

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*This prospectus supplement (the “Prospectus Supplement”) together with the accompanying short form base shelf prospectus dated October 31, 2022 (the “Base Shelf Prospectus” and, as supplemented by this Prospectus Supplement, the “Prospectus”) to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference herein and therein, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any securities laws of any state of the United States. Accordingly, the securities may not be offered or sold in the United States or to U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to U.S. persons. See “Plan of Distribution”.*

*Information has been incorporated by reference in this Prospectus Supplement and the Base Shelf Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request, without charge, from the Corporate Secretary of Goldshore Resources Inc. at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, telephone (604) 288-8005, and are also available electronically at [www.sedar.com](http://www.sedar.com).*

**PROSPECTUS SUPPLEMENT  
TO THE SHORT FORM BASE SHELF PROSPECTUS DATED OCTOBER 31, 2022**

**New Issue**

**December 16, 2022**



**GOLDSHORE RESOURCES INC.**

**Up to \$5,000,000**

**Conventional Units**

**Flow-Through Units**

**Charity Flow-Through Units**

This Prospectus Supplement of Goldshore Resources Inc. (the “**Corporation**”), together with the accompanying Base Shelf Prospectus to which this Prospectus Supplement relates, qualifies the distribution of (i) units (the “**Conventional Units**”) of the Corporation at a price of \$0.25 per Conventional Unit (the “**Conventional Unit Offering Price**”), (ii) flow-through units (the “**Flow-Through Units**”) of the Corporation at a price of \$0.30 per Flow-Through Unit (the “**Flow-Through Unit Offering Price**”), and (iii) charity flow-through units (the “**Charity Flow-Through Units**”) of the Corporation at a price of \$0.35 per Charity Flow-Through Unit (the “**Charity Flow-Through Unit Offering Price**”) for aggregate gross proceeds of up to \$5,000,000 (the “**Offering**”). See “Plan of Distribution”.

The Offering is being made pursuant to an agency agreement (the “**Agency Agreement**”) dated December 16, 2022 between the Corporation and Research Capital Corporation as the lead agent and sole bookrunner (the “**Lead Agent**”), on behalf of a syndicate of agents including Laurentian Bank Securities Inc., Canaccord Genuity Corp., Gravitas Securities Inc. and Red Cloud Securities Inc. (collectively, the “**Agents**”). See “Plan of Distribution”.

The terms of the Offering were determined by arm's length negotiation between the Corporation and the Lead Agent, with reference to the prevailing market price of the common shares of the Corporation (the "**Common Shares**").

Each Conventional Unit will consist of one Common Share (a "**Share**") and one-half of one common share purchase warrant of the Corporation (each whole common share purchase warrant, a "**Warrant**"). Each Flow-Through Unit will consist of one Share to be issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**") and one-half of one Warrant. Each Charity Flow-Through Unit will consist of one Share to be issued as a "flow-through share" within the meaning of the Tax Act as part of a charitable donation arrangement and one-half of one Warrant.

Each Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture (as defined herein), one Common Share (a "**Warrant Share**") at a price of \$0.40 per Warrant Share at any time prior to 5:00 p.m. (Vancouver time) on the date that is 24 months following the Closing Date (as defined herein) (the "**Expiry Date**"). The Warrants will be governed by a warrant indenture (the "**Warrant Indenture**") to be entered into on or before the Closing Date between the Corporation and Odyssey Trust Company (the "**Warrant Agent**"), as warrant agent. See "Description of the Securities Being Distributed".

The Warrants comprising the Flow-Through Units and the Charity Flow-Through Units will also qualify as "flow-through shares" within the meaning of the Tax Act so that the full Flow-Through Offering Price for each Flow-Through Unit and the full Charity Flow-Through Offering Price for each Charity Flow-Through Unit will be expended on Canadian exploration expenses as defined in the Tax Act ("**CEE**"). The Warrant Shares issued on exercise of a Warrant comprising the Flow-Through Units and the Charity Flow-Through Units will not be "flow-through shares" for the purposes of the Tax Act. See "Description of Securities Being Distributed".

The outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "GSHR" and on the OTCQB® Venture Market by OTC Markets Group (the "**OTCQB**") under the symbol "GSHRF" and on the Börse Frankfurt (Frankfurt Stock Exchange) (the "**Frankfurt Exchange**") under the symbol "8X00". On December 14, 2022, the last trading day before the announcement of the Offering, the closing price of the Common Shares on the TSXV was \$0.27 and on the OTCQB was US\$0.211 and on the Frankfurt Exchange was €0.187. On December 15, 2022, the last trading day before the date of this Prospectus Supplement, the closing price of the Common Shares on the TSXV was \$0.24 and on the OTCQB was US\$0.1764 and on the Frankfurt Exchange was €0.183.

The Corporation has applied to list the Shares and the Warrant Shares on the TSXV. Conditional approval for listing of such securities on the TSXV is a condition of closing of the Offering. Listing is subject to the Corporation fulfilling all of the requirements of the TSXV.

The Corporation will incur (or be deemed to incur) CEE which will qualify, once renounced, as "flow-through mining expenditures" within the meaning of the Tax Act, on or before December 31, 2023 (the "**Termination Date**") so as to enable the Corporation to renounce, on or before December 31, 2022, in favour of the subscribers of Flow-Through Units and Charity Flow-Through Units, an amount equal to the gross proceeds raised from the issuance of Flow-Through Units and Charity Flow-Through Units. See "Renunciation of CEE" and "Certain Canadian Federal Income Tax Considerations".

The Corporation understands that purchasers of Charity Flow-Through Units may subsequently choose to dispose of some or all of the Charity Flow-Through Units, including by: (i) donating such Charity Flow-Through Units to registered charitable organizations, who may in turn choose to sell such Charity Flow-Through Units to purchasers arranged by the Agents at the Conventional Unit Offering Price; or (ii) selling Charity Flow-Through Units to purchasers arranged by the Agents at the Conventional Unit Offering Price (collectively, the "**Redistributed Units**"). The Redistributed Units will not qualify as flow-through shares for a registered charity or subsequent purchaser, and, consequently, the Corporation will only renounce CEE to the original purchaser of the Charity Flow-Through Units. The Corporation will not be a party to any such arrangements. This Prospectus Supplement and the Base Shelf Prospectus qualifies the issuance of the Charity Flow-Through Units as well as the distribution of Redistributed Units.

Unless the context otherwise requires, references to “**Offered Units**” shall mean the Conventional Units, the Flow-Through Units and the Charity Flow-Through Units, any Over-Allotment Units (as defined herein) and the Redistributed Units.

**There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants that are purchased pursuant to the Offering. In addition, the Warrants will not be listed for trading on the TSXV or any other stock exchange following the Closing Date. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.**

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**Price: \$0.25 per Conventional Unit  
\$0.30 per Flow-Through Unit  
\$0.35 per Charity Flow-Through Unit**

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	<u>Price to the Public</u>	<u>Agents’ Fee<sup>(1)</sup></u>	<u>Net Proceeds to the Corporation<sup>(2)</sup></u>
Per Conventional Unit	\$0.25	\$0.0125	\$0.2375
Per Flow-Through Unit	\$0.30	\$0.0150	\$0.2850
Per Charity Flow-Through Unit	\$0.35	\$0.0175	\$0.3325
Total <sup>(3)(4)(5)</sup>	\$5,000,000	\$250,000	\$4,750,000

Notes:

- (1) The Corporation has agreed to pay the Agents a cash fee equal to 5% of the gross proceeds of the Offering (the “**Agents’ Fee**”), payable in cash, including in respect of any gross proceeds raised on the exercise of the Over-Allotment Option (as defined herein). In respect of purchasers on the president’s list agreed upon between the Corporation and the Agents (up to a maximum of \$200,000), the amount of the Agents’ Fee will be reduced to 2.5% of the gross proceeds pursuant to such sales under the Offering.
- (2) After deducting the Agents’ Fee (assuming no purchasers on the President’s List), but before deducting the Advisory Fee and the expenses of the Offering, estimated to be \$300,000, which will be paid by the Corporation from the proceeds of the Offering.
- (3) The Corporation has granted to the Agents an option (the “**Over-Allotment Option**”) solely for the purpose of covering over-allotments made in connection with the Offering, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agents in any of the following combinations to acquire: (i) up to an additional 3,000,000 Conventional Units of the Corporation (the “**Over-Allotment Conventional Units**”) at the Conventional Unit Offering Price; (ii) up to 3,000,000 additional Shares (the “**Over-Allotment Shares**”) at a price of \$0.244 per Over-Allotment Share (the “**Over-Allotment Share Price**”); (iii) up to 1,500,000 additional Warrants (the “**Over-Allotment Warrants**”) at a price of \$0.012 (being \$0.006 per each half Over-Allotment Warrant) per Over-Allotment Warrant (the “**Over-Allotment Warrant Price**”); (iv) up to an additional 2,500,000 Flow-Through Units (each, an “**Over-Allotment Flow-Through Unit**”) at the Flow-Through Unit Offering Price; (v) up to an additional 2,142,857 Charity Flow-Through Units (each, an “**Over-Allotment Charity Flow-Through Unit**” and together with the Over-Allotment Conventional Unit and Over-Allotment Flow-Through Unit, the “**Over Allotment Units**”) at the Charity Flow-Through Unit Price; or (iv) any combination of Over-Allotment Units at the applicable Offering Price, Over-Allotment Shares at the Over-Allotment Share Price and Over-Allotment Warrants (collectively, the “**Over Allotment Securities**”) at the Over-Allotment Warrant Price, provided that the aggregate number of Over-Allotment Securities that may be issued under the Over-Allotment Option does not exceed \$750,000 in the aggregate. This Prospectus Supplement and accompanying Base Shelf Prospectus qualify the grant of the Over-Allotment Option and the distribution of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option. A purchaser who acquires securities forming part of the Agents’ over-allocation position acquires those securities under this Prospectus Supplement and accompanying Base Shelf Prospectus, regardless of whether the Agents’ over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.
- (4) Pursuant to the terms of an advisory agreement dated November 5, 2022 (the “**Advisory Agreement**”) between the Corporation and Eventus Capital Corp. (the “**Advisor**”), in respect of certain advisory services provided by the Advisor to the Corporation, the Corporation agreed to pay the Advisor an advisory fee equal to equal to 2% of the gross proceeds of the Offering (the “**Advisory Fee**”).
- (5) If the Over-Allotment Option is exercised in full, the total “Price to the Public”, the “Agents’ Fee” and the “Net Proceeds to the Corporation” (before deducting expenses of the Offering (see note 2 above) and assuming no purchasers on the President’s List), will be \$5,750,000, \$287,500 and \$5,462,500, respectively. See “Plan of Distribution” and the table below.

The following table sets out the maximum number of securities under options issuable to the Agents in connection with the Offering:

Agents' Position <sup>(1)</sup>	Maximum Number of Common Shares Available	Exercise Period	Exercise Price
Over-Allotment Option	Up to 3,000,000 Over-Allotment Conventional Units	Any time for a period of 30 days following and including the Closing Date	\$0.25 per Over-Allotment Conventional Unit
	Up to 3,000,000 Over-Allotment Shares	Any time for a period of 30 days following and including the Closing Date	\$0.244 per Over-Allotment Share
	Up to 1,500,000 Over-Allotment Warrants	Any time for a period of 30 days following and including the Closing Date	\$0.012 per Over-Allotment Warrant
	Up to 2,500,000 Over-Allotment Flow-Through Units	Any time for a period of 30 days following and including the Closing Date	\$0.30 per Over-Allotment Flow-Through Unit
	Up to 2,142,857 Over-Allotment Charity Flow-Through Units	Any time for a period of 30 days following and including the Closing Date	\$0.35 per Over-Allotment Charity Flow-Through Unit

Note:

- (1) This Prospectus Supplement qualifies the grant of the Over-Allotment Option and the distribution of Over-Allotment Units, Over-Allotment Shares, Over-Allotment Warrants, Over Allotment Flow-Through Units and Over Allotment Charity Flow-Through Units issuable upon exercise of the Over-Allotment Option. See "Plan of Distribution".

Unless the context otherwise requires, when used herein, all references to the "Offering" include the Over-Allotment Option, all references to "Offered Units" include the Over-Allotment Units, Over-Allotment Flow-Through Units and Over-Allotment Charity Flow-Through Units issuable upon exercise of the Over-Allotment Option, all references to "Shares" include the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option, all references to "Warrants" include the Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option and all references to "Warrant Shares" include the Common Shares issuable upon exercise of the Over-Allotment Warrants issuable in connection with the exercise of the Over-Allotment Option.

Subject to applicable laws, the Agents may, in connection with the Offering, over-allot or effect transactions intended to stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

**This Offering is not underwritten or guaranteed by any person.** The Agents, on behalf of the Corporation, and any selling group members conditionally offer the Offered Units on a "best efforts" agency basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Corporation by Forooghian + Company Law Corporation and Koffman Kalef LLP and on behalf of the Agents by Wildeboer Dellelce LLP. The Agents shall be permitted to appoint a soliciting dealer group of other registered dealers acceptable to the Corporation for the purpose of arranging for purchases of Offered Units under the Offering.

The Offering is being made in the provinces of British Columbia, Alberta and Ontario. The Offered Units will be offered in each of such provinces through the Agents or their affiliates who are registered to offer the Offered Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Conventional Units in the United States and such other jurisdictions

outside of Canada and the United States as agreed between the Corporation and the Agents. See “Plan of Distribution”.

Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will occur on or about December 22, 2022, or on such other date as may be permitted under applicable securities laws and as agreed upon by the Corporation and the Lead Agent but in any event no later than 42 days after the date of filing of this Prospectus Supplement (the “**Closing Date**”). The Offered Units, which may include Conventional Units and Redistributed Units issued to “qualified institutional buyers” (“**Qualified Institutional Buyers**”) within the meaning of Rule 144A (“**Rule 144A**”) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) that are also institutional “accredited investors” within the meaning of Rule 501(a)(1), (2), (3), (7), (9), (12) or (13) of Regulation D under the U.S. Securities Act (“**U.S. Institutional Accredited Investors**”), in the United States or purchasing for the account or benefit of a U.S. Person as defined in Regulation S under the U.S. Securities Act (“**U.S. Person**”), are expected to be issued and delivered under the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and deposited in electronic form on the Closing Date. Purchasers will only receive a customer confirmation from the registered dealer from or through which the Offered Units are purchased and who is a CDS participant. Conventional Units or Redistributed Units, if any, acquired by Qualified Institutional Buyers in the United States may not be deposited into the facilities of the Depository Trust Company, or a successor depository within the United States, or be registered or arranged to be registered, with Cede & Co. or any successor thereto. No definitive certificates will be issued unless specifically requested or required. See “Plan of Distribution”.

The Agents are offering to sell and seeking offers to buy the Offered Units only in those jurisdictions where, and to persons whom, offers and sales are lawfully permitted. The Offering does not constitute an offer to sell or a solicitation of an offer to buy Offered Units in any jurisdiction in which it is unlawful. Prospective investors should be aware that the acquisition or disposition of the Offered Units may have tax consequences in Canada or elsewhere, depending on each prospective investor’s specific circumstances. Prospective investors should consult with their own tax advisors with respect to such tax considerations.

**There is no minimum amount of funds that must be raised under the Offering. This means that the Corporation could complete the Offering after raising only a small proportion of the Offering set out above.**

**An investment in the Offered Units is speculative and involves significant risks that should be carefully considered by prospective investors before purchasing Offered Units. The risks outlined in this Prospectus Supplement, the Base Shelf Prospectus, and in the documents incorporated by reference herein and therein, should be carefully reviewed and considered by prospective investors in connection with any investment in Offered Units. See the “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” sections of the Base Shelf Prospectus and in this Prospectus Supplement and in the documents incorporated by reference herein and therein which are available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).**

**Owning the Shares and Warrants comprising the Offered Units may subject you to tax consequences. This Prospectus Supplement and the Base Shelf Prospectus may not describe the tax consequences fully. Purchasers of the Offered Units should read the tax discussion contained in this Prospectus Supplement and consult their own tax adviser prior to making any investment in the Offered Units. See “Certain Canadian Federal Income Tax Considerations”.**

Brett Richards and Joanna Pearson, each directors of the Corporation, reside outside of Canada and have appointed Foroughian + Company Corporate Services Inc. of 353 Water Street, Suite 401, Vancouver, British Columbia, V6B 1B8 as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgements obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

The Corporation’s head office is located at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, and its registered office is located at 353 Water Street, Suite 401, Vancouver, British Columbia, V6B 1B8.

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## GENERAL MATTERS

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offered Units and also adds to and updates certain information contained in the Base Shelf Prospectus and the documents incorporated by reference herein and therein. The second part, the Base Shelf Prospectus, gives more general information, some of which may not apply to the Offered Units. This Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus solely for the purposes of the Offering constituted by this Prospectus Supplement.

