



BARSELE MINERALS CORP.

Amended and Restated Annual Information Form

**Amending and Restating the Annual Information Form dated October 28, 2020
for the year ended December 31, 2019**

Dated December 16, 2020

TABLE OF CONTENTS

FORWARD LOOKING STATEMENTS	1
DEFINITIONS AND OTHER INFORMATION	3
Date of Information	3
Currency and Accounting Standards	3
Definitions	3
Scientific and Technical Information	4
Mineral Resources and Mineral Reserves	4
Metric and Imperial Conversions	4
CORPORATE STRUCTURE OF THE COMPANY	5
Name, Address and Incorporation	5
Intercorporate Relationships	5
GENERAL DEVELOPMENT OF THE BUSINESS	5
Overview	5
Three Year History	6
DESCRIPTION OF THE BUSINESS	9
Principal Products	9
Specialized Skill and Knowledge	9
Competitive Conditions	10
Business Cycles	10
Employees and Contractors	10
Environmental Protection	10
Foreign Operations	10
THE BARSELE PROJECT	10
Introduction	11
Contributors	11
Project Description and Location	11
Geology	11
Mineralization	12
Data Verification	13
Mineral Resource Estimate	13
Interpretation and Conclusions	14
Recommendations	15
OTHER PROJECTS	15
RISK FACTORS	15
DIVIDENDS AND DISTRIBUTIONS	23
DESCRIPTION OF CAPITAL	24
Shares	24
MARKET FOR SECURITIES	24
Market	24
Trading Price and Volume of the Shares	24
Prior Sales	25
DIRECTORS AND EXECUTIVE OFFICERS	25
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	26
Conflicts of Interest	26
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	27
AUDIT COMMITTEE INFORMATION	27
Audit Committee Charter	27

Composition of the Audit Committee and Independence	27
Relevant Education and Experience	27
Audit Committee Oversight	27
Pre-Approval Policies and Procedures	27
External Auditor Service Fees.....	28
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	28
TRANSFER AGENTS AND REGISTRARS.....	28
MATERIAL CONTRACTS.....	28
INTERESTS OF EXPERTS	29
Names of Experts.....	29
Interests of Experts	29

FORWARD LOOKING STATEMENTS

Certain statements in this amended and restated annual information form ("**AIF**") constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Barsele Minerals Corp. ("**Barsele**" or the "**Company**"), or its mineral project, or industry results, to be materially different from any future results, expectations, performance or achievements expressed or implied by such forward-looking statements or forward-looking information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results and speak only as of the date of this AIF.

Specific statements in this AIF that constitute forward-looking statements or forward-looking information include, but are not limited to: (i) the planned amount and timing, as well as the degree of success of, any future exploration program (including drilling programs), including the potential addition of Mineral Resources and the potential to upgrade exploration targets to Mineral Resources as a result of such exploration and drilling programs; (ii) the prospective receipt of permits, licences or approvals, including the approval of the annual exploration campaign, at any mineral project, including those necessary to commence development or mining operations; (iii) the amount, completion and timing of a feasibility study, including a pre-feasibility study of the Barsele Project or other ongoing environmental, metallurgical, market and other studies; (iv) the amount and timing of capital expenditures; (v) the expected levels of operating costs, general administrative costs, costs of services and other costs and expenses and (vi) expected activities or results of exploration, development or mining operations at any mineral project.

With respect to forward-looking statements or forward-looking information contained in this AIF, in making such statements or providing such information, the Company has made assumptions regarding, among other things: (i) the accuracy of the estimation of Mineral Resources; (ii) that exploration activities and studies will provide results that support anticipated development and extraction activities; (iii) that the Company will be able to obtain additional financing on satisfactory terms, including financing necessary to advance the development of the Barsele Project; (iv) that infrastructure anticipated to be developed or operated by third parties will be developed and/or operated as currently anticipated; (v) that laws, rules and regulations are fairly and impartially observed and enforced; (vi) that the market prices for relevant commodities remain at levels that justify development and/or operation of the Barsele Project; (vii) that the Company will be able to obtain, maintain, renew or extend required permits; and (viii) that the Company will operate efficiently and maintain stable operating costs; and (ix) that foreign exchange rates affecting realized prices for the Company's products and affecting the input costs remain at levels that justify development and/or operation of the Barsele Project. All other assumptions used in this AIF constitute forward-looking information.

In making the forward-looking statements and forward-looking information, the Company has made such statements based on assumptions and analyses on certain factors which are inherently uncertain. Uncertainties include among others: (i) the adequacy of infrastructure and rehabilitation or upgrade of existing infrastructure; (ii) geological characteristics; (iii) metallurgical characteristics of the mineralization; (iv) the ability to develop adequate processing capacity; (v) the price of gold and other metals; (vi) the availability of equipment and facilities necessary to complete development, (vii) the cost of consumables and mining and processing equipment; (viii) unforeseen technological and engineering problems; (ix) accidents or acts of sabotage or terrorism; (x) currency fluctuations; (xi) changes in laws or regulations; (xii) the availability and productivity of skilled labour; (xiii) the regulation of the mining industry by various governmental agencies; (xiv) the effect of the COVID-19 pandemic; (xv) globally economic uncertainties,

including interest rates, equity and debt capital market volatility affecting the availability of future funding, and (xvi) other liabilities inherent in the Company's operations.

This AIF also contains references to estimates of Mineral Resources. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Mineral Reserves that have demonstrated economic viability may cease to be economically viable as a result of many factors, including those set forth in the AIF. The accuracy of any such estimates of Mineral Resources is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation (including estimated future production from the Barsele Project, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in gold or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licences. Mineral Reserves, if any, may have to be re-estimated based on, among other things: (i) fluctuations in manganese or other mineral prices; (ii) results of actual mining operations; (iii) changes to mine plans subsequent to the date of any estimates; or (iv) the possible failure to receive required permits, approvals and licences, or the failure to have such required permits, approvals, or licences honoured or extended.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indicators of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed above and below and under "*Risk Factors*", as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities, including potentially arbitrary action; the failure of parties to contracts with the Company to perform as agreed; failure of the Company to agree with Agnico Eagle, its joint venture partner with respect to the Barsele Project, as to the exploration and development of the Barsele Project; social or labour unrest; changes in commodity prices; effects of the COVID-19 pandemic; unexpected changes in the cost of mining consumables; and the failure of exploration programs or current or future economic studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

Although the forward-looking statements contained in this AIF are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. The Company's actual results could differ materially from those anticipated in these forward-looking statements, as a result of, amongst others, those factors noted above and those listed under the heading "*Risk Factors*". These forward-looking statements are made as of the date of this AIF and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company assumes no obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this AIF.

DEFINITIONS AND OTHER INFORMATION

Date of Information

Unless otherwise indicated, all information contained in this amended and restated AIF is as of December 31, 2019. This AIF has been amended and restated to update certain technical information contained in the Technical Report (as defined below).

Currency and Accounting Standards

All references to "\$" or "dollars" in this AIF mean Canadian dollars, unless otherwise indicated, and all financial information is prepared using International Financial Reporting Standards as issued by the International Accounting Standards Board.

Definitions

Certain terms are limited to one section of the AIF and are defined directly in the body of the AIF. Other terms are used throughout, and are defined as follows:

"**AE Sweden**" means Agnico Eagle Sweden AB, an indirect, wholly-owned subsidiary of Agnico Eagle;

"**Agnico Eagle**" or "**AEM**" means Agnico Eagle Mines Limited;

"**Barsele**" or "**Company**" has the meaning ascribed thereto under the heading "*Forward Looking Statements*";

"**Barsele Project**" or "**Project**" means the Barsele Gold Project in Västerbottens Län, Sweden, a joint venture with Agnico Eagle, as further described in the Technical Report;

"**Board**" means the board of directors of Barsele, as may be constituted from time to time;

"**Gunnarn Mining**" means Gunnarn Mining AB, the joint venture company which holds the Barsele Project under the JVA with Agnico Eagle, in which Barsele currently holds a 45% interest;

"**InnovExplo**" means InnovExplo Inc., an independent mining and exploration consulting firm based in Quebec, which authored the Technical Report;

"**JVA**" means the joint venture agreement dated June 11, 2015 among Agnico Eagle, AE Sweden, Barsele and Gunnarn Mining, which agreement was assigned by Orex to Barsele and assumed by Barsele in September 2015;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

"**NI 51-102**" means National Instrument 52-102 – *Continuous Disclosure Obligations*;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*;

"**Northland**" means Northland Resources S.A.;

"**Qualified Person**" means an individual who is a "Qualified Person" or "QP" within the meaning of NI 43-101;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval operated by the securities regulatory authorities in each of the provinces and territories of Canada;

"**Shares**" means the common shares in the capital of Barsele;

"**Technical Report**" has the meaning ascribed thereto under the heading "*Definitions and Other Information – Scientific and Technical Information*";

"**TSXV**" means the TSX Venture Exchange; and

"**U.S.**" or "**United States**" mean the United States of America, its territories or possessions, any state of the United States and the District of Columbia.

Scientific and Technical Information

The scientific and technical information with respect to the Barsele Project contained in this AIF is derived from the technical report titled "*NI 43-101 Technical Report and Mineral Resource Estimate (Amended) for the Barsele Project*" with an effective date of February 21, 2019 and a signature date of December 16, 2020 prepared by Carl Pelletier, P. Geo, Stéphane Faure, P. Geo and Vincent Nadeau-Benoit, P. Geo (the "**Technical Report**").

The technical information in this AIF has been updated with current information where applicable. The full text of the Technical Report has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company's SEDAR profile at www.sedar.com. For definitions of certain technical terms used in this AIF, see Table 2.1 beginning on page 20 of the Technical Report.

Art Freeze, P. Geo. and a director of the Company, has reviewed and approved the scientific and technical information in respect of the Barsele Project contained in this AIF, and is considered, by virtue of his education, experience and professional association, to be a QP for the purposes of NI 43-101. Mr. Freeze is not independent of the Company within the meaning of NI 43-101.

