May 14, 2014, of US\$62,715, and will also reimburse Antioquia Gold for the application payment of COP 101,136,976 (approximately US\$35,000) when the property is registered with the ANM as a contract.

DIVIDENDS AND DISTRIBUTIONS

No dividends on the Common Shares have been paid by the Company. Management anticipates that the Company will retain all future earnings and other cash resources for the future operation and development of its business. The Company does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of

the Company's board of directors after taking into account many factors including the Company's operating results, financial condition and current and anticipated cash needs.

DESCRIPTION OF CAPITAL STRUCTURE

As of August 31, 2021 and at the date of this AIF, the Company's authorized capital consists of an unlimited number of Common Shares. As of the date of this AIF, there are 132,748,953 Common Shares issued and outstanding. The holders of Common Shares are entitled to one vote for each Common Share held, and shall be entitled to dividends if and as when declared by the board of directors. Holders of Common Shares are entitled on liquidation to receive such assets of the Company as are distributable to the holders of the Common Shares. All of the Common Shares are fully paid and non-assessable. There are currently no other series or class of shares which rank senior, in priority to, or pari passu with the Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

MARKET FOR SECURITIES

Trading Price and Volume

The Company's Common Shares are traded on the Exchange under the symbol "OCG". The following table sets out the high and low daily closing prices and the volumes of trading of the Company's Common Shares on the Exchange from September 1, 2020 to August 31, 2021. The closing price of the Common Shares on the Exchange on August 31, 2021, being the last day of trading on the Exchange in August, was \$0.18.

COMMON SHARES			
Period	Price Range		Trading Volume
	High (\$)	Low (\$)	
August 1 – 31, 2021	0.240	0.160	1,968,100
July 1 – 31, 2021	0.260	0.210	1,510,900
June 1 – 30, 2021	0.270	0.200	2,232,200
May 1 – 31, 2021	0.380	0.240	5,098,000
April 1 – 30, 2021	0.460	0.250	8,471,700
March 1 – 31, 2021	0.340	0.230	5,739,900
February 1 – 28, 2021	0.420	0.300	5,077,000
January 1 – 31, 2021	0.530	0.360	6,135,200
December 1 – 31, 2020	0.690	0.410	5,349,600
November 1 – 30, 2020	0.690	0.440	4,386,400
October 1 – 31, 2020	0.510	0.350	4,981,500
September 1 – 30, 2020	0.580	0.340	6,508,300

PRIOR SALES

For the 12-months preceding August 31, 2021 and up to the date of this AIF, the Company has not issued or purchased any Common Shares other than as set out below:

Date	Number	Type of Security	Issue / Exercise Price (\$) per share	Type of Issuance
Sept 8, 2020	80,00	Common shares	\$0.20	Option exercise
Sept 23, 2020	200,00	Common shares	\$0.40	Warrant exercise
Oct 8, 2020	75,000	Common shares	\$0.40	Warrant exercise
Oct 14, 2020	19,320	Common shares	\$0.40	Warrant exercise
Nov 27, 2020	250,000	Common shares	\$0.10	Option exercise
Dec 24, 2020	25,000	Common shares	\$0.10	Option exercise
Dec 24, 2020	50,000	Common shares	\$0.17	Option exercise
Jan 5, 2021	1,000,000	Common shares	\$0.10	Option exercise
Jan 12, 2021	100,000	Common shares	\$0.10	Option exercise
Jan 25, 2021	300,000	Common shares	\$0.10	Option exercise
Jan 25, 2021	150,000	Common shares	\$0.20	Warrant exercise
March 26, 2021	21,401,500	Common shares	\$0.43	Bought deal
Apr 20, 2021	200,000	Common shares	\$0.10	Option exercise
May 7, 2021	500,000	Common shares	\$0.20	Warrant exercise
Sept 1, 2021	500,000	Common shares	\$0.10	Option exercise
Nov 10, 2021	25,000	Common shares	\$0.17	Option exercise
Nov 15, 2021	75,000	Common shares	\$0.10	Option exercise

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The following are the names, province and country of residence of the directors and officers of the Company as at the date of this AIF, the positions and offices they hold, or held as at the date of this AIF, with the Company and their principal occupations during the five preceding years. For more information on the recent director and officer changes of the Company, see “General Development of the Business of the Company – Recent Developments.”