Purchasers should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus. If the description of the Offered Units or any other information varies between this Prospectus Supplement and the Base Shelf Prospectus (including the documents incorporated by reference herein and therein on the date hereof), the investor should rely on the information in this Prospectus Supplement. The Corporation and the Agents have not authorized any other person to provide purchasers with additional or different information. If anyone provides purchasers with different, additional or inconsistent information, such purchasers should not rely on it. Neither the Corporation nor the Agents are offering to sell, or seeking offers to buy, the Offered Units in any jurisdiction where offers and sales are not permitted. Purchasers should assume that the information appearing in this Prospectus Supplement and the Base Shelf Prospectus, as well as information the Corporation has previously filed with the securities regulatory authority in each of the provinces of Canada that is incorporated herein and in the Base Shelf Prospectus by reference, is accurate as of their respective dates only, regardless of the time of any sale of the Offered Units pursuant hereto. The Corporation's business, financial condition, results of operations and prospects may have changed since those dates.

This Prospectus Supplement shall not be used by anyone for any purpose other than in connection with the Offering.

References in this Prospectus Supplement to the "Corporation", "we", "us" or "our" refer to Goldshore Resources Inc. and its subsidiaries, unless the context indicates otherwise.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, including the documents incorporated by reference herein, contain "forward-looking information" within the meaning of applicable securities laws including under the United States Private Securities Litigation Reform Act of 1995 (referred to herein as "**forward-looking information**"). Forward-looking information includes statements that use forward-looking terminology such as "may", "could", "would", "should", "will", "intend", "plan", "expect", "budget", "estimate", "anticipate", "believe", "continue", "potential" or the negative or grammatical variation thereof or other variations thereof or comparable terminology. Such forward-looking information includes, without limitation, statements with respect to the Corporation's expectations, strategies and plans for the Moss Lake Project (as defined below), including the Corporation's current planned exploration, development and permitting activities (including but not limited to those described under the headings "Mineral Property – Recommendations" and "Use of Proceeds"); the future issuance of Offered Units and the terms, conditions and amount thereof; the Corporation's use of proceeds from the sale of Offered Units; the plan of distribution with respect to the sale of Offered Units; compensation payable to the Agents in connection with the sale of the Offered Units; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management, in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus Supplement including, without limitation, assumptions about: expectations regarding the effects of COVID-19 on the Corporation's operations and the global economy, as well as the social impacts; favourable equity and debt capital markets; the ability to raise any necessary capital on reasonable terms to advance the development of the Moss Lake Project and pursue planned exploration; expectations about the ability to acquire resources and/or reserves through acquisition and/or development; future

prices of silver, gold and other metals; the timing and results of exploration and drilling programs; the accuracy of budgeted exploration and development costs and expenditures; expectations regarding inflation; the price of other commodities such as fuel; future currency exchange rates and interest rates; operating conditions being favourable, including whereby the Corporation is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental and third party approvals, licences and permits on favourable terms; obtaining required renewals for existing approvals, licences and permits and obtaining all other required approvals, licences and permits on favourable terms; sustained labour stability; stability in financial and capital goods markets; the absence of any material adverse effects arising as a result of terrorism, sabotage, natural disasters, public health concerns, equipment failures or adverse changes in government legislation or the socio-economic conditions in Canada and the surrounding area with respect to the Moss Lake Project and operations; and the availability of drilling and other mining equipment, energy and supplies. While the Corporation considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Corporation and there is no assurance they will prove to be correct.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Corporation to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking information. Such risks include, without limitation: general business, social, economic, political, regulatory and competitive uncertainties; differences in size, grade, continuity, geometry or location of mineralization from that predicted by geological modelling and the subjective and interpretative nature of the geological modelling process; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; fluctuations in the spot and forward price of silver; inflationary pressures; a failure to achieve commercial viability, despite an acceptable silver price, or the presence of cost overruns which render the Moss Lake Project uneconomic; geological, hydrological and climatic events which may adversely affect infrastructure, operations and development plans, and the inability to effectively mitigate or predict with certainty the occurrence of such events; the Corporation's limited operating history; the Corporation's history of losses and expectation of future losses; credit and liquidity risks associated with the Corporation's financing activities, including constraints on the Corporation's ability to raise and expend funds; delays in the performance of the obligations of the Corporation's contractors and consultants, the receipt of governmental and third party approvals, licences and permits in a timely manner or to complete and successfully operate mining and processing components; the Corporation's failure to accurately model and budget future capital and operating costs associated with the further development and operation of the Moss Lake Project; adverse fluctuations in the market prices and availability of commodities and equipment affecting the Corporation's business and operations; title defects to the Corporation's mineral properties; the Corporation's management being unable to successfully apply their skills and experience to attract and retain highly skilled personnel; the cyclical nature of the mining industry and increasing prices and competition for resources and personnel during mining cycle peaks; the Corporation's failure to comply with laws and regulations or other regulatory requirements; the Corporation's failure to comply with existing approvals, licences and permits, and the Corporation's inability to renew existing approvals, licences and permits or obtain required new approvals, licences and permits on timelines required to support development plans; the risks related to equipment shortages, road and water access restrictions and inadequate infrastructure; the Corporation's failure to comply with environmental regulations, the tendency of such regulations to become more strict over time, and the costs associated with maintaining and monitoring compliance with such regulations; the adverse influence of third party stakeholders including social and environmental non-governmental organizations; risks related to natural disasters, terrorism, civil unrest, public health concerns (including health epidemics or pandemics or outbreaks of communicable diseases such as the coronavirus) and other geopolitical uncertainties; the duration and impact of COVID-19 on the Corporation's business plans, objectives and expected operating results; the impact of COVID-19 on the global economy; the social impact of COVID-19; the adverse impact of competitive conditions in the mineral exploration business; the adverse impact of competitive conditions in the mineral exploration business; the Corporation's failure to maintain satisfactory labour relations and the risk of labour disruptions or changes in legislation relating to labour; changes in national and local government legislation, taxation, controls, regulations and other political or economic developments in the jurisdictions in which the Corporation operates; limits of insurance coverage and uninsurable risk; the adverse effect of currency fluctuations on the Corporation's financial performance; difficulties associated with enforcing judgments against

directors residing outside of Canada; conflicts of interest; reduction in the price of Common Shares as a result of sales of Common Shares by existing shareholders; the dilutive effect of future acquisitions or financing activities and the failure of future acquisitions to deliver the benefits anticipated; trading and volatility risks associated with equity securities and equity markets in general; the Corporation's not paying dividends in the foreseeable future or ever; failure of the Corporation's information technology systems or the security measures protecting such systems; the costs associated with legal proceedings should the Corporation become the subject of litigation or regulatory proceedings; costs associated with complying with public company regulatory reporting requirements; the ongoing military conflict in Ukraine; other risks involved in the exploration and development business generally, including, without limitation, environmental risks and hazards, cave-ins, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and those risk factors discussed or referred to in this Prospectus Supplement and in the Corporation's then-current annual information form, annual management's discussion and analysis and interim management's discussion and analysis, which readers are advised to carefully review and consider. Although the Corporation has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking information, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See "Risk Factors" for a discussion of certain factors investors should carefully consider before deciding to purchase any Offered Units.

The Corporation cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, investors should not place undue reliance on forward-looking information.

Forward-looking information contained herein is made as of the date of this Prospectus Supplement and the Corporation disclaims any obligation to update or revise any forward-looking information, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws. The Corporation disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. Investors are urged to read the Corporation's filings with Canadian securities regulatory agencies, which can be viewed online under the Corporation's issuer profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at [www.sedar.com](http://www.sedar.com).

## **FINANCIAL INFORMATION**

The financial statements of the Corporation incorporated by reference in this Prospectus Supplement have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and are reported in Canadian dollars.

All currency amounts in this Prospectus Supplement are expressed in Canadian dollars, unless otherwise indicated. References to "US\$" are to United States dollars and references to "€" are to the Euro. All currency amounts in this Prospectus Supplement are expressed in Canadian dollars, unless otherwise indicated. References to "US\$" are to United States dollars and references to "€" are to the Euro. On December 15, 2022, the indicative rate of exchange for the United States dollar and Euro, respectively, in terms of Canadian dollars, as quoted by the Bank of Canada, was US\$1.00 = \$1.3640 or \$1.00 = US\$0.7331 and €1.00 = \$1.4511 or \$1.00 = €0.6891.

## **ELIGIBILITY FOR INVESTMENT**

In the opinion of Koffman Kalef LLP, tax counsel to the Corporation, and Wildeboer Dellelce LLP, counsel to the Agents, based on the provisions of the Tax Act in force on the date hereof and the Tax Proposals (as defined herein) released by the Minister of Finance (Canada), the Shares, Warrants and Warrant Shares, if issued on the date hereof, would be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, tax-free savings accounts

(collectively referred to as “**Registered Plans**”) or deferred profit sharing plans (“**DPSP**”), all as defined in the Tax Act, provided that:

- (a) in the case of Shares and Warrant Shares, the Shares or Warrant Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes Tiers 1 and 2 of the TSXV) or the Corporation otherwise qualifies as a “public corporation” (as defined in the Tax Act); and
- (b) in the case of Warrants, (i) the Warrants are listed on a “designated stock exchange” as defined in the Tax Act; or (ii) the Shares are listed on a “designated stock exchange” as defined in the Tax Act and neither the Corporation nor any person with whom the Corporation does not deal at arm's length is an annuitant, a beneficiary, an employer or a subscriber under or a holder of the particular Registered Plan or DPSP.

Notwithstanding the foregoing, the annuitant, holder or subscriber, as the case may be (the “**Controlling Individual**”) of the Registered Plan, will be subject to a penalty tax under the Tax Act in respect of Shares, Warrants or Warrant Shares held in the Registered Plan if such securities are a “prohibited investment” (as defined in the Tax Act) for the particular Registered Plan. A Share, Warrant Share or Warrant generally will be a “prohibited investment” for a Registered Plan if the Controlling Individual does not deal at arm's length with the Corporation for the purposes of the Tax Act or the Controlling Individual has a “significant interest” (as defined in the Tax Act for purposes of the prohibited investment rules) in the Corporation. In addition, the Shares and Warrant Shares will generally not be a “prohibited investment” if such securities are “excluded property” (as defined in the Tax Act for purposes of the prohibited investment rules) for the Registered Plan. Controlling Individuals should consult their own tax advisors as to whether the Shares, Warrants or Warrant Shares will be a prohibited investment in their particular circumstances.

Bill C-32, *An Act to implement certain provisions of the fall economic statement tabled in Parliament on November 3, 2022 and certain provisions of the budget tabled in Parliament on April 7, 2022* contains proposals to implement tax measures applicable to first home savings accounts (“**FHSAs**”) which were first proposed by the 2022 Federal Budget (Canada) (such amendments, the “**FHSA Amendments**”). If the FHSA Amendments are enacted in the form proposed, a trust governed by an FHSA will generally be subject to the qualified investment rules in the Tax Act applicable to Registered Plans and the Shares, Warrants or Warrant Shares will be a qualified investment for a trust governed by an FHSA provided the conditions discussed above in relation to Registered Plans are satisfied. In addition, the rules in respect of a “prohibited investment” are also expected to apply to FHSAs and the holders thereof. The FHSA Amendments are proposed to come into force on April 1, 2023. Individuals who hold or intend to hold Shares, Warrants or Warrant Shares in a FHSA should consult their own tax advisors regarding the potential application of the prohibited investment rules to their particular circumstances.

**Because of the Canadian income tax deductions available to a purchaser of Flow-Through Units or Charity Flow-Through Units, it would be unusual for a trust governed by a Registered Plan to be the initial purchaser of Flow-Through Units or Charity Flow-Through Units. For further details, see “Certain Canadian Federal Income Tax Considerations”.**

#### **DOCUMENTS INCORPORATED BY REFERENCE**

**Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar authorities in the provinces of Alberta, British Columbia and Ontario. Other documents are also incorporated, or are deemed to be incorporated by reference, into the Base Shelf Prospectus and reference should be made to the Base Shelf Prospectus for full particulars thereof.** Copies of the documents incorporated herein by reference may be obtained on request, without charge, from the Corporate Secretary of the Corporation at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, telephone (604) 288-8005, and are also available electronically at [www.sedar.com](http://www.sedar.com).

The following documents, which have been filed by the Corporation with the securities commissions or similar authorities in each of the provinces and territories of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus Supplement:

- (a) the annual information form of the Corporation dated July 29, 2022 for the year ended March 31, 2022 (the “**AIF**”);
- (b) the audited annual consolidated financial statements of the Corporation for the years ended March 31, 2022 and 2021, together with the notes thereto and the auditors’ report thereon;
- (c) the management’s discussion and analysis of financial condition and results of operations of the Corporation for the year ended March 31, 2022;
- (d) the condensed consolidated interim financial statements of the Corporation for the six months ended September 30, 2022, together with the notes thereto (the “**Interim Financial Statements**”);
- (e) the management’s discussion and analysis of financial condition and results of operations of the Corporation for the six months ended September 30, 2022;
- (f) the material change report of the Corporation dated April 8, 2022, relating to the completion of a brokered private placement for gross proceeds of \$10,000,000;
- (g) the material change report of the Corporation dated May 20, 2022, relating to the completion of a non-brokered private placement for gross proceeds of \$500,000;
- (h) the material change report of the Corporation dated December 2, 2022, relating to the updated mineral resource estimate for the Moss Lake deposit located at the Moss Lake Project;
- (i) the technical report titled “NI 43-101 Technical Report Mineral Resource Estimate for the Moss Lake Project, Ontario, Canada” with an effective date of December 9, 2022, prepared for the Corporation by Neal Reynolds, FAusIMM, MAIG of ERM Consultants Canada Ltd. dba CSA Global Consultants Canada and Matthew Field, Pr. Sci. Nat of CSA Global UK Ltd. (the “**Technical Report**”);
- (j) the management information circular of the Corporation dated May 17, 2022 with respect to the Corporation’s annual general and special meeting of shareholders held on June 23, 2022;
- (k) the statement of executive compensation of the Corporation filed on September 27, 2022 with respect to the Corporation’s executive compensation for the year ended March 31, 2022; and
- (l) the “template version” (as such term is defined in National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators) of (collectively, the “**Marketing Material**”): (i) the term sheet for the Offering dated and filed on December 14, 2022 (the “**Term Sheet**”); and (ii) the investor presentation of the Corporation filed on December 15, 2022.

Any documents of the type required to be incorporated by reference in a short form prospectus pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators, including any documents of the type referred to above (excluding confidential material change reports, if any), filed by the Corporation with the various securities commissions or similar regulatory authorities in the provinces of Alberta, British Columbia and Ontario after the date of this Prospectus Supplement and prior to the termination of the Offering shall be deemed to be incorporated by reference into and form an integral part of this Prospectus. **Any statement contained in this Prospectus Supplement, the Base Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein for the purposes of the offering of the Offered Units hereunder shall be deemed to be modified or superseded, for purposes of this Prospectus Supplement and the Base Shelf Prospectus, to the extent that a statement contained herein or therein or in any other subsequently filed document that also is incorporated or is deemed to be incorporated by reference herein or therein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that**

it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or omission to state a material fact that was required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall be deemed, except as so modified or superseded, not to constitute a part of this Prospectus.

## MARKETING MATERIALS

The Marketing Materials do not form part of this Prospectus Supplement and the accompanying Base Shelf Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus Supplement and the accompanying Base Shelf Prospectus. Any “template version” of any “marketing materials” (each as defined in National Instrument 41-101 – *General Prospectus Requirements*) that has been, or will be, filed on SEDAR (www.sedar.com) before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus Supplement and the accompanying Base Shelf Prospectus solely for the purposes of the Offering.

## THE CORPORATION

The Corporation was incorporated on April 30, 2009, pursuant to *the Business Corporations Act* (British Columbia) under the name Sierra Madre Developments Inc. On May 31, 2021, the Corporation changed its name to “Goldshore Resources Inc.”

The Corporation is a junior mineral exploration company focused on creating shareholder value through discovery. The Corporation holds a 100% interest in the mineral property known as the “Moss Lake Project” (the “**Moss Lake Project**”) located in the Province of Ontario, which interest the Corporation holds through its sole wholly-owned subsidiary, Moss Lake Project Inc. (“**MLPI**”). As of the date hereof, the only material property of the Corporation is the Moss Lake Project.

Further information regarding the business and operations of the Corporation can be found in the AIF and the other materials incorporated or deemed to be incorporated by reference into this Prospectus Supplement. See “Documents Incorporated by Reference”, and see also “Risk Factors” in this Prospectus Supplement, the Base Shelf Prospectus and the AIF.