Mineral Resources and Mineral Reserves

The Mineral Resource estimates contained in this AIF were prepared in accordance with the requirements of NI 43-101. The terms "Mineral Reserve", "Proven Mineral Reserve", "Probable Mineral Reserve", "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource", and "Inferred Mineral Resource" are defined in accordance with the Canadian Institute of Mining & Metallurgy Definition Standards which were incorporated by reference in NI 43-101.

Metric and Imperial Conversions

For ease of reference, the following factors for converting between metric and imperial measurements are provided:

From metric	To imperial	Multiply by	From imperial	To metric	Multiply by
Hectares	Acres	2.471	Acres	Hectares	0.405
Metres	Feet	3.281	Feet	Metres	0.305
Kilometres	Miles	0.621	Miles	Kilometres	1.609
Tones	Tons (2,000 lbs)	1.102	Tons (2,000 lbs)	Tones	0.907

CORPORATE STRUCTURE OF THE COMPANY

Name, Address and Incorporation

Barsele Minerals Corp. was incorporated under the *Business Corporations Act* (British Columbia) on February 20, 2013. The Company's head office is located at 1130 - 1055 West Hastings Street, Vancouver, BC, V6E 2E9 and its registered records office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8.

Intercorporate Relationships

References in this AIF to the business of the Company includes, as the context requires, the business conducted by Gunnarn Mining, the joint venture company which holds the Barsele Project pursuant to the JVA with Agnico Eagle. As of the date of this AIF, the Company has no subsidiaries.

Barsele Project Joint Venture

The Company currently owns a 45% interest in the Barsele Project through its ownership of Gunnarn Mining, the joint venture company held pursuant to the JVA with Agnico Eagle, with Agnico Eagle current holding the remaining 55% interest through its subsidiary AE Sweden. Agnico Eagle has a right to earn an additional 15% equity interest in Gunnarn Mining, with the Company relinquishing such equity, if Agnico Eagle or AE Sweden completes a pre-feasibility study on the Barsele Project and contributes such study to Gunnarn Mining. Until such time as a pre-feasibility study is contributed to Gunnarn Mining by Agnico Eagle, all costs and expenses of Gunnarn Mining continue to be for the account of Agnico Eagle. Following completion and contribution of a pre-feasibility study to Gunnarn Mining, all costs and expenses of Gunnarn Mining will be shared by Agnico Eagle and Barsele in accordance with their proportionate interest in Gunnarn Mining. In accordance with the JVA, AE Sweden, Agnico Eagle's wholly-owned subsidiary, is currently the operator of the Barsele Project, receives customary compensation for such role and has a majority of the seats on Gunnarn Mining's board of directors. A copy of the JVA has been filed on Barsele's SEDAR profile at www.sedar.com.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

The Company is engaged primarily in the acquisition, exploration and evaluation of mineral properties and currently has one material property, being the Barsele Project, in which it owns a 45% interest, and which project is subject to the JVA with Agnico Eagle. The Company is a Canadian public company whose Shares are listed on the TSXV under the symbol "BME".

The Barsele Project is located 40 km southeast of the town of Storuman in Västerbottens Län, a regional district of northern Sweden approximately 600 km due north of Stockholm. Exploration in the project area has been ongoing for more than 30 years. From 1985 to 2010, a total of 398 diamond drill holes (43,609 metres) have been drilled by Northland, the former owner of the Barsele Project. On October 27, 2010, the Company's former parent company, Orex Minerals Inc. ("**Orex**"), announced the acquisition of the Barsele Project from Northland. On September 25, 2015, by way of a spin-out pursuant to a statutory plan of arrangement, Barsele acquired Orex's 45% interest in the Barsele Project and assumed all of Orex's rights and obligations under the JVA with Agnico Eagle and certain of its affiliates.

Three Year History

Exploration

2017

On January 17, 2017, the Company announced the result that conversion hole SKI16010 added continuity to the Skiråsen Zone with 6.0 metres grading 33.46 g/t gold, plus 178.0 metres grading 1.68 g/t gold, plus expansion hole CNT16017 yielding 31.0 metres grading 2.65 g/t gold.

On February 21, 2017, the Company announced that Agnico Eagle had prepared an updated mineral resource estimate for the Barsele Project.

On February 27, 2017, the Company announced that they had retained AMEC Foster Wheeler to perform a resource review.

On March 6, 2017, the Company announced the result that validation hole AVA16024 extended Avan mineralization 375 metres NW of the known Avan Zone, plus conversion hole SKI16015 yielded 31.0 metres grading 2.29 g/t gold and conversion hole CNT 16032 yielded 92.0 metres grading 1.63 g/t gold.

On April 4, 2017, the Company announced that the infill hole SKI17003 yielded 8 gold intercepts, including 4.0 metres grading 60.18 g/t gold and extending Skiråsen mineralization to 595 metres' depth.

On May 9, 2017, the Company announced that expansion hole SKI16002 yielded 13.0 metres grading 2.15 g/t gold and extended Skiråsen mineralization an added 100 metres to 695 metres' depth, with the gold mineralized system remaining open down plunge to the southeast.

On June 21, 2017, the Company released results of expansion hole CNT17006 that yielded 25.0 metres grading 5.34 g/t gold outlining 100 metres of potential extension to a high-grade intersection first encountered in hole CNT16011.

On September 19, 2017, the Company announced infill hole CNT17012 yielded 19.75 metres grading 5.07 g/t gold, indicating continuity along the 100-metre gap between the Central and Skiråsen zones.

On the October 19, 2017, the Company announced the result of metallurgical testing that yielded approximately 92 percent gold recovery, plus drilling at Risberget, 3.7 kilometres to the east-southeast of Skiråsen, that yielded four significant gold hits, with a best result of 15.3 metres grading 1.87 g/t gold.

On the November 21, 2017, the Company announced positive results from both gold and massive sulphide targets with expansion of hole CNT17020 yielding 21.0 metres grading 2.96 g/t gold. A regional surface till sampling program was carried out during the summer months. This work resulted in a broad area with anomalous precious and base metal responses in the northern third of the Barsele Project, several kilometres to the north of existing drilling. As the Barsele Project was originally discovered using till sampling, these results were considered significant.

For the year ended December 31, 2017, meterage drilled at the Barsele Project totalled 58,281 metres from 123 drill holes.

2018

On March 27, 2018, the Company provided an operational update for December 2017 and January 2018 operations on the Barsele Project, including 23 holes of diamond drilling results, for a total of 1,555.9 metres drilled. At the Skiråsen Zone, highlight results included hole SKI17015 which cut seven mineralized zones with highlight hits of 11.0 metres core length (estimated 6.0 metres true thickness) grading 4.18 g/t gold at a midpoint depth of 520 metres below surface plus 22.0 metres core length (estimated 12.0 metres true

thickness) grading 1.88 g/t gold at a midpoint depth of 565 metres below surface and 4.0 metres core length (estimated 2.2 metres true thickness) grading 3.96 g/t gold at a midpoint depth of 615 metres below surface.

On April 12, 2018, the Company filed on SEDAR an updated mineral resource estimate report entitled "NI 43-101 Technical Report and Mineral Resource Estimate on the Barsele Project" with an effective date of February 15, 2018 for the Central, Avan and Skiråsen ("**CAS**") gold zones at Barsele, with 15,279,000 tonnes at 2.91 g/t gold, containing 1,427,000 Inferred ounces and 2,399,000 tonnes at 2.50 g/t gold containing 193,000 Indicated ounces (all at a 1.75 g/t gold cut-off grade). Carl Pelletier, P. Geo., B.Sc., of InnovExplo, took responsibility as a Qualified Person for this mineral resource estimate. *Note: A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. The issuer is not treating the historical estimate as current mineral resources or mineral reserves. This resource estimate is no longer relevant to the Barsele Project.*

On April 16, 2018 the Company announced drill results for the month of February, that included two diamond drilling machines operating on the Barsele Project for a total of 2,598.9 metres drilled. At the Skiråsen Zone, highlight results included hole SKI17016 which intersected gold mineralization that averaged 2.43 g/t gold uncut (1.86 g/t gold cut) along a core length of 176.0 metres (333.00 metres to 509.00 metres downhole). As project operator of the Barsele Project, Agnico Eagle developed a community relations program to engage the various stakeholders in the Barsele Project area. Basic environmental assessment and surface water characterization, species studies and hydrogeology studies were ongoing.

On July 5, 2018, the Company provided an operational update for March through May 2018. Four drills became operational on April 10, 2018. Highlights included Avan drill hole AVA18003, that intersected 9.0 metres core length grading 35.72 g/t gold uncut (5.58 g/t gold cut) at a midpoint depth of 200 metres below surface. AVA18001 cut four gold zones with a best hit of 17.4 metres core length grading 2.54 g/t gold and NOR18007 along the Stentjärnen trend, parallel to CAS zones, cut 3.2 metres grading 2.97 g/t gold.

On August 13, 2018, the Company announced drill results for the month of June that included drill hole SKI18003B from the Skiråsen Zone that yielded an intercept of 27.0 metres grading 4.12 g/t gold, while SKI18002 cut six gold zones with a best hit of 9.0 metres grading 3.76 g/t gold and SKI18003 cut 2.0 metres grading 29.17 g/t gold. At the Avan Zone, hole AVA18006 cut 24 metres grading 3.76 g/t gold. At the Central Zone, hole CNT18006 cut 3.0 metres grading 11.12 g/t gold.

On September 20, 2018, the Company announced drill results for the month of July that included expansion drill hole SKI18004 at the Skiråsen Zone that intersected nine mineralized intervals including 26.55 metres grading 2.43 g/t gold, plus 5.0 metres grading 4.0 g/t gold, plus 14.0 metres grading 4.97 g/t gold, while SKI18005 cut 5.0 metres grading 3.35 g/t gold. At the Central Zone, expansion hole CNT18005 cut 5.0 metres grading 4.71 g/t gold, while CNT18007B cut nine mineralized intervals, including 11.0 metres grading 2.30 g/t gold.

On November 14, 2018, the Company announced drill results for the month of August that included expansion drill hole SKI18007 at the Skiråsen Zone that intersected five mineralized intervals, including a best intercept of 15.0 metres grading 3.74 g/t gold. At the Central Zone, infill drill hole CNT18009, cut 57.0 metres grading 1.60 g/t gold and infill drill hole CNT18008 intersected 58.1 metres grading 1.37 g/t gold.