Each director will hold office until the next annual general meeting of the Shareholders unless his office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia) and the articles of the Company.

Name and Municipality of Residence and Position with the Company	Director / Officer Since	Principal Occupation for the Past Five Years ⁽¹⁾
Joseph Hebert Florida, United States <i>President, Chief Executive Officer & Director</i>	January 21, 2014	Chief Executive Officer, Outcrop Silver & Gold Corporation
Lisa Peterson British Columbia, Canada <i>Chief Financial Officer</i>	August 16, 2021	Vice President, Corporate Reporting & Global Accounting at SkyPower Services ULC Chief of Staff, Capital Projects at Barrick Gold Corporation. Chief of Staff, Frontera District at Barrick Gold Corporation.
Melissa Martensen British Columbia, Canada <i>Corporate Secretary</i>	November 8, 2021	Corporate Secretary, Outcrop Silver & Gold Corporation; Corporate Secretary, TAAL Distributed Information Technologies Inc.; Corporate Secretary, Belcarra Group Management Ltd.
Kevin Nishi ⁽²⁾ British Columbia, Canada <i>Director</i>	February 15, 2015	Partner, Smythe LLP
Ian Slater ⁽²⁾ British Columbia, Canada <i>Executive Chairman</i>	January 24, 2020	Executive Chairman, Slater Group
Jay Sujir ⁽²⁾ British Columbia, Canada <i>Director</i>	January 24, 2020	Partner, Farris LLP

Notes:

(1) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective individual.

(2) Member of the Audit Committee.

The directors and officers of the Company, as a group, own, directly or indirectly, approximately 23,376,160 Common Shares representing approximately 17.61% of the total issued and outstanding Common Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as stated below, to the knowledge of management, during the ten years preceding the date of this AIF and as at the date of this AIF, no director or executive officer of the Company has, to the knowledge of the Company, been a director, chief executive officer or chief financial officer of any company (including Outcrop) that:

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

Ian Slater and Jay Sujir were on the board of directors and Ian Slater was an officer of Red Eagle Mining Corporation which is subject to a cease-trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, management's discussion and analysis and certification of interim filings for the period ended September 30, 2018.

Except as stated below, to the knowledge of management, during the ten-year period preceding the date of this AIF and as at the date of this AIF, no director or executive officer of the Company or a security holder who holds a sufficient number of securities of the Company to affect materially the control of the Company:

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

Ian Slater and Jay Sujir were on the board of directors and Ian Slater was an officer of Red Eagle Mining Corporation which owned and operated the Santa Rosa mine in Colombia. Due to start up issues, Red Eagle Mining Corporation had difficulty servicing its project debt and the mine was only able to commence production on the basis of forbearances from the secured lenders. In August 2018, Red Eagle Mining Corporation obtained a firm commitment from a third party to refinance the debt with substantial concessions and co-operation from the secured lenders, but in October 2018, the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle Mining Corporation.

Conflicts of Interest

The directors and officers of the Company are directors, officers and/or shareholders of other private and publicly listed corporations, including corporations that engage in mineral exploration and development. Conflicts may arise between their duties to the Company and their duties to such other corporations. All such conflicts will be dealt with pursuant to the provisions of the applicable corporate legislation. In the event that such a conflict of interest arises at a meeting of the directors, a director affected by the conflict must disclose the nature and extent of his interest and abstain from voting for or against matters concerning the matter in respect of which the conflict arises. Directors and executive officers are required to disclose any conflicts or potential conflicts to the Board as soon as they become aware of them.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management knows of no legal proceedings, contemplated or actual, involving the Company during the financial year ended August 31, 2021 or as of the date of this AIF which could materially affect the Company.