### *Recent Developments*

On November 5, 2022, the Corporation and the Advisor entered into the Advisory Agreement for a term of 6 months. Under the terms of the Advisory Agreement, the Advisor agreed to provide general consulting and support services as the Corporation and the Advisor may mutually agree upon from time to time in connection with the analysis of equity and debt markets insofar as the same relate to the Corporation, future equity and/or debt financings, private placements, financial negotiations and capital restructurings of the Corporation. The Advisor also agreed to provide specific services to the Corporation as the Corporation’s fiscal advisor. In addition, in the event the Corporation completes an equity financing within the time period of the Advisory Agreement, the Corporation agreed to pay to the Advisor a fee of 2% of the total gross amount of any such transaction (the “**Advisory Fee**”).

On November 15, 2022, the Corporation announced a mineral resource estimate for the Moss Lake deposit located at the Moss Lake Project. For additional information, readers are encouraged to review the Technical Report.

## CONSOLIDATED CAPITALIZATION

There have been no material changes in the share and loan capital of the Corporation, on a consolidated basis, since the date of the Interim Financial Statements, which have not been disclosed in this Prospectus Supplement or the documents incorporated by reference herein.

The following table sets forth the consolidated capitalization of the Corporation as at the date of the Interim Financial Statements and as at such date, on an adjusted basis, after giving effect to the issuance of the Offered Units in connection with the Offering as well as the issuance of other Common Shares subsequent to the date of the Interim Financial Statements. The table should be read in conjunction with the Interim Financial Statements, including the notes thereto and the related management's discussion and analysis.

	<b>As at September 30, 2022</b>	<b>As at September 30, 2022, after giving effect to the Offering <sup>(2)</sup></b>	<b>As at September 30, 2022, after giving effect to the Offering and the full exercise of the Over-Allotment Option <sup>(2)</sup></b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Current Liabilities	\$1,637,045	\$2,137,045	\$2,212,045
Long Term Liabilities	\$10,973,685	\$10,973,685	\$10,973,685
Common Shares	142,576,603	162,576,603 <sup>(3)</sup>	165,576,603 <sup>(3)</sup>
		159,243,269 <sup>(4)</sup>	161,743,269 <sup>(4)</sup>
		156,862,317 <sup>(5)</sup>	159,005,174 <sup>(5)</sup>
Convertible securities	13,163,270 warrants <sup>(1)</sup>	23,163,270 <sup>(3)</sup>	24,663,270 <sup>(3)</sup>
	8,737,500 stock options	21,496,603 <sup>(4)</sup>	22,746,603 <sup>(4)</sup>
		20,306,127 <sup>(5)</sup>	21,377,555 <sup>(5)</sup>
		8,737,500 stock options	8,737,500 stock options

Notes:

- (1) Includes warrants, compensation options, and broker warrants issued prior to the date of this Prospectus Supplement.
- (2) Assuming issuance of the Conventional Units, Flow-Through Units and Charity Flow-Through Units, but no exercise of the Warrants or any other outstanding convertible securities. See "Plan of Distribution".
- (3) Assumes 100% of the Offering completed through the sale of Conventional Units.
- (4) Assumes 100% of the Offering completed through the sale of Flow-Through Units.
- (5) Assumes 100% of the Offering completed through the sale of Charity Flow-Through Units.

## USE OF PROCEEDS

After deducting the Agents' Fee of \$250,000 (or \$287,500 if the Over-Allotment Option is exercised in full and assuming no purchasers on the President's List), the Advisory Fee and expenses of the Offering estimated to be \$300,000, the net proceeds to the Corporation from the Offering are estimated to be \$4,350,000 (or \$5,047,500 if the Over-Allotment Option is exercised in full and assuming no purchasers on the President's List). See "Plan of Distribution".

The Corporation will use an amount equal to the gross proceeds from the Offering resulting from the sale of Flow-Through Units and Charity Flow-Through Units to invest in flow-through shares of its wholly owned subsidiary MLPI, and, in turn, MLPI will incur and renounce to the Corporation CEE in an amount equal to the gross proceeds

from the Offering resulting from the sale of Flow-Through Units and Charity Flow-Through Units. The Corporation will be deemed under the Tax Act to have incurred CEE renounced to it by MLPI and will further renounce such CEE to purchasers of Flow-Through Units and Charity Flow-Through units under this Offering as described under “Renunciation of CEE” and “Certain Canadian Federal Income Tax Considerations”.

The gross proceeds from the Offering resulting from the sale of Flow-Through Units and Charity Flow-Through Units will be used to incur CEE primarily in connection with the exploration and development of the Moss Lake Project.

The net proceeds from the Offering (assuming no exercise of the Over-Allotment Option) are expected to be used by the Corporation as set out in the table below. Any net proceeds realized on exercise of the Over-Allotment Option are expected to be applied to unallocated general working capital.

<b>Use of Proceeds</b>	<b>Approximate Amount</b>
Exploration and development of the Moss Lake Project <sup>(1)</sup>	\$3,000,000
General and administrative expenses <sup>(2)</sup>	\$1,331,900
Unallocated working capital	\$18,100
<b>Total</b>	<b>\$4,350,000</b>

Notes:

- (1) The Corporation expects to complete the following exploration and development program at the Moss Lake Project in the next 12 months from the date of this prospectus supplement: (a) continue the drilling program to support a secondary mineral resource estimate update; (b) conduct a preliminary economic assessment on the updated mineral resource estimate; and (c) assemble all geological data and drilling for the year of 2023 into a tertiary mineral resource estimate.
- (2) Consists of: consulting fees of \$571,200, marketing of \$276,500, professional fees of \$182,500, and general and administrative costs of \$301,700.

The Corporation currently intends to spend the net proceeds of the Offering as stated in this Prospectus Supplement. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. The actual amount that the Corporation spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under “Risk Factors”.

Until applied, the net proceeds will be held as cash balances in the Corporation’s bank account or invested in certificates of deposit and other instruments issued by banks or obligations of or guaranteed by the Government of Canada or any province thereof. Unallocated funds from the Offering will be added to the working capital of the Corporation and will be expended at the discretion of management.

The Corporation has had negative operating cash flow in recent years. The Corporation anticipates that it will continue to have negative operating cash flow until such time, if ever, that commercial production is achieved at the Moss Lake Project. To the extent that the Corporation has negative operating cash flows in future periods, the Corporation may need to allocate a portion of its existing working capital, including the net proceeds from the Offering, to fund such negative cash flow. There are no assurances that the Corporation will not experience negative cash flow from operations in the future. See “Risk Factors”.

Peter Flindell, P.Geo., MAusIMM, MAIG, Vice President Exploration of the Corporation, is the “Qualified Person” who supervised the preparation of the above use of proceeds disclosure and is of the view that the proposed expenditure amounts and business objectives in respect of the exploration and development work proposed to be completed on the Moss Lake Project is reasonable.

### **Business Objectives**

The Corporation is focused on the advancement of the Moss Lake Project. The net proceeds of the Offering will be used to accelerate the Corporation’s development of the Moss Lake Project. Additionally, although the Corporation has not executed any agreements in respect to any acquisitions, the additional capital will allow the Corporation to

take advantage of such any opportunity if it arises. No assurance can be given that the Corporation will be able to execute on any acquisition opportunity and accordingly, the Corporation may from time to time reallocate a portion of the net proceeds obtained from the Offering primarily for working capital and general corporate purposes having regard to the Corporation's circumstances at the relevant time. See "Risk Factors".

## DESCRIPTION OF SECURITIES BEING DISTRIBUTED

### Offered Units

Each Offered Unit is comprised of one Share and one-half of one Warrant, subject to adjustment in certain circumstances in accordance with the Warrant Indenture. The Offered Units will separate into Shares and Warrants immediately upon issue.

The Conventional Units are offered at the Conventional Unit Offering Price of \$0.25 per Conventional Unit. The Flow-Through Units are offered at the Flow-Through Unit Offering Price of \$0.30. The Charity Flow-Through Units are offered at the Charity Flow-Through Unit Offering Price of \$0.35. This Prospectus Supplement qualifies the distribution of the Offered Units, including the Shares and the Warrants, and the grant of the Over-Allotment Option.

The Shares and Warrants comprising the Flow-Through Units and the Charity Flow-Through Units will be issued as flow-through shares under the Tax Act. See "Certain Canadian Federal Income Tax Considerations" and "CEE Renunciations".

### Shares

The Corporation's authorized capital consists of an unlimited number of Common Shares without par value. The Corporation has no other classes of voting securities. As of the date hereof, the Corporation has 142,576,603 Common Shares issued and outstanding. As of the Closing Date of the Offering, and assuming no further Common Shares are issued upon the exercise of outstanding warrants or options and no exercise of the Over-Allotment Option, the Corporation will have 162,576,603 Common Shares issued and outstanding assuming 100% of the Offering is completed through the sale of Conventional Units, 159,243,269 Common Shares issued and outstanding assuming 100% of the Offering is completed through the sale of Flow-Through Units and 156,862,317 Common Shares issued and outstanding assuming 100% of the Offering is completed through the sale of Charity Flow-Through Units. See "Consolidated Capitalization".

All of the authorized Common Shares are of the same class and, once issued, rank equally as to dividends, voting powers, and participation in assets. Shareholders are entitled to receive notice of meetings of shareholders and to attend and vote at those meetings. Shareholders are entitled to one vote for each Common Share held of record on all matters to be acted upon by the shareholders. Shareholders are entitled to receive such dividends as may be declared from time to time by the board of directors of the Corporation, in its discretion, out of funds legally available therefor.

Upon liquidation, dissolution or winding up of the Corporation, shareholders are entitled to receive *pro rata* the assets of the Corporation, if any, remaining after payments of all debts and liabilities. No Common Shares have been issued subject to call or assessment. There are no pre-emptive, conversion or exchange rights and no provisions for redemption, retraction, purchase for cancellation, surrender or sinking or purchase funds. There are no provisions restricting the issuance of additional Common Shares or requiring a shareholder to contribute additional capital.

Provisions as to the modification, amendment or variation of such shareholder rights or provisions are contained in the *Business Corporations Act* (British Columbia).

As of the date of this Prospectus Supplement, the Corporation has not declared dividends and has no current intention to declare dividends on its Common Shares in the foreseeable future. Any decision to pay dividends on its Common Shares in the future will be at the discretion of the Corporation's board of directors and will depend on, among other things, the Corporation's results of operations, current and anticipated cash requirements and surplus,

financial condition, any future contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the board of directors may deem relevant.

## **Warrants**

The Warrants will be governed by the terms of the Warrant Indenture to be entered into on or before the Closing Date between the Corporation and Odyssey Trust Company as Warrant Agent. Under the Warrant Indenture, each Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture, one Warrant Share at an exercise price of \$0.40 per Warrant Share at any time prior to 5:00 p.m. (Vancouver time) on the Expiry Date, which is the date that is 24 months following the Closing Date, after which time the Warrants shall be void and of no value or effect. The Warrants will not be listed on the TSXV, OTCQB, the Frankfurt Exchange or any other stock exchange or marketplace.

The following summary of certain anticipated provisions of the Warrant Indenture does not purport to be complete and is subject in its entirety to the detailed provisions of the executed Warrant Indenture. Reference is made to the Warrant Indenture for the full text of the attributes of the Warrants which, following the closing of the Offering, (i) will be filed on SEDAR under the issuer profile of the Corporation at [www.sedar.com](http://www.sedar.com), and (ii) may be obtained on request without charge from the Corporate Secretary of the Corporation at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, telephone (604) 288-8005. A register of holders of Warrants will be maintained at the principal offices of the Warrant Agent in Vancouver, British Columbia.

The Warrant Indenture will provide, in the event of certain alterations of the Common Shares, that the number of Common Shares which may be acquired by a holder of Warrants upon the exercise thereof will be subject to standard anti-dilution provisions governed by the Warrant Indenture, including provisions for the appropriate adjustment of the class, number and price of the securities issuable under the Warrant Indenture upon the occurrence of certain events including but not limited to any subdivision, consolidation, or reclassification of the Common Shares, payment of dividends outside of the ordinary course, or amalgamation/merger of the Corporation.

No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Corporation or entitle such holder to any right or interest in respect of the Warrant Shares except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting or preemptive rights or any other rights of a holder of Common Shares.

The Corporation will also covenant in the Warrant Indenture, during the period in which the Warrants are exercisable, to give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least two days prior to the record date or effective date, as the case may be, of such event.

The Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of the applicable state of the United States, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and the securities laws of the applicable state of the United States is available and the Corporation has received an opinion of legal counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Corporation. Notwithstanding the foregoing, a holder who is a Qualified Institutional Buyer at the time of exercise of the Warrants who purchased Units in the Offering or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of legal counsel or such other evidence in connection with the exercise of Warrants that are a part of those Units.

The Warrant Indenture will provide that, from time to time, the Warrant Agent and the Corporation, without the consent of the holders of Warrants, may be able to amend or supplement the Warrant Indenture for certain purposes, including rectifying any ambiguities, defective provisions, clerical omissions or mistakes, or other errors contained in the Warrant Indenture or in any deed or indenture supplemental or ancillary to the Warrant Indenture, provided that, in the opinion of the Warrant Agent, relying on counsel, the rights of the holders of Warrants are not prejudiced, as a group.

The Warrant Indenture will also contain provisions making binding upon the holders of Warrants all resolutions passed at meetings of such holders in accordance with such provisions or by instruments in writing signed by holders of Warrants holding a specified percentage of the Warrants. Any amendment or supplement to the Warrant Indenture that is prejudicial to the interests of the holders of Warrants, as a group, will be subject to approval by an “Extraordinary Resolution”, which will be defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66 ⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting in person or by proxy and voted on the poll upon such resolution, or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66 ⅔% of the number of all of the then outstanding Warrants.

The Warrant Indenture will also provide that a holder of Warrants may not exercise warrants to acquire Common Shares that would result in such holder holding 20% or more of the issued and outstanding Common Shares without prior approval of the TSXV and the consent of the Corporation.

The principal transfer office of the Warrant Agent in Vancouver, British Columbia is the location at which Warrants may be surrendered for exercise or transfer.

**There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus Supplement. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.**

#### **RENUNCIATION OF CEE**

Except as a consequence of any agreement to which the Corporation is not a party, the Shares comprising the Flow-Through Units and the Charity Flow-Through Units will be issued as “flow-through shares” as that term is defined under subsection 66(15) of the Tax Act and will not be “prescribed shares” as defined in the regulations to the Tax Act. Similarly, except as a consequence of any agreement to which the Corporation is not a party, the Warrants comprising the Flow-Through Units and the Charity Flow-Through Units will also be issued as “flow-through shares” as defined in subsection 66(15) of the Tax Act and will not be “prescribed rights” as defined in the regulations to the Tax Act, even though the Warrant is to acquire a Common Share and not a share that qualifies as a “flow-through share”. Pursuant to the Flow-Through Subscription Agreements (as defined below under the heading “Plan of Distribution – Flow-Through Units and Charity Flow-Through Units”), the Corporation will agree to incur (or be deemed to incur) sufficient CEE, on or before the Termination Date so as to enable the Corporation to renounce, on or before December 31, 2022, in favour of the purchasers of Flow-Through Units and Charity Flow-Through Units, an amount equal to the aggregate gross proceeds paid by such purchasers for the issuance of Flow-Through Units and Charity Flow-Through Units, respectively, under the Offering (the “**Flow-Through Funds**”). There is no guarantee that an amount equal to the Flow-Through Funds will be expended by the Corporation as indicated.

If the Corporation fails to renounce an amount equal to the entire amount of the Flow-Through Funds, in accordance with the Flow-Through Subscription Agreements, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the amount of deductions and credits that purchasers will be able to claim for income tax purposes will be correspondingly reduced. Under the Flow-Through Subscription Agreements, the Corporation will agree to indemnify a purchaser as to, and pay in settlement therefor to the purchaser, an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial legislation) by the purchaser as a consequence of such failure or reduction. See “Certain Canadian Federal Income Tax Considerations”. The Flow-Through Subscription Agreements will contain additional representations, warranties, covenants and agreements by the Corporation in favour of the purchasers of Flow-Through Units and Charity Flow-Through Units which are consistent with and supplement the Corporation’s obligations as described in this Prospectus Supplement.