For the year ended December 31, 2018, meterage drilled at the Barsele Project totalled 34,999 metres from 91 drill holes.

2019

On January 31, 2019, the Company announced the remaining results from the drilling of the CAS zones, with expansion hole AVA18013 at the Avan Zone, intersecting 21.0 metres grading 3.68 g/t gold, while expansion hole AVA18012 cut 16.0 metres grading 2.76 g/t gold. At the Central Zone, expansion hole CNT18012 cut 25.0 metres grading 1.79 g/t gold. Additionally, at Risberget, regional hole RIS18002 cut 9.0 metres grading 1.98 g/t gold and regional hole SKI18009 cut 22.0 metres of semi-massive sulphides.

On February 21, 2019, the Company announced an updated mineral resource estimate on the Barsele Project with an effective date of February 14, 2019. The study concluded that diamond drilling to date along the CAS gold zones at a 0.50 g/t gold cut-off for a pit constrained extraction mining method and a 1.50 g/t gold cut-off for a bulk underground extraction mining method and a 1.80 g/t gold cut-off for a selective underground extraction mining method, had in combination, outlined an Inferred Resource of 25,495,000 tonnes grading 2.54 g/t gold (2,086,000 ounces of contained gold) and an Indicated Resource of 5,578,000 tonnes grading 1.81 g/t gold (324,000 ounces of contained gold). Carl Pelletier, P. Geo., B.Sc., from InnovExplo, of Val d'Or, Quebec took responsibility as Qualified Persons for this mineral resource estimate.

On April 2, 2019, the Company announced the filing of the Technical Report on SEDAR. The report was prepared in accordance with NI 43-101 and a copy of the Technical Report is available under the Company's profile at www.sedar.com. and on the Company's website at www.barseleminerals.com.

On August 6, 2019, the Company announced drill results for the months of January through June, that included "VMS" drill holes NOR19006 that cut 3.4 metres grading 9.96 g/t gold, 6.34% zinc, 1.72% copper, 94.61 g/t silver, plus NOR19007 that cut 5.0 metres grading 5.09 g/t gold, 41.85 g/t silver, plus NOR19008 that cut 12 metres grading 11.04 g/t gold, 1.44% zinc, 0.29% copper, 74.22 g/t silver, plus NOR19009 that cut 10.0 metres grading 8.86 g/t gold, 5.17% zinc, 1.51% copper, 78.63 g/t silver.

For the year ended December 31, 2019, meterage drilled at the Barsele Project totalled 12,310 metres in 56 completed core holes. Since assuming management of the Project in 2015, Agnico Eagle, Barsele's joint venture partner, has drilled a total of 147,452 metres of overburden penetration and core collection from a total of 367 core holes. Hole AVA19007 yielded 1.0-metre grading 6.57 g/t gold and extended the CAS gold zones, 600 metres to the northwest, for a known strike length approaching 3.6 kilometres. Regional VMS hole AVA19005 yielded 21.55 metres grading 0.18% zinc, 2.50 g/t silver and Expansion VMS hole NOR19022 yielded 0.80-metre grading 3.89 g/t gold, 0.12% zinc.

2020

Early in 2020, the proposed plans for the annual exploration campaign were successfully approved by the local Saami Village and sent to the County Administration Board, the Mining Inspectorate and affected landowners. Between January 1 and April 30, 2020, Agnico Eagle personnel and certain contractors have been carrying-out office related and field specific exploration activities at a number of exploration sites. Base of till sampling by a contractor has been ongoing. Ground gravity surveying by a contractor has been partially completed, with more work required later in the year. Ground magnetic surveying is being carried out by Agnico Eagle site personnel and is ongoing. Agnico Eagle also plans to undertake a large surface till sampling campaign, utilizing site personnel. In addition, base-metal/gold association studies are being carried out toward vectoring in on sectors of the CAS zones with superior gold grades, as well as studies of high-grade gold associated with certain alteration minerals and structures. Planned diamond drilling on gold and VMS targets was delayed for a few months because of restrictions in place due to COVID-19.

On July 20, 2020, the Company announced the resumption of diamond drilling activities, with actual coring underway on July 14, 2020. Drilling would probe "Orogenic Gold" and Massive Sulphide targets. Drilling would test for the continuity and extensions of higher-grade intercepts within and between the Avan and Central zones. In addition, early-stage spectrographic Ore/Waste studies were initiated. Stringent COVID-19 protocols have been enforced in order to keep workers and people in the surrounding community safe.

On October 20, 2020, the Company announced that infill drill hole AVA20002 intersected 11.2 metres grading 5.36 g/t gold. Additionally, expansion drill hole AVA20001 cut 2.0 metres grading 3.41 g/t gold, plus 5.0 metres grading 2.39 g/t gold. Two drills turned during the month of September, testing for both "Orogenic Gold" and Volcanogenic Massive Sulphide "VMS" targets. Base of till sampling yielded positive results up to 2.49 g/t gold. Extensive MEFFA (multi element fine fraction analysis) sampling combined with automated XRF scanning has yielded anomalous multi-element results. Ongoing drilling would test for continuity and extensions of higher-grade intercepts within the Avan and Central zones, as well as regional "Orogenic Gold" and "VMS" targets. Stringent COVID-19 protocols have been maintained.

On November 11, 2020, the Company announced drill hole AVA18003 extension intersected 5.0 metres grading 84.0 g/t gold, including 0.65 metre grading 647.3 g/t gold. High-grade (Bonanza-style) expansion drilling has been successful in probing for 'Fracture Sets' outside the current Wireframe model. Diamond drilling continued through the month of October, testing both "Orogenic Gold" and "VMS" targets. MEFFA testing has yielded several anomalous gold values up to 33 ppb, in an area with strong anomalous arsenic response. Additional channel sampling toward future ore-sorting/metallurgical testing has been carried out along three different surface exposures within the broad area of surface trenching. Diamond drilling from July 14, to October 31, within the 46,991-hectare property totals 7,839 metres in 36 completed core holes. Since late 2015, a total of 155,291 metres of overburden penetration and core collection has been tabulated from a total of 403 drill holes. The Agnico Eagle crew has maintained stringent COVID-19 protocols.

On December 07, 2020, the Company announced more drill results, from the Avan and Central zones, wherein expansion hole AVA18004-extension intersected 11.6 metres, grading 3.22 g/t gold, including 0.6 metres grading 30.30 g/t gold and 3.0 metres grading 8.30 g/t gold. Central expansion hole CNT20006 intersected 6.0 metres grading 4.69 g/t gold and Avan expansion hole AVA20004 cut 10.0 metres grading 2.43 g/t gold, including 3.0 metres grading 6.80 g/t gold. High-grade (Bonanza-style) expansion drilling continues to be successful in probing for mineralized fracture sets outside the current wireframe model. Additionally extensive MEFFA surface till sampling combined with automated XRF scanning of 13,758 field samples has yielded numerous anomalous responses warranting follow up. Cumulative base of till testing totals 156 holes for the 2020 work year and shallow drill testing at a new target area named Bastuträsk yielded 6.0 metres grading 0.89 g/t gold.

Financing and Corporate Development

Over the last three years, the Company has been self-sustaining and has not raised any funds through the issuance of its securities. Over the last three years, the Company has received approximately \$4.2 million in aggregate gross proceeds from the exercise of certain options and warrants. These funds have served to support the Company's operations and project management costs to date.

DESCRIPTION OF THE BUSINESS

The Company is engaged primarily in the acquisition, exploration and evaluation of mineral properties and currently has one material property, being the Barsele Project. The Company is a Canadian public company whose Shares are listed on the TSXV under the symbol "BME". Its principal business is the evaluation and potential development of the Barsele Project in Sweden. The Company activities in Sweden are conducted through Gunnarn Mining, which is the joint venture Company with Agnico Eagle, in which the Company currently holds a 45% interest.

Principal Products

The Company is in the mineral exploration business, does not have any marketable products at this time and is not distributing any products at this time. In addition, the Company does not know when or if its properties will reach the development stage and if so, what the estimated costs would be to reach commercial production.

Specialized Skill and Knowledge

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, logistical planning, geophysics, metallurgy and mineral processing, implementation of exploration programs and accounting. Management is composed of individuals who have extensive expertise in the mineral exploration industry and exploration finance and are complemented by the board of directors of the Company.

Competitive Conditions

The mineral exploration business is a competitive business. The Company competes with numerous other companies and individuals who may have greater financial resources in the search for and the acquisition of personnel, contractors, funding and attractive mineral properties. As a result of this competition, the Company may be unable to obtain additional capital or other types of financing on acceptable terms or at all, acquire properties of interest or retain qualified personnel and/or contractors.

Business Cycles

The mineral exploration and development business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

Employees and Contractors

As of the date of this AIF, the Company has no employees. The operations of the Company are managed by its directors and officers. Pursuant to a shared services agreement between the Company and Belcarra Group Management Ltd. ("**Belcarra**"), Belcarra provides management, administrative, provision of personnel and other related services required by the Company from time to time, with costs allocated on a shared and proportional basis with certain other companies that have also engaged Belcarra to provide such services. The Company engages consultants from time to time in the areas of mineral exploration, geology and business negotiations as required to assist in evaluating its interests and recommending and conducting work programs.

Environmental Protection

The Company's exploration activities are subject to various laws and regulations in the jurisdiction in which it operates relating to the protection of the environment. Due to the early stage of the Company's activities, environmental protection requirements have had a minimal impact on the Company's capital expenditures and competitive position. If needed, the Company will make and will continue to make expenditures to ensure compliance with applicable laws and regulations. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementations of existing laws and regulations could have a material adverse effect on the Company by potentially increasing capital and/or operating costs.

Foreign Operations

The Company exists under the laws of the Province of British Columbia and is a reporting issuer in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The Company's principal assets are located in Sweden and so its business is impacted by the laws of Sweden.

THE BARSELE PROJECT

The Barsele Project is the Company's only material mineral property.