Management knows of no:

- (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the financial year ended August 31, 2021;
- (b) any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or
- (c) settlement agreements the Company entered into before a court relating to securities legislation or with a securities regulatory authority during the financial year ended August 31, 2021.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No: (i) director or executive officer of the Company, (ii) person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the Company's outstanding voting securities; and (iii) associate or affiliate of any of the persons or companies referred to in (i) or (ii) herein, has, during the financial year ended August 31, 2021 and during the current financial year, any material interest in any transactions or any proposed transactions which has materially affected or will materially affect the Company, other than (a) the acquisition by Cedar Capital Corporation, an entity beneficially controlled or directed by Ian Slater, of 24,000,000 Common Shares as part of the aggregate consideration paid by the Company of the entire share capital of Malew and the acquisition of the Santa Ana Project on January 24, 2020, and (b) the participation of 2176423 Ontario Ltd., an entity beneficially controlled or directed by Mr. Eric Sprott, in the Company's brokered private placement which closed on June 17, 2020 whereby 2176423 Ontario Ltd.'s participation increased their ownership to 19,642,800 shares and 14,821,400 warrants, or from approximately 12.4% on a non-diluted basis and approximately 22.1% on a partially diluted basis to approximately 19.2% on a non-diluted basis and approximately 29.4% on a partially diluted basis.

TRANSFER AGENT AND REGISTRAR

The Transfer Agent and Registrar for the Company's Common Shares is Olympia Trust Company of Canada at its offices in Calgary, Alberta, located at 125 9 Ave SE #2200, Calgary, AB T2G 0P6.

INTERESTS OF EXPERTS

Information of a scientific or technical nature regarding the Santa Ana Project in this AIF has been derived from the Santa Ana Technical Report, prepared by Jack King, MIMMM, and this information has been included in reliance on such person's expertise. The author of the Santa Ana Technical Report owns, directly or indirectly, less than 1% of the Common Shares of the Company.

All scientific and technical information in this AIF has been reviewed and approved by Joseph P. Hebert, the President and Chief Executive Officer of the Company, who is a Qualified Person under NI 43-101. As of the date hereof, Mr. Hebert holds, directly or indirectly, 1,876,160 Common Shares, 1,738,760 warrants, and 3,800,000 stock options. If all the stock options held by Mr. Hebert were exercised, he would hold approximately 4.28% of the Common Shares.

The auditor of Outcrop is Davidson & Company LLP. Davidson & Company LLP has informed the Company that it is independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

AUDIT COMMITTEE INFORMATION

Audit Committee Information

National Instrument 52-110 requires companies that file an AIF to provide certain disclosure with respect to their audit committee, including the text of the audit committee's charter, the composition of the audit committee and the fees paid to the external auditor. The audit committee charter text is provided in Schedule "A" hereto.

Composition of the Audit and Finance Committee

The current members of the Audit Committee are Kevin Nishi, Ian Slater and Jay Sujir. Kevin Nishi and Jay Sujir are considered independent for purposes of the Exchange requirements. Ian Slater as Executive Director is not considered independent. All of the members are financially literate. "Independent" and "financially literate" have the meaning used in NI 52-110 *Audit Committees*.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if that individual has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

All of the members of the Company's Audit Committee are financially literate as that term is defined in NI 52-110. All members have an understanding of the accounting principles used by the Company to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting. In addition to each member's general business experience, the education and experience of each Audit Committee member relevant to the performance of his responsibilities as an Audit Committee member is as follows:

Kevin Nishi – Mr. Nishi is a CPA, CA in practice with Smythe LLP, Chartered Professional Accountants. He has been a partner of the firm since 1996. Mr. Nishi holds a Bachelor of Business Administration from Simon Fraser University. Mr. Nishi has extensive background in accounting and auditing for public and private companies and he is a director of several publicly traded mineral exploration companies. Mr. Nishi is considered a financial expert.