The Flow-Through Subscription Agreements will also provide for representations, warranties and agreements of the purchaser, and by its purchase of Flow-Through Units or Charity Flow-Through Units, as applicable, each purchaser

of Flow-Through Units or Charity Flow-Through Units offered hereunder will be deemed to have represented, warranted and agreed, for the benefit of the Corporation and the Agents, that: (i) the purchaser and any beneficial purchaser for whom it is acting deals, and until the Termination Date will continue to deal, at arm's length with the Corporation for the purposes of the Tax Act; (ii) the purchaser, if an individual, is of the full age of majority and otherwise is legally competent to enter into the Flow-Through Subscription Agreement; (iii) other than as provided herein and in the Flow-Through Subscription Agreements, the purchaser waives any right that it may have to any potential incentive grants, credits and similar or like payments or benefits which accrue as a result of the operations relating to CEE and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Corporation; (iv) the purchaser has received and reviewed a copy of this Prospectus Supplement; and (v) the purchaser has not entered into and will not knowingly enter into any agreement or arrangement to which the Corporation is not a party that will cause the Shares and Warrants comprising the Flow-Through Units and Charity Flow-Through Units to become "prescribed shares" or "prescribed rights", respectively, within the meaning of Section 6202.1 of the regulations to the Tax Act.

Notwithstanding the foregoing, the Corporation may enter into one or more subscription and renunciation agreements for Flow-Through Units or Charity Flow-Through Units on such other terms as may be agreed to by the Corporation and the applicable purchaser.

### PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Corporation has appointed the Agents and the Agents have agreed to act as agents to offer for sale on a "best efforts" basis of (i) up to 20,000,000 Conventional Units (assuming 100% of the Offering is completed through the sale of Conventional Units), (ii) up to 16,666,666 Flow-Through Units (assuming 100% of the Offering is completed through the sale of Flow-Through Units) and, (iii) up to 14,285,714 Charity Flow-Through Units (assuming 100% of the Offering is completed through the sale of Charity Flow-Through Units), in any combination to raise aggregate gross amount of up to \$5,000,000, payable in cash to the Corporation against delivery of the Offered Units, subject to the terms and conditions of the Agency Agreement. **There is no minimum amount of funds that must be raised under the Offering. This means that the Corporation could complete the Offering after raising only a small proportion of the Offering set out above.**

The obligations of the Agents under the Agency Agreement are subject to certain closing conditions and may be terminated at their discretion on the basis of "due diligence out", "market out", "disaster out", "material adverse change out", "regulatory out" and "breach out" provisions in the Agency Agreement and may also be terminated upon the occurrence of certain other stated events. While the Agents have agreed to use their commercially reasonable efforts to sell the Offered Units, the Agents are not obligated to purchase Offered Units which are not sold.

The Corporation has granted to the Agents an Over-Allotment Option solely for the purpose of covering over-allotments made in connection with the Offering, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agents in any of the following combinations to acquire: (i) up to 3,000,000 Over-Allotment Conventional Units at the Conventional Unit Offering Price; (ii) up to 3,000,000 Over-Allotment Shares at the Over-Allotment Share Price; (iii) up to 1,500,000 Over-Allotment Warrants at the Over-Allotment Warrant Price; (iv) up to an additional 2,500,000 Over-Allotment Flow-Through Units at the Flow-Through Unit Offering Price; (v) up to an additional 2,142,857 Over-Allotment Charity Flow-Through Units at the Charity Flow-Through Unit Price; or (vi) any combination of Over-Allotment Units at the applicable Offering Price, Over-Allotment Shares at the Over-Allotment Share Price and Over-Allotment Warrants at the Over-Allotment Warrant Price, provided that the aggregate number of Over Allotment Securities that may be issued under such Over-Allotment Option does not exceed \$750,000 in the aggregate. This Prospectus Supplement and accompanying Base Shelf Prospectus qualify the grant of the Over-Allotment Option. A purchaser who acquires securities forming part of the Agents' over-allocation position acquires those securities under this Prospectus Supplement and accompanying Base Shelf Prospectus, regardless of whether the Agents' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

If the Over-Allotment Option is exercised in full and assuming no purchasers on the President's List, the total price to the public, the Agents' Fee and the net proceeds to the Corporation (before payment of the Advisory Fee

estimated to be \$115,000 and expenses of the Offering estimated to be \$300,000) will be approximately \$5,750,000, \$287,500 and \$5,462,500, respectively.

In consideration of the services to be rendered by the Agents in connection with the Offering, the Corporation has agreed to pay the Agents a cash fee equal to 5% of the gross proceeds of the Offering, being the Agents' Fee, including in respect of any gross proceeds raised on the exercise of the Over-Allotment Option. In respect of purchasers on the president's list agreed upon between the Corporation and the Agents (up to a maximum of \$200,000), the amount of the Agents' Fee will be reduced to 2.5% of the gross proceeds pursuant to such sales under the Offering. The Corporation also agreed to pay the Advisor the Advisory Fee.

The Conventional Unit Offering Price, the Flow-Through Unit Offering Price, the Charity Flow-Through Unit Offering Price and other terms of the Offering were determined by arm's length negotiation between the Corporation and the Lead Agent, with reference to the prevailing market price of the Common Shares.

The Agency Agreement also provides that the Corporation will reimburse the Agents for certain expenses incurred in connection with the Offering and will indemnify the Agents, their affiliates and subsidiaries and their directors, officers, employees, shareholders, partners, agents and advisors against certain liabilities and expenses and will contribute to payments that the Agents may be required to make in respect thereof.

The Offering is being made in the provinces of British Columbia, Alberta and Ontario. The Offered Units will be offered in each of such provinces through the Agents or their affiliates who are registered to offer the Offered Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Conventional Units in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Corporation and the Agents.

The Corporation has applied to list the Shares and the Warrant Shares underlying each of the Offered Units. Conditional approval for listing of such securities on the TSXV is a condition of closing of the Offering. Listing is subject to the Corporation fulfilling all of the requirements of the TSXV.

Pursuant to the Agency Agreement, the Corporation has agreed for the benefit of the Agents that it will not, directly or indirectly, issue or sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to, or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of any Common Shares or financial instruments convertible or exercisable into Common Shares or announce any intention to do so until the date which is 90 days after the Closing Date without the prior written consent of the Agents, such consent not to be unreasonably withheld or delayed, except in conjunction with: (i) the grant or exercise of stock options and other similar issuances, in each case pursuant to the share incentive plan of the Corporation and other share compensation arrangements; (ii) the issuance of securities in connection with previously issued convertible securities; (iii) pursuant to the Offering, including the Over-Allotment Option; and (iv) any transaction with an arm's length third party whereby the Corporation directly or indirectly acquires shares or assets of a business.

Pursuant to the Agency Agreement, the Corporation has also agreed for the benefit of the Agent that it will use its best efforts to cause each of its directors and senior officers to enter into lock-up agreements in a form satisfactory to the Corporation and the Lead Agent, in both cases acting reasonably, to be executed concurrently with the closing of the Offering, pursuant to which each such person agrees, among other things, to not, for a period of 90 days from the Closing Date, directly or indirectly, dispose of, or transfer, or announce any intention to do so, any Common Shares, whether now owned (or hereinafter acquired) directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Corporation, subject to the exceptions negotiated by the Corporation and the Agents.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Agents may not, at any time during the period ending on the date the selling process for the Offered Units ends, bid for or purchase Common Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Common Shares permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the

Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; (ii) a bid or purchase made for or on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Agents during the period of distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of the prescribed restricted period. Consistent with these requirements, and in connection with the Offering, the Agents may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Agents at any time. The Agents may carry out these transactions on the TSXV, OTCQB, in the over-the-counter market or otherwise.

Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will occur on or about December 22, 2022, or on such other date as may be permitted under applicable securities laws and as agreed upon by the Corporation and the Lead Agent. It is expected that the Offered Units distributed under this Prospectus Supplement and accompanying Base Shelf Prospectus will be issued and delivered under the book-based system through CDS or its nominee and be deposited in electronic form with CDS on the Closing Date. Purchasers, including Qualified Institutional Buyers that are also U.S. Institutional Accredited Investors in the United States or purchasing for the account or benefit of a U.S. Person who are acquiring Conventional Units or Redistributed Units pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act, will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Units are purchased. Conventional Units or Redistributed Units, if any, acquired by such Qualified Institutional Buyers in the United States may not be deposited into the facilities of the Depository Trust Company, or a successor depository within the United States, or be registered or arranged to be registered, with Cede & Co. or any successor thereto. No definitive certificates will be issued unless specifically requested or required.

#### **Flow-Through Units and Charity Flow-Through Units**

Subscriptions for Flow-Through Units and Charity Flow-Through Units will be made pursuant to one or more subscription and renunciation agreements (collectively, the "**Flow-Through Subscription Agreements**") to be made between the Corporation and the purchasers, which agreements will be executed by one or more of the Agents or one or more sub-agents of the Agents, as agent(s) for, on behalf of and in the name of all purchasers of Flow-Through Units and Charity Flow-Through Units, as applicable. The execution and delivery of a Flow-Through Subscription Agreement by the Agents or a sub-agent of the Agents, as agent on behalf of the purchaser, will bind such purchaser to the terms thereof as if such purchaser had executed the Flow-Through Subscription Agreement personally. Each purchaser who places an order to purchase Flow-Through Units or Charity Flow-Through Units with the Agents or any sub-agent of an Agents will be deemed to have authorized the Agents or such sub-agent to execute and deliver, on the purchaser's behalf, the Flow-Through Subscription Agreement. The Agent acknowledges that it will have the authority to bind a purchaser to the Flow-Through Subscription Agreement upon receipt of an order to purchase Flow-Through Units or Charity Flow-Through Units from the said purchaser.

The Corporation understands that purchasers of Charity Flow-Through Units may subsequently choose to dispose of some or all of the Charity Flow-Through Units, including by: (i) donating such Charity Flow-Through Units to registered charitable organizations, who may in turn choose to sell such Charity Flow-Through Units to purchasers arranged by the Agents at the Conventional Unit Offering Price; or (ii) selling Charity Flow-Through Units to purchasers arranged by the Agents at the Conventional Unit Offering Price. These Redistributed Units will not qualify as flow-through shares for a registered charity or subsequent purchaser, and, consequently, the Corporation will only renounce CEE to the original purchaser of the Charity Flow-Through Units. The Corporation will not be a party to any such arrangements. This prospectus supplement and accompanying base shelf prospectus qualifies the issuance of the Charity Flow-Through Units as well as the distribution of Redistributed Units.

#### **Offering in the United States**

The Shares and Warrants comprising the Offered Units offered hereby and the Warrant Shares issuable upon exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or the securities laws

of any state of the United States, and may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the U.S. or a U.S. Person, unless registered under the U.S. Securities Act or an exemption from such registration is available, and the Shares and the Warrants and will bear a legend stating such.

The Agents have agreed that, except as permitted by the Agency Agreement and as expressly permitted by applicable U.S. federal securities laws and the securities laws of the applicable state of the United States, it will not offer or sell the Offered Units or Redistributed Units at any time to, or for the account or benefit of, any person in the United States or any U.S. Person as part of its distribution. The Agency Agreement permits the Agents acting through their United States broker-dealer affiliates to reoffer and resell the Conventional Units they have acquired pursuant to the Agency Agreement and the Redistributed Units in the United States and to, or for the account or benefit of U.S. Persons, that are Qualified Institutional Buyers that are also U.S. Institutional Accredited Investors in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act and applicable U.S. state securities laws. Moreover, the Agency Agreement provides that the Agents will offer and sell the Offered Units outside the United States to non-U.S. Persons only in accordance with Rule 903 of Regulation S. The Conventional Units and Redistributed Units, and the Shares and Warrants comprising the Conventional Units and Redistributed Units, that are offered or sold to, or for the account or benefit of, a person in the United States or a U.S. Person, and any Warrant Shares issued upon the exercise of such Warrants, will be “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and will be subject to restrictions to the effect that such securities have not been registered under the U.S. Securities Act or the securities laws of the applicable state of the United States and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and the securities laws of the applicable state of the United States.

The Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of the applicable state of the United States, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and the securities laws of the applicable state of the United States is available and the Corporation has received an opinion of legal counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Corporation. Notwithstanding the foregoing, a holder who is a Qualified Institutional Buyer at the time of exercise of the Warrants who purchased Conventional Units in the Offering or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of legal counsel or such other evidence in connection with the exercise of Warrants that are a part of those Conventional Units.

This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Units offered under the Offering in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Units within the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the U.S. Securities Act and similar exemptions under applicable state securities law.

### **TRADING PRICE AND VOLUME**

The outstanding Common Shares are listed and posted for trading on the TSXV under the symbol “GSHR”.

The following table sets forth the high and low sale prices in Canadian dollars and trading volumes for the Common Shares on the TSXV for the previous 12 months (as reported by the TSXV) prior to the date of this Prospectus Supplement.

<b>Month</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
December 2022 <sup>(1)</sup>	\$0.30	\$0.24	1,155,848
November 2022	\$0.36	\$0.18	4,403,476
October 2022	\$0.255	\$0.18	2,470,907

<b>Month</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
September 2022	\$0.24	\$0.16	2,303,847
August 2022	\$0.33	\$0.24	734,660
July 2022	\$0.34	\$0.22	578,560
June 2022	\$0.45	\$0.25	1,820,258
May 2022	\$0.53	\$0.415	1,118,493
April 2022	\$0.55	\$0.39	4,762,933
March 2022	\$0.60	\$0.475	2,673,634
February 2022	\$0.65	\$0.44	2,198,821
January 2022	\$0.67	\$0.465	1,916,345

Note:

(1) From December 1, 2022 to December 15, 2022.

On December 14, 2022, the last trading day before the announcement of the Offering, the closing price of the Common Shares on the TSXV was \$0.27. On December 15, 2022, the last trading day prior to the date of this Prospectus Supplement, the closing price of the Common Shares on the TSXV was \$0.24.

## PRIOR SALES

### Common Shares

The following table summarizes details of the Common Shares issued by the Corporation during the 12 months prior to the date of this Prospectus Supplement.

<b>Date</b>	<b>Security</b>	<b>Price</b>	<b>Number of Securities</b>
April 6, 2022	Common Shares <sup>(1)</sup>	\$0.50	6,460,686
April 6, 2022	Common Shares <sup>(2)</sup>	\$0.60	9,616,095
April 6, 2022	Common Shares <sup>(3)</sup>	\$0.71	1,408,451
May 18, 2022	Common Shares <sup>(4)</sup>	\$0.50	1,000,000
June 6, 2022	Common Shares <sup>(5)</sup>	\$0.60	8,333,333
August 2, 2022	Common Shares <sup>(6)</sup>	\$0.27	300,000

Notes:

(1) Issued pursuant to a brokered private placement of units.

(2) Issued pursuant to a brokered private placement of units.

(3) Issued pursuant to a brokered private placement of units.

(4) Issued pursuant to a non-brokered private placement of units.

(5) Issued as the first milestone payment to Wesdome Gold Mines Ltd. pursuant to an asset purchase agreement dated January 25, 2021 as amended on May 7, 2021.

(6) Issued pursuant an option agreement between the Corporation and Thunder Gold Corp. dated July 5, 2022.

### Warrants

The following table summarizes details of the warrants and broker warrants issued by the Corporation during the 12 months prior to the date of this Prospectus Supplement.

<u>Date</u>	<u>Security</u>	<u>Exercise Price</u>	<u>Number of Securities</u>
April 6, 2022	Warrants <sup>(1)</sup>	\$0.75	3,230,343
April 6, 2022	Compensation Warrants <sup>(1)</sup>	\$0.50	345,341
April 6, 2022	Warrants <sup>(2)</sup>	\$0.75	4,808,048
April 6, 2022	Compensation Warrants <sup>(2)</sup>	\$0.60	573,967
April 6, 2022	Warrants <sup>(3)</sup>	\$0.75	704,226
April 6, 2022	Compensation Warrants <sup>(3)</sup>	\$0.71	84,507
May 18, 2022	Warrants <sup>(4)</sup>	\$0.75	500,000

## Notes:

- (1) Issued pursuant to a brokered private placement of units.
- (2) Issued pursuant to a brokered private placement of units.
- (3) Issued pursuant to a brokered private placement of units.
- (4) Issued pursuant to a non-brokered private placement of units.

**Stock Options**

The Corporation did not issue any stock options during the 12 months prior to the date of this Prospectus Supplement.

**CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder who acquires Offered Units as beneficial owner pursuant to this Prospectus Supplement and who, at all relevant times, for the purposes of the Tax Act, deals at arm's length with the Corporation and the Agents, is not affiliated with the Corporation or the Agents, and will acquire and hold such Offered Units, and the underlying Shares, Warrants and Warrant Shares, as capital property, and, with respect to the Flow-Through Units or Charity Flow-Through Units, is an individual (other than a trust) who at all times deals and will continue to deal at arm's length with the Corporation (each, a "**Holder**"), all within the meaning of the Tax Act. For purposes of this summary, references to Common Shares shall include Shares and Warrant Shares unless otherwise indicated.