The following technical disclosure relating to the Barsele Project is derived principally from the summary from the Technical Report, and is subject to all the assumptions, qualifications and procedures set out in the Technical Report. Readers should consult the Technical Report to obtain further particulars regarding the Barsele Project. The Technical Report is incorporated by reference in its entirety herein and is available for review electronically on SEDAR at www.sedar.com under the Company's corporate profile. Capitalized terms used in this summary but otherwise not defined, shall have the meanings given to them in the Technical Report.

Introduction

At the request of Mr. Art Freeze, P.Geol., director of the Company, InnovExplo was retained to prepare the Technical Report to present and support the results of a mineral resource estimate (the "**2019 MRE**") for the Barsele Project in accordance with NI 43-101 and its related Form 43-101F1.

InnovExplo is an independent mining and exploration consulting firm based in Val-d'Or (Québec).

The 2019 MRE has an effective date of February 21, 2019. The estimate follows CIM Definition Standards for Mineral Resources and Mineral Reserves ("**CIM Definition Standards**").

Contributors

The Technical Report was prepared by the following employees of InnovExplo: Carl Pelletier, P.Geol., Co-president and Co-founder; Stéphane Faure, P.Geol., PhD, Geoscience Expert; and Vincent Nadeau-Benoit, P.Geol., Project Geologist. Each are independent Qualified Persons ("**QPs**").

InnovExplo conducted a review and appraisal of the information used to prepare the Technical Report, including the conclusions and recommendations, and believes that such information is valid and appropriate considering the status of the Barsele Project and the purpose for which the Technical Report is prepared. The authors have fully researched and documented the conclusions and recommendations made in the Technical Report and affirm that the work program and recommendations presented herein conform to NI 43-101 and CIM Definition Standards.

Project Description and Location

The Barsele Project is situated near the village of Barsele in the county of Västerbotten in Northern Sweden. It is located approximately 20 km east-southeast from the town of Storuman. At the regional scale, the village of Barsele lies 200 km northwest of Umeå (population of 120,000), the administrative headquarters of the county, and approximately 630 km north of Stockholm. The geographic coordinates of the Barsele Project centroid are latitude 65°03' north and longitude 17°34' east (UTM coordinates 621349E, 7217734N: SWEREF99 TM).

The Barsele Project currently consists of one block of 23 granted exploration permits and two (2) exploitation concessions issued by the Chief Mining Inspector, for an aggregate area of 43,481.96 ha (434.8196 km²). Fifteen (15) exploration permits are registered in the name of Gunnarn Mining and five (5) in the name of AE Sweden. Applications have been submitted for one (1) exploration permit for an area of 3,789.71 ha (37.90 km²), registered in the name of AE Sweden.

The operating entity is AE Sweden, an indirect wholly-owned subsidiary of Agnico Eagle. For the purposes of this Section of the AIF, "AEM" is used to refer interchangeably to the parent and subsidiary companies.

Geology

The Barsele Project is located within Paleoproterozoic supracrustal and associated intrusive rocks in the Fennoscandian Shield, specifically at the intersection of the western extent of the east-west oriented Skellefte mining district and the northwest-southeast trending Gold Line. Bedrock in the district consists of 1.96-1.86 Ga volcanic and sedimentary rocks associated with the Svecofennian domain and intrusive rocks that were deformed and metamorphosed simultaneously during the 1.96-1.80 Ga Svecokarelian orogeny (Lundström et al., 1997; Mellqvist et al., 1999; Kathol and Weihed, 2005). To the west of Skellefte is the Stensele district. To the north are the Paleoproterozoic and reworked Archaean rocks of the Norrbotten craton, and to the south and east are the metasedimentary rocks of the Bothnian Basin, with the district representing a kind of transitional zone between those two major tectonic assemblages. The Archaean-

Proterozoic boundary north of the Skellefte district has been defined by a shift in ϵNd signature (Lundqvist et al., 1996; Wikström et al., 1996; Mellqvist et al., 1999) which coincides with a south-dipping seismic reflector interpreted as a northeast-verging thrust surface (BABEL Working Group, 1990).

The Barsele Project area covers a sequence of metasedimentary and volcanic rocks of the Proterozoic Svecofennian system. The volcanics are more specifically referred to as the Härnö Formation. The metasedimentary rocks consist of metamorphosed greywackes and pelites and sporadic conglomerates. The volcanic rocks of the Härnö Formation consist of felsic, intermediate and mafic volcanics, including pillow lavas and pyroclastics, probably deposited in a back-arc setting. Felsic volcanics probably represent a volcanic inlier within the Bothnian Basin, or alternatively, an outlier of the Skellefteå district.

According to Keyser (2004), there are three main phases of granitoid intrusions in the region which are referred to as early, middle and post with respect to the Svecofennian orogeny. The early orogenic granitoids are the most important from a mineralization perspective and comprise a calc-alkaline suite of predominantly tonalites with lesser volumes of granodiorite, which were emplaced prior to the main phases of Svecofennian metamorphism and deformation. An early orogenic granodiorite is the host rock of the Central Zone mineralization at the Barsele Project. Several separate intrusive rocks have been identified at the Central and Avan zones including late and post-mineralization dykes.

The Barsele Project mineralization was affected by polyphase deformation and remobilization events including several phases of enrichment. An early D1 phase of crustal extension caused hydrothermal activity simultaneously with the emplacement of volcanic and related intrusive rocks. Two overprinting deformation events (D2 and D3) both re-mobilized and enriched the deposit along D2 and D3 high strain zones (Bauer, 2015).

Mineralization

The metallogenic area of the Barsele Project is called the Gold Line (or Gold Trend), which is the original name of a geochemical gold anomaly detected in a regional till survey in the northern part of the county of Västerbotten in the late 1980s. Since then, several gold occurrences and large amounts of As-Au-mineralized boulders have been found in the area. Two mines have been in production: the Blaiken zinc-gold mine (closed in 2007) and the Svartliden gold mine (closed in 2013), located 30 km south-southeast. Most of the gold deposits in the Gold Line metallogenic area are considered orogenic gold deposits.

Mineralization varies among the zones on the Barsele Project. Two distinct mineralized areas have been explored on the Barsele concessions: CAS (the Central, Avan and Skiråsen zones) and Norra. The current MRE concerns the CAS area. Gold mineralization in the CAS is predominantly within the granodiorite (GD-II). Mineralized zones have been interpreted as two types of lodes, D2 lodes along D2 shear zones structures (NW-SE trending, steeply dipping) and D3 lodes related to the lineation of intersection between D2 shear zones and D3 panels (N-S trending, average of 45° dipping east). Those intersections are considered to have been dilatation zones favourable for fluid circulation and gold remobilization. The panel like geometry of the vein clusters in the Central Zone is not as evident in the Skiråsen Zone (AEM, 2018).

The Central, Avan and Skiråsen zones have a combined strike length of 2.7 km. Central zone consists of 24 lodes (14 D2 type and 10 D3 type) and Skiråsen zone of 13 lodes (D2 type) with an average horizontal thickness of 5 m for D3 type and 10 m for D2 type. The lodes have to date been followed to a depth of 900 m. The Avan zone consist of 22 lodes (D2 type) with an average horizontal thickness of 10 m. The lodes can be followed for 800 m along strike and to 700 m at depth.

Several events of shearing and veining occur through the deposit, with early ductile emplacement of tourmaline-rich sulphide-poor veins predating the emplacement of gold bearing mineralization commonly hosted by quartz \pm calcite veins. Based on their texture and mineralogy, the gold-bearing quartz-bearing veins have been classified into: Qtz-1 ductile quartz veins with sulfidation haloes, Qtz-2 continuous planar quartz veins with chlorite selvage, Qtz-3 quartz veins containing visible gold and scheelite, and Qtz-4 auriferous sulphide-rich (sphalerite>pyrrhotite>galena) quartz veins. Gold mineralization is mainly hosted

by Qtz-2 and Qtz-3 veins, whereas Qtz-1 and tourmaline veins are more abundant in the Central Zone. Traces of pyrite are also more commonly observed.

Gold occurs as native metal alloyed with silver and demonstrates a general association with arsenopyrite, also occurring with pyrrhotite, calcite, chlorite, tourmaline and biotite. Base metal content of the deposit is typically low, although gold is seen to occur with sphalerite, galena, chalcopyrite, scheelite and rarely molybdenite. Sulphide, carbonate and quartz-tourmaline veinlets are locally mineralized. The host-granodiorite contains probably less than 2% disseminated fine-grained sulphides occurring as arsenopyrite, pyrrhotite and pyrite (Barry et al., 2006).

Data Verification

The co-author, Carl Pelletier, P.Geo., visited the Barsele Project from October 29 to October 31, 2018, accompanied by Art Freeze, P.Geo., for the Company. During the site visit, the co-author examined the logging facilities, reviewed the drill core and collar locations, and held many discussions with on-site geologists and technicians. Some of the data validation took place before and after the site visit.

The database provided by Barsele contains 779 DDH (as defined below), all from surface. This total includes 89 new drill holes (the 2017-2018 drilling program) completed since the database close-out date for the 2018 MRE (Pelletier & Richard, 2018).

The authors' data verification is a review of drill hole collar locations, selected core intervals, gold assays, the QA/QC program, downhole surveys and the descriptions of lithologies, alteration and structures.

The authors are of the opinion that the data verification process demonstrates the validity of the data and protocols for the Barsele Project. The authors consider the database to be valid and of sufficient quality to be used for the mineral resource estimate herein.

Mineral Resource Estimate

The 2019 MRE was prepared by Carl Pelletier, P.Geo., using all available information. The resource area measures 2,700 m along strike and up to 450 m wide. Although resources are defined down to 900 m, the bulk of the resource is located in the first 600 m from surface. The 2019 MRE was based on a compilation of historical and recent diamond drill holes ("**DDH**"). The wireframed mineralized zones were used as provided by AEM after being reviewed and approved by InnovExplo.

The mineral resources herein are not mineral reserves as they do not have demonstrated economic viability. The result of this study is a single mineral resource estimate for three (3) mineralized zones (Avan, Central and Skiråsen). The 2019 MRE includes Indicated and Inferred resources and is based on the assumption that the deposit will be developed and mined using a combination of open pit and underground (bulk, selective) methods. *Specific extraction methods are used only to establish the reasonable prospect for an eventual economical extraction.*

The close-out date of the database is November 12, 2018 and the effective date of the estimate is February 21, 2019.