Ian Slater – Mr. Slater is a Chartered Accountant and an entrepreneur who has founded numerous companies and been involved in the mining industry for over thirty years. Previously, Mr. Slater was the Managing Partner of both Ernst & Young's Canadian and Arthur Andersen's Central Asian Mining Practices.

Jay Sujir – Mr. Sujir is a director of the Company. Mr. Sujir is a securities and natural resources lawyer who has extensive experience in advising and assisting public companies. He has been a partner with Farris LLP since May 2015. From 1991 to May 2015, Mr. Sujir was a partner at Anfield, Sujir Kennedy & Durno, LLP and its predecessor firms. Mr. Sujir obtained his Bachelor of Arts degree from the University of Victoria in 1981 with a double major in Economics and

Philosophy and obtained his Bachelor of Law degree from the University of Victoria in 1985. He is a member of the Law Society of British Columbia and the Canadian Bar Association.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, Davidson & Company LLP) not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

The Company is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of Audit Committee) and 5 (Reporting Obligations).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Audit Committee, on a case-by-case basis.

External Auditor Service Fees (By Category)

Davidson & Company LLP will be nominated at the next annual general meeting of the shareholders of the Company for appointment as the auditors of the Company with their remuneration to be fixed by the Board. Davidson & Company LLP have been the Company's auditors since 2010. Prior to that, the Company's auditors were Morgan & Company. The aggregate fees billed by the external auditors in fiscal 2020 and fiscal 2021 are detailed below.

	FYE 2021	FYE 2020
Audit fees during the year ended August 31	\$45,000	\$33,000
Audit related fees	Nil	Nil
Tax fees	\$12,000	\$7,250
All other fees (non-tax)	\$Nil	\$Nil
Total Fees:	\$57,000	\$39,250

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, and except as described elsewhere in this AIF, the Company has not entered into any material contracts within the most recently completed financial year or previous to the most recently completed financial year, that are still in effect as of the date of this AIF, or before such time that are still in effect except for the Option agreements outlined in the properties section above.

ADDITIONAL INFORMATION

Additional information relating to Outcrop may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the management information circular dated May 18, 2021 prepared in connection with the annual general meeting of the Company held on June 24, 2021, which is available on SEDAR at www.sedar.com. Additional financial information about the Company can be found in Outcrop's financial statements and management's discussion and analysis for the financial year ended August 31, 2021.

Schedule “A”

AUDIT COMMITTEE CHARTER

PURPOSE OF THE AUDIT COMMITTEE

The purpose of the Audit Committee (the “**Audit Committee**”) of the board of directors (the “**Board**”) of Outcrop is to provide an open avenue of communication between management, Outcrop’s independent auditor and the Board, and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of Outcrop’s financial reporting and disclosure practices;
- Outcrop’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of Outcrop’s independent auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, Outcrop’s articles and governing laws, as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of Outcrop or of an affiliate of Outcrop. The quorum for a Meeting of the Audit Committee is a majority of the members who are not officers or employees of Outcrop or of an affiliate of Outcrop. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own procedures.

The Audit Committee’s role is one of oversight. Management is responsible for preparing Outcrop’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (“IFRS”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit Outcrop’s financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of Outcrop in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing Outcrop’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for Outcrop, and for reviewing and recommending the compensation of the independent auditor. The Audit Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Audit Committee.

AUTHORITY AND RESPONSIBILITIES

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of Outcrop's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of Outcrop's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review Outcrop's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by Outcrop, including consideration of the independent auditor's judgment about the quality and appropriateness of Outcrop's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts Of interest.
9. Pre-approve all non-audit services to be provided to Outcrop by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and Outcrop and all non-audit work performed for Outcrop by the independent auditor.
11. Establish and review Outcrop's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent

counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of Outcrop.

13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the Business Corporations Act (British Columbia) and the articles of Outcrop.