Common Shares and Warrants will generally be considered capital property to a Holder unless either the Holder holds or uses or is deemed to hold or use such securities in the course of carrying on a business of trading or dealing in securities or the Holder has acquired or has been deemed to acquire such securities in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder: (i) that is a "principal-business corporation" within the meaning of the Tax Act; (ii) whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons; (iii) that is a partnership or trust; (iv) that is a "financial institution" for purposes of the Tax Act; (v) that is a "specified financial institution" as defined for purposes of the Tax Act; (vi) to which the "functional currency" reporting rules in section 261 of the Tax Act apply, (vii) that has entered into or will enter into a "synthetic disposition arrangement" or "derivative forward arrangement", as such terms are defined in the Tax Act, with respect to the Shares, Warrants or Warrant Shares; (viii) an interest in which is a "tax shelter investment" for purposes of the Tax Act; or (ix) that receives dividends on the Shares or Warrant Shares under or as part of a "dividend rental arrangement", as defined in the Tax Act. Such Holders should consult their own tax advisors.

This summary is based upon the current provisions of the Tax Act, counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") and all published proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"). This summary assumes that the Tax Proposals will be enacted substantially as

proposed; however, no assurance can be given that the Tax Proposals will be enacted as proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or the CRA's administrative policies or assessing practices, whether by legislative, governmental or judicial decision or action, nor does it take into account any provincial, territorial or foreign income tax legislation or considerations.

**This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.**

### **Allocation of Unit Cost**

A Holder who acquires Conventional Units, Flow-Through Units or Charity Flow-Through Units pursuant to the Offering will be required to allocate the purchase price paid for each Conventional Unit, Flow-Through Unit or Charity Flow-Through Unit, as applicable, on a reasonable basis between the Common Share and the one-half of one Warrant, respectively, in order to determine their respective costs to such Holder for the purposes of the Tax Act.

For its purposes, the Corporation has advised counsel that: (i) of the Conventional Unit Offering Price, it intends to allocate \$0.244 to each Common Share and \$0.006 to each one-half of one Warrant; (ii) of the Flow-Through Unit Offering Price, it intends to allocate \$0.294 to each Common Share and \$0.006 to each one-half of one Warrant; and (iii) of the Charity Flow-Through Unit Offering Price, it intends to allocate \$0.344 to each Common Share and \$0.006 to each one-half of one Warrant. Although the Corporation believes that such allocations are reasonable, such allocations are not binding on the CRA or on a Holder, and counsel expresses no opinion on such allocations.

Notwithstanding the foregoing allocation of the Flow-Through Unit Offering Price and the Charity Flow-Through Unit Offering Price, a Common Share or Warrant issued as a "flow-through share" will be deemed to have been acquired by the Holder at a cost of nil for tax purposes regardless of the subscription price paid therefor.

The adjusted cost base to a Holder of a Common Share acquired pursuant to the Offering will be determined by averaging the cost of such shares with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition. Similarly, the adjusted cost base to a Holder of a Warrant acquired pursuant to the Offering will be determined by averaging the cost of such Warrant with the adjusted cost base to such Holder of all other Warrants (if any) held by the Holder as capital property immediately prior to the acquisition.

### **Flow-Through Considerations**

This summary assumes that: (i) the Corporation will incur or be deemed to have incurred CEE in an amount not less than the Flow-Through Funds; (ii) CEE in an amount equal to the Flow-Through Funds will be renounced to Holders of Flow-Through Units and Charity Flow-Through Units hereunder with an effective date of no later than December 31, 2022; (iii) once renounced, such CEE shall qualify as "flow-through mining expenditures" within the meaning given to such term by the Tax Act; (iv) such CEE will be incurred or be deemed to be incurred during a period (the "**Expenditure Period**") commencing on the Closing Date and ending on the earlier of (A) the date on which the Flow-Through Funds has been fully incurred in accordance with the terms of the relevant Flow-Through Subscription Agreements and (B) the Termination Date; and (iv) all expenses discussed herein will be reasonable in amount. This summary also assumes that the Corporation will make all applicable tax filings in respect of the issuance of the Flow-Through Units and Charity Flow-Through Units and the renunciation of CEE in the manner and within the time required by the Tax Act and that all renunciations will be validly made. In addition, while the Corporation will furnish each Holder of Flow-Through Units and Charity Flow-Through Units hereunder with information with respect to renounced CEE for purposes of filing income tax returns, the preparation and filing of returns will remain the responsibility of each Holder. This summary is based upon the representation of the Corporation that it will be a "principal-business corporation" at all material times and that the Shares and Warrants comprising the Flow-Through Units and Charity Flow-Through Units, when issued, will each be "flow-through shares" and that the Shares comprising the Flow-Through Units and Charity Flow-Through Units will not be "prescribed shares" and the Warrants comprising the Flow-Through Units and Charity Flow-Through Units will not

be “prescribed rights”, all within the meaning of the Tax Act. If any of the above assumptions are incorrect, the Corporation may be unable to renounce some or all of the CEE which it has agreed to renounce hereunder and in the Flow-Through Subscription Agreements.

**The Canadian federal income tax consequences to a particular Holder of Flow-Through Units and Charity Flow-Through Units will vary according to a number of factors, including the particular province in which the Holder resides, carries on business or has a permanent establishment, the legal characterization of the Holder as an individual or a corporation, the amount that would be the Holder’s taxable income but for the investment in the Flow-Through Units and Charity Flow-Through Units and the manner in which the proceeds from the issuance of the Flow-Through Units and Charity Flow-Through Units are expended.**

**This summary does not describe all of the tax considerations applicable to a Holder of Flow-Through Units and Charity Flow-Through Units who chooses to donate their Flow-Through Units and Charity Flow-Through Units to a registered charity. Such potential Holders should consult their own tax advisors.**

### *Canadian Exploration Expense*

Pursuant to the Flow-Through Subscription Agreements, the Corporation will agree to renounce to a Holder of Flow-Through Units and Charity Flow-Through Units hereunder certain CEE incurred or deemed to be incurred by the Corporation during the Expenditure Period in an amount equal to the relevant subscription price of the Flow-Through Units or Charity Flow-Through Units as permitted by and in accordance with the Tax Act. The Corporation will agree under the terms of the Flow-Through Subscription Agreements to renounce CEE to the Holder with an effective date on or before December 31, 2022. Such CEE that is properly renounced to a Holder will be deemed to have been incurred by that Holder on the effective date of the renunciation and will be added to such Holder’s “cumulative Canadian exploration expense” (as defined in the Tax Act) (“CCEE”) account.

The Tax Act contains a one year “look-back” rule which, if certain conditions are satisfied, entitles the Corporation to renounce certain CEE incurred or deemed to be incurred by it in 2023 to Holders effective on December 31, 2022. In other words, the Holders are deemed to have incurred the CEE on December 31, 2022 even though the Corporation will not incur or be deemed to have incurred the CEE until 2023. For this rule to apply in respect of a “flow-through share”, the Holder must have paid the consideration in money for such security, the Holder and the Corporation must deal with each other at arm’s length (for the purposes of the Tax Act) throughout 2023, and the relevant subscription agreement in respect of such security must have been entered into, on or prior to December 31, 2022. In the event that the Corporation does not incur or is not deemed to have incurred the amounts renounced under the one year “look-back” rule by the end of 2023, the Corporation will be required to reduce the amount of CEE renounced to the Holders and the Holders’ income tax returns for the years in which the CEE was claimed will be reassessed accordingly. A Holder will not be subject to any penalties for any such reassessment and will not be subject to any interest charges for any additional taxes payable if such taxes are paid by the Holder on or prior to April 30, 2024.

A Holder may deduct in computing such Holder’s income from all sources for a taxation year an amount not exceeding 100% of the balance of such Holder’s CCEE account at the end of that taxation year. Deductions claimed by a Holder reduce the Holder’s CCEE account. To the extent that a Holder does not deduct the balance of such Holder’s CCEE account at the end of the taxation year, the balance may be carried forward and deducted in subsequent taxation years in accordance with the provisions of the Tax Act. The right to deduct CCEE accrues to the initial purchaser of Flow-Through Units or Charity Flow-Through Units and is not transferable.

A Holder of Flow-Through Units or Charity Flow-Through Units will be entitled to a non-refundable investment tax credit equal to 15% of a “flow-through mining expenditure” renounced to the Holder. A “flow-through mining expenditure” is defined in subsection 127(9) of the Tax Act to include certain CEE incurred in conducting certain mining exploration activity from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a mineral resource described in paragraph (a) or (d) of the definition of “mineral resource” as defined in the Tax Act. The investment tax credit may be deducted in accordance with detailed rules in the Tax Act against tax payable under the Tax Act in the taxation year in which the flow-through mining expenditure is incurred or is deemed to be incurred or may be carried back three years or forward twenty years. The Corporation has agreed to incur and renounce CEE that will qualify for this investment tax credit.

The Holder's CCEE account at any time in a taxation year will be reduced by an amount equal to any investment tax credit claimed for a previous taxation year. If the reduction in the Holder's CCEE account causes the CCEE account to become negative, the amount of the negative balance will be included in the Holder's income and the Holder's CCEE account will thereupon have a nil balance.

Certain restrictions apply in respect of the deduction of CCEE following an acquisition of control and on certain reorganizations of a corporate purchaser. Corporate purchasers should consult their own independent tax advisors for advice with respect to the potential application of these rules to them having regard to their own particular circumstances.

If a Holder acquires Flow-Through Units or Charity Flow-Through Units through a Registered Plan (as defined above under the heading "Eligibility for Investment"), the CEE renounced will not be available as a deduction or credit against the income of the annuitant, holder or beneficiary of such plan and the associated tax benefits will be lost.

### ***Paid-Up Capital***

Under the Tax Act, the Corporation will be required to reduce the "paid-up capital" (as defined in the Tax Act) of its issued Common Shares by an amount equal to 50% of the CEE renounced in respect of the Shares issued as "flow-through shares" and the Warrant Shares underlying the Warrants issued as "flow through shares". This reduction may have an impact on the income tax treatment of subsequent dealings with the Common Shares.

### ***Cumulative Net Investment Loss***

One-half of the amount of the CEE renounced to and deducted by a Holder of Flow-Through Units or Charity Flow-Through Units will be added to the Holder's cumulative net investment loss ("CNIL") account, as defined in the Tax Act. A Holder's CNIL account may impact a Holder's ability to access the lifetime capital gains exemption available on the disposition of certain qualified small business corporation shares and qualified farm or fishing property.

### ***Minimum Tax***

Under the Tax Act, an alternative minimum tax is payable by an individual and certain specified trusts equal to the amount by which the alternative minimum tax exceeds the tax otherwise payable. In calculating adjusted taxable income for the purpose of determining minimum tax, certain deductions and credits otherwise available, such as the deduction for CEE not used to reduce resource income, are disallowed and certain amounts not otherwise taxable are included in income, such as 80% of net capital gains. The Tax Act limits the deduction of CEE and certain carrying charges incurred in respect of a "flow-through share" in computing adjusted taxable income for minimum tax purposes. In computing adjusted taxable income for minimum tax purposes, a \$40,000 exemption is provided. The federal rate of minimum tax is 15%. Whether and to what extent the tax liability of a particular Holder for Flow-Through Units or Charity Flow-Through Units will be increased by the minimum tax will depend upon the amount of such Holder's income, the sources from which it is derived and the nature and amounts of any deductions that such Holder claims. Any additional tax payable for a year from the application of the minimum tax provisions is recoverable in subsequent years to the extent that tax otherwise determined exceeds the minimum tax for any of the following seven taxation years. Purchasers of Flow-Through Units or Charity Flow-Through Units should consult their own tax advisors with respect to the potential alternative minimum tax consequences to them having regard to their own particular circumstances.

### ***Holders Resident in Canada***

This portion of the summary is generally applicable to a Holder who, for the purposes of the Tax Act, is or is deemed to be resident in Canada at all relevant times ("**Resident Holder**"). A Resident Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Common Shares, and every other "Canadian security" (as defined in the Tax Act), held by such person, in the taxation year of the election and each subsequent taxation year to be capital

property. This election does not apply to Shares acquired under Flow-Through Subscription Agreements or to Warrants. Resident Holders should consult their own tax advisors regarding this election.

### ***Exercise of Warrants***

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act. As a result, no gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging the cost of the Warrant Share with the adjusted cost base to the Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the exercise of the Warrant.

### ***Expiry of Warrants***

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

### ***Dividends***

A Resident Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on the Common Shares during such taxation year. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (as defined in the Tax Act). An enhanced dividend tax credit will be available to individuals (other than certain trusts) in respect of "eligible dividends" designated by the Corporation to the Resident Holder in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Corporation to designate dividends as "eligible dividends".

Dividends received or deemed to be received on Common Shares by a Resident Holder that is a corporation must be included in computing its income but generally will be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a "private corporation" or a "subject corporation", as defined in the Tax Act may be liable to pay a tax under Part IV of the Tax Act (which may be refundable, subject to the detailed rules in the Tax Act) on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income for the taxation year.

### ***Dispositions of Common Shares and Warrants***

Upon a disposition or a deemed disposition of a Common Share (except to the Corporation unless purchased by the Corporation in the open market in the manner in which shares would normally be purchase by any member of the public in an open market or in a tax-deferred transaction) or a Warrant (other than on the exercise thereof), a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such security to the Resident Holder immediately before the disposition or deemed disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

The adjusted cost base to a Resident Holder of a Common Share acquired pursuant to the Offering will be determined by averaging the cost of such shares with the adjusted cost base to such Resident Holder of all other Common Shares (if any) held by the Resident Holder as capital property immediately prior to the acquisition. Similarly, the adjusted cost base to a Resident Holder of a Warrant acquired pursuant to the Offering will be

determined by averaging the cost of such Warrant with the adjusted cost base to such Resident Holder of all other Warrants (if any) held by the Resident Holder as capital property immediately prior to the acquisition.

### *Capital Gains and Capital Losses*

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a “**taxable capital gain**”) realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized in the year by such Resident Holder. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against net taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares, to the extent and in the circumstances specified by the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may also be liable to pay an additional refundable tax on its “aggregate investment income” (as defined in the Tax Act) for the year, which will include taxable capital gains. Tax Proposals in draft legislation released by the Minister of Finance (Canada) on August 9, 2022 propose to extend this additional refundable tax in respect of “aggregate investment income” to “substantive CCPCs” as therein defined. Resident Holders to which these rules may be relevant should consult their own tax advisors.

### *Minimum Tax*

Capital gains realized and dividends received by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the application of the minimum tax. Purchasers of Flow-Through Units or Charity Flow-Through Units should also refer to the discussion above under the subheading “Flow-Through Considerations – Minimum Tax”.

### **Holders Not Resident in Canada**

This portion of the summary is generally applicable to Holders who, at all relevant times, for the purposes of the Tax Act: (i) have not been and will not be deemed to be resident in Canada; and (ii) do not use or hold and are not deemed to use or hold the Common Shares or Warrants in connection with carrying on a business (including an adventure or concern in the nature of trade) in Canada (“**Non-Resident Holders**”).

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

### *Expiry of Warrants*

In the event of the expiry of an unexercised Warrant, a Non-Resident Holder will generally realize a capital loss equal to the Non-Resident Holder’s adjusted cost base of such Warrant. The tax treatment of capital losses is discussed in greater detail below under the heading “Dispositions of Common Shares and Warrants”. Non-Resident Holders should consult their own tax advisors with respect to the expiry of Warrants.

***Dividends***

Dividends paid or credited or deemed to be paid or credited on Common Shares to a Non-Resident Holder will generally be subject to non-resident withholding tax under the Tax Act at the rate of 25% on the gross amount of the dividend unless such rate is reduced by the terms of an applicable tax treaty or convention. Under the *Canada-United States Tax Convention (1980)*, as amended (the “**Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty, is fully entitled to benefits under the Treaty and is a beneficial owner of the dividend (a “**U.S. Holder**”) is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Corporation’s voting shares).

***Dispositions of Common Shares and Warrants***

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Common Share or a Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Common Share or Warrant constitutes “taxable Canadian property” to the Non-Resident Holder for purposes of the Tax Act and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty or convention.

Provided the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes Tiers 1 and 2 of the TSXV), at the time of disposition, the Common Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, partnerships in which the Non-Resident Holder or such non arm’s length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Corporation; and (ii) more than 50% of the fair market value of the Common Shares of the Corporation was derived directly or indirectly from any combination of real or immovable property situated in Canada, “Canadian resource properties” (as defined in the Tax Act), “timber resource properties” (as defined in the Tax Act) or options in respect of, interests in or, for civil law, rights in such properties, whether or not such property exists. Notwithstanding the foregoing, a Common Share or Warrant may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain circumstances. Non-Resident Holders should consult their own tax advisors as to whether their Common Shares or Warrants constitute “taxable Canadian property” in their own particular circumstances.