The authors are of the opinion that the current mineral resource estimate can be classified as Indicated and Inferred mineral resources based on data density, search ellipse criteria, drill hole spacing and interpolation parameters. The authors consider the 2019 MRE to be reliable and based on quality data, reasonable hypotheses and parameters that follow CIM Definition Standards.

Table 1.1 below displays the results of the In Situ Barsele Deposit Mineral Resource Estimate for combined open pit, underground bulk and underground selective mining methods scenario at cut-off grades of 0.50 g/t Au (in pit), 1.50 g/t Au (bulk underground) and 1.8 g/t Au (selective underground), respectively.

Specific extraction methods are used only to establish the reasonable prospect for an eventual economical extraction.

Table 1.1 – Barsele Deposit Mineral Resource Estimate for combined open pit, underground bulk, underground selective mining methods scenario Accessibility, Climate, Local Resources, Infrastructure and Physiography

Area (mining method)	Cut-off (g/t)	Indicated Resource			Inferred Resource		
		Tonnage (‘000)	Au (g/t)	Ounces	Tonnage (‘000)	Au (g/t)	Ounces
Open Pit	0.5	3,452	1.32	147,000	1,819	1.59	93,000
Underground Bulk	1.5	1,442	2.53	117,000	8,759	2.58	728,000
Underground Selective	1.8	684	2.75	60,000	14,917	2.64	1 265,000
Total		5,578	1.81	324,000	25,495	2.54	2,086,000

Mineral Resource Estimate Footnotes:

1. The Independent and Qualified Persons for the Mineral Resource Estimate, as defined by NI 43-101, is Carl Pelletier, P.Geol., from InnovExplo Inc., and the effective date of the Mineral Resource Estimate is February 21, 2019.
2. These mineral resources are not mineral reserves as they do not have demonstrated economic viability.
3. The mineral resource estimate follows current CIM definitions and guidelines for mineral resources.
4. The results are presented undiluted and are considered to have reasonable prospects for eventual economic extraction.
5. The estimate encompasses 61 gold-bearing zones, each defined by individual wireframes with a minimum true thickness of 2.0 m using the grade of the material when assayed or a value of zero when not assayed. The resource was estimated using GEOVIA GEMS 6.8.
6. High-grade capping supported by statistical analysis was carried out on assay data and established on a per domain basis for gold (g/t Au): low-grade mineralized envelope = 5.0 g/t Au, high-grade gold-bearing zones: Skiråsen = 30.0 g/t Au, Central = 30.0 to 40.0 g/t Au, Avan = 20.0 g/t Au.
7. Grade interpolation was performed by ordinary kriging on 2.0-m composites from drill-hole intersections falling within the mineralized zones in a block model using a block size of 10 m by 3 m by 5 m.
8. Density values were applied based on lithology. All mineralized zones were assigned 2.73 g/cm³.
9. The Mineral Resource Estimate is classified as Indicated and Inferred. The Inferred category is defined with a minimum of two (2) drill holes within the areas where the drill spacing is less than 100 metres and shows reasonable geological and grade continuity. The Indicated mineral resource category is defined with a minimum of two (2) drill holes within the areas where the drill spacing is less than 25 m. Clipping boundaries were used for classification based on those criteria.
10. The cut-off grades were calculated using the following parameters: mining cost = USD 35.00 to USD 45.00; processing cost = USD 15.00; G&A = USD 5.00 to USD 8.00; refining and selling costs = USD 10.00; gold price = USD 1,300.00; and metallurgical recovery = 92.6%. The cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rates, mining costs etc.).
11. The number of metric tons were rounded to the nearest thousand, following the recommendations in NI 43-101 and any discrepancies in the totals are due to rounding effects. The metal contents are presented in troy ounces (tonnes x grade / 31.10348).
12. InnovExplo is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, or marketing issues, or any other relevant issue not reported in the Technical Report, that could materially affect the Mineral Resource Estimate

Interpretation and Conclusions

The objective of InnovExplo's mandate was to prepare a NI 43-101 compliant Technical Report to present and support the results of the 2019 MRE for the Barsele Project. This Technical Report and the mineral resource estimate herein meet this objective.

The 2019 MRE is supported by data of sufficient quantity and quality, and by a well-founded interpretation model that demonstrates continuity of mineralization. The 2019 MRE considers a mining scenario that combines three different methods of extraction. The results of the 2019 MRE clearly show the Barsele Project's potential for extending the mineralized zones at depth and for additional mineral resources.

Recommendations

Based on the results of the 2019 MRE, the authors recommend additional exploration and delineation drilling and further geological interpretation to gain a better understanding of the deposit before the next update of the mineral resource estimate.

More specifically, approximately 20,000 m of infill drilling should be performed to potentially convert part of the Inferred resources to the Indicated category. This additional information would provide a better understanding of the control on mineralization and the distribution of gold in the deposit, including the D3 structures. Also, approximately 10,000 m of drilling should be dedicated to the vertical extensions of currently identified shoots, 10,000 m to the lateral extensions, and 10,000 m to additional targets across the Barsele Project.

OTHER PROJECTS

The Company has no exploration or potential mining related projects other than the Barsele Project.

RISK FACTORS

An investment in the Shares should be considered highly speculative due to the nature of the Company's business and its earlier stage of development. Investments in mineral exploration and development issuers, such as the Company, involve a significant degree of risk. The exploration and development of the Barsele Project is highly speculative, characterized by significant inherent risk and may not be successful. Metal prices are also subject to significant volatility, which affects the economic viability of the Barsele Project. Anyone investing in the Company must rely on the ability, expertise, judgement, discretion, integrity and good faith of the management of the Company. There is no guarantee that Barsele will be able to secure financing to meet the future development needs of its mineral projects.

The risks and uncertainties described below are not the only risks and uncertainties that the Company faces. Additional risks and uncertainties of which the Company is not aware or that the Company currently believes to be immaterial may also adversely affect the Company's business, financial condition, results of operations or prospects. If any of the possible events described below occur, the Company's business, financial condition, results of operations or prospects could be materially and adversely affected.

This AIF also contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this AIF. See "*Forward Looking Statements*".

In addition to other information contained or incorporate by reference in this AIF, readers should carefully consider the following risk factors that are applicable to the Company, the Barsele Project and future projects that the Company may acquire:

Resource exploration and development projects are inherently speculative in nature

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. While the discovery of a mineral deposit may result in substantial rewards, few projects that are explored are ultimately developed into producing mines. Major expenditures are required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices (which are highly volatile and cyclical); and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental protection.

Assuming discovery of a mineral deposit that may be commercially viable and depending on the type of mining operation involved, many years can elapse from the initial phase of drilling until commercial operations are commenced. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or in mineral projects failing to achieve expected project returns.

The Coronavirus (COVID-19) pandemic could persist for a prolonged period

The global COVID-19 pandemic could result in adverse exploration and development results due to workforce reductions, supply and/or demand interruptions, travel restrictions and downturn in new equity and debt financings for mining projects. The Company's management, contractors and suppliers could be affected by contagious diseases, including the coronavirus, that could result in a reduction in its workforce due to illness or quarantine, critical supply disruptions, transportation and travel restrictions, and other factors beyond its control. These and other factors could negatively affect its business in complex ways, which are difficult or impossible to predict.

The Barsele Project is subject to financing risks

The Company does not have a producing mineral project and no sources of operating revenue. The Company's ability to explore for and find potential economic projects, and then to bring them into production, is highly dependent upon its ability to raise equity and debt capital in the financial markets. There is no assurance that the Company will be able to raise the funds required to continue its exploration programs and finance the development of any potentially economic deposit, including the Barsele Project, that is identified on acceptable terms or at all. The failure to obtain the necessary financing would have a material adverse effect on the Company's growth strategy, results of operations, financial condition and prospects.

Development of the Barsele Project is dependent on the Company securing the required project financing in order to maintain its ownership interest in the Barsele Project and meet its capital commitments with respect to the joint venture with Agnico Eagle. No assurance can be given that the Company will be successful in achieving this.

Global financial markets have been negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020. This has resulted in significant global economic uncertainty and consequently, it is difficult to reliably measure the potential impact of this uncertainty on the Company's future financial results.

Any such potential financing has been delayed by the temporary business travel restrictions that potential financiers are implementing in response to the COVID-19 virus. Furthermore, the financial capacity of potential lenders to extend new loans due to liquidity or other challenges may be reduced or cancelled should the COVID-19 virus continue for a prolonged period of time. These and other factors with respect to the coronavirus could negatively affect its business in complex ways, which are difficult or impossible to predict.

Barsele has a history of losses and expects to incur losses until such time as the Barsele Project achieves commercial production

The Company has incurred losses since its inception. The Company incurred the following net losses for the past three fiscal years as follows:

- \$2,128,944 million for the year ended December 31, 2019.
- \$2,884,689 million for the year ended December 31, 2018.
- \$2,770,731 million for the year ended December 31, 2017.

The Company expects to continue to incur losses unless and until such time as the Barsele Project generates sufficient revenues to fund continuing operations. The development of the Barsele Project will

require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, cash calls by Agnico Eagle, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, and the Company's acquisition of additional projects, some of which are beyond the Company's control. There can be no assurance that the Company will ever achieve profitability.

The Company's operations are dependent on receiving and maintaining required permits and licenses

Continued operations at the Barsele Project are subject to receiving and maintaining permits from appropriate governmental authorities for various aspects of exploration, mine development and ultimately mine operation. The exploration permits in respect of the Barsele Project have a defined lifespan and will eventually need to be renewed or converted to exploitation permits.

Where required, obtaining necessary permits is a complex, time consuming and costly process. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the exploration and development of the Barsele Project or the operation or further development of a future project. There is no assurance that all necessary renewals or extension of permits for future operations will be issued on a timely basis or at all.

Successfully establishing mining operations and profitably producing gold cannot be assured

The Company has no history of producing gold. There can be no assurance that the Company will successfully establish mining operations or profitably produce gold from the Barsele Project or any other project.