A Non-Resident Holder’s capital gain (or capital loss) in respect of a disposition or deemed disposition of Common Shares or Warrants that constitute or are deemed to constitute taxable Canadian property to a Non-Resident Holder (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “Holders Resident in Canada — Dispositions of Common Shares and Warrants” unless the Non-Resident Holder is entitled to an exemption under an applicable tax convention or treaty. Non-Resident Holders whose Common Shares or Warrants are taxable Canadian property should consult their own tax advisors regarding the tax and compliance considerations that may be relevant to them.

**INTERESTS OF EXPERTS**

The following are the names of each person or company who is named as having prepared or certified a report, valuation, statement or opinion described or included herein or in a document incorporated by reference, and whose profession or business gives authority to such report, valuation, statement or opinion:

1. Davidson & Company LLP provided an auditor’s report in respect of the Corporation’s consolidated financial statements for the years ended March 31, 2022 and 2021. Davidson & Company LLP has advised that it is independent of the Corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

2. Neal Reynolds, FAusIMM, MAIG of ERM Consultants Canada Ltd. dba CSA Global Consultants Canada, and Matthew Field, Pr. Sci. Nat of CSA Global UK Ltd. are the Qualified Persons who authored the technical report titled “NI 43-101 Technical Report - Mineral Resource Estimate for the Moss Lake Project, Ontario, Canada” with an effective date of December 9, 2022, and reviewed and approved the scientific and technical information disclosed in this Prospectus Supplement and documents incorporated by reference relating to the Moss Lake Project. To the knowledge of the Corporation, neither the authors nor the firms they work with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the date hereof.

## **LEGAL MATTERS**

Certain legal matters relating to the Offering will be passed upon on behalf of the Corporation by Forooghian + Company Law Corporation and Koffman Kalef LLP, and on behalf of the Agents by Wildeboer Dellelce LLP. As of the date hereof, the partners and associates of each of Forooghian + Company Law Corporation, Koffman Kalef LLP and Wildeboer Dellelce LLP, beneficially own, directly or indirectly, in their respective groups, less than one percent of any class or series of outstanding securities of the Corporation.

## **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the Common Shares is Odyssey Trust Company at its principal offices in Vancouver, British Columbia.

## **MINERAL PROPERTY**

The Technical Report was filed by the Corporation on December 12, 2022. The following is the summary from the Technical Report prepared by Neal Reynolds, FAusIMM, MAIG of ERM Consultants Canada Ltd. dba CSA Global Consultants Canada, and Matthew Field, Pr. Sci. Nat of CSA Global UK Ltd., who are Qualified Persons, filed in connection with the Moss Lake Project. See “Interests of Experts”. The following summary does not purport to be a complete summary of the Moss Lake Project and is qualified in its entirety with reference to the full text of the Technical Report, which is incorporated by reference in its entirety into this Prospectus Supplement, and which is available for review under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Readers should read this summary in conjunction with the Technical Report.

The following summary supersedes the section of the AIF entitled “Mineral Property – Moss Lake Project” and the executive summary section of the technical report titled “Technical Report on the Moss Lake Project, Ontario, Canada” with an effective date of April 6, 2021 (the “**Prior Technical Report**”) included therein, and the Technical Report supersedes the Prior Technical Report which was incorporated by reference into the AIF.

### **Property Description and Location**

The Moss Lake Project is located approximately 100 km west of the city in Thunder Bay, Ontario, Canada and is accessed via Highway 11 (Trans-Canada Highway), which passes through the northern boundary of the Moss Lake Project. The small town of Atikokan is located 80 km to the west, on Highway 11. The city of Winnipeg, Manitoba, is also reachable via the Trans-Canada Highway 500 km to the west. From Highway 11, the Moss Lake Project is accessible using Highway 802 as well as a network of gravel logging roads which run south of Highway 11, mainly the Burchell Road and Swamp Road. The Moss Lake site is accessed using Swamp Road before turning east onto Hermia Lake East Road, followed by Snodgrass Road.

The Corporation maintains an operational base at Kashabowie including a core logging and sampling facility with offices, and on-site accommodation for the exploration team.

The Moss Lake Project is comprised of 403 mineral claims (14,450 ha), two mining leases (215 ha), 48 patents (836 ha), and five mining licences of occupation or MLO’s (534 ha) for a total project area of 160.36 km<sup>2</sup> in the Thunder Bay South Mining Division. The Moss Lake Project is located within UTM NAD83 Zone 15U and NTS sheets 52B/10 and (at the southern extreme) 52B/07, and centred at UTM coordinates 668860 mE, 5379100 mW. The

Moss Lake Project overlaps with Moss and Ames Townships and the unsurveyed areas of Powell Lake, Nelson Lake, Burchell Lake and Crayfish Lake. The majority of the Moss Lake Project is within the grounds of Crown Treaty 3 and in the traditional territories of the Lac des Mille Lacs First Nation, Lac La Croix First Nation, Fort William First Nation, Métis Nation of Ontario, and Red Sky Métis Independent Nation.

On January 25, 2021, the Corporation announced it was acquiring a 100% interest in the Moss Lake Project through an asset purchase agreement with Wesdome Gold Mines Ltd. (“**Wesdome**”) About 90% of the Moss Lake Project lies within provincial Crown land while the remainder is patented claims. The Moss Lake Project consists of multi-cell, single cell, and boundary mining claims (subsurface rights only leased from Crown) as well as patents, leases and licenses of mining occupation (permanent subsurface and/or surface rights). The mining claims and patents are held in the name of Moss Lake Project Inc., a subsidiary of the Corporation.

### **Project History**

The Corporation fully acquired the Moss Lake Project claims held by Wesdome in May 2021. Wesdome had assembled the Moss Lake, Coldstream and Hamlin blocks in the mid-2010s. Wesdome purchased all shares in Moss Lake Gold Mines Ltd. in 2014 by business combination agreement, which resulted in Wesdome acquiring a 100% ownership of the Moss Lake claim block containing the Moss Lake deposit. In a second transaction with Canoe Mining Ventures Corp. in 2016, Wesdome acquired the Coldstream and Hamlin claim blocks by issuing shares in Wesdome and providing cash payments. The Corporation acquired the Vanguard claim block separately from White Metal Resources Corp. in 2022. White Metal Resources Corp. changed its name to Thunder Gold Corp. in 2022.

#### ***Moss Lake Claim Block***

The gold occurrence which was later to become the Moss Lake deposit was initially discovered in 1936. Limited work took place here and in the wider belt until the 1970s, notably with localized exploration around Kawawigamak (Fountain) lake where minor Au, Cu and Zn occurrences were found. Intensive exploration at Moss Lake began in the 1970s when Falconbridge and later Camflo Mines revisited the historical showing at Snodgrass. Infill drilling and underground development took place under the Tandem Resources and Storimin Joint Venture (“**JV**”) throughout the 1980s. At that time the adjacent ground surrounding the Moss deposit to the east, south and west, including parts of the QES Zone, were held by the Tamavack/International Maple JV who likewise undertook numerous drill programs and thorough grid-based geochemical, geological and geophysical exploration. At the same time, Inco/Canico mapped and drilled the Span Lake gold prospect. Exploration slowed dramatically in the 1990s due to unfavourable market conditions. From the mid-1990s onwards Moss Lake Resources acquired both of the JV claim blocks and gradually intensified their exploration programs until their acquisition by Wesdome. Span Lake became part of Alto and later Foundation’s Coldstream claim block and was explored by those companies until the Wesdome acquisition.

#### ***Coldstream Claim Block***

The North Coldstream deposit was discovered in the 1870s. Scant records of mapping and prospecting exist for the areas peripheral to North Coldstream through to the early 20th century. The deposit saw four periods of production, first as the Tip-Top Mine from 1900-1908, two minor periods of production in the 1920s alongside underground development, and the most productive period under Noranda from 1957-1967. Very little work took place at North Coldstream following its last period of production. Sporadic exploration took place in other areas of the property throughout these periods. Gold-focused exploration picked up in the 1980s driven by Noranda Lacana who discovered the Goldie occurrence and later the East Coldstream deposit. Peripheral parts of this system were worked by prospector Todd Sanders. Lacana alongside Freeport also discovered the Iris prospect around this time. Exploration efforts at East Coldstream dwindled in the 1990s. The area west of Burchell Lake was worked by prospectors. Exploration at East Coldstream picked up with intensive geophysical and prospecting work by Also Ventures and Foundation Resources in the late 2000s. Wesdome acquired the former Foundation property from Canoe Mining in 2016.

### ***Hamlin Claim Block***

Noranda and MacLeod-Cockshutt completed localised geophysically-targeted exploration in the 1950s. Prospector Ray Smith discovered the Hamlin Cu-Mo-Au occurrence around this time. Falconbridge explored a minor ultramafic belt east of Hamlin in the 1970s. Most work in the fervent 1980s period was focused on gold targets in the west of the claim block; most of these work programs were focused on gold occurrences outside the current Goldshore claim group in the Pearce Lake area. The Deaty Creek gold prospect was discovered and explored by Noranda in the early 1990s. Intensive exploration including modern geophysics and geochemistry began in the mid-2000s and was again initially focused on gold targets towards the west. The Hamlin occurrence itself attracted more attention in the late 2000s (including an Xstrata option) when its IOCG affinity was first theorized.

### ***Vanguard Claim Block***

The Vanguard East and West prospects were first discovered in the 1920s. Few documents survive of the early exploration programs save for what is mentioned in ODM reports but in the 1940s-50s, drill programs were undertaken densely enough to calculate historical resource estimates. The Copper Island occurrence was drilled in this time period. In the 1980s the western portion of this claim block fell within the Lacana/Freeport (and later Newmont) Iris property. Key targets in that period included sodium-depleted footprints in the volcanic sequence used as VMS proxies, as well as a stratigraphically-interpreted “Storimin Horizon” representing a potential strike continuation of Moss Lake. The original Vanguard stripped areas were mapped in detail by OGS geologists in the 1990s. Modern geophysically-driven exploration was done by a number of juniors from the early 2000s and led to the discovery of new Au occurrences.

### ***Historical Estimates and Past Production***

Historical mineral resource estimates (“historical estimates”) were completed for mineralized zones found within the Coldstream and Moss Lake claim blocks. Many of these historical estimates were completed prior to the introduction of CIM and NI 43-101 standards and guidelines and are no longer considered relevant or reliable. A QP has not completed sufficient work to classify these historical estimates as current mineral resources and the Corporation is not treating these historical estimates as current mineral resources. The current mineral resource estimate disclosed in the Technical Report supersedes all historical estimates for the Moss Lake Project, including the latest historical estimate completed in 2013 by InnovExplo for Moss Lake Gold Mines.

There is no record of production from the Moss Lake claim block. Copper was discovered at the Coldstream site during the 1870s. Between 1902 and 1917 the site was mined intermittently by the New York and Canadian Copper Company operating under the name of the Tip-Top Mine, producing approximately 1.3 million lbs of copper. The mine was operated intermittently from 1957 until 1959 and continuously from 1960 to 1967 by Canadian mining company Noranda. Production ceased in 1967 when reserves were depleted and the mine was closed permanently. ProMin (2002) reported that 102 million pounds of copper, 440,000 ounces of silver, and 22,000 ounces of gold were produced from a total of 2.7 million tons of ore mined at Coldstream.

## **Geology and Mineralization**

### ***Regional Geology***

The Moss Lake Project is located in the western portion of the Shebandowan Greenstone Belt (“**SGB**”), within the Wawa-Abitibi Terrane (Subprovince) of the Superior Province. All units are late Archean in age and are metamorphosed to greenschist facies, tending towards amphibolite facies with proximity to the larger plutons. The northwest extremes of the Moss Lake Project area lie within the Quetico Subprovince, represented by greywackes with minor mafic-intermediate intrusions metamorphosed at greenschist facies. The contact with the Wawa Subprovince is marked by the major regional-scale Postans Fault, represented by a significant topographic low.

The SGB consists of three supracrustal assemblages that are distinguished by their age:

- the Greenwater-Burchell Assemblage: tholeiitic mafic through to calc-alkaline intermediate-felsic volcanic cycles, including layered mafic-ultramafic intrusive complexes and chemical sediments (iron formations) (2,720 Ma);
- the Kashabowie Assemblage: calc-alkaline to alkali mafic-felsic volcanics and hypabyssal intrusions with “Timiskaming-type” clastic sediments (2,695 Ma); and
- the Auto Road Assemblage: sedimentary basin post-dating the Kashabowie (no absolute age).

The SGB is broadly understood to have had a tectonic history as an island arc type terrane which was accreted onto the Wabigoon Subprovince, compressing the intermediary Quetico back-arc basin or marine sedimentary package. The belt has been affected by polyphase deformation and metamorphism, with two principal penetrative deformation events recognized, D1 and D2. Continued tectonic stress after collision resulted in the D2 foliation as part of transpressive shear networks within all three subprovinces, which were in turn exploited by “Timiskaming-type” alkalic intrusives, volcanics and narrow coarse clastic sedimentary basins.

In the area of the Moss Lake Project, the supracrustal rocks of the SGB strike southwesterly and consist of a central intermediate-felsic volcanic belt of the Kashabowie Assemblage which is flanked by mafic-intermediate volcanic belts to the southeast and northwest. These are intruded by syn- to post-tectonic composite plutons (e.g. Moss Lake, Burchell Lake, Hermia Lake, and Hood Lake) and intermediate to felsic hypabyssal intrusive rocks (quartz and quartz-feldspar porphyry sills/dykes).

The east-northeast trending shear/fault zones generally display a sinistral sense of strike-slip movement and have been linked to the gold mineralization event or events. These shear zones are characterized by strongly developed D2 schistosity and gently to moderately east-plunging lineations superimposed upon rarely preserved, shallowly west-plunging D1 tectonic fabrics.

The two most economically significant D2 shear zones and associated splays hosting gold mineralization in the Moss Lake Project area are:

- the east to northeast striking North Coldstream Shear Zone; and
- the northeast-southwest striking Span-Moss Shear Zone.

The Span-Moss Shear Zone is considered to be the southwest extension of the North Coldstream Shear Zone, offset by the Burchell Lake Fault along the eastern shores of Burchell Lake.

### ***Property Geology***

The majority of the Moss Block is underlain by rocks locally referred to as the Central Felsic Belt (“CFB”), part of the Kashabowie Assemblage, which is 2.5 km to 3.0 km wide and at least partly bounded by major regional Snodgrass and Knife Lake Faults. The CFB is comprised of andesitic, dacitic and rhyolitic flows, tuffs, lapilli tuffs and fragmental units, and minor chemical sediments in the form of iron formation. The CFB is flanked to the northwest and southeast by Northern and Southern Mafic Belts (NMB and SMB), respectively, which are also partly included in the Moss Block.

From west to east, the Coldstream Block is underlain by a wedge of Quetico greywackes in faulted contact with the NMB. The NMB contains narrow iron formations and coarse clastic interflow sediments and is bifurcated by the Snodgrass Lake Fault. To the east, the NMB has an intricate, possibly unconformable, contact with CFB units similar to those in the Moss Block. Much of the CFB in this area lies beneath Burchell Lake but is well exposed west and north of Iris Lake where quartz-sericite schists are developed in higher-strain zones close to the Knife Lake Fault. East of Burchell Lake, the CFB is in sharp faulted contact (Knife Lake Fault) with the SMB which here incorporates a voluminous suite of mafic to ultramafic intrusions including gabbro, leucogabbro, quartz gabbro, pegmatitic gabbro, anorthosite, and greenschist-facies equivalents. The North Coldstream Fault runs broadly east-

west along a mafic/ultramafic contact immediately south of the North Coldstream deposit and is truncated by the Knife Lake Fault.

The Hamlin occurrence lies in the centre of the Hamlin Block and is hosted by highly ductile-deformed, hematized intermediate-to-felsic volcanic units including shoshonite and possible immature volcanogenic clastic sediments, suggesting a “Timiskaming-type” (Kashabowie Assemblage) back-arc tectonic affiliation. A tongue extends to Hamlin Lake from larger granitoid bodies to the south. To the west, the claim group overlies an intricate mix of mafic and intermediate-felsic volcanics with presumed unconformable contacts. Sills and lenses of diorite and intermediate-felsic porphyry are common. Shear zones are evident in topography and magnetic data broadly following the same two shear fabrics as seen in the CFB in the Moss Block. The eastern half of the block is not well mapped but historical reports note mafic-to-ultramafic volcanics and intrusives and greywacke-type sedimentary packages of unknown affinity in the wedge between the Knife Lake Fault, the Hood Lake Stock and the large granitoids to the south.

The geology of the Vanguard block is similar to that of the eastern half of the Coldstream Block, dominated by mafic-ultramafic volcanics and a sill complex of the SMB with minor diorite and feldspar porphyry sills. Ultramafic rocks have been intersected in drilling beneath Shebandowan Lake. Minor interbeds of cherty felsic volcanics are present, including the horizon which hosts the mineralization at Vanguard East and West, within a broader package of silica, chlorite and sericite-altered mafic volcanics.

### *Mineralization*

Gold mineralization in the Moss Lake deposit occurs largely within intrusive dioritic bodies where they are transected by a series of anastomosing ENE- to NE-trending shear zones. While most mineralization occurs in diorite, other intrusive and volcanic rocks also host mineralization. Mineralization has developed both within shear zones and within the intervening less-deformed host rock where it is associated with irregular small-scale veins, breccias and stockworks.

The Moss Lake deposit is separated into three zones. The bulk of the deposit occurs within the Main Zone and the QES Zone to its east-northeast. The gap between the zones is sparsely drilled due to difficult access, and mineralization is probably continuous with a slight offset and rotation. The SW Zone to the southwest appears to be offset to the south. The geometry of the zones suggests a left-stepping shear array within a sinistral shear zone.

The entire rock mass within the mineralized volume shows extensive and complex alteration. Two major periods of alteration are associated with fluid ingress via structurally focused permeability networks. The first period lacked precious metal mineralization and was associated with tectonic-hydrothermal brecciation that may have been related to an intrusive event. This was overprinted by intense ductile deformation. Mineralization was associated with a second tectonic-hydrothermal event with associated brittle-ductile deformation which may be related to a second major stage of intrusive igneous activity.

Typically, within the deposit area, the less deformed intrusive rocks are green and chloritic with variably intense fabric, and variable sericitic alteration. Stronger alteration is characterized by carbonate, albite and reddening associated with hematite dusting, generally associated with small-scale irregular quartz-carbonate-chlorite veining and vein and disseminated pyrite. Higher gold grades generally are associated with areas of more intense veining and alteration, often proximal to shear zones. Highest and most consistent gold grades are associated with centimetre- to metre-scale shear zones with quartz-sericite-pyrite alteration and quartz-carbonate-chlorite veining, occurring as shear veins and later cross-cutting irregular veins. Minor chalcopyrite is associated with quartz-carbonate veins with chloritic alteration selvages. Carbonate in alteration and veins includes early ankerite and late calcite. The sulphide-bearing veins inside and outside shear zones vary from fabric-parallel shear-veins to cross-cutting and locally vuggy.

## Exploration and Drilling

Extensive historical exploration and drilling had been completed on the Moss Lake Project. Since acquiring the project in 2021, the Corporation has mainly focused on drilling and related studies, and exploration has mainly consisted of geophysical surveys.

The historical drill hole database for the Moss Lake Project consists of 2,060 drill holes (278,273 m drilled) dating back to 1942 for the Coldstream, Moss Lake and Hamlin blocks. Detailed compilation and validation of historical drilling in the Vanguard block is still ongoing by the Corporation.

Between August 1, 2021 and October 22, 2022, the Corporation completed a total of 65,427 m (119 drill holes) of diamond drilling on the Moss Lake Project, mostly on the Main and QES zones of the Moss Lake deposit. The Corporation has also completed drilling on the Coldstream blocks. No drilling has yet been conducted on the Hamlin or Vanguard blocks. A total of 5,470 m was drilled using HQ-size core diameter and the remainder of the drill holes were completed using NQ-size core diameter. As of the effective date of the Technical Report, assay results have been received for 44,082 m of the total amount drilled.

All drill holes were planned by a Corporation geologist and assigned an alpha-numeric abbreviation defining the area, year, and sequential hole number. Upon completion of the drill hole, a downhole survey was conducted using a Reflex Sprint IQ tool with measurements taken every 3 m or 5 m. All cores were sampled with sample intervals marked onto the cores in wax crayon, and sample tags inserted at the beginning of each sample interval. All cores were cut using core saws, with cuts made 5 mm below the orientation mark, and the piece of core with the orientation mark retained in the core box. Quality assurance protocols included insertion of certified reference materials (CRM), blanks, and duplicates by the Corporation's geologists.

The authors of the Technical Report are not aware of any drilling, sampling, or recovery factors that could materially impact the accuracy and reliability of the Corporation's drilling results up to the effective date of the Technical Report and used in the current mineral resource estimate (the "MRE") for the Moss Lake Project.

## Mineral Processing and Metallurgical Testing

The Corporation has commenced metallurgical test work on samples from the Moss Lake Project but no results are available.

Historical metallurgical test work carried out by previous operators was completed on samples from the Moss Lake deposit by SGS Canada, four samples from the Main Zone and four from the QES zone. Work completed included comminution tests, mineralogy, cyanide leaching, and acid-base accounting. The mineralogy study showed that the major mineral for the samples was quartz and the moderate mineral was plagioclase with chlorite. The samples were also categorized as medium hard to hard based on various comminution tests. Bottle roll cyanidation tests were conducted on 1 kg charges at three P80s; 150 µm, 106 µm, and 53 µm for each composite. The cyanidation was completed with 40 wt.% solids at pH maintained between 10.5 and 11.0 with hydrated lime (Ca(OH)<sub>2</sub>) for 48 hours. The free cyanide concentration (NaCN) was maintained at 0.5 g/L. For the Main Zone samples, the 48 hour gold extractions ranged from 79% to 84% for all the grind sizes tested, while for the QES Zone samples, gold extractions ranged from 79% to 93% for all grind sizes. In addition, modified acid base accounting (ABA) test was carried out to quantify the total sulphur, sulphide sulphur and sulphate concentrations, and the potential acid generation (AP) as a result of the oxidation of sulphide sulphur. The modified ABA results show a low potential for acid generation.

Scoping-level historical testwork was also completed on a master composite from the East Coldstream (or Osmani) deposit on the Coldstream claim block, including two gravity separation tests, three rougher kinetics flotation tests, one open circuit flotation test, one gravity tails rougher flotation test, one gravity tails leaching test, four variability rougher kinetics flotation tests, and four variability leaching tests. Results suggest that the best gold recovery of 96.1% is achieved by a combination of gravity and leaching.

## Mineral Resource Estimates

During the period October to December 2022, CSA Global (Matthew Field) completed a MRE for the Moss Lake Project. The current MRE has an effective date of November 14, 2022 and was prepared in accordance with CIM Definitions and Standards on Mineral Resources and Mineral Reserves (May 10, 2014) and reported in accordance with NI 43-101.

### *MRE Methodology*

The current MRE was based on interpretations from assaying and geological and structural logging. All data and the geological model were provided by the Corporation. Apart from the initial sample data preparation and intermediate spreadsheet processing, all interpretations, modelling, estimation, and model validation was conducted using Leapfrog™, Micromine and Datamine StudioRM™ (DM) software. Snowden Supervisor™ was used for statistical analysis. The drilling database incorporated into the MRE was based on data available up to October 11, 2022.

Maps of gold value continuity were used to investigate the strike, dip, and pitch axes of gold mineralization trends. Maps were interrogated per high-grade shear domain (Main, QES and SW) and for the lower-grade intrusion domain. The grade variation between sample pairs orientated along each direction axis  $\pm 10^\circ$  was reviewed using variogram charts. Sample pairs are grouped by their separation distance, or “lag interval” on the X axis. The resulting variogram chart can show if there is a relationship that can be modelled between grade variance and distance along each axis.

A block model was constructed with cell dimensions of 15 m x 15 m x 5 m (XYZ). This block size was chosen after conducting kriging neighbourhood analysis (KNA) and is justified by the fact that the 15 m by 15 m spacing is approximately half of the drill spacing in the best drilled areas. The wireframes representing the mineralization boundaries were filled with cells to a minimum sub-cell size of 5 m x 5 m x 2.5 m to fill the volumes with blocks. The blocks were coded according to the appropriate estimation domains. Input wireframe volumes and block model volumes were compared to ensure that the volumes are comparable. Block models were built assuming that mining within an open pit will be undertaken.

Mineralization domain shell contacts are interpreted as hard boundaries for grade interpolation, such that gold grades in one domain cannot inform blocks in another domain. The OK (ordinary kriging) interpolation method used the mineralization trends modelled using correlograms to weight composite assay values when estimating block grades. For validation purposes only, interpolation was also undertaken using inverse distance weighting to the power two (IDW2) and nearest neighbour (NN) of input samples. The NN method was estimated using bench composite equal to the block height (5 m) to calculate the declustered mean at every swath in the swath plot.

Estimation of the grade variables was carried out into parent cells using ordinary kriging. Hard boundaries between mineralization domains were used during grade estimation. The estimation was performed using a 3 x 3 x 3 discretization. For a block elevation size of 5 m, a maximum of 5 x 1 m samples per drill hole is appropriate. A minimum of 5 and a maximum of 20 composites were used.

Density determinations were conducted onsite using an Archimedes method. A total of 1,737 samples were collected from the drill holes. The density samples were coded according to estimation domains and mean values derived per domain. The mean densities were calculated after anomalous values were removed.

To satisfy the requirement of reasonable prospects for eventual economic extraction (RPEEE) by open pit mining, reporting pit shells were determined based on conceptual parameters and costs supplied by the Corporation and reviewed for reasonableness by the author of the Technical Report. The depth, geometry and grade of gold mineralization at the deposits make them amenable to exploitation by open pit mining methods. Selected cut-off values assume a gold price of US\$1,500/oz and the processing recoveries and costs are detailed in the table below. The resource is constrained by a conceptual pit shell derived using Datamine NPV Scheduler optimization software. Material falling outside of this shell is considered to not have reasonable prospects for eventual economic extraction.

Parameters used in the pit optimization are shown in Table 1-1 below.

*Table 1-1: Conceptual mining and cost parameters for the RPEEE conceptual pit shell*

Item	Value
Gold price	US\$1,500/oz
Mining cost mineralization and waste	US\$2.50/t fresh
Processing cost	US\$12.50/t fresh
Processing gold recovery	85%
General and administration cost	US\$2.500/t
Pit slope angle	50°
Cut-off grade	0.37 g/t

### ***MRE Statement***

The MRE is reported above a cut-off grade of 0.40 g/t Au and comprises of 121.7 Mt of inferred mineral resources at a grade of 1.1 g/t Au resulting in 4.17 Moz of contained gold. Mineralization below or outside the RPEEE pit shell is not considered a mineral resource as it does not have reasonable prospects for eventual economic extraction at the time of reporting.

The MRE has also been reported by domain as shown in Table 1-2 below.

*Table 1-2: Moss Lake Project Mineral Resource Statement by domain at a 0.4 g/t Au cut-off as of 14 November 2022*

Resource Domain	Resource Classification	Tonnage (Mt)	Grade (g/t Au)	Contained metal (Moz Au)
Shear domains	Inferred	34.7	2.0	2.20
Intrusion domain	Inferred	87.0	0.7	1.97
<b>Total</b>	<b>Inferred</b>	<b>121.7</b>	<b>1.1</b>	<b>4.17</b>

Notes:

- Numbers have been rounded to reflect the precision of an Inferred Mineral Resource estimate. Totals may vary due to rounding.
- Estimation has been completed within the two separate reported geological domains: a higher-grade shear domain which occurs within a larger lower-grade intrusive domain; modelling of domain boundaries has considered both geology and grade.
- Gold cut-off grade for the pit optimization was based on a gold price of US\$1,500/oz, mining costs of US\$2.50 per tonne moved, processing costs of US\$12.50 per tonne processed, and mine-site administration costs of US\$2.50 per tonne processed. Metallurgical recoveries of 85% are based on prior metallurgical test work.
- An economic cut-off grade of 0.40 g/t Au was applied to mineralized rock in the optimized open pit for processing determination.

- Mineral resources conform to NI 43-101, 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines, and 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves.
- The authors of the Technical Report and the Corporation are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, or political factors that might materially affect the Mineral Resource estimate.
- Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of reported inferred resources in the MRE are uncertain in nature and there has been insufficient exploration to define these inferred resources as indicated and/or measured resources. The Corporation will continue exploration intended to upgrade the inferred mineral resources to indicated mineral resources.

The current MRE represents a significant expansion over the 2013 historical estimate with 35% additional resource tonnes and 33% additional contained gold ounces for the Moss Lake Project.

The authors of the Technical Report note that the entire MRE has been classified as an inferred mineral resource. This resource classification reflects the fact that the majority of the drill hole data used for the resource estimate is historical, and no QAQC data or reports exist for the majority of these drill holes. Statistical assessment of historical data and recent data provided some support for the historical data, but also included some inconsistencies. The majority of the historical drill holes did not have acceptable downhole surveys meaning that spatial location of the core samples remains uncertain especially beneath 200 m.

While the downhole surveys and QAQC methods utilized for the modern drill holes is of industry standard, these holes remain too sparsely distributed to permit confident mineral resource estimation on their own. The Corporation has already commenced an extensive program of relogging and resampling of historical drill core, together with downhole surveying where possible. The Corporation's program of infill and confirmatory drilling is also ongoing. The authors of the Technical Report expect that this work will likely support a partial upgrade in classification to an indicated mineral resource in any subsequent mineral resource estimate for the Moss Lake Project.

The modelled shear-hosted domains extend at depth below the optimized open-pit constraining the reported MRE, but the drill hole data are too sparsely distributed to support underground mining optimization studies and reporting of an underground-constrained MRE at this time.

## **Conclusions**

The Moss Lake Project is an advanced exploration (resource-stage) project that contains four contiguous claims blocks known as the Coldstream, Moss Lake, Hamlin block, and the recently acquired Vanguard block. Known gold deposits exist at the Coldstream and Moss Lake blocks and are the main focus of the Corporation's recent drilling programs and the current MRE.

The historical and the Corporation's drilling programs have successfully intersected significant gold values at both Moss Lake and Coldstream blocks. The gold mineralization at the Moss Lake Deposit is considered to be an example of a structurally-controlled, disseminated, intrusion-related Archean-aged, mesothermal gold deposit. The gold mineralization at the Coldstream claim block has been traced along a strike length of approximately 1,300 m and from surface to a depth of approximately 500 m. The gold mineralization at the Coldstream claim block is also considered to be an example of an Archean-aged, mesothermal gold deposit.

At Moss Lake, mineralization is localized where the major NE-trending Wawiag Fault Zone cuts a dioritic to granodioritic intrusive complex. The deposit is defined by a series of anastomosing centimetre- to metre-scale NE-trending shear zones carrying higher-grade gold mineralization (Shear Domain), and lower-grade gold mineralization associated with more brittle-style deformation and veining in the intrusive rock mass between the shear zones (Intrusive Domain). Mineralization is associated with pyritic sericitic and chloritic alteration and millimetre- to centimetre-scale irregular quartz-carbonate veinlets.

Detailed geological logging and multi-element geochemical analysis of drill core from the 2021-22 drilling has supported modelling of discrete shear domains within the larger altered and variably mineralized intrusive domain. The shear domains have a different higher-grade gold population to the low-grade intrusive domain and these domains have been estimated separately using different search parameters. Importantly, this allows a more accurate representation of the true variability within the deposit than has been achieved in previous historical estimates.

The current MRE indicates significant and clear expansion potential through strike and dip extensions to known shears, as well as parallel shears. The author has included 76 drill holes from the Corporation's 2021 and 2022 drilling campaign in the new MRE and the Corporation has drilled an additional 40 drill holes that are not included in the MRE because assays were not received from these drill holes prior to the database cut-off date for the MRE.

The current MRE defines an open pit-constrained inferred mineral resource of 121.7 Mt at 1.1 g/t Au resulting in 4.17 Moz of contained gold based on a cut-off grade of 0.40 g/t Au. The higher-grade shear domain contains 34.7 Mt at 2.0 g/t Au resulting in 2.2 Moz of contained gold. The inferred mineral resource classification reflects the fact that the majority of the drill hole data used for the resource estimate is historical, and no QAQC data or reports exist for the majority of these drill holes. Statistical assessment of historical data and recent data provided some support for the historical data, but also included some inconsistencies. The majority of the historical drill holes did not have acceptable downhole surveys meaning that spatial location of the core samples remains uncertain especially beneath 200 m.

The current MRE indicates significant and clear expansion potential through strike and dip extensions to known shears, as well as parallel shears. The modelled shear-hosted domains extend at depth below the optimized open-pit constraining the reported MRE, but the drill hole data are too sparsely distributed to support underground mining optimization studies and reporting of a MRE at this time. The shears are also open along strike, beyond the modelled strike length of 3.5 km. Historical drilling intercepted gold mineralization over a total strike length of 8 km, and there remains potential for additional parallel shears with gold mineralization in historical drill holes 500 m to the southeast of the Moss Lake Deposit.

The authors have not identified any significant risks or uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration and drilling information and current MRE presented in this Report. The authors conclude that the Moss Lake Project is an attractive resource-stage project that has the potential to contain economic gold deposits that will develop through additional confirmatory and infill drilling, metallurgical test work, and mining and economic studies. The Moss Lake Project also has the potential to host other gold and polymetallic deposits that are still in the early stage of understanding and will require additional exploration and drilling to advance to the discovery and resource stages.