The Barsele Project is in the exploration and evaluation stage and as a result, the Company is subject to all of the risks associated with establishing new mining operations and business enterprises including: (i) the availability of capital to finance construction and development activities is uncertain, may not be available, or may not be available at a cost which is economic to construct and develop a mine; (ii) the timing and cost, which can be considerable, to construct mining and processing facilities is uncertain and subject to increase; (iii) the availability and cost of skilled labour, consultants, mining equipment and supplies; (iv) the timing to receive any outstanding documentation, including permits, tax exemptions and fiscal guarantees required to commence construction and/or draw down on any loan facility that may be entered into by the Company in the future; and (v) the costs, timing and complexities of mine construction and development may be increased with the Barsele Project.

It is common in new mining operations to experience unexpected problems and delays during construction, development and mine start-up. Accordingly, there are no assurances that the Company's activities will result in profitable mining operations or that the Company will successfully establish mining operations or profitably produce gold at the Barsele Project or any of its future projects.

The Company's economic prospects and the viability of the Barsele Project is subject to changes in, and volatility of, the price of gold

A principal factor that will affect the Company's ability to successfully execute its business plan is the price of gold. There are numerous factors outside of the Company's control that may affect the price of gold including industrial and retail demand, central bank lending, sales and purchases of gold, forward sales of gold by producers and speculators, levels of gold production, short-term changes in supply and demand because of speculative hedging activities, confidence in the global monetary system, expectations of the future rate of inflation, the availability and attractiveness of alternative investment vehicles, the strength of the US dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The future trend in the price of gold cannot be predicted with any degree of certainty. The market price of gold affects the economics of any potential development project, as well as having an impact on the perceptions of investors with respect to gold equities, and therefore, the ability of the Company to raise capital. A decrease in the market price of gold and other metals could affect the Company's ability to finance exploration and development of the Barsele Project, which would have a material adverse effect on the Company's financial condition and results of operations and, potentially, result in dilution in its ownership interest in the Barsele Project. There can be no assurance that the market price of gold will remain at current levels or that such prices will improve or that market prices will not fall.

Government regulations and permitting may have an adverse effect on the Company's activities

The Company's exploration and development activities are subject to a number of laws and regulations governing health and worker safety, employment standards, exports, price controls, taxation, waste disposal, management and use of toxic substances and explosives, protection of the environment, mine development, protection of endangered and protected species, reclamation, historic and cultural preservation and other matters. Failure to comply with applicable laws, regulations and permits may result in enforcement actions thereunder, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits.

It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms and conditions of existing permits and agreements applicable to the Company or its projects (including retroactively), which could have a material and adverse effect on the Company's exploration activities, operations or planned exploration and development projects. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities, any of which would have a material and adverse effect on the Company's financial condition, results of operations and prospects.

Country risks

The Barsele Project is located in Sweden and therefore its activities are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's profitability or the viability of its affected foreign operations, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Adverse changes may be made to mining laws, tax rates, and related regulations

There can be no assurance that future changes will not be made to the mining law and other legislation applicable to the Company in Sweden and elsewhere. Any such changes could materially increase the cost of exploration activities, mine development or mine operations through changes in royalty or tax rates, among others.

Mineral Resource and Mineral Reserve estimates are only estimates and may not reflect the actual deposits or the economic viability of gold extraction

The estimation of Mineral Resources and Mineral Reserves is inherently uncertain and involves subjective judgments about many relevant factors. The accuracy of any such estimate is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Estimates may have to be re-estimated based on, among other things: (i) fluctuations in the price of gold; (ii) results of drilling; (iii) results

of metallurgical testing, process and other studies including the grade and recovery of material; (iv) changes to proposed mine plans; (v) capital and operating costs; (vi) the evaluation of mine plans subsequent to the date of any estimates; and (vii) the possible failure to receive required permits, approvals and licenses. Actual recoveries of mineral products may differ from Mineral Resources and Mineral Reserves as reported due to inherent uncertainties in acceptable estimating techniques.

The Company relies on its management team and the loss of one or more of these persons may adversely affect the Company

The Company's activities are managed by a small number of key individuals who are intimately familiar with its operations. Consequently, the success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of this management team. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors. The Company does not have in place formal programs for succession of management and training of management. The loss of one or more of these key employees or contractors, if not replaced, could adversely affect the Company's profitability, results of operations and financial condition. Should any or all of the existing management resign from the Company, there can be no assurance that the directors will be able to replace such persons or replace them in a timely manner. Any such occurrence may materially and adversely affect the Company's profitability, results of operations and financial condition. At present, the Company does not maintain any "key man" life insurance.

The Company's operations rely on the availability of local labour, local and outside contractors and equipment when required to carry out our exploration and development activities

The Company relies upon the performance of outside consultants and contractors for drilling, geological and technical expertise. The loss of access to existing consultants and contractors, or an inability to hire suitably qualified consultants, contractors or personnel to address new areas of need, would materially impact the Company's ability to carry out the exploration and development activities.

Minority interest in the joint venture with Agnico Eagle for the Barsele Project

The Company currently holds its 45% interest in the Barsele Project through a joint venture with Agnico Eagle. The Company is therefore subject to the typical risks associated with joint ventures, including disagreement on how to develop, operate or finance the project and contractual and legal remedies of the Company's partners in the event of such disagreements. In addition, any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. The Company is subject to all the risk attendant upon being the holder of a minority interest in such a joint venture. Any such limitations or the perception that such limitations may exist now or in the future, could have a material adverse effect on the Company's results of operations or financial condition. Pursuant to the terms of the JVA, Agnico Eagle's ownership interest in Gunnarn Mining, the joint venture company that holds the Barsele Project, will increase from 55% to 70% and Barsele's interest in Gunnarn Mining will be reduced from 45% to 30% if and when Agnico Eagle contributes a pre-feasibility study on the Barsele Project to Gunnarn Mining. Such outcome could also have a material adverse effect on the Company's results of operations or financial condition.

Additionally, the Company is subject to risks that Agnico Eagle may: (i) have economic or business interests or targets that are inconsistent with the Company's; (ii) take action contrary to the Company's policies or objectives with respect to their investments, for instance by veto of proposals in respect of joint venture operations; (iii) be unable or unwilling to fulfil their obligations under the joint venture or other agreements; or (iv) experience financial or other difficulties. Any of the foregoing may have a material adverse effect on the Company's results of operations or financial condition.

The Barsele Project, and future projects, are subject to title risks

The Company has taken all reasonable steps to ensure it has proper title to its projects. However, no guarantees can be provided that there are no unregistered agreements, claims or defects which may result in the Company's mineral titles to the Barsele Project being challenged. Should the Company lose any mineral titles at the Barsele Project or any of its future mineral projects, the loss of such legal rights could have a material and adverse impact on the Company and its ability to explore, develop and/or operate the mineral project.

The Barsele Project is subject to environmental risks which may affect operating activities or costs

Exploration programs and potential future mining operations, including the Barsele Project, have inherent risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Laws and regulations involving the protection and remediation of the environment, including those addressing emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations and the governmental policies for implementation of such laws and regulations are constantly changing and are generally becoming more restrictive, with the trend towards stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for Companies and their officers, directors and employees.

Compliance with environmental laws and regulations may require significant capital or operational outlays on behalf of the Company and may cause material changes or delays in the Company's actual or intended activities. There can be no assurance that future changes in environmental regulations will not adversely affect the Company's business, and it is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the Company's resources and business, causing the Company to re-evaluate those activities or estimates at that time. The Company cannot give any assurance that, notwithstanding its precautions and history of activities, breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially and adversely affect its financial condition and its results from operations.

The Barsele Project, if mining operations are established, will be subject to operational risks and hazards inherent in the mining industry

The Company does not have a project in pre or commercial production. Potential future mining operations will be subject to the risks inherent in the mining industry, including fluctuations in metal prices, exchange rates, fuel prices, costs of constructing and operating a mine as well as processing and refining facilities in a specific environment, the availability of economic sources of energy and the adequacy of water supplies, adequate access to the site, unanticipated transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory environment (including regulations relating to prices, royalties, duties, taxes, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands), and industrial accidents and labour actions or unrest. The occurrence of any of these factors could result in detrimental delays or stoppages to the development of a project and, as a result, materially and adversely affect the Company's business, financial condition, results of operations and cash flow.

Unanticipated grade and tonnage of ore to be mined and processed, unusual or unexpected adverse geological or geotechnical formation, or unusual or unexpected adverse operating conditions, slope failure, failure of pit walls or dams, fire, and natural phenomena and "acts of nature" such as inclement weather conditions, floods, or other conditions may be encountered in the drilling and removal of ore. These occurrences could result in damage to, or destruction of, mineral projects or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company may incur liability as a result of pollution and other casualties and may not be able to insure fully or at all against such risks, due to political reasons, unavailability of coverage in the marketplace or other reasons, or may decide not to insure against such risks as a result of high premiums or for other reasons.

This can result in delayed production and increases in production costs or liability. Paying compensation for obligations resulting from such liability may be very costly and could have an adverse effect on the Company's financial position, cash flows or prospects.

Failure to continue to have strong local community relations may impact the Company

Mining Companies face increasing public scrutiny and monitoring of their activities to demonstrate that operations will benefit local governments and the communities surrounding projects. Companies are required to expend significant amounts of time and money on local consultation and meetings as part of developing their 'social license to operate'. Potential consequences of this increased scrutiny and additional consultative requirements may include lawsuits, demands for increased social investment obligations and increased taxes to support local governments or fund local development projects or in extreme cases, significant local opposition to mineral exploration, project development and/or mining operations. These additional risks could result in increased costs, delays in the permitting process or other impacts on operations, any of which could adversely impact the Barsele Project and any future prospects and ability to develop or mine any mineral deposit.

Evolving anti-corruption laws may result in fines or other legal sanctions

The Company is required to comply with the *Corruption of Foreign Public Officials Act* (Canada) which has recently seen an increase in both the frequency of enforcement and severity of penalties. While the Company's code of ethical conduct mandates compliance with anti-corruption laws, there can be no assurance that the Company's internal control policies and procedures will always protect the Company from recklessness, fraudulent behaviour, dishonesty or other inappropriate acts by its employees or contractors. Violation or alleged violation of anti-corruption laws could lead to civil and criminal fines and penalties, reputational damage and other harm that may materially adversely affect our financial condition and results of operation.