## **Recommendations**

The authors present the following recommendations for the Moss Lake Project:

- The Corporation should continue upgrading, verifying, and validating the historical exploration data to further increase the data confidence to eventually use this data to determine indicated mineral resources for the Moss Lake Project. Validation activities can include such items as re-surveying available collar locations to confirm their locations, re-entering drill holes for down-hole surveying, re-logging and re-sampling of selected drill core as available using current QAQC protocols, and detailed reviews and audits of the drill hole databases. The authors are of the understanding that the Corporation has already commenced this work.
- The Corporation should also complete additional confirmatory drill holes to 'twin' historical holes to confirm the presence and approximate gold grades encountered in the historical drill holes.
- Notwithstanding the above, a large proportion of the historical drill collars have not yet been located by the Corporation. Validation of collar location has been partly achieved through correlation with located drilling and re-establishment of historical local grids. However, the mineralized volumes defined by these historical

drill holes should be prioritized for re-drilling, especially below 200 m considering the absence of downhole surveys.

- The Corporation should continue its infill drilling program to provide sufficient information to not only upgrade portions of the current MRE that were classified into the inferred mineral resource category to the indicated mineral resource category, but also to expand the existing resource along the strike and dip extensions to known shears and parallel shears. The authors are of the understanding that this Corporation drill program is ongoing.
- Drilling should be at an optimized pattern based on confidence in historical data and incorporate a geostatistical drill-spacing study to guide spacing required to support Indicated classification.
- It is recommended that the drill program should continue to include a full suite of oriented core measurements and multi-element geochemistry analyses which has supported enhanced geological understanding from the drilling already completed by the Corporation.
- Pending successful outcomes from the confirmatory and infill drilling programs at the Moss Lake deposit, the Corporation should update the MRE, commence metallurgical test work, and begin to evaluate the technical, mining, and economic potential of the gold mineralization within the Moss Lake Project. The authors are of the understanding that metallurgical testwork is already underway and that the Corporation intends to complete the additional studies required to commence work on a Preliminary Economic Assessment (PEA) and advance the project towards a Pre-feasibility Study (PFS).
- For the next MRE update, the geological and mineralization models should be improved to better delineate mineralized shear zones of variable orientation within the mineralized envelope. Estimation wireframes should use a single set of grade shells to improve the high-grade shear zone model and better define the low-grade intrusion model. The accuracy of estimation wireframes should be improved by snapping to the appropriate samples.
- The Corporation should initiate environmental and social baseline studies in support of exploration, mine development, and permitting; and continue engaging with local stakeholders including First Nations and Métis communities, landowners, and government authorities. The authors are of the understanding that the Corporation has already commenced this work.
- The Corporation should continue additional geological and drilling evaluation of the other advanced prospects including North Coldstream and East Coldstream to advance these projects towards resource estimation.
- After completion of prospecting, soil surveys and geophysics programs on other earlier-stage targets on the Moss Lake Project, the Corporation should commence a scout drilling program to determine the gold potential on these targets.

The authors have reviewed the Corporation's proposed exploration, drilling and development plans and consider the proposed expenditures to be reasonable to advance the Moss Lake Project to the next stage in the mining cycle. The work program recommendations and cost estimates have been divided into two work phases (Phase I and Phase II), with completion of Phase II tasks contingent on the results from Phase I as shown in Table 1-3 below.

*Table 1-3: Recommended work program for the Moss Lake Project*

<b>Task</b>	<b>Estimated Cost (C\$)</b>
<b>Phase I</b>	
Confirmatory and infill diamond drilling to upgrade and expand resources to Indicated category (all-inclusive: staff, drilling contractors, and assaying, etc.)	15,000,000

<b>Task</b>	<b>Estimated Cost (C\$)</b>
Total of 50,000 m at approximately \$300/m all-in cost	
Scout drilling on early-stage targets (2,000 m)	600,000
Geological mapping, prospecting, and soil geochemistry surveys on early-stage targets with discovery potential	250,000
Preliminary metallurgical testwork and flow sheet determinations	300,000
MRE update based on new drilling data and preliminary metallurgical testwork, and technical report	150,000
Contingency	200,000
<b>Total – Phase I</b>	<b>16,500,000</b>
<b>Phase II</b>	
Preliminary Economic Assessment (PEA)	500,000
Further infill drilling (25,000 m) to upgrade and expand mineral resources	7,500,000
Environmental and social baseline studies and mine permitting	150,000
Detailed metallurgical testwork	250,000
Prefeasibility Mining Study (PFS) and technical report	750,000
Contingency	350,000
<b>Total – Phase II</b>	<b>9,500,000</b>

## **RISK FACTORS**

An investment in the Offered Units is speculative and subject to risks and uncertainties. The risks and uncertainties described or incorporated by reference in this Prospectus Supplement are not the only ones the Corporation may face. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Corporation and the business, prospects, financial position, financial condition or operating results of the Corporation. Additional risks and uncertainties not presently known to the Corporation or that the Corporation currently deems immaterial may also become important factors that affect the Corporation and impair the Corporation's business, prospects, financial position, financial condition and operating results.

Prospective investors should carefully consider all information contained in this Prospectus Supplement, including the Base Shelf Prospectus and all documents incorporated by reference herein and therein, and in particular should give special consideration to the risk factors set out below and under the section titled "Risk Factors" in the Base Shelf Prospectus, and under the section titled "Risk Factors" and in the AIF, which are incorporated by reference in this Prospectus and which may be accessed on the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com), and the information contained in the section entitled "Cautionary Note Regarding Forward-Looking Statements".

### **Global Economic Conditions**

In recent years, global financial markets have been characterized by extreme volatility impacting many industries, including the mining industry. Global financial conditions remain subject to sudden and rapid destabilizations in response to economic shocks, including rising inflation and global supply-chain disruption. A sudden or prolonged slowdown in the financial markets or other economic conditions, including but not limited to, fuel and energy costs, consumer spending, employment rates, business conditions, inflation, consumer debt levels, lack of available credit, the state of the financial markets, rising interest rates and tax rates, may adversely affect the Corporation's growth and profitability. The current inflationary economic environment, should it persist, could result in increased costs and reduced purchasing power for the Corporation, which may have an adverse impact on the Corporation and its financial condition.

Future economic shocks may be precipitated by a number of causes, including, but not limited to, a rise in the price of oil and other commodities, the volatility of metal prices, rising inflation and interest rates, geopolitical instability, war, invasions or other armed conflicts, terrorism, pandemics, epidemics or other health concerns, the devaluation and volatility of global stock markets and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Corporation's ability to obtain equity or debt financing in the future on terms favorable to the Corporation or at all. In such an event, the Corporation's operations and financial condition could be adversely impacted.

### **No Minimum Offering**

There is no minimum amount of funds that must be raised under the Offering and any funds raised under the Offering may not be sufficient to allow the Corporation to continue to achieve its business objectives.

### **Discretion in the Use of Proceeds**

The Corporation currently intends to allocate the net proceeds received from this Offering as described under "Use of Proceeds" and such allocations are based on current expectations of management of the Corporation. However, management will have discretion in the actual application of the net proceeds and may elect to allocate net proceeds differently than is described under "Use of Proceeds" if management believes that it would be in the Corporation's best interests to do so. Shareholders may not agree with the manner in which management chooses to allocate and spend the net proceeds. Failure by management to apply these funds effectively could have a material adverse effect on the Corporation's business.

### **Dilution from Further Financings**

The Corporation may sell additional equity securities or convertible debt securities in subsequent offerings and may issue additional equity securities or convertible debt securities to finance operations, development, exploration, acquisitions and other projects. If the Corporation raises additional funding by issuing additional equity securities or convertible debt securities, such financings may substantially dilute the interests of shareholders of the Corporation and reduce the value of their investment.

### **Future Sales or Issuances of Securities**

As stated above, the Corporation may sell additional equity securities or convertible debt securities in subsequent offerings and may issue additional equity securities or convertible debt securities to finance operations, development, exploration, acquisitions and other projects. As of the date hereof, the Corporation had 21,900,770 convertible securities outstanding, consisting of 13,163,270 warrants (which figure includes warrants, compensation options, and broker warrants) and 8,737,500 stock options. These securities may be exercised by the holders from time to time in accordance with their respective terms. Often holders of such securities will sell the underlying Common Shares following exercise of such securities. Further, the Corporation's shareholders may sell substantial amounts of securities of the Corporation following the Offering.

The Corporation cannot predict the size of future sales or issuances of equity securities or convertible debt securities or the effect, if any, that future sales and issuances of equity securities or convertible debt securities may have on the market price of the Common Shares. However, sales or issuances of a substantial number of equity securities or convertible debt securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares.

### **Liquidity and Capital Resources**

The Corporation will require additional financing over and above the Offering in order to meet its longer-term business objectives and there can be no assurances that such financing sources will be available as and when needed. Historically, capital requirements have been primarily funded through the sale of Common Shares and securities convertible or exercisable into Common Shares. Factors that could affect the availability of financing include, but are not limited to, the progress and results of ongoing exploration at the Corporation's mineral properties, the state

of international debt and equity markets, and investor perceptions and expectations of the global silver and gold markets. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Corporation.

### **Negative Operating Cash Flow and Additional Funding**

The Corporation is an exploration stage company with limited financial resources and has not generated cash flow from operations. During the periods represented by the Annual Financial Statements and the Interim Financial Statements, the Corporation had negative cash flow from operating activities. The Corporation anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at the Moss Lake Project. The Corporation is devoting significant resources to the development and acquisition of its properties; however, there can be no assurance that it will generate positive cash flow from operations in the future. To the extent that the Corporation has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. There can be no assurance that the Corporation will be able to generate a positive cash flow from its operations. In addition, there can be no assurance that additional funding will be available to the Corporation for the exploration and development of its projects. Furthermore, significant additional financing, whether through the issuance of additional securities and/or debt, will be required to continue the development of the Moss Lake Project. There can be no assurance that the Corporation will be able to obtain adequate additional financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the Moss Lake Project.

### **Active Liquid Market for and Market Price of Common Shares**

There can be no assurance that an active market for the Common Shares will be sustained after the Offering. Securities of mining companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance, underlying asset values or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. There can be no assurance that continual fluctuations in the market price of the Common Shares will not occur.

It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of or developments with respect to the Corporation. The value of the Common Shares may be affected by such volatility. The market price of the Common Shares is also likely to be significantly affected by short-term changes in commodity prices, other mineral prices, currency exchange fluctuations and the Corporation's financial condition and results of operations as reflected in the Corporation's continuous disclosure. Further, the market price for the Common Shares may increase or decrease in response to a number of events and factors, including the performance of competitors and other similar companies, public reaction to the Corporation's public announcements and public filings with securities regulatory authorities, recommendations by research analysts who track the Corporation's securities or other companies in the resource sector, changes in general economic and/or political conditions, the arrival or departure of key personnel, the factors listed under the heading "Cautionary Note Regarding Forward-Looking Statements" and acquisitions, strategic alliances or joint ventures involving the Corporation or its competitors.

The Offering Price may not necessarily reflect the prevailing market price of the Common Shares following the Offering. If an active market for the Common Shares is not maintained, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline below the Offering Price. If such a market is not maintained, investors may lose their entire investment in the Offered Units.

As a result of any of these factors, the market price for the Common Shares at any given point in time may not accurately reflect the long-term value of the Corporation. Securities class-action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Corporation could in the future be the target of similar litigation and such litigation could result in substantial costs and damages and divert management's attention and resources, all of which could have a material adverse effect on the business, results of operations and financial condition of the Corporation.

### **Investors May Lose their Entire Investment**

An investment in the Offered Units is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Corporation.

### **Speculative Nature of Warrants**

The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Common Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire Common Shares and pay an exercise price of \$0.40 per Warrant Share, subject to certain adjustments, prior to 24 months following the Closing Date, after which date any unexercised Warrants will expire and have no further value. Moreover, following this Offering, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There is no current market through which the Warrants may be sold and purchasers of Offered Units may not be able to resell the Warrants purchased under this Prospectus Supplement. The Warrants will not be listed on the TSXV, OTCQB or any other stock exchange or marketplace. There can be no assurance that the market price of the Common Shares (including the Warrant Shares) will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

### **The Corporation May Not Realize Its Strategy**

As part of its strategy, the Corporation will continue existing efforts to locate and develop exploration properties with the goal of developing producing mines. A number of risks and uncertainties are associated with such properties and the Corporation may not realize the benefits anticipated. The acquisition and development of new mining properties is subject to uncertainties relating to capital and other costs and is subject to numerous risks, including financing, political, regulatory, design, construction, labor, operating, technical and technological risks. The failure to develop one or more of these properties successfully could have an adverse effect on the Corporation's financial position and results of operations.

### **Canadian Tax Treatment of Flow-Through Units and Charity Flow-Through Units**

The tax treatment applicable to mining activities and flow-through shares constitutes a major factor when considering an investment in Flow-Through Units or Charity Flow-Through Units. Investors are cautioned that the taxation laws and regulations and the current administrative practices of both the federal and provincial tax authorities may be amended or construed in such a way that the tax considerations for a purchaser holding Flow-Through Units or Charity Flow-Through Units will be altered and, moreover, there may be differences of opinion between the federal and provincial tax authorities with respect to the tax treatment of the Flow-Through Units or Charity Flow-Through Units, the status of such Flow-Through Units or Charity Flow-Through Units and the activities contemplated by the Corporation's exploration and development programs. See "Renunciation of CEE" and "Certain Canadian Federal Income Tax Considerations".

The Flow-Through Units and Charity Flow-Through Units are designed for investors whose income is subject to high marginal tax rates. The right to deduct CEE accrues to the initial purchaser of the Flow-Through Units and Charity Flow-Through Units and is not transferable. No guarantee can be given that Canadian tax laws will not be amended, that the amendments announced with respect to such laws will be adopted or that the current administrative practices of the tax authorities will not be modified. In addition, there is no guarantee that the CEE incurred (or deemed to be incurred) by the Corporation or the expected tax deductions will be accepted by the CRA. Consequently, the tax considerations for purchasers holding or selling Flow-Through Units and Charity Flow-Through Units may be fundamentally altered. See "Renunciation of CEE" and "Certain Canadian Federal Income Tax Considerations".

There is no guarantee that an amount equal to the Flow-Through Funds will be expended on or prior to the Termination Date as CEE resulting in the deductions described under "Renunciation of CEE" and "Certain Canadian

Federal Income Tax Considerations". If the Corporation does not renounce to the purchaser, effective on or before December 31, 2022, CEE in an amount equal to the aggregate purchase price paid by such purchaser for the Flow-Through Units and Charity Flow-Through Units, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Corporation shall indemnify the purchaser for an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by the purchaser (or if the purchaser is a partnership, the partners thereof) as a consequence of such failure or reduction; however, there is no guarantee that the Corporation will have the financial resources required to satisfy such indemnity.

#### **Difficulty in Enforcing Judgments and Effecting Service of Process on Directors and Officers**

Certain directors and officers of the Corporation reside outside of Canada. Some or all of the assets of such persons may be located outside of Canada. Therefore, it may not be possible for investors to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for investors to effect service of process within Canada upon such persons.

#### **PURCHASERS' STATUTORY RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus or a prospectus supplement relating to the securities purchased by a purchaser and any amendments thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus or a prospectus supplement relating to the securities purchased by a purchaser and any amendments thereto contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

In an offering of warrants (including the Warrants comprising part of the Offered Units), investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

**CERTIFICATE OF THE CORPORATION**

Dated: December 16, 2022

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form prospectus and this supplement as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

**GOLDSHORE RESOURCES INC.**

“Brett Richards”  
BRETT RICHARDS  
Chief Executive Officer

“Marlis Yassin”  
MARLIS YASSIN  
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

“Galen McNamara”  
GALEN MCNAMARA  
Director

“Joanna Pearson”  
JOANNA PEARSON  
Director

**CERTIFICATE OF THE AGENTS**

Dated: December 16, 2022

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form prospectus and this supplement as required by the securities legislation of the Provinces of British Columbia, Alberta and Ontario.

**RESEARCH CAPITAL CORPORATION**

“David Greifenberger”  
David Greifenberger  
Managing Director, Investment Banking

**LAURENTIAN BANK SECURITIES INC.**

“Joseph Gallucci”  
Joseph Gallucci  
Managing Director, Head of Investment Banking

**CANACCORD GENUITY CORP.**

“Earle McMaster”  
Earle McMaster  
Managing Director

**GRAVITAS SECURITIES INC.**

“Blayne Creed”  
Blayne Creed  
Chief Executive Officer

**RED CLOUD SECURITIES INC.**

“Bruce Tatters”  
Bruce Tatters  
Chief Executive Officer