The Company's insurance coverage does not cover all of its potential losses, liabilities and damages related to its business and certain risks are uninsured or uninsurable

The Company maintains insurance to protect it against certain risks related to its current operations in amounts that it believes are reasonable depending upon the circumstances surrounding each identified risk. The Company may elect, however, not to insure against certain risks due to high premiums or for various other reasons.

Although the Company maintains insurance in amounts it believes to be reasonable, such insurance may not provide adequate coverage in all circumstances. No assurance can be given that such insurance will continue to be available at economically feasible premiums or that it will provide sufficient coverage for losses related to these or other risks and hazards. Should liabilities arise as a result of insufficient or non-existent insurance, any future profitability could be reduced or eliminated and result in increasing costs and a decline in the value of the Company's assets.

The mining industry is extremely competitive

The competition to discover and acquire mineral projects considered to have commercial potential is intense. The Company competes with other mining companies, many of which are larger and have greater financial resources than the Company, including with respect to the discovery and acquisition of interests in mineral projects, financing of such projects, the recruitment and retention of qualified employees, securing other contract personnel and the obtaining of necessary equipment. There can be no assurance that the Company will be able to successfully compete against such companies.

Currency fluctuations may affect the Company's financial performance

Currency fluctuations may affect costs of the Company's operations. Gold is sold throughout the world based principally on a US dollar price, but the majority of the Company's operating expenses are in non-US dollar currencies. Any appreciation of these non-US dollar currencies against the US dollar could negatively affect the Company's profitability, cash flows and financial position. The Company does not currently have a currency or gold hedging policy and does not have any hedges in place. Accordingly, the Company currently has no protection from declines in mineral prices and currency fluctuations.

Investors may have difficulty enforcing judgments in Canada, the United States and elsewhere

The Company is organized under the laws of Canada and its registered office is located in the Province of British Columbia. All of the Company's directors and officers, and some of the experts named herein, are residents of Canada. Given that the Company's material assets and its joint venture partner's management personnel and experts are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company (or its joint venture partner's management personnel and experts who are located outside of Canada) any judgments obtained by the Canadian courts or Canadian securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise.

It may also be difficult for investors in the United States to bring an action against directors, officers or experts who are not resident in the United States. It may also be difficult for an investor to enforce a judgment obtained in a United States court or a court of another jurisdiction of residence predicated upon the civil liability provisions of federal securities laws or other laws of the United States or any state thereof or the equivalent laws of other jurisdictions of residence against those persons or the Company.

In the event a dispute arises from the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

Shareholders' interest in the Company may be diluted in the future

The Company may undertake additional offerings of its Shares or of securities convertible into Shares including stock options and similar incentive plans in the future. The increase in the number of Shares issued and outstanding and the possibility of the issuance of Shares on conversion of current and future convertible securities may have a depressive effect on the price of the Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted.

The Shares are publicly traded on the TSXV and are subject to various factors that have historically made the share price volatile

The market price of the Shares may fluctuate based on a number of factors. In addition to those factors listed in this AIF, the following factors may cause the volatility of the Shares to increase: (i) the Company's operating performance and the performance of competitors and other similar Companies; (ii) the market's reaction to the issuance of securities or to other financing transactions, to the Company's press releases and other public announcements, and to the Company's filings with the various securities regulatory authorities; (iii) changes in valuations or recommendations by research analysts who cover the Shares or the shares of other Companies in the resource sector; (iv) changes in general economic conditions; (v) the arrival or departure of key personnel; (vi) acquisitions, strategic alliances or joint ventures involving the Company or its competitors; (vii) variables not directly related to the Company's success and is therefore not within the Company's control; and (viii) the factors listed under the heading "*Forward Looking Statements*".

The effect of these and other factors on the market price of the Shares on the TSXV has historically made the Company's share price volatile and suggests that the Company's share price will continue to be volatile in the future.

Dividends to Shareholders

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Shares. The Company does not anticipate paying cash dividends on the Shares in the foreseeable future. The Company currently intends to retain all future earnings to fund the development and growth of its business. Any payment of future dividends will be at the discretion of the directors and will depend on, among other things, the Company's earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends, and other considerations that the directors deem relevant. Investors must rely on sales of their Shares after price appreciation, which may never occur, as the only way to realize a return on their investment.

Securities or Industry Analysts

The trading market for Shares could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market or competitors. The Company does not have any control over these analysts and cannot assure that analysts will cover it or provide favourable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favourable relative recommendations about its competitors, the stock price would likely decline. If any analyst who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

Public Companies are Subject to Securities Class Action Litigation Risk

In the past, securities class action litigation has often been brought against a Company following a decline in the market price of its securities. If the Company faces such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could materially harm its business.

Conflict of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in the mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities which the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

DIVIDENDS AND DISTRIBUTIONS

The Company has never declared or paid a dividend. The Board intends to retain future earnings for reinvestment in the Company's business, and therefore, has no current intention to declare or pay dividends on the Shares in the foreseeable future. The Company's dividend policy will be reviewed from time to time in the context of its earnings, financial condition and other relevant factors. There can be no assurance that the Company will generate sufficient earnings or cash flow to allow it to pay dividends.

DESCRIPTION OF CAPITAL

The following summary of the Company's authorized capital structure does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of British Columbia corporate law, the Company's notice of articles and articles.

The Company is authorized to issue an unlimited number of Shares. As at December 16, 2020, 124,320,699 Shares and 9,025,000 stock options are issued and outstanding.

Shares

Each issued and outstanding Share is entitled to one vote (in person or by proxy) at any shareholder meeting properly called and constituted for the transaction of business. Holders of Shares are entitled to receive notice of, attend and vote at all meetings of the shareholders of the Company. The holders of Shares are entitled to receive dividends, as and when declared by the Board, and subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Company, are entitled to receive the remaining property of the Company in the event of liquidation, dissolution or winding-up of the Company.

MARKET FOR SECURITIES

Market

The Shares are listed for trading on the TSXV under the symbol "BME". The closing price of the Shares on the TSXV on December 15, 2020 was \$0.64.

Trading Price and Volume of the Shares

The following sets forth the high and low market prices and the volume of the Shares traded on the TSXV during the period commencing 12 months prior to the date of this AIF (stated in Canadian dollars):

Month (2020)	Price Range ⁽¹⁾		Volume ⁽²⁾
	High \$	Low \$	
December 1 –15	0.69	0.59	781,400
November	0.75	0.49	928,700
October	0.60	0.49	237,500
September	0.63	0.465	444,500
August	0.60	0.465	733,100
July	0.59	0.32	1,136,000
June	0.475	0.345	747,400
May	0.495	0.33	187,900
April	0.42	0.29	250,100
March	0.40	0.11	1,173,000
February	0.49	0.35	931,500
January	0.64	0.38	862,500
Month (2019)			
December	0.54	0.49	110,600

(1) Includes intra-day highs and lows.

(2) Total volume traded in the month.

Prior Sales

The following table sets forth certain information regarding the sale of Shares during the period commencing 12 months prior to the date of this AIF and to the end of the month prior to the date of this AIF.

Date of Issue	Number and Type of Securities	Issue Price (\$)	Nature of Consideration
May 29, 2020	100,000 shares	0.10	Exercise of options
June 16, 2020	200,000 shares	0.10	Exercise of options
June 22, 2020	650,000 shares	0.10	Exercise of options
June 25, 2020	450,000 shares	0.10	Exercise of options

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets out the names and country and state or province of residence of the directors and executive officers of the Company, their present position(s) and offices with the Company, their principal occupations during the last five years and their holdings of Shares, as applicable, as at the date hereof.

The term of office of the directors expires annually at the time of the Company's annual shareholder meeting or until his or her successor is elected. The term of office of the Company's executive officers expires at the discretion of the Board.

Name, Office Held, and Resident	Director / Officer Since	Number of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction Is Exercised	Principal Occupation During the Past Five Years
Gary Cope ⁽¹⁾ President, CEO and Director BC, Canada	Feb 20, 2013	Direct: 2,254,500 Indirect: 15,798,300 ⁽²⁾	Mining Executive, past President of Orko Silver Corp. (junior mining); and current President of the Company
N. Ross Wilmot Chief Financial Officer and Director BC, Canada	Feb 20, 2013	Direct: 1,816,200	Financial Consultant - Cedarwoods Group (financial consulting); Chief Financial Officer of the Company; and past director and officer of several listed companies
William Henry (Harry) White ⁽¹⁾ Director BC, Canada	May 9, 2014	Direct: 200,000	President of H. White Consulting (transportation/logistics consulting); and director of the Company
Arthur Freeze Director BC, Canada	Feb 20, 2013	Direct: 1,156,500 Indirect: 890,000 ⁽³⁾	Consulting Geologist of Stillwater Enterprises Ltd. (geology consulting); director of the Company; and director and officer of several listed companies
Rick Sayers ⁽¹⁾ Director BC, Canada	Feb 20, 2013	Direct: 271,259 Indirect: 3,741 ⁽⁴⁾	Director of the Company; and retired CFO of Lordco Parts Ltd. (automotive parts retail)

(1) Denotes a member of the Audit Committee, Corporate Governance Committee, and Compensation Committee.

(2) These Shares are owned by 683192 B.C. Ltd., a private Company wholly-owned by Gary Cope.

(3) 850,000 Shares are owned by Stillwater Enterprises Ltd., a private Company wholly-owned by Arthur Freeze and 40,000 Shares are owned by Freeze Family Holdings Ltd.

(4) These Shares are held in Mr. Sayers' TFSA.

As at the date of this AIF, the Company's directors and executive officers as a group beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 22,390,500 Shares, representing 18.0% of the issued and outstanding Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of management, except as disclosed herein, no director or executive officer of the Company is, as of the date of this AIF, or was, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued: (i) while such person was acting in that capacity; or (ii) after such person was acting in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

To the knowledge of management, except as disclosed herein, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company is, as of the date of this AIF, or has been, within 10 years before the date hereof, a director or executive officer of any company that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of management, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of management, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of the Company's knowledge, except as otherwise noted in this AIF, there are no existing or potential conflicts of interest among the Company, its directors, officers, or other members of management of the Company except that certain of the directors, officers and other members of management serve as directors, officers and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director, officer or member of management of such other companies and their duties as a director, officer or member of management of the Company.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the Company will rely upon such laws in respect of any directors' or officers' conflicts of interest or in respect of any breaches of duty to any of its directors and officers. All such conflicts must be disclosed by such directors or officers in accordance with British Columbia corporate law.

Every quarter, the members of the Board, as well as the Company's officers and senior management, each sign a confirmation acknowledging the Company's code of ethical conduct and the following policies implemented by the Company: (i) conflicts of interest; (ii) insider trading; and (iii) discrimination, harassment, and bullying.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings or regulatory actions to which the Company is a party, or to which any of its projects are subject, nor are there any such proceedings known or contemplated, that are of a material nature.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The charter of the Audit Committee is attached as Schedule "A" to this AIF.

Composition of the Audit Committee and Independence

The Audit Committee is composed of Gary Cope, Rick Sayers, and William White. Each of Messrs. Sayers and White are "independent" and all of the members of the Audit Committee are "financially literate" within the meanings ascribed thereto in NI 52-110.

Relevant Education and Experience

Each of the members of the Audit Committee has had several years of experience as a senior executive and a member of the board of directors of significant business enterprises in which he has assumed substantial financial and operational responsibility. In the course of these duties, the members have gained a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

The following chart summarizes each of the Audit Committee member's relevant education and experience.

Member	Independent/ Not Independent	Financially Literate/ Not Financially Literate	Relevant Education and Experience
Gary Cope	Not Independent	Financially Literate	Mr. Cope is currently the President and CEO of multiple publicly listed companies on the TSX-V. He has served as a director for various private and public companies and understands the financial issues that affect exploration companies.
Rick Sayers	Independent	Financially Literate	CPA, CA (Chartered Professional Accountant). Retired former VP Finance and Chief Financial Officer for Lordco Parts Ltd.
William White	Independent	Financially Literate	MBA - Harvard Business School.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Pre-Approval Policies and Procedures

The Company has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

External Auditor Service Fees

The following table provides information about the fees billed to the Company, for professional services rendered by Davidson & Company LLP, Chartered Professional Accountants, during the financial years ended December 31, 2019 and 2018:

	2019	2018
	(\$)	(\$)
Audit Fees ⁽¹⁾	25,000	25,000
Audit Related Fees ⁽²⁾	0	0
Tax Fees ⁽³⁾	1,700	0
All Other Fees ⁽⁴⁾	0	0
Total: ⁽⁵⁾	26,700	25,000

Notes:

- (1) Audit fees were for professional services rendered by the Company's auditors for the audit of the Company's annual consolidated financial statements.
- (2) Audit related fees were for services related to limited procedures performed by the Company's auditors related to interim reports as well as services provided in connection with statutory and regulatory filings.
- (3) Tax fees are for tax compliance, tax advice and tax planning.
- (4) All other fees for services performed by the Company's auditors.
- (5) These fees only represent professional services rendered and do not include any out-of-pocket disbursements or fees associated with filings made on the Company's behalf. These additional costs are not material as compared to the total professional services fees for each year.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Company is not aware of any material interest, direct or indirect, of any director or officer of the Company, or any person or company that is a direct or indirect beneficial owner of, or who exercises control or direction over, more than ten percent of the Shares, or any affiliate of such persons or companies, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or will materially affect the Company.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar for the Shares is Computershare Investor Services Inc. at its offices in Vancouver, British Columbia, Canada.

MATERIAL CONTRACTS

Except for the JVA (see summary under the heading "*Corporate Structure of the Company – Barsele Project Joint Venture*") contract entered into by the Company in the ordinary course of business or otherwise disclosed herein, the Company has no contracts which can reasonably be regarded as material.

INTERESTS OF EXPERTS

Names of Experts

The current auditor of the Company is Davidson & Company LLP, Chartered Professional Accountants. Davidson & Company LLP is independent of the Company within meaning of the *Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia*.

The scientific and technical information in this AIF regarding the Barsele Project referred to in the "Description of the Business" section is based on the Technical Report prepared by InnovExplo.

Interests of Experts

To the knowledge of the Company, as of the date hereof, none of Davidson & Company LLP, InnovExplo, nor any of their "designated professionals" as defined in NI 51-102, hold any beneficial interest in, directly or indirectly, Shares, or securities convertible into Shares, equal to or greater than one percent (1%) of the issued and outstanding Shares.

ADDITIONAL INFORMATION

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

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's most recent management proxy circular for its the annual general and special meeting of its shareholders held on June 24, 2020. Additional financial information is provided in the Company's audited financial statements and management discussion and analysis for the financial year ended December 31, 2019. Copies of the above referenced documents may be obtained upon request from the Company's head office or may be viewed under the Company's profile on SEDAR at www.sedar.com.

Schedule "A"

AUDIT COMMITTEE CHARTER

COMPOSITION OF THE AUDIT COMMITTEE

The Committee shall be comprised of at least three directors, each of whom will be independent to the extent possible and as regulated. No member of the Committee, to the extent possible, shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the preceding year. Each appointed Committee member shall be subject to annual reconfirmation after the Annual General Meeting and may be removed by the Barsele Board of Directors at any time.

All members of the Committee shall be "financially literate" as defined in NI 52-110, meaning that they are able to read and understand fundamental financial statements, including a balance sheet, income statement of financial position and statements of operations and comprehensive loss, shareholders' equity and cash flow statements. At least one member of the Committee shall have been employed previously in finance or accounting, or possess current or former certification in accounting, or any other comparable experience or background, which would result in financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

DUTIES AND RESPONSIBILITIES

To fulfill its duties and responsibilities, the Committee shall:

1. Review annually the Audit Committee Charter for adequacy and recommend any changes to the Barsele Board of Directors.
2. Review the significant accounting principles, policies and practices followed by the Company in accounting for and reporting its financial results of operations in accordance with International Financial Reporting Standards ("IFRS").
3. Review the financial, investment and risk management policies followed by the Company in operating its business activities.
4. Review the Company's annual audited financial statements, related disclosures, including the MD&A portion of the Company's filings, and discuss with the independent accountants the matters required to be discussed by auditing standards, including (a) the quality as well as acceptability of the accounting principles applied in the financial statements, and (b) new or changed accounting policies; significant estimates, judgments, uncertainties or unusual transactions; and accounting policies relating to significant financial statement items. Also review with Management the results of the Company's review of Internal Controls over Financial Reporting for each quarter, and more generally its disclosure controls and procedures.
5. Review any management letters or internal control reports prepared by the independent accountants or auditors and responses to prior management letters, and review with the independent accountants or auditors the Company's internal financial controls.
6. Review the effectiveness of the independent audit effort, including approval of the scope of, and fees charged in connection with, the annual audit, quarterly reviews and any non-audit services being provided.

7. Be directly responsible for the appointment, determination of the compensation for, retention and oversight of the work of the independent accountants employed to conduct the audit (including resolution of disagreements between the independent accountants and management regarding financial reporting) or other audit, review or attest services. The independent accountants shall report directly to the Audit Committee.
8. Pre-approve all audit services and permissible non-audit services by the independent accountants. The Committee may establish pre-approval policies and procedures for the engagement of independent accountants to render services to the Company, including but not limited to policies that would allow the delegation of preapproval authority to one or more members of the Committee, provided that any preapprovals delegated to one or more members of the Committee are reported to the Committee at its next scheduled meeting.
9. Review the hiring policies for any employees or former employees of the independent accountants.
10. Obtain on an annual basis a formal written statement from the independent accountants delineating all relationships between the accountants and the Company, and review and discuss with the accountants any disclosed relationships or services the accountants have with the Company which may affect the accountants' independence and objectivity. The Committee is responsible for taking, or recommending that the full Barsele Board of Directors take appropriate action to oversee the independence of the independent accountants.
11. For each of the first three fiscal quarters and at year end, at a Committee meeting, review with management the financial results, any proposed earnings press release and any formal guidance which the Company may plan to offer.
12. Review management's analysis of any significant accounting issues, changes, estimates, judgments or unusual items relating to the financial statements and the selection, application and effects of critical accounting policies applied by the Company (including an analysis of the effect of alternative methods permitted under IFRS) and review with the independent accountants the reports on such subjects delivered.
13. Review the disclosure required in Form 52-110F2 to be included in the annual management information circular in connection with the Annual General Meeting.
14. Following completion of the annual audit, review separately with the independent accountants and management any significant difficulties encountered during the course of the audit.
15. Engage and determine funding for such independent professional advisers and counsel as the Committee determines are appropriate to carry out its functions hereunder. The Company shall provide appropriate funding to the Committee, as determined by the Committee, for payment of (1) compensation to the independent accountants for services approved by the Committee, (2) compensation to any outside advisers retained by the Committee, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
16. Report to the Barsele Board of Directors at a subsequent Board meeting on the major events covered by the Committee and make recommendations to the Barsele Board of Directors and management concerning these matters.
17. Perform any other activities consistent with this charter, the Company's Articles and governing law as the Committee or the Barsele Board of Directors deems necessary or appropriate, including but not limited to the Company's legal and regulatory compliance.
18. Approve all related party transactions, as defined by regulation to which the Company is a party.

19. Establish procedures for:

- a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and
- b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

AUDIT COMMITTEE MEETINGS

The Committee will meet on a regular basis at least four times each year, and will hold special meetings as circumstances require. The timing of the meetings to be scheduled for an upcoming fiscal year shall be determined by the Committee prior to the beginning of such fiscal year. A calendar of proposed meetings will be reviewed by the Committee at the same time as the annual Audit Committee Charter review. The calendar shall include appropriate meetings to be held separately with representatives of the independent accountants and management. In addition, the Committee will meet at any time that the independent accountants believe communication to the Committee is required.

At all Committee meetings a majority of the total number of members shall constitute a quorum. Minutes shall be taken at each meeting of the Committee and retained.